



# GRAND RAPIDS PUBLIC UTILITIES COMMISSION

## MEETING AGENDA

Wednesday, February 09, 2022

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, February 9, 2022 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 minutes of the January 11, 2022 Regular Meeting and the January 25, 2022 Regular Work Session Meeting.

**VERIFIED CLAIMS:**

2. Consider a motion to approve the verified claims for January 2022 in the amount \$2,058,302.14.

**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 City Treasurer's Report and the Investment Activity Report for January 2022.
4. Consider a motion to approve the contract with RESCO for steel power poles in the amount of \$28,958.20 and authorize the General Manager to sign the contract.
5. Consider a motion to approve the procurement contract with Barnum Companies for parts and installation for rebuilding the north gate at the combined service center for \$27,525.
6. Consider a motion to order the preparation of plans, specifications, and bid package and authorize the advertisement of competitive bids for the televising of our wastewater collection system.
7. Consider a motion to ratify the procurement contract with Loren Solberg Consulting for legislative professional services in an amount not to exceed \$10,000.00.
8. Consider a motion to ratify the procurement contract with Midwest Communications for radio ad spots in the amount of \$6,000.

9. Consider a motion to ratify the procurement contract with CB Technology Solutions, Inc. for IT professional services in an amount not to exceed \$23,100.00.
10. Consider a motion to ratify the procurement contract with CW Technology for CW Care in the amount of \$5,284.00.
11. Consider a motion to ratify the procurement contract with Eaton for MultiSpeak AMI Yukon Interface for \$4170.00.
12. Consider a motion to ratify the procurement contract with Viking Electric for LED light fixtures in the amount of \$9,728.00.
13. Consider a motion to ratify the procurement contract with RESCO for wood power poles in the amount of \$16,718.75.
14. Consider a motion to ratify the procurement contract with Power Process Equipment for pump parts for rebuilding the Moyno 2000 primary sludge pump for \$16,594.28.
15. Consider a motion to ratify the procurement contract with Power Process Equipment for the Moyno pump seal 675213R for \$3,262.50.
16. Consider a motion to ratify the procurement contract with PSI Engineering for pump parts for rebuilding the Ingersol Dresser 4x3x6 D814 water pump for \$3,899.00.
17. Consider a motion to ratify the procurement contract with PSI Engineering for two (2) 6” HP20T Telsa pumps for \$5,006.00.

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.

ADMINISTRATION:

18. Review Administration Department Monthly Report

BUSINESS SERVICES DEPARTMENT:

19. Review Business Services Department Monthly Report
20. Consider a motion to approve the 2022 workers’ compensation premium coverage quotation regular premium option from the LCMIT in the amount of \$78,405, authorize the general manager to sign premium documents, and approve the payment of the 2022 insurance premium of \$78,405 to the LMCIT.

ELECTRIC DEPARTMENT:

21. Review Electric Department Monthly Report
22. Consider a motion to approve the Electric Department Rules Policy, E.001.

WATER AND WASTEWATER DEPARTMENT:

23. Review Water-Wastewater Department Monthly Report

SAFETY REPORT:

[24.](#) Review Safety Monthly Report

ADJOURNMENT:

The next Regular Work Session Meeting of the Commission is scheduled for Tuesday, February 22, 2022 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 is scheduled for Wednesday, March 9, 2022 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

Tuesday, January 11, 2022

4:00 PM

**CALL TO ORDER:** Pursuant to due notice and call thereof, a Regular Meeting of the Grand Rapids Public Utilities Commission was held on Tuesday, January 11, 2022 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:

**PRESENT:** Secretary Kathy Kooda, Commissioner Rick Blake, Commissioner Luke Francisco, Commissioner Rick Smith.

#### ABSENT:

President Tom Stanley, with notice.

**Others Present:** General Manager Julie Kennedy, Business Services Manager Jean Lane, Electric Department Manager Jeremy Goodell, Water/Wastewater Department Manager Steve Mattson, Administrative/HR Assistant Carrie Jo Kruger and ICTV Representative.

**PUBLIC FORUM:** None present.

#### APPROVAL OF MINUTES:

1. Consider a motion to approve the minutes of the December 15, 2021 Regular Meeting.

Motion made by Commissioner Francisco, Seconded by Commissioner Smith to approve the minutes of the December 15, 2021 Regular Meeting.

Voting Yea: Secretary Kooda, Commissioner Blake, Commissioner Francisco, Commissioner Smith.

#### VERIFIED CLAIMS:

2. Consider a motion to approve the verified claims for December 2021 in the amount \$2,397,112.13 (Computer Check Register \$1,671,007.87 and Manual Check Register \$726,104.26).

Motion made by Commissioner Blake, Seconded by Commissioner Francisco to approve the verified claims for December 2021 in the amount \$2,397,112.13 (Computer Check Register \$1,671,007.87 and Manual Check Register \$726,104.26).

Voting Yea: Commissioner Blake, Commissioner Francisco, Commissioner Smith.

**COMMISSION REPORTS:** No items.

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 Blake to approve the consent agenda as presented.

Voting Yea: Secretary Kooda, Commissioner Blake, Commissioner Francisco, Commissioner Smith.

3. Consider a motion to approve the City Treasurer's Report and the Investment Activity Report for December 2021. Approved by consent agenda vote.
4. Consider a motion to accept the 2022 City Calendar showing the dates and times of the GRPU 2022 Commissioner meetings. Approved by consent agenda vote.
5. Consider a motion to update the GRPU Personnel Policy Section 8.8.6, pertaining to the donation of PTO. Approved by consent agenda vote.
6. Consider a motion to confirm filling the Maintenance III position with the preferred candidate, Jason Smith. Approved by consent agenda vote.
7. Consider a motion to ratify the procurement contract with Cogsdale for long-term engagement training services in the amount of \$20,160.00. Approved by consent agenda vote.
8. Consider a motion to ratify the procurement contract with NOS Automation for two years of cloud based alarm services for lift stations for \$6,665.00.

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 Francisco, Seconded by Commissioner Blake to approve the regular agenda as presented.

Voting Yea: Secretary Kooda, Commissioner Blake, Commissioner Francisco, Commissioner Smith.

#### ADMINISTRATION:

9. General Manager Kennedy reviewed the January Administration Department Report with the Commission.
10. Consider a motion to approve the full lump sum merit pay allowed in the General Manager's employment contract based on the Commissioners evaluation of her 2021 performance.

Commissioner Francisco stated that there is a scoring system in place for key goals and responsibilities and overall performance. He also stated that General Manager Kennedy exceeded the threshold for the maximum lump sum merit pay.

Motion made by Commissioner Francisco, Seconded by Commissioner Blake to approve the full lump sum merit pay allowed in the General Manager's employment contract based on the Commissioners evaluation of her 2021 performance.

Voting Yea: Secretary Kooda, Commissioner Blake, Commissioner Francisco, Commissioner Smith.

**BUSINESS SERVICES DEPARTMENT:**

11. Business Services Manager Lane reviewed the January Business Services Department Report with the Commission.
12. Consider a motion to approve an increase in the fixed asset capitalization amount from \$1,000 to \$5,000 effective January 1, 2022.

Motion made by Commissioner Francisco, Seconded by Commissioner Smith to increase the fixed asset capitalization amount from \$1,000 to \$5,000 retroactive to January 1, 2022.

Voting Yea: Secretary Kooda, Commissioner Blake, Commissioner Francisco, Commissioner Smith.

**ELECTRIC DEPARTMENT:**

13. Electric Department Manager Goodell reviewed the January Electric Department Report with the Commission.

**WATER AND WASTEWATER DEPARTMENT:**

14. Water/Wastewater Department Manager Mattson reviewed the January Water and Wastewater Department Report with the Commission.

**SAFETY REPORT:**

15. General Manager Kennedy reviewed the January Safety Report with the Commission.

**ADJOURNMENT:**

By call of the chair, the Regular Meeting was declared adjourned at 4:44 PM.

Respectfully submitted: Carrie Jo Kruger, Administrative/HR Assistant.



The next Regular Work Session Meeting is scheduled for Tuesday, January 25, 2022 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, February 9, 2022 at 4:00 PM in the conference room of the Public Works/Public Utilities Service Center at 500 SE 4th Street.

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# GRAND RAPIDS PUBLIC UTILITIES COMMISSION REGULAR WORK SESSION MEETING MINUTES

Tuesday, January 25, 2022

8:00 AM

**CALL TO ORDER:** Pursuant to due notice and call thereof, a Regular Work Session Meeting of the Grand Rapids Public Utilities Commission was held on Tuesday, January 25, 2022 at 8:06 AM in the conference room of the Public Works/Public Utilities Service Center at 500 SE 4th Street, Grand Rapids, Minnesota.

**CALL OF ROLL:**

**PRESENT:** Secretary Kathy Kooda, Commissioner Rick Blake, Commissioner Rick Smith.

**ABSENT WITH NOTICE:** President Tom Stanley, Commissioner Luke Francisco.

**Others Present:** Business Services Manager Jean Lane, Electric Department Manager Jeremy Goodell, Water/Wastewater Department Manager Steve Mattson and Administrative/HR Assistant Carrie Jo Kruger.

**BUSINESS:**

1. Consider a motion to approve the verified claims for December 2021/January 2022 in the amount of 1,560,837.52 and revised December 2021 verified claims \$1,669,962.87.

Motion made by Commissioner Blake, Seconded by Commissioner Smith to approve the verified claims for December 2021/January 2022 in the amount of 1,560,837.52 and revised December 2021 verified claims \$1,669,962.87.

Voting Yea: Secretary Kooda, Commissioner Blake, Commissioner Smith

2. Electric Department Manager Jeremy Goodell, Business Services Manager Jean Lane and Water/Wastewater Department Manager Steve Mattson discussed governance and presented a draft of the revised Electric Department Policy E.001 (Electric Department Rules) for discussion. This policy will be presented at the next meeting for approval action.

**ADJOURNMENT:**

By call of the chair, the Regular Work Session Meeting was declared adjourned at 8:57 AM.

Respectfully submitted: Carrie Jo Kruger, Administrative/HR Assistant.

*Carrie Jo Kruger*

The next Regular Meeting of the Commission is scheduled for Wednesday, February 9, 2022 at 4:00 PM in the conference room of the Public Works/Public Utilities Service Center at 500 SE 4th Street.

The next Regular Work Session Meeting is scheduled for Tuesday, February 22, 2022 at 8:00 AM in the conference room of the Public Works/Public Utilities Service Center at 500 SE 4th Street.



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

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**AGENDA DATE:** February 9, 2022

**AGENDA ITEM:** Consider a motion to approve the verified claims for January 2022 in the amount \$2,058,302.14

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

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### **BACKGROUND:**

See attached check registers:

Computer check register \$1,481,256.97

Manual check register \$577,045.17

Total \$2,058,302.14

### **RECOMMENDATION:**

Consider a motion to approve the verified claims for January 2022 in the amount of \$2,058,302.14

Computer check register \$1,481,256.97

Manual check register \$577,045.17



Public Utilities Commission  
Accounts Payable  
January 2022  
(Meeting Date: 02/09/2022)

Item 2.

NAME	AMOUNT	NAME	AMOUNT
Advantage Systems Group	635.48	Martin's Snowplow and Equipment	125.56
Amaril Uniform Company	96.51	Minnesota Energy	18.00
Aramark	278.57	Minnesota Municipal Utilities Association	35,761.50
Badger State Inspection	4,900.00	Minnesota Power	1,316,990.17
Baker Tilly	2,405.00	Minnesota Society of CPA	340.00
Border State's	559.85	mPower	1,399.36
Burgraff's Ace	187.89	Northland Portables	196.64
Busy Bees	1,296.00	ODC	712.25
Car Quest	334.86	Pace Analytical	900.00
Central McGowan	2,452.60	Polydyne Inc	57,651.73
City of Grand Rapids	3,260.06	Quality Flow	5,095.40
Coles	450.69	Resco	395.98
Compass Minerals	3,447.95	RMB Environmental Lab	587.00
Core & Main	665.52	Sandstroms	394.61
CW Technology	4,509.00	Thein Well	7,476.25
Dakota Supply Group	60.65	United Rentals	477.73
Dig-Smart	4,000.00	USA Bluebook	1,213.48
Fastenal	419.94	Viking Electric	205.12
Frontier	4,767.34	Wesco	1,906.08
Gopher State One Call	50.00		
Government Finance Officers Assoc	160.00		
Grainger	1,615.93	Energy Efficiency Rebate:	
Hawkins	4,500.46	Angela Means	140.00
Innovative Office Solutions	3,433.56	Jake Baldwin	35.00
Journyx	950.00	Erick & Mary Kanian	140.00
Kaman	41.07	Lane Dahline	25.00
L & M	300.38	Department of Military Affairs	3,150.80
		Sean Martinson	140
		Total	1,481,256.97

## January 2022 Check Register

Document Date	Check #	Vendor Name	Document Amount	
1/4/2022		4530 Northeast Service Cooperative	3,930.00	1/31/2022
1/4/2022		4531 Northeast Service Cooperative	54,675.00	1/31/2022
1/6/2022		4532 Invoice Cloud	2,811.85	1/31/2022
1/3/2022		4533 Further	137,675.00	1/31/2022
1/11/2022		4534 Minnesota Dept. of Revenue	729.65	1/11/2022
1/11/2022		4535 Wells Fargo Bank	4,354.55	1/11/2022
1/14/2022		4536 Further	33.93	1/31/2022
1/18/2022		4537 Further	1,257.33	1/31/2022
1/14/2022		4538 Public Employees Retirement Association	15,024.54	1/14/2022
1/14/2022		4539 Minnesota Dept. of Revenue	4,230.42	1/14/2022
1/14/2022		4540 Wells Fargo Bank	24,970.72	1/14/2022
1/14/2022		4541 Empower Retirement	8,118.55	1/14/2022
1/19/2022		4542 Minnesota Department of Revenue	104,657.00	1/31/2022
1/20/2022		4543 Minnesota Department of Revenue	124.00	1/31/2022
	4544-4554	Skipped by mistake- don't use		
1/28/2022		4555 Public Employees Retirement Association	15,124.40	1/28/2022
1/28/2022		4556 Minnesota Dept. of Revenue	4,241.52	1/28/2022
1/28/2022		4557 Wells Fargo Bank	25,001.92	1/28/2022
1/28/2022		4558 Empower Retirement	8,271.08	1/28/2022
1/11/2022		4559 Service Charge	1,585.02	1/31/2022
1/4/2022		79215 Mesabi Range Eveleth Campus	875.80	1/4/2022
1/7/2022		79216 Computershare	2,100.00	1/7/2022
1/7/2022		79217 Mattson, Steve	54.32	1/7/2022
1/7/2022		79218 Minnesota Energy Resources Corp.	18.00	1/7/2022
1/7/2022		79219 Riley, Joseph	189.99	1/7/2022
1/7/2022		79220 U S Bank Equipment Finance	315.73	1/7/2022
1/7/2022		79221 UNUM Life Insurance Co of America	2,734.30	1/7/2022
1/7/2022		79222 Verizon Wireless	1,601.03	1/7/2022
1/7/2022		79223 Xerox Corporation	76.90	1/7/2022
1/7/2022		79224 Customer Refunds- Jon Lavalier	517.12	1/31/2022
1/11/2022		79225 NOS Automation	6,665.00	1/11/2022 **
1/12/2022		79226 Grand Rapids Area Chamber of Commerce	1,500.00	1/12/2022
1/14/2022		79305 First Net / AT & T Mobility	315.70	1/14/2022
1/14/2022		79306 Wells Fargo Business Card -SM	39.52	1/14/2022
1/14/2022		79307 Wells Fargo Business Card- JG	537.07	1/14/2022
1/14/2022		79308 Wells Fargo Business Card - JK	447.77	1/14/2022
1/14/2022		79309 MN Child Support Payment Center	356.25	1/14/2022
1/14/2022		79310 NCPERS Group Life Ins	96.00	1/14/2022
1/25/2022		79311 Minnesota Dept. of Health	8,021.43	1/25/2022
1/25/2022		79312 Minnesota Energy Resources Corp.	953.99	1/25/2022
1/25/2022		79313 Wells Fargo Business Card - JK	771.40	1/25/2022
1/25/2022		79314 U S Bank Equipment Finance	315.73	1/25/2022
1/25/2022		79315 Postage By Phone System	5,000.00	1/31/2022
1/25/2022		79316 Customer Refunds- Lake Time Magazine	82.59	1/31/2022
1/25/2022		79317 Customer Refunds- Michael Bender	92.08	1/31/2022

1/25/2022	79318 Customer Refunds- James Maxwell	117.76	1/31/2022
1/25/2022	79319 Customer Refunds- Amber Tuttle	44.31	1/31/2022
1/25/2022	79320 Customer Refunds- Jordan Graham & Drew Wirtanen	62.38	1/31/2022
1/25/2022	79321 Customer Refunds- Daniel Randall	92.25	1/31/2022
1/25/2022	79322 Customer Refunds- Sara Raines	100.76	1/31/2022
1/26/2022	79351 City of LaPrairie	12,763.39	1/31/2022
1/28/2022	79352 MN Child Support Payment Center	356.25	1/28/2022
1/28/2022	79353 Minnesota Council 65	1,700.85	1/28/2022
1/31/2022	79354 Grand Rapids Area Community Foundation	246.90	1/31/2022
1/31/2022	79355 City of Grand Rapids	110,695.62	1/31/2022
1/31/2022	79356 City of Grand Rapids	370.50	1/31/2022

Checks Previously Approved **	<u>6,665.00</u>
Manual Checks to be approved	<u>570,380.17</u>
<b>Total Manual Checks</b>	<b>577,045.17</b>



# GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

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**AGENDA DATE:** February 9, 2022

**AGENDA ITEM:** Consider a motion to approve the City Treasurer’s Report and the Investment Activity Report for January 2022

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

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## **BACKGROUND:**

Please see attached reports:

GRPUC Cash Receipts and Disbursements for the Month of January 2022 and Verification of City Treasurer’s Balance  
GRPUC Investment Activity  
Graphics – January Historical Investment Balances and Monthly Investment Balances 2000-2022

## **RECOMMENDATION:**

Consider a motion to approve the City Treasurer’s Report and the Investment Activity Report for January 2022.

**CITY OF GRAND RAPIDS  
PUBLIC UTILITIES COMMISSION  
CASH RECEIPTS AND DISBURSEMENTS FOR THE MONTH OF JANUARY 2022**

TREASURER'S BALANCE DECEMBER 31, 2021		\$ 5,446,065.55
Deposits	3,354,883.90	
Redeposits-Checks	-	
Redeposits-ACH	-	
Bank Adjustments	-	
		3,354,883.90
Less Disbursements	(2,666,039.63)	
NSF Checks	(305.27)	
ACH Returns	(919.89)	
Bank Adjustments	-	
		<u>(2,667,264.79)</u>
TREASURER'S BALANCE JANUARY 31, 2022		<u>\$ 6,133,684.66</u>

VERIFICATION OF TREASURER'S BALANCE

WELLS FARGO BANK BALANCE JANUARY 31, 2022		\$ 6,296,663.25
Add: Deposits in Transit		229,814.16
Less: Outstanding Checks		<u>(392,792.75)</u>
TREASURER'S BALANCE JANUARY 31, 2022		<u>\$ 6,133,684.66</u>

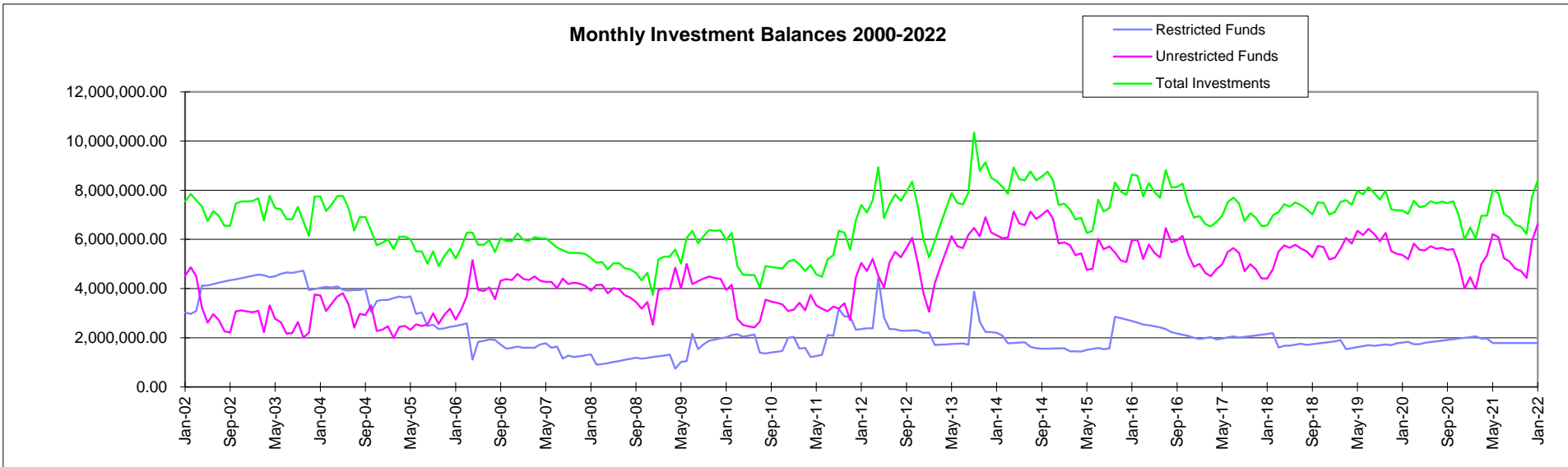
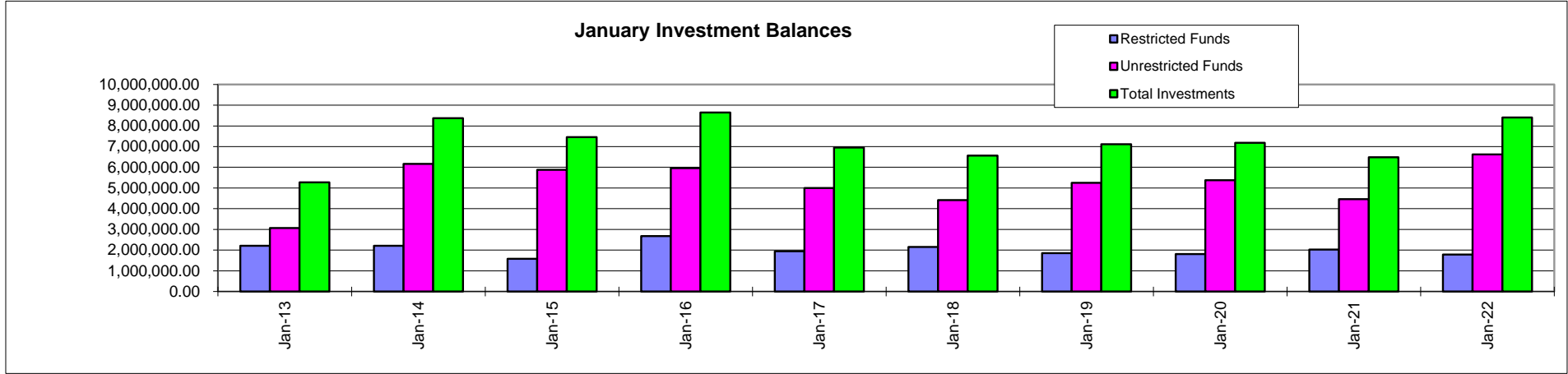
**Grand Rapids Public Utilities Commission  
Investment Activity  
January 2022**

<b>Beginning Balance Cash and Investments</b>	\$ 7,721,597.46 *
<b>Redeemed:</b>	
None	-
	-
<b>Invested:</b>	
None	-
Change in checking account balance	687,619.11
<b>Total Cash and Investments</b>	<u>\$ 8,409,216.57</u>
<b>Less: Restricted and Designated Funds</b>	
<b>Restricted Funds:</b>	
Sanitary Sewer Collection/Treatment Infrastructure Fund:	
Wastewater Treatment Plant	\$ 1,530.25
Trunk Main	69,572.84
Customer Deposits	390,467.26
Customer Deposits - Antenna Fees	41,593.10
Electric Capital Replacement Fund	561,878.01
Water Capital Replacement Fund	569,001.09
Sewer Capital Replacement Fund	154,444.56
<b>Designated Funds:</b>	
Disaster Recovery Fund	<u>1,500,000.00</u>
<b>Total Restricted and Designated Funds</b>	<u>\$ 3,288,487.11</u>
<b>Net Cash and Investments</b>	<u><u>\$ 5,120,729.46</u></u>

Note:

Includes bond proceeds of \$1,170,009.14  
Will pay off outstanding bonds on 2/1/22

	Jan-13	Jan-14	Jan-15	Jan-16	Jan-17	Jan-18	Jan-19	Jan-20	Jan-21	Jan-22
Restricted Funds	2,206,059.10	2,203,909.12	1,578,604.33	2,677,566.63	1,949,301.82	2,156,559.88	1,858,047.61	1,809,247.10	2,023,241.42	1,788,487.11
Unrestricted Funds	3,062,358.29	6,165,291.73	5,875,427.31	5,963,705.95	5,000,075.63	4,410,660.82	5,250,768.78	5,371,775.92	4,465,116.71	6,620,729.46
Total Investments	5,268,417.39	8,369,200.85	7,454,031.64	8,641,272.58	6,949,377.45	6,567,220.70	7,108,816.39	7,181,023.02	6,488,358.13	8,409,216.57
Minimum cash reser		4,542,427.00	4,542,427.00	4,828,355.00	4,707,627.00	4,719,921.00	4,887,919.00	4,901,155.00	4,901,155.00	4,610,534.00





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

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**AGENDA DATE:** February 9, 2022

**AGENDA ITEM:** Consider a motion to approve the contract with RESCO for steel power poles in the amount of \$28,958.20 and authorize the General Manager to sign the contract.

**PREPARED BY:** Jeremy Goodell, Electric Department Manager

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### **BACKGROUND:**

This purchase is part of the approved Electric Department Capital Budget. Per the GRPU Procurement Policy G.030, three quotes are on file and RESCO is the lowest quote in the amount of \$28,958.20. RESCO's insurance has been verified per the contract and a copy is on file.

### **RECOMMENDATION:**

Consider a motion to approve the contract with RESCO for steel power poles in the amount of \$28,958.20 and authorize the General Manager to sign the contract.



## PROCUREMENT CONTRACT

This Procurement Contract (“**Contract**”) is by and between the Grand Rapids Public Utilities Commission, located at 500 SE 4th St, Grand Rapids, MN 55744 (“**GRPUC**”), and Rural Electric Supply Cooperative (“**RESCO**”) a Wisconsin Cooperative, located at 2250 Pinehurst Drive, Middleton, WI 53562 (“**Contractor**”). GRPUC and Contractor may be referred to jointly as the “**Parties**” or individually as a “**Party**.”

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### Recitals

A. GRPUC has solicited and received quotations from contractors for Twenty (20) 30 foot Class 5 steel power distribution poles manufactured in accordance with GRPU Standard Plate No 1 and per GRPUC steel pole specifications (“**Solicitation**”);

B. Contractor provided a response to the Solicitation indicating its interest in and ability to provide the goods or services requested in the Solicitation; and

C. Subsequent to an evaluation in accordance with the terms of the Solicitation and negotiation, the Parties desire to enter into a contract.

Accordingly, the Parties agree as follows:

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### Contract

#### 1. Term of Contract

- 1.1 Effective date. The effective date of this Contract is February 9, 2022. The Contractor must not begin work under this Contract until this Contract is fully executed and the Contractor has been notified by GRPUC’s Authorized Representative to begin the work.
- 1.2 Expiration date. The expiration date of this Contract is August 31, 2022, or until all of Contractor’s obligations have been satisfactorily fulfilled, whichever occurs first. The contract may be extended for up to an additional three months to November 30, as determined by GRPUC, through a duly executed amendment.

#### 2. Contractor’s Duties

- 2.1 The Contractor shall to deliver to GRPU the following Goods and Services:

(The services (if any) to be provided by Contractor to GRPUC are referred to as the “**Services**.” The goods (if any) to be provided by Contractor to GRPUC are referred to as the “**Goods**.”). Contractor’s precise duties, specifications, deliverables, and completion dates related to the Goods and Services are more specifically described as

Twenty (20), Class 5, Steel Distribution Poles, each Thirty (30) feet long. Manufactured using hot-dip galvanizing process in accordance with ASTM A123 and A153.

GRPUC may make changes to the general scope of Goods and Services (including but not limited to, suspension of performance, changes in time of performance, schedule, quantities, or specifications) by written notice, or by oral notice subsequently confirmed by GRPUC in writing within ten (10) days thereafter, to Contractor. If such changes affect the cost of or the time required to provide the Goods and Services, an equitable adjustment in the schedule and compensation under this Contract shall be made. Contractor shall proceed with providing the Goods and Services as so changed, notwithstanding any dispute regarding such equitable adjustment. Any claim of such adjustment must be submitted to GRPUC in writing within thirty (30) days from the date the change is ordered, and Contractor shall not be entitled to any adjustment unless such written claim is so submitted.

- 2.2 GRPUC may from time to time, require additional Services or Goods from Contractor. Such additional Services or Goods, including the amount of compensation for such additional Services or Goods, mutually agreed upon by and between GRPUC and Contractor, shall be effective when incorporated by written amendment to this Contract. Additional Services or Goods shall not begin until the amendment is executed. Thereafter, such additional Services or Goods shall be subject to the terms of this Contract.
- 2.3 Contractor agrees that all Goods and Services shall be provided in accordance with all applicable laws, rules, regulations, ordinances, codes, and orders of all federal, state, and local governmental authorities, agencies, departments, or bureaus having jurisdiction and which affect the Goods or Services hereunder (“**Legal Requirements**”) without extra charge or expense. Contractor will be responsible for a violation of any such Legal Requirements arising out of the provision of Goods or Services by Contractor and will indemnify, defend, and hold harmless GRPUC from and against any fine or expense, including reasonable attorneys’ fees and disbursements, resulting to it by reason of any such violation by Contractor.
- 2.4 The Goods and Services will be provided in a manner that is consistent with the level of care and skill exercised by members of Contractor’s profession currently working under similar conditions. All Goods and Services not conforming to this standard will be considered defective and Contractor shall, at no cost to GRPUC, promptly and satisfactorily correct all such defective Goods and Services. All Services shall be performed and all Goods shall be produced and delivered to the satisfaction of GRPUC, and in accordance with the Legal Requirements. Payment shall be withheld for Goods or Services found by GRPUC to be unsatisfactory or in violation of the Legal Requirements.
- 2.5 Contractor shall ensure that all persons who perform the Services or produce or deliver the Goods shall be professionally competent and properly qualified. If so requested by GRPUC, Contractor shall remove any person GRPUC deems incompetent, careless, or otherwise objectionable. At all times Contractor will be responsible for the acts, omissions, work, materials, and equipment of its employees, subcontractors, and agents and any other person, directly or indirectly, employed by any of them.
- 2.6 Contractor shall cooperate fully with GRPUC, other GRPUC contractors, municipalities, local government officials, public utility companies, and others as may be directed by GRPUC. This shall include attendance at meetings, discussions, and hearings as may be

requested by GRPUC, furnishing data as may be requested from time to time by GRPUC to effect such cooperation, and compliance with all directives issued by GRPUC.

- 2.7 Contractor is solely responsible and assumes full and exclusive liability for the payment of all contributions or taxes to be paid on or to persons employed by Contractor, and for payment of all sales, use, or other taxes of whatever nature levied or assessed against GRPUC arising out of the furnishing of the Services or production or delivery of the Goods, and will indemnify, defend, and hold harmless GRPUC from any such liability.
- 2.8 Contractor shall be responsible for the health and safety, and shall provide and maintain a safe working environment, for all its employees, agents, subcontractors, and invitees. Contractor shall adopt, supervise, and enforce reasonable and adequate safety requirements, including GRPUC's work safety rules and any safety plan or requirements which may be established by GRPUC, and shall at all times observe and comply fully with all Legal Requirements relating to health and safety.
- 2.9 Contractor is responsible for the handling and distribution of its own tools, equipment, and materials. Contractor shall confine its tools, equipment, and materials, and its operations, to areas directed by GRPUC. Contractor shall organize and coordinate, well in advance of the time required by this Contract, the procurement and delivery of all necessary materials, supplies, and equipment so that they will be available as needed for timely completion of the Goods and Services.
- 2.10 At the time GRPUC accepts the Goods from Contractor, Contractor shall sell, assign, transfer, convey and deliver to GRPUC, all of Contractor's right, title and interest in the Goods, free and clear of any mortgage, pledge, lien, charge, security interest, claim or other encumbrance ("**Encumbrance**"). Contractor shall execute and deliver such additional documents, instruments, conveyances and assurances and take such further actions as may be necessary to transfer Contractor's right, title and interest in the Goods to GRPUC, free and clear of any Encumbrances. Contractor has all risk of loss until GRPUC accepts the Goods.

### 3. Representations and Warranties

- 3.1 GRPUC is authorized to enter into this Contract.
- 3.2 Contractor warrants that it is duly qualified and shall perform its obligations under this Contract in accordance with the commercially reasonable standards of care, skill, and diligence in Contractor's industry, trade, or profession, and in accordance with the specifications set forth in this Contract, to the satisfaction of GRPUC.
- 3.3 Contractor warrants that it possesses the legal authority to enter into this Contract and that it has taken all actions required by its procedures, by-laws, and applicable laws to exercise that authority, and to lawfully authorize its undersigned signatory to execute this Contract, or any part thereof, and to bind Contractor to its terms.
- 3.4 Offered for sale by Contractor is warranted only to the actual extent of the original manufacturer's warranty. Contractor makes no express or implied warranties, whether of

merchantability or fitness or for any particular use, or otherwise (except as to title) other than those expressly set forth above, and in no event does Contractor assume, nor shall be liable for consequential or special damages, or for installation adjustment or modification expenses whether direct or indirect. No waiver alteration or modification of the foregoing conditions shall be valid unless made in writing and signed by an executive officer of Contractor.

#### 4. Time

The Contractor must comply with all the time requirements described in this Contract. In the performance of this Contract, time is of the essence.

#### 5. Consideration and Payment

5.1 Consideration. GRPUC will pay for performance by the Contractor under this Contract as follows:

5.1.1 Compensation. The Contractor will be paid One Thousand Four Hundred Forty-Seven Dollars and Ninety-One cents per pole (\$1,447.91 per pole) in accordance with **Exhibit D**.

Total obligation. The total obligation and liability of GRPUC under this Contract will not exceed Twenty-Eight Thousand Nine Hundred Fifty-Eight Dollars and Twenty Cents. (\$28,958.20).

5.2 Payment.

5.2.1 Invoices. GRPUC will pay the Contractor after the Contractor presents an itemized invoice for the Services actually performed, and Goods actually delivered to GRPUC, in accordance with Section 1 of **Exhibit C**. Invoices must be submitted timely and according to the schedule set forth on **Exhibit D**.

#### 6. Authorized Representative

GRPUC's Authorized Representative is Jeremy Goodell, Electric Department Manager, at the following business address: 500 SE 4<sup>th</sup> Street, Grand Rapids, MN, 55744, and the following telephone number: 218.326.7182, or his/her successor or delegate, and has the responsibility to monitor the Contractor's performance.

Contractor's Authorized Representative is Chris Pederson at the following business address: 4100 30<sup>th</sup> Ave S Moorhead, MN 56560, and the following telephone number: (800) 346-3330, or his/her successor. If the Contractor's Authorized Representative changes at any time during this Contract, the Contractor must immediately notify GRPUC.

#### 7. Exhibits

The following Exhibits are attached and incorporated into this Contract. In the event of a conflict between the terms of this Contract and its Exhibits (including any supplements), or between

Exhibits (including any supplements), the order of precedence is first the Contract, and then in the following order:

- Exhibit A: Contract Terms
- Exhibit B: Insurance Terms
- Exhibit C: Specifications, Duties, and Scope of Work
- Exhibit D: Price and Payment Schedule

**[The Signature Page Follows]**

**Rural Electric Supply Cooperative**

**Grand Rapids Public Utilities Commission**

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

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

Print Name: Chris Pederson

Print Name: Julie A. Kennedy

Title: Regional Vice President

Title: General Manager

**\*\*RESCO takes exception to all stricken out items listed in the contract.**

**\*\*Prices and lead-times are subject to receipt of a purchase order within the stated quote validity.**

## Exhibit A: Contract Terms

### 1. Prompt Payment and Invoicing.

- 1.1 Prompt Payment. GRPUC will pay the Contractor within thirty (30) days following receipt of an undisputed invoice. Terms requesting payment in less than thirty (30) days will be changed to read "Net 30 days." Notwithstanding the foregoing, GRPUC may pay the Contractor in advance in its sole discretion.

The payment for each invoice will only be made for Goods received or Services actually performed that have been accepted by GRPUC, and meet all terms, conditions, and specifications of the Contract.

### 2. Termination.

- 2.1 Termination for Convenience. GRPUC may cancel this Contract at any time, with or without cause, upon thirty (30) days' written notice to the Contractor. Upon termination for convenience, the Contractor will be entitled to payment, determined on a pro rata basis, for Services satisfactorily performed and Goods satisfactorily produced and delivered.
- 2.2 Termination for Breach. GRPUC may terminate this Contract, with cause, upon thirty (30) days' written notice to Contractor of the alleged breach and opportunity to cure. If after thirty (30) days, the alleged breach has not been remedied, GRPUC may immediately terminate the Contract.
- 2.3 Termination by Mutual Agreement. The Parties may terminate this Contract at any time by mutual written agreement.
- 2.4 Effect of Termination. Upon receipt of any notice of termination Contractor shall immediately stop performance of the Services and stop production and delivery of the Goods to the extent specified in such notice. In no event shall GRPUC be liable for any loss of revenue or profit incurred by Contractor as a result of any termination.
- 2.5 Return of Information. Upon termination of this Contract, or earlier upon GRPUC's request, Contractor shall deliver to GRPUC all items requested by GRPUC containing any Confidential Information or work product information or make such other disposition thereof as GRPUC may direct in writing.

### 3. Force Majeure.

Neither Party shall be responsible to the other or considered in default of its obligations within this Contract to the extent that performance of any such obligations is prevented or delayed by acts of God, war, riot, disruption of government, or other catastrophes beyond the reasonable control of the Party unless the act or occurrence could have been reasonably foreseen and reasonable action could have been taken to prevent the delay or failure to perform. A Party relying on this provision to excuse performance must provide the other Party prompt written notice of the inability to perform and take all necessary steps to bring about performance as soon as practicable.

#### 4. Confidentiality.

In connection with Contractor's provision of the Goods and Services under this Contract ("**Purpose**") GRPUC may disclose to Contractor, or Contractor may otherwise receive access to, confidential or proprietary information of GRPUC ("**Confidential Information**"). Contractor shall use the Confidential Information solely for the Purpose and shall not disclose or permit access to Confidential Information other than to its employees, officers, and advisors (collectively, "**Representatives**") who: (a) need to know such Confidential Information for the Purpose; (b) know of the existence and terms of this Contract; and (c) agree to be bound by the confidentiality terms contained herein. Contractor shall safeguard the Confidential Information from unauthorized use, access, or disclosure using at least the degree of care it uses to protect its most sensitive information and no less than a reasonable degree of care. Contractor shall promptly notify GRPUC of any unauthorized use or disclosure of Confidential Information and cooperate with GRPUC to prevent further use or disclosure. Contractor will be responsible for any breach of this paragraph caused by its Representatives. If Contractor is required by law or court order to disclose Confidential Information, Contractor shall provide GRPUC with prompt written notice thereof, so that GRPUC may seek a protective order or other appropriate remedy, as well as notice of the terms and circumstances surrounding such request or requirement. Contractor and its Representatives will use reasonable efforts to obtain and will not oppose action by GRPUC to obtain such protective order or other appropriate remedy. If such protective order or other remedy is not obtained, then Contractor will furnish only that portion of the Confidential Information which Contractor is advised by Contractor's legal counsel is legally required and will exercise all reasonable efforts to obtain assurance that confidential treatment, if available, will be accorded such Confidential Information. This Section 4 is subject to any limitations or obligations imposed by the Minnesota Government Data Practices Act ("**MGDPA**").

#### 5. Indemnification.

5.1 In the performance of this Contract, the Indemnifying Party must indemnify, save, and hold harmless GRPUC, its agents, and employees, from any claims or causes of action, including attorney's fees incurred by GRPUC, by reason of injury or death to person(s) or damage to property to the extent caused by Indemnifying Party's:

- Intentional, willful, or negligent acts or omissions; or
- Actions that give rise to strict liability; or

"**Indemnifying Party**" is defined to include the Contractor, and Contractor's agents and employees, to the fullest extent permitted by law. The indemnification obligations of this section do not apply in the event the claim or cause of action is the result of GRPUC's sole negligence. This clause will not be construed to bar any legal remedies the Indemnifying Party may have for GRPUC's failure to fulfill its obligation under this Contract.

5.2 Nothing within this Contract, whether express or implied, shall be deemed to create an obligation on the part of GRPUC to indemnify, defend, hold harmless or release an Indemnifying Party. This shall extend to all agreements related to the subject matter of this Contract, and to all terms subsequently added, without regard to order of precedence.

## 6. Subcontracting and Subcontractor Payment.

- 6.1 Subcontracting. A subcontractor is a person or company that has been awarded a portion of the Contract by Contractor. Only subcontractors that have been approved by GRPUC can be used for this Contract.

After the effective date of the Contract, the Contractor shall not, without prior written approval of GRPUC, subcontract for the performance of any of the Contractor's obligations that were not already approved for subcontracting when the Contract was awarded. During this Contract, if an approved subcontractor is determined to be performing unsatisfactorily by GRPUC, the Contractor will receive written notification that the subcontractor can no longer be used for this Contract.

The provisions of the Contract shall apply with equal force and effect to all approved subcontractors engaged by the Contractor. Notwithstanding approval by GRPUC, no subcontract shall serve to terminate or in any way affect the primary legal responsibility of the Contractor for timely and satisfactory performance of the obligations contemplated by the Contract.

- 6.2 Subcontractor Payment. Contractor must pay any subcontractor within ten (10) days of Contractor's receipt of payment from GRPUC for undisputed services provided by the subcontractor. Contractor must pay interest of 1-1/2 percent (1.5%) per month or any part of a month to the subcontractor on any undisputed amount not paid on time to the subcontractor. The minimum monthly interest penalty payment for an unpaid balance of \$100 or more is \$10. For an unpaid balance of less than \$100, the Contractor shall pay the actual penalty due to the subcontractor. A subcontractor who prevails in a civil action to collect interest penalties from Contractor shall be awarded its costs and disbursements, including attorney's fees, incurred in bringing the action. So long as it does not conflict with this Contract, subcontractor payments will be set forth in the agreement between Contractor and the subcontractor.

## 7. Government Data Practices.

The Contractor and GRPUC must comply with the MGDPA, as it applies to all data provided by GRPUC under this Contract, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Contractor under this Contract. The civil remedies of Minn. Stat. § 13.08 apply to the release of the data governed by the MGDPA, by either the Contractor or GRPUC.

If the Contractor receives a request to release the data referred to in this clause, the Contractor must immediately notify and consult with GRPUC's Authorized Representative as to how the Contractor should respond to the request. The Contractor's response to the request shall comply with applicable law.



## **8. Copyright.**

Upon prompt notice by GRPUC of any claim of U.S. patent, copyright, or trademark infringement with respect to any goods, Contractor will use its reasonable efforts to secure for GRPUC such indemnity rights as the manufacturer may customarily give with respect to such goods. This section sets forth GRPUC's sole and exclusive remedy against Contractor regarding the infringement by any goods of any third-party intellectual property rights, including, without limitation, any patents or trademark

## **9. GRPUC Audits.**

The Contractor's books, records, documents, and accounting procedures and practices relevant to this Contract are subject to examination by GRPUC for six (6) years from the expiration or termination of this Contract. After reasonable notice, Contractor shall make such books, records, documents, and accounting procedures and practices available to GRPUC for its examination and audit.

## **10. Publicity and Endorsement.**

10.1 Publicity. Any publicity regarding the subject matter of this Contract must identify GRPUC as the sponsoring agency and must not be released without prior written approval from GRPUC's Authorized Representative. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, information posted on corporate or other websites, research, reports, signs, and similar public notices prepared by or for the Contractor individually or jointly with others, or any subcontractors, with respect to the Goods or Services provided resulting from this Contract.

10.2 Endorsement. The Contractor must not claim that GRPUC endorses its products or services.

## **11. Debarment by the State, its Departments, Commissions, Agencies, or Political Subdivisions.**

Contractor certifies that neither it nor its principals is presently debarred or suspended by the Federal government, state, or any of the state's departments, commissions, agencies, or political subdivisions. Contractor's certification is a material representation upon which the Contract award was based. Contractor shall provide immediate written notice to GRPUC's Authorized Representative if at any time it learns that this certification was erroneous when submitted or becomes erroneous by reason of changed circumstances.

## **12. Equal Employment, Nondiscrimination, and Affirmative Action.**

In connection with the work under this Contract, Contractor agrees to comply with the applicable Legal Requirements related to equal employment opportunity, nondiscrimination, affirmative action, and nonretaliation.

### 13. General / Miscellaneous.

13.1 Observance of GRPUC Policies. When Contractor's employees are working on the premises of GRPUC, wherever located, they shall observe the working rules, policies, and procedures of GRPUC, including, but not limited to, its respectful workplace policy.

13.2 Independent Contractor. It is understood and agreed that in providing the Goods and Services hereunder, Contractor shall act in the capacity of an independent contractor and not as an employee, partner, joint venturer, or agent of GRPUC. Contractor agrees that unless otherwise instructed in writing it shall not represent itself as the agent or legal representative of GRPUC for any purpose whatsoever. Contractor shall be solely responsible for the remuneration of and the payment of any and all taxes with respect to its employees and contractors and any claims with respect thereto and shall be solely responsible for the withholding and payment of all federal, state, and local income taxes as well as all FICA and FUTA taxes applicable to it, its employees, and its contractors. Contractor acknowledges that as an independent contractor, neither it nor any of its employees or contractors shall be eligible for any GRPUC employee benefits, including, but not limited to, vacation, sick, medical or dental insurance, or pension benefits.

13.3 Further Assurances. Each of the Parties shall execute and deliver such additional documents, instruments, conveyances and assurances and take such further actions as may be reasonably required to carry out the provisions of this Contract and give effect to the transactions contemplated by this Contract.

13.4 Governing Law, Jurisdiction, and Venue. Minnesota law, without regard to its choice-of-law provisions, governs this Contract. Venue for all legal proceedings out of this Contract, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Itasca County, Minnesota.

13.5 Notices. Any notice or other communication to any Party in connection with this Contract shall be in writing and shall be sent by hand-delivery, email, fax, overnight courier, or United States mail (postage prepaid) addressed to the address set forth below. All periods of notice shall be measured from the date of delivery thereof if hand-delivered, from the date of sending thereof if sent by email or fax (effective upon confirmation of receipt), from the first day after the date of sending if sent by overnight courier, or from three (3) business days after the date of mailing if mailed. Any Party may change such Party's address for notices by notice given not less than ten (10) calendar days prior to the effective date of the change.

GRPUC  
Address: 500 SE 4<sup>th</sup> Street  
Grand Rapids, MN 55744  
Attn: General Manager  
Email: jakennedy@grpuc.org

RESCO  
Address: 4100 30<sup>th</sup> Ave S  
Moorhead, MN 56560  
Attn: Municipal Inside Sales  
Email: rruhl@resco1.com

13.6 Entire Agreement. This Contract (including any exhibits) represents the only agreement between the Parties concerning the subject matter hereof and supersedes all other prior agreements whether written or oral, relating thereto.

13.7 Modification and Waiver. No purported amendment, modification, or waiver of any provision hereof shall be binding unless set forth in a written document signed by all Parties (in the case of amendments or modifications) or by a Party to be charged thereby (in the case of waivers). Any waiver shall be limited to the circumstance or event specifically referenced in the written waiver document and shall not be deemed a waiver of any other term hereof or of the same circumstance or event upon any recurrence thereof.

13.8 Severability. If any provision of this Contract is held to be illegal, invalid, or unenforceable under present or future laws, such provision shall be fully severable and this Contract shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never constituted a part hereof, and the remaining provisions shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance therefrom. Furthermore, in lieu of such illegal, invalid or unenforceable provision there shall be added automatically as part of this Contract a legal, valid, and enforceable provision as similar in terms to the illegal, invalid, or unenforceable provision as may be possible.

13.9 Binding Effect; Assignment. This Contract shall be binding on the Parties and on their respective heirs, devisees, representatives, successors, and assigns. Contractor shall not assign, sublet, or subcontract the Goods or Services or any portion thereof without the prior written consent of GRPUC. Such consent shall not relieve Contractor of its obligations or liabilities under the Contract.

13.10 Counterparts; Electronic Signatures. This Contract may be executed in separate counterparts with the same effect as if all signatures were on the same Contract. For purposes of this Contract, a telecopy, electronic, or facsimile Contract and signature shall be deemed as, and shall serve as, an original Contract and signature.

13.11 Attorneys' Fees. In the event of any litigation between the Parties hereto with respect to this Contract, the prevailing party (the party entitled to recover the costs of suit, at such time as all appeals have been exhausted or the time for taking such appeals has expired) shall be entitled to recover reasonable attorneys' fees in addition to such other relief as the court may award.

13.12 Survival. The obligations of Contractor hereunder, including, without limitation, obligations concerning indemnity, warranties, confidentiality, intellectual property and defense of GRPUC, shall survive the expiration or earlier termination of this agreement.

**[Remainder of Page Intentionally Left Blank]**

## Exhibit B: Insurance Requirements

### 1. Notice to Contractor.

- 1.1 The Contractor is required to submit Certificates of Insurance acceptable to GRPUC as evidence of insurance coverage requirements prior to commencing work under this Contract.
- 1.2 Contractor shall not commence work under the contract until it has obtained all the insurance described below and GRPUC has approved such insurance. Contractor shall maintain such insurance in force and effect throughout the term of this Contract, unless otherwise specified in this Contract
- 1.3 The failure of the Contractor to provide a Certificate of Insurance, for the policies required under this Contract or renewals thereof, or failure of the insurance company to notify GRPUC of the cancellation of policies required under this Contract shall not constitute a waiver by GRPUC to the Contractor to provide such insurance.
- 1.4 GRPUC reserves the right to immediately terminate this Contract if the Contractor is not in compliance with the insurance requirements and retains all rights to pursue any legal remedies against the Contractor. All insurance policies must be open to inspection by GRPUC, and copies of policies must be submitted to GRPUC's Authorized Representative upon written request.

### 2 Notice to Insurer.

The Contractor's insurance company (ies) waives its right to assert the immunity of GRPUC as a defense to any claims made under said insurance.

### 3 Additional Insurance Conditions. The following apply to the Contractor, or the Contractor's subcontractor:

- 3.1 Contractor's policy (ies) shall be primary insurance to any other valid and collectible insurance available to GRPUC with respect to any claim arising out of Contractor's performance under this Contract.
- 3.2 If Contractor receives a cancellation notice from an insurance carrier affording coverage herein, Contractor agrees to notify GRPUC within five (5) business days with a copy of the cancellation notice, unless Contractor's policy(ies) contain a provision that coverage afforded under the policy(ies) will not be cancelled without at least thirty (30) days advance written notice to GRPUC.
- 3.3 Contractor is responsible for payment of Contract-related insurance premiums and deductibles.
- 3.4 If Contractor is self-insured, a Certificate of Self-Insurance must be attached.

3.5 Contractor's policy (ies) shall include legal defense fees in addition to its policy limits with the exception of professional liability.

3.6 Contractor's insurance companies must either (1) have an AM Best rating of A- (minus) and a Financial Size Category of VII or better, and be authorized to do business in Minnesota, or (2) be domiciled in Minnesota and have a Certificate of Authority/Compliance from the Minnesota Department of Commerce if they are not rated by AM Best.

3.7 An Umbrella or Excess Liability insurance policy may be used to supplement the Contractor's policy limits to satisfy the full policy limits required by the Contract.

**4 Coverages. Contractor is required to maintain and furnish satisfactory evidence of the following insurance policies:**

**4.1 Commercial General Liability Insurance.** Contractor is required to maintain insurance protecting it from claims for damages for bodily injury, including sickness or disease, death, and for care and loss of services as well as from claims for property damage, including loss of use which may arise from operations under the Contract whether the operations are by the Contractor or by a subcontractor or by anyone directly or indirectly employed by the Contractor under the contract. Insurance minimum limits are as follows: [GRPUC does not allow limits lower than \$1.5 M. Contractor can use umbrella coverage to get to the minimum limit amount of \$1.5M]

\$1,500,000 – per occurrence

\$1,500,000– annual aggregate

\$1,500,000– annual aggregate – applying to Products/Completed Operations

The following coverages shall be included:

- Premises and Operations Bodily Injury and Property Damage
- Personal and Advertising Injury
- Blanket Contractual Liability
- Products and Completed Operations Liability
- Other; if applicable, please list \_\_\_\_\_
- **GRPUC must be named as an Additional Insured**, to the extent permitted by law

**4.2 Commercial Automobile Liability Insurance.** Contractor is required to maintain insurance protecting it from claims for damages for bodily injury as well as from claims for property damage resulting from the ownership, operation, maintenance or use of all owned, hired, and non-owned autos which may arise from operations under this Contract, and in case any work is subcontracted the Contractor will require the subcontractor to maintain Commercial Automobile Liability insurance. Insurance minimum limits are as follows: [GRPUC does not allow limits lower than \$1.5 M. Contractor can use umbrella coverage to get to the minimum limit amount of \$1.5M]

\$1,500,000 – per occurrence Combined Single limit for Bodily Injury and Property Damage

In addition, the following coverages should be included: Owned, Hired, and Non-owned Automobile.

Evidence of Subcontractor insurance shall be filed with the Contractor.

**4.3 Workers' Compensation Insurance.** Except as provided below, Contractor must provide Workers' Compensation insurance for all its employees and, in case any work is subcontracted, Contractor will require the subcontractor to provide Workers' Compensation insurance in accordance with applicable Legal Requirements, including Coverage B, Employer's Liability. Insurance **minimum** limits are as follows: {The following limits are statutory and cannot be lowered.}

\$100,000 – Bodily Injury by Disease per employee

\$500,000 – Bodily Injury by Disease aggregate

\$100,000 – Bodily Injury by Accident

If Minn. Stat. § 176.041 exempts Contractor from Workers' Compensation insurance or if the Contractor has no employees in the state, Contractor must provide a written statement, signed by an authorized representative, indicating the qualifying exemption that excludes Contractor from the Minnesota Workers' Compensation requirements.

If during the course of the Contract the Contractor becomes eligible for Workers' Compensation, the Contractor must comply with the Workers' Compensation Insurance requirements herein and provide GRPUC with a certificate of insurance.

**4.4 Professional Liability, Errors, and Omissions.** This policy will provide coverage for all claims the Contractor may become legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to Contractor's professional services required under the Contract. Insurance **minimum** limits are as follows: [GRPUC does not allow lower limits]

\$2,000,000 - per claim or event

\$2,000,000 - annual aggregate

Any deductible will be the sole responsibility of the Contractor and may not exceed \$50,000 without the written approval of GRPUC. If the Contractor desires authority from GRPUC to have a deductible in a higher amount, the Contractor shall so request in writing, specifying the amount of the desired deductible and providing financial documentation by submitting the most current audited financial statements so that GRPUC can ascertain the ability of the Contractor to cover the deductible from its own resources.

The retroactive or prior acts date of such coverage shall not be after the effective date of this Contract and Contractor shall maintain such insurance for a period of at least three (3) years, following completion of the work. If such insurance is discontinued, extended reporting period coverage must be obtained by Contractor to fulfill this requirement.

### Exhibit C: Specifications, Duties, and Scope of Work

Twenty (20) – 30 foot class 5 steel distribution poles per GRPU Standard Plate No. 1

All materials shall be hot-dip galvanized in accordance with ASTM A123 and A153. Ground line protection of polyurethane coating shall be included. Identification tag to include manufacturer, date of manufacture, class, and length in accordance with ANSI 05.1 guidelines.

#### Required Features:

- Include plastic top cap or similar
- Include butt plate
- Zinc coated grounding inserts or equivalent
- Hole pattern as described below
- Polyurethane or equivalent ground protection from one foot above ground level to bottom of pole based upon burial depth of 10% height of pole plus two feet including butt plate.

Drilling, burning, or punching of holes, where permitted, shall be done before galvanizing or painting in such a manner as to produce cylindrical holes normal to the plane of the material.

**Exhibit D: Price and Payment Schedule**

<b>Quantity</b>	<b>Species</b>	<b>Length</b>	<b>Framing</b>	<b>Price Each</b>	<b>Extended Price</b>
20	C5 Round Galv-Triforce Steel	30 foot	GRPU Standard Plate No 1	\$1,447.91	\$28,958.20

FOB: Grand Rapids MN

Shipment: Commencing 22-24 week(s) after receipt of order.

Does not include any sales or use tax that may apply to the customer.

Payment 30 days after receipt of an uncontested invoice and acceptance of goods by Grand Rapids Public Utilities.





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

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**AGENDA DATE:** February 9, 2022

**AGENDA ITEM:** Consider a motion to approve the procurement contract with Barnum Companies for parts and installation for rebuilding the north gate at the combined service center for \$27,525

**PREPARED BY:** Steve Mattson

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### **BACKGROUND:**

This purchase is part of the approved CSC Capital Budget. Procurement Policy G.030 was followed and two quotes are on file.

### **RECOMMENDATION:**

Consider a motion to approve the procurement contract with Barnum Companies for parts and installation for rebuilding the north gate at the combined service center for \$27,525

## PROCUREMENT CONTRACT (Long Form)

This Procurement Contract (“**Contract**”) is by and between the Grand Rapids Public Utilities Commission, located at 500 SE 4th St, Grand Rapids, MN 55744 (“**GRPUC**”), and Barnum Companies, Inc., a Minnesota based company located at 23950 Lake Blvd N. Forest Lake, MN 55025 (“**Contractor**”). GRPUC and Contractor may be referred to jointly as the “**Parties**” or individually as a “**Party**.”

### Recitals

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A. GRPUC has solicited and received quotations from contractors for the upgrade and replacement of the north gate at the combined City of Grand Rapids Public Works/GRPUC service center location (“**Solicitation**”);

B. Contractor provided a response to the Solicitation indicating its interest in and ability to provide the goods or services requested in the Solicitation; and

C. Subsequent to an evaluation in accordance with the terms of the Solicitation and negotiation, the Parties desire to enter into a contract.

Accordingly, the Parties agree as follows:

### Contract

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#### 1. Term of Contract

- 1.1 Effective date. The effective date of this Contract is January 31, 2022. The Contractor must not begin work under this Contract until this Contract is fully executed and the Contractor has been notified by GRPUC’s Authorized Representative to begin the work.
- 1.2 Expiration date. The expiration date of this Contract is August 15, 2022, or until all of Contractor’s obligations have been satisfactorily fulfilled, whichever occurs first. The contract may be extended for up to an additional month, in increments as determined by GRPUC, through a duly executed amendment.

#### 2. Contractor’s Duties

2.1 The Contractor shall:

Provide gate upgrades and operator replacement for the North gate at the combined City of Grand Rapids/Public Utilities service center that includes installation, installation labor and the following equipment and quantities:

- (2) - OSCO, model GSLG-A’s, 1hp, slide gate operators, 230-volt, 1 phase (5-year warranty on parts, 1 year on labor)
- (2) - Heaters for cold weather operation
- (2) - Gate safety reverse edges for rear of gates only per UL325

- (2) - EMX, IRB-MON thru-scan photo-eye with protective hoods per UL325
- (2) - Vehicle detection loops for outside obstruction and inside free exit
- (2) - Vehicle Loop Detectors
- (2) - Bowed wind trusses, 30', handmade with 1 5/8" galvanized pipe, misc. welding supplies (wind trusses are custom made, built and installed on the site)

(8) - 4" Accura gate rollers with finger guard covers per ASTM F2200-11b

- (1) - Addition of chain link fabric to gates back frame, galvanized, 7'Hx10'L, 2"x9ga per ASTM F2200-11
- (1) - Pedestal for access controls, dual height, 42" & 72" high (access controls by others)
- (1) - Pedestal footing, 16"x 48" deep with 1" PVC conduit stub out
- (1) - Tomar, Low Power, Strobe Switch, Fire Dept. emergency access optical sensor
- (1) - Misc. conduit and cabling to wire Tomar

(The services (if any) to be provided by Contractor to GRPUC are referred to as the "**Services.**" The goods (if any) to be provided by Contractor to GRPUC are referred to as the "**Goods.**"). Contractor's precise duties, specifications, deliverables, and completion dates related to the Goods and Services are more specifically described in **Exhibit C.**

- 2.2 GRPUC may make changes to the general scope of Goods and Services (including but not limited to, suspension of performance, changes in time of performance, schedule, quantities, or specifications) by written notice, or by oral notice subsequently confirmed by GRPUC in writing within ten (10) days thereafter, to Contractor. If such changes affect the cost of or the time required to provide the Goods and Services, an equitable adjustment in the schedule and compensation under this Contract shall be made. Contractor shall proceed with providing the Goods and Services as so changed, notwithstanding any dispute regarding such equitable adjustment. Any claim of such adjustment must be submitted to GRPUC in writing within thirty (30) days from the date the change is ordered, and Contractor shall not be entitled to any adjustment unless such written claim is so submitted.
- 2.3 GRPUC may from time to time, require additional Services or Goods from Contractor. Such additional Services or Goods, including the amount of compensation for such additional Services or Goods, mutually agreed upon by and between GRPUC and Contractor, shall be effective when incorporated by written amendment to this Contract. Additional Services or Goods shall not begin until the amendment is executed. Thereafter, such additional Services or Goods shall be subject to the terms of this Contract.
- 2.4 Contractor agrees that all Goods and Services shall be provided in accordance with all applicable laws, rules, regulations, ordinances, codes, and orders of all federal, state, and local governmental authorities, agencies, departments, or bureaus having jurisdiction and which affect the Goods or Services hereunder ("**Legal Requirements**") without extra charge or expense. Contractor will be responsible for a violation of any such Legal Requirements arising out of the provision of Goods or Services by Contractor and will indemnify, defend, and hold harmless GRPUC from and against any fine or expense, including reasonable attorneys' fees and disbursements, resulting to it by reason of any such violation by Contractor.

- 2.5 The Goods and Services will be provided in a manner that is consistent with the level of care and skill exercised by members of Contractor's profession currently working under similar conditions. All Goods and Services not conforming to this standard will be considered defective and Contractor shall, at no cost to GRPUC, promptly and satisfactorily correct all such defective Goods and Services. All Services shall be performed and all Goods shall be produced and delivered to the satisfaction of GRPUC, and in accordance with the Legal Requirements. Payment shall be withheld for Goods or Services found by GRPUC to be unsatisfactory or in violation of the Legal Requirements.
- 2.6 Contractor shall ensure that all persons who perform the Services or produce or deliver the Goods shall be professionally competent and properly qualified. If so requested by GRPUC, Contractor shall remove any person GRPUC deems incompetent, careless, or otherwise objectionable. At all times Contractor will be responsible for the acts, omissions, work, materials, and equipment of its employees, subcontractors, and agents and any other person, directly or indirectly, employed by any of them.
- 2.7 Contractor shall cooperate fully with GRPUC, other GRPUC contractors, municipalities, local government officials, public utility companies, and others as may be directed by GRPUC. This shall include attendance at meetings, discussions, and hearings as may be requested by GRPUC, furnishing data as may be requested from time to time by GRPUC to effect such cooperation, and compliance with all directives issued by GRPUC.
- 2.8 Contractor is solely responsible and assumes full and exclusive liability for the payment of all contributions or taxes to be paid on or to persons employed by Contractor, and for payment of all sales, use, or other taxes of whatever nature levied or assessed against GRPUC arising out of the furnishing of the Services or production or delivery of the Goods, and will indemnify, defend, and hold harmless GRPUC from any such liability.
- 2.9 Contractor shall be responsible for the health and safety, and shall provide and maintain a safe working environment, for all its employees, agents, subcontractors, and invitees. Contractor shall adopt, supervise, and enforce reasonable and adequate safety requirements, including GRPUC's work safety rules and any safety plan or requirements which may be established by GRPUC, and shall at all times observe and comply fully with all Legal Requirements relating to health and safety.
- 2.10 Contractor is responsible for the handling and distribution of its own tools, equipment, and materials. Contractor shall confine its tools, equipment, and materials, and its operations, to areas directed by GRPUC. Contractor shall organize and coordinate, well in advance of the time required by this Contract, the procurement and delivery of all necessary materials, supplies, and equipment so that they will be available as needed for timely completion of the Goods and Services.
- 2.11 At the time GRPUC accepts the Goods from Contractor, Contractor shall sell, assign, transfer, convey and deliver to GRPUC, all of Contractor's right, title and interest in the Goods, free and clear of any mortgage, pledge, lien, charge, security interest, claim or other encumbrance ("**Encumbrance**"). Contractor shall execute and deliver such additional documents, instruments, conveyances and assurances and take such further actions as may

be necessary to transfer Contractor's right, title and interest in the Goods to GRPUC, free and clear of any Encumbrances. Contractor has all risk of loss until GRPUC accepts the Goods.

### 3. Representations and Warranties

3.1 GRPUC is authorized to enter into this Contract.

3.2 Contractor warrants that it is duly qualified and shall perform its obligations under this Contract in accordance with the commercially reasonable standards of care, skill, and diligence in Contractor's industry, trade, or profession, and in accordance with the specifications set forth in this Contract, to the satisfaction of GRPUC.

3.3 Contractor warrants that it possesses the legal authority to enter into this Contract and that it has taken all actions required by its procedures, by-laws, and applicable laws to exercise that authority, and to lawfully authorize its undersigned signatory to execute this Contract, or any part thereof, and to bind Contractor to its terms.

3.4 Contract with Goods: Contractor warrants that at the time GRPUC accepts the Goods: (A) Contractor has good title to the Goods, free and clear of Encumbrances, and (B) the Goods are in good condition and are adequate for the uses to which they are being put, and none of such Goods are in need of maintenance or repairs.

### 4. Time

The Contractor must comply with all the time requirements described in this Contract. In the performance of this Contract, time is of the essence.

### 5. Consideration and Payment

5.1 Consideration. GRPUC will pay for performance by the Contractor under this Contract as follows:

5.1.1 Compensation. The Contractor will be paid Twenty Six Thousand Nine Hundred and Twenty Five Dollars (\$26,925.00) in accordance with **Exhibit D**. Plus an additional Six Hundred Dollars (\$600.00) for shipping.

5.1.2 Total obligation. The total obligation and liability of GRPUC under this Contract will not exceed Twenty Seven Thousand Five Hundred and Twenty Five Dollars (\$27,525.00).

5.2 Payment.

5.2.1 Invoices. GRPUC will pay the Contractor after the Contractor presents an itemized invoice for the Services actually performed, and Goods actually delivered to

GRPUC, in accordance with Section 1 of **Exhibit A**. Invoices must be submitted timely and according to the schedule set forth on **Exhibit D**.

5.2.2 Retainage. No more than ninety percent (90%) of the amount due under this Contract may be paid until Contractor has performed all of its obligations under this Contract to GRPUC’s satisfaction.

**6. Authorized Representative**

GRPUC’s Authorized Representative is Steve Mattson at the following business address: 500 SE 4<sup>th</sup> St, and the following telephone number: 218-326-7195, or his/her successor or delegate, and has the responsibility to monitor the Contractor’s performance.

Contractor’s Authorized Representative is Dillon Dempsey at the following business address: 23950 Lake Blvd N, Forest Lake, MN 55025, and the following telephone number: 651-982-1552, or his/her successor. If the Contractor’s Authorized Representative changes at any time during this Contract, the Contractor must immediately notify GRPUC.

**7. Exhibits**

The following Exhibits are attached and incorporated into this Contract. In the event of a conflict between the terms of this Contract and its Exhibits (including any supplements), or between Exhibits (including any supplements), the order of precedence is first the Contract, and then in the following order:

- Exhibit A: Contract Terms
- Exhibit B: Insurance Terms
- Exhibit C: Specifications, Duties, and Scope of Work
- Exhibit D: Price and Payment Schedule

**Barnum Companies, Inc.**

**Grand Rapids Public Utilities Commission**

By: *Dillon Dempsey*

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

Print Name: Dillon Dempsey

Print Name: Julie A. Kennedy

Title: Vice President

Title: General Manager

Date: 2-3-22

Date: \_\_\_\_\_

## **Exhibit A: Contract Terms**

### **1. Prompt Payment and Invoicing.**

- 1.1 Prompt Payment. GRPUC will pay the Contractor within thirty (30) days following receipt of an undisputed invoice. Terms requesting payment in less than thirty (30) days will be changed to read “Net 30 days.” Notwithstanding the foregoing, GRPUC may pay the Contractor in advance in its sole discretion.

The payment for each invoice will only be made for Goods received or Services actually performed that have been accepted by GRPUC, and meet all terms, conditions, and specifications of the Contract.

- 1.2 Invoicing. The invoice must be in the same format as the sample invoice form approved as **Exhibit D, Supplement 1**, unless an alternative format is approved in writing by GRPUC’s Authorized Representative.

### **2. Termination.**

- 2.1 Termination for Convenience. GRPUC may cancel this Contract at any time, with or without cause, upon thirty (30) days’ written notice to the Contractor. Upon termination for convenience, the Contractor will be entitled to payment, determined on a pro rata basis, for Services satisfactorily performed and Goods satisfactorily produced and delivered.
- 2.2 Termination for Breach. GRPUC may terminate this Contract, with cause, upon thirty (30) days’ written notice to Contractor of the alleged breach and opportunity to cure. If after thirty (30) days, the alleged breach has not been remedied, GRPUC may immediately terminate the Contract.
- 2.3 Termination by Mutual Agreement. The Parties may terminate this Contract at any time by mutual written agreement.
- 2.4 Effect of Termination. Upon receipt of any notice of termination Contractor shall immediately stop performance of the Services and stop production and delivery of the Goods to the extent specified in such notice. In no event shall GRPUC be liable for any loss of revenue or profit incurred by Contractor as a result of any termination.
- 2.5 Return of Information. Upon termination of this Contract, or earlier upon GRPUC’s request, Contractor shall deliver to GRPUC all items requested by GRPUC containing any Confidential Information or work product information or make such other disposition thereof as GRPUC may direct in writing.

### **3. Force Majeure.**

Neither Party shall be responsible to the other or considered in default of its obligations within this Contract to the extent that performance of any such obligations is prevented or delayed by acts of God, war, riot, disruption of government, or other catastrophes beyond the reasonable control of the Party unless the act or occurrence could have been reasonably foreseen and reasonable action

could have been taken to prevent the delay or failure to perform. A Party relying on this provision to excuse performance must provide the other Party prompt written notice of the inability to perform and take all necessary steps to bring about performance as soon as practicable.

#### 4. Confidentiality.

In connection with Contractor's provision of the Goods and Services under this Contract ("**Purpose**") GRPUC may disclose to Contractor, or Contractor may otherwise receive access to, confidential or proprietary information of GRPUC ("**Confidential Information**"). Contractor shall use the Confidential Information solely for the Purpose and shall not disclose or permit access to Confidential Information other than to its employees, officers, and advisors (collectively, "**Representatives**") who: (a) need to know such Confidential Information for the Purpose; (b) know of the existence and terms of this Contract; and (c) agree to be bound by the confidentiality terms contained herein. Contractor shall safeguard the Confidential Information from unauthorized use, access, or disclosure using at least the degree of care it uses to protect its most sensitive information and no less than a reasonable degree of care. Contractor shall promptly notify GRPUC of any unauthorized use or disclosure of Confidential Information and cooperate with GRPUC to prevent further use or disclosure. Contractor will be responsible for any breach of this paragraph caused by its Representatives. If Contractor is required by law or court order to disclose Confidential Information, Contractor shall provide GRPUC with prompt written notice thereof, so that GRPUC may seek a protective order or other appropriate remedy, as well as notice of the terms and circumstances surrounding such request or requirement. Contractor and its Representatives will use reasonable efforts to obtain and will not oppose action by GRPUC to obtain such protective order or other appropriate remedy. If such protective order or other remedy is not obtained, then Contractor will furnish only that portion of the Confidential Information which Contractor is advised by Contractor's legal counsel is legally required and will exercise all reasonable efforts to obtain assurance that confidential treatment, if available, will be accorded such Confidential Information. This Section 4 is subject to any limitations or obligations imposed by the Minnesota Government Data Practices Act ("**MGDPA**").

#### 5. Indemnification.

5.1 In the performance of this Contract, the Indemnifying Party must indemnify, save, and hold harmless GRPUC, its agents, and employees, from any claims or causes of action, including attorney's fees incurred by GRPUC, to the extent caused by Indemnifying Party's:

- Intentional, willful, or negligent acts or omissions; or
- Actions that give rise to strict liability; or
- Breach of contract or warranty.

"**Indemnifying Party**" is defined to include the Contractor, Contractor's reseller, any third party that has a business relationship with the Contractor, and Contractor's agents and employees, to the fullest extent permitted by law. The indemnification obligations of this section do not apply in the event the claim or cause of action is the result of GRPUC's sole negligence. This clause will not be construed to bar any legal remedies the



Indemnifying Party may have for GRPUC's failure to fulfill its obligation under this Contract.

5.2 Nothing within this Contract, whether express or implied, shall be deemed to create an obligation on the part of GRPUC to indemnify, defend, hold harmless or release an Indemnifying Party. This shall extend to all agreements related to the subject matter of this Contract, and to all terms subsequently added, without regard to order of precedence.

## **6. Subcontracting and Subcontractor Payment.**

6.1 Subcontracting. A subcontractor is a person or company that has been awarded a portion of the Contract by Contractor. Only subcontractors that have been approved by GRPUC can be used for this Contract.

After the effective date of the Contract, the Contractor shall not, without prior written approval of GRPUC, subcontract for the performance of any of the Contractor's obligations that were not already approved for subcontracting when the Contract was awarded. During this Contract, if an approved subcontractor is determined to be performing unsatisfactorily by GRPUC, the Contractor will receive written notification that the subcontractor can no longer be used for this Contract.

The provisions of the Contract shall apply with equal force and effect to all approved subcontractors engaged by the Contractor. Notwithstanding approval by GRPUC, no subcontract shall serve to terminate or in any way affect the primary legal responsibility of the Contractor for timely and satisfactory performance of the obligations contemplated by the Contract.

6.2 Subcontractor Payment. Contractor must pay any subcontractor within ten (10) days of Contractor's receipt of payment from GRPUC for undisputed services provided by the subcontractor. Contractor must pay interest of 1-1/2 percent (1.5%) per month or any part of a month to the subcontractor on any undisputed amount not paid on time to the subcontractor. The minimum monthly interest penalty payment for an unpaid balance of \$100 or more is \$10. For an unpaid balance of less than \$100, the Contractor shall pay the actual penalty due to the subcontractor. A subcontractor who prevails in a civil action to collect interest penalties from Contractor shall be awarded its costs and disbursements, including attorney's fees, incurred in bringing the action. So long as it does not conflict with this Contract, subcontractor payments will be set forth in the agreement between Contractor and the subcontractor.

## **7. Government Data Practices.**

The Contractor and GRPUC must comply with the MGDPA, as it applies to all data provided by GRPUC under this Contract, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Contractor under this Contract. The civil remedies of Minn. Stat. § 13.08 apply to the release of the data governed by the MGDPA, by either the Contractor or GRPUC.

If the Contractor receives a request to release the data referred to in this clause, the Contractor must immediately notify and consult with GRPUC's Authorized Representative as to how the Contractor should respond to the request. The Contractor's response to the request shall comply with applicable law.

#### **8. Copyright.**

The Contractor shall save and hold harmless GRPUC, its officers, agents, servants and employees, from liability of any kind or nature, arising from the use of any copyrighted or noncopyrighted compositions, secret process, patented or nonpatented invention, article or appliance furnished or used in the performance of the Contract.

#### **9. GRPUC Audits.**

The Contractor's books, records, documents, and accounting procedures and practices relevant to this Contract are subject to examination by GRPUC for six (6) years from the expiration or termination of this Contract. After reasonable notice, Contractor shall make such books, records, documents, and accounting procedures and practices available to GRPUC for its examination and audit.

#### **10. Publicity and Endorsement.**

10.1 Publicity. Any publicity regarding the subject matter of this Contract must identify GRPUC as the sponsoring agency and must not be released without prior written approval from GRPUC's Authorized Representative. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, information posted on corporate or other websites, research, reports, signs, and similar public notices prepared by or for the Contractor individually or jointly with others, or any subcontractors, with respect to the Goods or Services provided resulting from this Contract.

10.2 Endorsement. The Contractor must not claim that GRPUC endorses its products or services.

#### **11. Debarment by the State, its Departments, Commissions, Agencies, or Political Subdivisions.**

Contractor certifies that neither it nor its principals is presently debarred or suspended by the Federal government, state, or any of the state's departments, commissions, agencies, or political subdivisions. Contractor's certification is a material representation upon which the Contract award was based. Contractor shall provide immediate written notice to GRPUC's Authorized Representative if at any time it learns that this certification was erroneous when submitted or becomes erroneous by reason of changed circumstances.

## 12. Equal Employment, Nondiscrimination, and Affirmative Action.

In connection with the work under this Contract, Contractor agrees to comply with the applicable Legal Requirements related to equal employment opportunity, nondiscrimination, affirmative action, and nonretaliation. dillon@barnumgs.com

## 13. General / Miscellaneous.

13.1 Observance of GRPUC Policies. When Contractor's employees are working on the premises of GRPUC, wherever located, they shall observe the working rules, policies, and procedures of GRPUC, including, but not limited to, its respectful workplace policy.

13.2 Independent Contractor. It is understood and agreed that in providing the Goods and Services hereunder, Contractor shall act in the capacity of an independent contractor and not as an employee, partner, joint venturer, or agent of GRPUC. Contractor agrees that unless otherwise instructed in writing it shall not represent itself as the agent or legal representative of GRPUC for any purpose whatsoever. Contractor shall be solely responsible for the remuneration of and the payment of any and all taxes with respect to its employees and contractors and any claims with respect thereto and shall be solely responsible for the withholding and payment of all federal, state, and local income taxes as well as all FICA and FUTA taxes applicable to it, its employees, and its contractors. Contractor acknowledges that as an independent contractor, neither it nor any of its employees or contractors shall be eligible for any GRPUC employee benefits, including, but not limited to, vacation, sick, medical or dental insurance, or pension benefits.

13.3 Further Assurances. Each of the Parties shall execute and deliver such additional documents, instruments, conveyances and assurances and take such further actions as may be reasonably required to carry out the provisions of this Contract and give effect to the transactions contemplated by this Contract.

13.4 Governing Law, Jurisdiction, and Venue. Minnesota law, without regard to its choice-of-law provisions, governs this Contract. Venue for all legal proceedings out of this Contract, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Itasca County, Minnesota.

13.5 Notices. Any notice or other communication to any Party in connection with this Contract shall be in writing and shall be sent by hand-delivery, email, fax, overnight courier, or United States mail (postage prepaid) addressed to the address set forth below. All periods of notice shall be measured from the date of delivery thereof if hand-delivered, from the date of sending thereof if sent by email or fax (effective upon confirmation of receipt), from the first day after the date of sending if sent by overnight courier, or from three (3) business days after the date of mailing if mailed. Any Party may change such Party's address for notices by notice given not less than ten (10) calendar days prior to the effective date of the change.

GRPUC  
Address:  
500 SE 4th  
Grand Rapids, MN 55744  
Attn: Steve Mattson  
Email: smattson@grpuc.org

Barnum Companies  
Address:  
23950 Lake Blvd N  
Forest, MN 55025  
Attn: Dillon Dempsey  
Email: dillon@barnumgs.com

13.6 Entire Agreement. This Contract (including any exhibits) represents the only agreement between the Parties concerning the subject matter hereof and supersedes all other prior agreements whether written or oral, relating thereto.

13.7 Modification and Waiver. No purported amendment, modification, or waiver of any provision hereof shall be binding unless set forth in a written document signed by all Parties (in the case of amendments or modifications) or by a Party to be charged thereby (in the case of waivers). Any waiver shall be limited to the circumstance or event specifically referenced in the written waiver document and shall not be deemed a waiver of any other term hereof or of the same circumstance or event upon any recurrence thereof.

13.8 Severability. If any provision of this Contract is held to be illegal, invalid, or unenforceable under present or future laws, such provision shall be fully severable and this Contract shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never constituted a part hereof, and the remaining provisions shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance therefrom. Furthermore, in lieu of such illegal, invalid or unenforceable provision there shall be added automatically as part of this Contract a legal, valid, and enforceable provision as similar in terms to the illegal, invalid, or unenforceable provision as may be possible.

13.9 Binding Effect; Assignment. This Contract shall be binding on the Parties and on their respective heirs, devisees, representatives, successors, and assigns. Contractor shall not assign, sublet, or subcontract the Goods or Services or any portion thereof without the prior written consent of GRPUC. Such consent shall not relieve Contractor of its obligations or liabilities under the Contract.

13.10 Counterparts; Electronic Signatures. This Contract may be executed in separate counterparts with the same effect as if all signatures were on the same Contract. For purposes of this Contract, a telecopy, electronic, or facsimile Contract and signature shall be deemed as, and shall serve as, an original Contract and signature.

13.11 Attorneys' Fees. In the event of any litigation between the Parties hereto with respect to this Contract, the prevailing party (the party entitled to recover the costs of suit, at such time as all appeals have been exhausted or the time for taking such appeals has expired) shall be entitled to recover reasonable attorneys' fees in addition to such other relief as the court may award.

13.12 Survival. The obligations of Contractor hereunder, including, without limitation, obligations concerning indemnity, warranties, confidentiality, intellectual property and defense of GRPUC, shall survive the expiration or earlier termination of this agreement.

**[Remainder of Page Intentionally Left Blank]**

## **Exhibit B: Insurance Requirements**

### **1. Notice to Contractor.**

- 1.1 The Contractor is required to submit Certificates of Insurance acceptable to GRPUC as evidence of insurance coverage requirements prior to commencing work under this Contract.
- 1.2 Contractor shall not commence work under the contract until it has obtained all the insurance described below and GRPUC has approved such insurance. Contractor shall maintain such insurance in force and effect throughout the term of this Contract, unless otherwise specified in this Contract
- 1.3 The failure of the Contractor to provide a Certificate of Insurance, for the policies required under this Contract or renewals thereof, or failure of the insurance company to notify GRPUC of the cancellation of policies required under this Contract shall not constitute a waiver by GRPUC to the Contractor to provide such insurance.
- 1.4 GRPUC reserves the right to immediately terminate this Contract if the Contractor is not in compliance with the insurance requirements and retains all rights to pursue any legal remedies against the Contractor. All insurance policies must be open to inspection by GRPUC, and copies of policies must be submitted to GRPUC's Authorized Representative upon written request.

### **2 Notice to Insurer.**

The Contractor's insurance company(ies) waives its right to assert the immunity of GRPUC as a defense to any claims made under said insurance.

### **3 Additional Insurance Conditions. The following apply to the Contractor, or the Contractor's subcontractor:**

- 3.1 Contractor's policy(ies) shall be primary insurance to any other valid and collectible insurance available to GRPUC with respect to any claim arising out of Contractor's performance under this Contract.
- 3.2 If Contractor receives a cancellation notice from an insurance carrier affording coverage herein, Contractor agrees to notify GRPUC within five (5) business days with a copy of the cancellation notice, unless Contractor's policy(ies) contain a provision that coverage afforded under the policy(ies) will not be cancelled without at least thirty (30) days advance written notice to GRPUC.
- 3.3 Contractor is responsible for payment of Contract-related insurance premiums and deductibles.
- 3.4 If Contractor is self-insured, a Certificate of Self-Insurance must be attached.

- 3.5 Contractor's policy(ies) shall include legal defense fees in addition to its policy limits with the exception of professional liability.
- 3.6 Contractor's insurance companies must either (1) have an AM Best rating of A- (minus) and a Financial Size Category of VII or better, and be authorized to do business in Minnesota, or (2) be domiciled in Minnesota and have a Certificate of Authority/Compliance from the Minnesota Department of Commerce if they are not rated by AM Best.
- 3.7 An Umbrella or Excess Liability insurance policy may be used to supplement the Contractor's policy limits to satisfy the full policy limits required by the Contract.

**4 Coverages. Contractor is required to maintain and furnish satisfactory evidence of the following insurance policies:**

- 4.1 **Commercial General Liability Insurance.** Contractor is required to maintain insurance protecting it from claims for damages for bodily injury, including sickness or disease, death, and for care and loss of services as well as from claims for property damage, including loss of use which may arise from operations under the Contract whether the operations are by the Contractor or by a subcontractor or by anyone directly or indirectly employed by the Contractor under the contract. Insurance minimum limits are as follows:

\$1,500,000 – per occurrence  
 \$1,500,000– annual aggregate  
 \$1,500,000– annual aggregate – applying to Products/Completed Operations

The following coverages shall be included:

- Premises and Operations Bodily Injury and Property Damage
- Personal and Advertising Injury
- Blanket Contractual Liability
- Products and Completed Operations Liability
- Other; if applicable, please list \_\_\_\_\_
- **GRPUC must be named as an Additional Insured**, to the extent permitted by law

- 4.2 **Commercial Automobile Liability Insurance.** Contractor is required to maintain insurance protecting it from claims for damages for bodily injury as well as from claims for property damage resulting from the ownership, operation, maintenance or use of all owned, hired, and non-owned autos which may arise from operations under this Contract, and in case any work is subcontracted the Contractor will require the subcontractor to maintain Commercial Automobile Liability insurance. Insurance minimum limits are as follows:

\$1,500,000 – per occurrence Combined Single limit for Bodily Injury and Property Damage

In addition, the following coverages should be included: Owned, Hired, and Non-owned Automobile.

Evidence of Subcontractor insurance shall be filed with the Contractor.

- 4.3 Workers' Compensation Insurance.** Except as provided below, Contractor must provide Workers' Compensation insurance for all its employees and, in case any work is subcontracted, Contractor will require the subcontractor to provide Workers' Compensation insurance in accordance with applicable Legal Requirements, including Coverage B, Employer's Liability. Insurance **minimum** limits are as follows:

\$100,000 – Bodily Injury by Disease per employee  
 \$500,000 – Bodily Injury by Disease aggregate  
 \$100,000 – Bodily Injury by Accident

If Minn. Stat. § 176.041 exempts Contractor from Workers' Compensation insurance or if the Contractor has no employees in the state, Contractor must provide a written statement, signed by an authorized representative, indicating the qualifying exemption that excludes Contractor from the Minnesota Workers' Compensation requirements.

If during the course of the Contract the Contractor becomes eligible for Workers' Compensation, the Contractor must comply with the Workers' Compensation Insurance requirements herein and provide GRPUC with a certificate of insurance.

- 4.4 Professional Liability, Errors, and Omissions.** This policy will provide coverage for all claims the Contractor may become legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to Contractor's professional services required under the Contract. Insurance **minimum** limits are as follows:

\$2,000,000 - per claim or event  
 \$2,000,000 - annual aggregate

Any deductible will be the sole responsibility of the Contractor and may not exceed \$50,000 without the written approval of GRPUC. If the Contractor desires authority from GRPUC to have a deductible in a higher amount, the Contractor shall so request in writing, specifying the amount of the desired deductible and providing financial documentation by submitting the most current audited financial statements so that GRPUC can ascertain the ability of the Contractor to cover the deductible from its own resources.

The retroactive or prior acts date of such coverage shall not be after the effective date of this Contract and Contractor shall maintain such insurance for a period of at least three (3) years, following completion of the work. If such insurance is discontinued, extended reporting period coverage must be obtained by Contractor to fulfill this requirement.



### Exhibit C: Specifications, Duties, and Scope of Work

Provide gate upgrades and operator replacement for the North gate at the combined City of Grand Rapids/Public Utilities service center that includes the installation, installation labor and the following equipment and quantities:

- (2) - OSCO, model GSLG-A's, 1hp, slide gate operators, 230-volt, 1 phase (5-year warranty on parts, 1 year on labor)
- (2) - Heaters for cold weather operation
- (2) - Gate safety reverse edges for rear of gates only per UL325
- (2) - EMX, IRB-MON thru-scan photo-eye with protective hoods per UL325
- (2) - Vehicle detection loops for outside obstruction and inside free exit
- (2) - Vehicle Loop Detectors
- (2) - Bowed wind trusses, 30', handmade with 1 5/8" galvanized pipe, misc. welding supplies (wind trusses are custom made, built and installed on the site)
  
- (8) - 4" Accura gate rollers with finger guard covers per ASTM F2200-11b
  
- (1) - Addition of chain link fabric to gates back frame, galvanized, 7'Hx10'L, 2"x9ga per ASTM F2200-11
- (1) - Pedestal for access controls, dual height, 42" & 72" high (access controls by others)
- (1) - Pedestal footing, 16"x 48" deep with 1" PVC conduit stub out
- (1) - Tomar, Low Power, Strobe Switch, Fire Dept. emergency access optical sensor
- (1) - Misc. conduit and cabling to wire Tomar

The following conditions also apply to the project and contract:

1. All electrical power and control conduits and wiring except loops are by others.
2. All access controls are by others.
3. All electrical power & control conduits & wiring disconnect and reconnect by others.
4. All existing equipment to be reused is assumed to be in good working order, any service work due to faulty existing equipment will not be covered under any warranty.
5. To ensure that this upgrade is successful we recommend that all of the low voltage cables to and from gate operator, be replaced! This is an extra expense not included above.
6. Bid reflects normal digging conditions, and does not cover boring through rock, frost, Etc.
7. Price is subject to change if footing needs to be hand dug or HydroVac'd.
8. Emergency responder requirements are not known and may be subject to change.
9. 50% down to order, remainder net 30 days.
10. Quoted as frost free work.

**Exhibit D: Price and Payment Schedule**

The Contractor will be paid Twenty Six Thousand Nine Hundred and Twenty Five Dollars (\$26,925.00) plus an additional Six Hundred Dollars (\$600.00) for shipping. The total obligation and liability of GRPUC under this Contract will not exceed Twenty Seven Thousand Five Hundred and Twenty Five Dollars Dollars (\$27,525.00).

50% down is needed to order material and store at Contractor location, for a spring of 2022 installation.

Thirteen Thousand Seven Hundred Sixty Two dollars and Fifty cents (\$13,762.50) will be required to order the equipment.

Remaining payment will be made after receipt and acceptance of goods and installation by Grand Rapids Public Utilities.

Payment 30 days after receipt of an uncontested invoice and acceptance of goods by Grand Rapids Public Utilities.



## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

**AGENDA DATE:** February 9, 2022

**AGENDA ITEM:** Consider a motion to order the preparation of plans, specifications, and bid package and authorize the advertisement of competitive bids for the televising of our wastewater collection system.

**PREPARED BY:** Steve Mattson, Water/Wastewater Manager

### **BACKGROUND:**

This project is part of the approved Wastewater operations and maintenance budget for 2022.

The televising of the wastewater collection system is essential for the proper maintenance of our system, but it is also needed in order for GRPUC to obtain no-fault sewer backup coverage through the League of Minnesota Cities Insurance Trust. We submitted our application for this coverage last year and are partially through the underwriting, essentially waiting on the completion of the televising requirement.

As a reminder, this insurance coverage will reimburse a property owner for cleanup costs and damages resulting from a city sewer backup or from a city water main break, irrespective of whether the backup was caused by city negligence.

The no-fault sewer backup coverage option is intended to:

- Reduce health hazards by encouraging property owners to cleanup backups as quickly as possible.
- Reduce the frequency and severity of sewer backup lawsuits.
- Give cities a way to address the sticky political problems that can arise when a property owner learns the city and LMCIT won't reimburse for sewer backup damages because the city wasn't negligent and therefore not legally liable.

The budgetary cost for the televising work is \$500,000 and considered a major purchase in our Procurement Policy G.030 and therefore requires GRPUC approval prior to the solicitation of bids.

### **RECOMMENDATION:**

Consider a motion to order the preparation of plans, specifications, and bid package and authorize the advertisement of competitive bids for the televising of our wastewater collection system.



## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

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**AGENDA DATE:** February 9, 2022

**AGENDA ITEM:** Consider a motion to ratify the procurement contract with Loren Solberg Consulting for legislative professional services in an amount not to exceed \$10,000.00.

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

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### **BACKGROUND:**

The legislative professional services and lobbying activities being obtained are part of the approved 2022 Water Department Capital Budget. Procurement Policy G.030 was followed with this single source vendor purchase. Mr. Solberg is working with GRPU staff, City staff, and state legislators on the \$2.5M funding request for the GRPU WTP Renovation Project.

A copy of the certificates of insurance has been reviewed and is on file.

### **RECOMMENDATION:**

Consider a motion to ratify the procurement contract with Loren Solberg Consulting for legislative professional services in an amount not to exceed \$10,000.00.

## PROCUREMENT CONTRACT

This Procurement Contract (“**Contract**”) is by and between the Grand Rapids Public Utilities Commission, located at 500 SE 4th St, Grand Rapids, MN 55744 (“**GRPUC**”), and LOREN SOLBERG CONSULTING, LLC, a limited liability corporation in Minnesota, located at 32314 Prairie Lake Lane, Grand Rapids, MN, 55744 (“**Contractor**”). GRPUC and Contractor may be referred to jointly as the “**Parties**” or individually as a “**Party**.”

### Recitals

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A. GRPUC has solicited and received quotation from contractor for professional services to assist with State Government Relations and lobbying activities with the legislature and other administrative related matters. (“**Solicitation**”);

B. Contractor provided a response to the Solicitation indicating its interest in and ability to provide the goods or services requested in the Solicitation; and

C. Subsequent to an evaluation in accordance with the terms of the Solicitation and negotiation, the Parties desire to enter into a contract.

Accordingly, the Parties agree as follows:

### Contract

---

1. **Term.** The effective date of this Contract is January 10, 2022. The Contractor must not begin work under this Contract until this Contract is fully executed and the Contractor has been notified by GRPUC’s Authorized Representative to begin the work. This Contract will terminate upon the first of the following to occur:

1.1 July 31, 2022.

1.2 All of Contractor’s obligations have been satisfactorily fulfilled.

1.3 GRPUC may cancel this Contract at any time, with or without cause, upon ten (10) days’ written notice to the Contractor.

1.4 GRPUC may terminate this Contract immediately in the event of a breach by Contractor.

1.5 The Parties may terminate this Contract at any time by mutual written agreement.

Upon receipt of any notice of termination Contractor shall immediately stop performance to the extent specified in such notice. In no event shall GRPUC be liable for any loss of revenue or profit incurred by Contractor as a result of any termination. Upon termination of this Contract, or earlier upon GRPUC’s request, Contractor shall deliver to GRPUC all items requested by GRPUC containing any confidential information or work product information or make such other disposition thereof as GRPUC may direct in writing.

## 2. Contractor's Duties

### 2.1 The Contractor shall:

- Provide professional lobbying services for the GRPU at the legislature for the period of time identified in this contract.
- Assist the GRPUC and GRPU staff in development of legislative priorities and strategies as authorized by the GRPU Commission.
- Coordinate, monitor, attend and/or testify as needed before relevant legislative committees or arrange for appropriate elected, appointed, GRPU staff or community people to testify as deemed necessary on legislation that may impact the GRPU.
- The Consultant shall work cooperatively with staff and other professional lobbyist of GRPU affiliated associations when not in conflict with the Consultant's other clients or the legislative goals or parameters established by the GRPU.
- To coordinate informational tours or meetings which will promote the policies or interests of the GRPU.
- Facilitate requested meetings with local legislators.
- Report periodically as requested by the GRPU on activities either in person, by phone, or in writing to the GRPU Commission and their designated representative. Meet as requested with the GRPU Commission, the general manager, or appropriate GRPU personnel.
- Notify the GRPU regarding any potential conflict of interest while representing other clients. Notification shall be to the General Manager.

The Consultant shall furnish qualified personnel to perform the services as required. It is agreed that Loren A. Solberg shall assume primary responsibility for delivering professional services as required by this contract.

Consultant shall at all times be free to exercise initiative, judgement and discretion as to how to best perform or provide services identified herein.

(The services (if any) to be provided by Contractor to GRPUC are referred to as the “**Services.**” The goods (if any) to be provided by Contractor to GRPUC are referred to as the “**Goods.**”). Contractor’s precise duties, specifications, deliverables, and completion dates related to the Goods and Services are more specifically described in **Exhibit B.**

2.2 GRPUC may make changes to the general scope of Goods and Services by written or oral notice to Contractor. If such changes affect the cost of or the time required to provide the Goods

and Services, an equitable adjustment in the schedule and compensation under this Contract shall be made. GRPUC and Contractor may agree to additional Services or Goods by written amendment to this Contract.

2.3 Contractor agrees that all Goods and Services shall be provided, and all of Contractor's obligations performed, in accordance with all applicable laws and other legal requirements without extra charge or expense. Contractor will be responsible for a violation of any such legal requirements and will indemnify, defend, and hold harmless GRPUC from and against any expense or cost incurred by reason of any such violation by Contractor.

2.4 Contractor warrants and represents that the Goods and Services will be provided in a manner that is consistent with the level of care and skill exercised by members of Contractor's profession currently working under similar conditions. All Goods and Services not conforming to this standard will be considered defective and Contractor shall, at no cost to GRPUC, promptly and satisfactorily correct all such defective Goods and Services. Payment shall be withheld for Goods or Services found by GRPUC to be unsatisfactory or in violation of legal requirements.

2.5 Contractor shall be responsible for all its employees, agents, subcontractors, and invitees and their health and safety. Contractor shall ensure that all persons who perform the Services or produce or deliver the Goods are professionally competent and properly qualified and will remove any person GRPUC deems incompetent, careless, or otherwise objectionable.

2.6 Contractor is solely responsible and assumes full and exclusive liability for the payment of all contributions or taxes to be paid on or to persons employed by Contractor, and for payment of all sales, use, or other taxes of whatever nature levied or assessed against GRPUC arising out of the furnishing of the Services or production or delivery of the Goods, and will indemnify, defend, and hold harmless GRPUC from any such liability.

### 3. Consideration and Payment

3.1 Consideration. GRPUC will pay for performance by the Contractor under this Contract as follows:

3.1.1 Compensation. The Contractor will be paid One Thousand Two Hundred Dollars and no Cents per month for six months (\$1,200.00/month for six months) in accordance with **Exhibit C**.

3.1.2 The Contractor will be reimbursed for approved travel, subsistence, and other ancillary expenses actually and necessarily incurred by the Contractor as a result of this Contract, in **Exhibit C**. This reimbursement will not exceed Two Thousand Eight Hundred Dollars and no Cents (\$2,800.00).

3.1.3 Total obligation. The total obligation and liability of GRPUC under this Contract will not exceed Ten Thousand Dollars and no Cents (\$10,000.00).

3.2 Payment.

3.2.1 Invoices. GRPUC will pay the Contractor within thirty (30) days following receipt of an undisputed invoice that complies with **Exhibit C**. GRPUC may pay the Contractor in advance in its sole discretion. Payment will only be made for Goods received or Services actually performed that have been accepted by GRPUC.

3.2.2 Retainage. No more than ninety percent (90%) of the amount due under this Contract may be paid until Contractor has performed all of its obligations under this Contract to GRPUC's satisfaction.

#### 4. **Authorized Representative**

GRPUC's Authorized Representative is Julie A. Kennedy at the following business address: 500 SE 4<sup>th</sup> Street, Grand Rapids, MN, 55744 and the following telephone number: 218.259.5020, or her successor or delegate, and has the responsibility to monitor the Contractor's performance.

Contractor's Authorized Representative is Loren Solberg, independent contractor at the following business address: 32314 Prairie Lake Lane, Grand Rapids, MN, 55744, and the following telephone number: 218.244.5770, or his successor. If the Contractor's Authorized Representative changes at any time during this Contract, the Contractor must immediately notify GRPUC.

5. **Indemnification.** Contractor will indemnify, defend, and hold harmless GRPUC, its agents, and employees, in relation to any expenses, damages, claims or causes of action, including reasonable attorney's fees, to the extent caused by any negligent or wrongful act, error or omission, breach of contract, or infringement of any intellectual property right by Contractor, any third party that Contractor has a business relationship with, or any of Contractor's agents or employees.

6. **Subcontracting.** Contractor may not subcontract all or any portion of this Contract without GRPUC's prior written consent, which GRPUC may grant or withhold in its sole discretion. If an approved subcontractor is determined to be performing unsatisfactorily by GRPUC, Contractor will ensure that the subcontractor is no longer used for this Contract. The provisions of the Contract shall apply with equal force and effect to all approved subcontractors and no subcontract will terminate the primary responsibility of Contractor hereunder. Contractor will pay all subcontractors in accordance with applicable law and the agreement between Contractor and the subcontractor.

7. **Ownership.** Contractor agrees that all legal right, title, and interest to intellectual property, data, documents, photographs, drawings, analyses, graphs, reports, physical property or other subject matter ("**GRPUC Property**") prepared, delivered, procured, or produced in relation to Contractor's obligations under this Contract shall vest in GRPUC. Contractor will perform all acts necessary to ensure that all GRPUC Property is the sole property of GRPUC, and that neither Contractor nor its employees, agents, or subcontractors retain any interest in and to the GRPUC Property.



8. **GRPUC Audits.** The Contractor's books, records, documents, and accounting procedures and practices relevant to this Contract are subject to examination by GRPUC for six (6) years from the expiration or termination of this Contract. After reasonable notice, Contractor shall make such books, records, documents, and accounting procedures and practices available to GRPUC for its examination and audit.

9. **Miscellaneous.**

9.1 **General.** No provision of this Contract may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by all the Parties. No waiver by a Party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreement or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by any Party which are not expressly set forth in this Contract. The validity, interpretation, construction and performance of this Contract shall be governed by the internal laws of Minnesota. If any provision of this Contract shall be held or made invalid by a court decision, statute, rule or otherwise, the remainder of this Contract shall not be affected thereby. This Contract shall be binding on, and shall inure to the benefit of the Parties hereto and their respective successors and permitted assigns. Contractor may not assign Contractor's rights or obligations hereunder without the prior written consent of GRPUC. This Contract may be executed in any number of counterparts, each of which shall for all purposes be deemed to be an original and all of which shall together constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Contract in Portable Document Format (PDF) or by facsimile transmission shall be as effective as delivery of a manually executed original counterpart of this Contract. In the event a Party institutes any legal proceeding against another Party regarding this Contract, the prevailing Party is entitled to receive the costs incurred by such Party, including reasonable attorneys' fees. In performing its obligations under this Contract, Contractor and its employees and agents shall act in the capacity of independent contractors and not as an employee, partner, joint venturer, or agent of GRPUC. When Contractor's employees are working on the premises of GRPUC, wherever located, they shall observe the working rules, policies, and procedures of GRPUC, including, but not limited to, its respectful workplace policy. The Parties must comply with the Minnesota Government Data Practices Act in relation to this Contract. Contractor certifies that neither it nor its principals are presently debarred or suspended by any federal, state, or local government or agency or political subdivision thereof. Neither Party will publicize anything in relation to this Contract without the other Party's prior written consent. Contractor shall not use or disclose any confidential information it receives from GRPUC except as is necessary to perform under this Contract. The obligations of Contractor hereunder shall survive the expiration or earlier termination of this Contract. Each of the Parties shall take such further actions as may be reasonably required to carry out the provisions of this Contract.

9.2 **Notices.** Any notice or other communication to any Party in connection with this Contract shall be in writing and shall be sent by hand-delivery, email, fax, overnight courier, or United States mail (postage prepaid) addressed to the address set forth below. All periods of notice shall be measured from the date of delivery thereof if hand-delivered, from the date of sending thereof if sent by email or fax (effective upon confirmation of receipt), from the first day after the date of sending if sent by overnight courier, or from three (3) business days after the date

of mailing if mailed. Any Party may change such Party's address for notices by notice given not less than ten (10) calendar days prior to the effective date of the change.

GRPUC  
Address:  
500 SE 4<sup>th</sup> Street  
Grand Rapids, MN 55744  
Attn: Julie A. Kennedy  
Email: jakennedy@grpuc.org

LOREN SOLBERG  
CONSULTING, LLC  
32314 Prairie Lake Lane  
Grand Rapids, MN 55744  
Email: \_\_\_\_\_

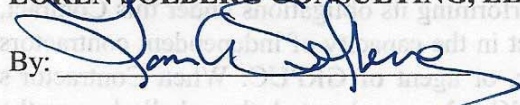
**10. Exhibits**

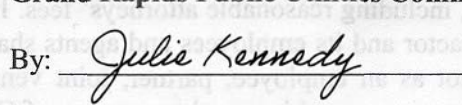
The following Exhibits are attached and incorporated into this Contract. In the event of a conflict between the terms of this Contract and its Exhibits (including any supplements), or between Exhibits (including any supplements), the order of precedence is first the Contract, and then in the following order:

- Exhibit A: Insurance Requirements
- Exhibit B: Specifications, Duties, and Scope of Work
- Exhibit C: Price and Payment Schedule

**IN WITNESS WHEREOF**, the parties hereto by their duly authorized representatives have executed this Contract effective as of the effective date set forth above.

**LOREN SOLBERG CONSULTING, LLC. Grand Rapids Public Utilities Commission**

By: 

By: 

Print Name: Loren Solberg

Print Name: Julie A. Kennedy

Title: Consultant

Title: General Manager

Date: 1/14/2022

Date: 2/2/2022

## **Exhibit A: Insurance Requirements**

Notice to Contractor and Insurer. Contractor shall not commence work under the Contract until it has obtained all the insurance described below and GRPUC has approved such insurance. Contractor shall maintain such insurance throughout the term of this Contract. GRPUC reserves the right to immediately terminate this Contract if the Contractor is not in compliance with the insurance requirements. All insurance policies must be open to inspection by GRPUC, and copies of policies must be submitted to GRPUC's Authorized Representative upon written request. The Contractor's insurance companies waive the right to assert the immunity of GRPUC as a defense to any claims made under said insurance.

- 1 **Additional Insurance Conditions.** The following apply to the Contractor and Contractor's subcontractor: Contractor's policy(ies) shall be primary insurance to any other valid and collectible insurance available to GRPUC. Contractor agrees to notify GRPUC within five (5) business days of receipt of any insurance cancellation notice. Contractor is responsible for payment of Contract-related insurance premiums and deductibles. Contractor's policy(ies) shall include legal defense fees in addition to its policy limits with the exception of professional liability. Contractor's insurance companies must either (1) have an AM Best rating of A- (minus) and a Financial Size Category of VII or better, and be authorized to do business in Minnesota, or (2) be domiciled in Minnesota and have a Certificate of Authority/Compliance from the Minnesota Department of Commerce if they are not rated by AM Best. An Umbrella or Excess Liability insurance policy may be used to supplement the Contractor's policy limits to satisfy the full policy limits required by the Contract.
  
- 2 **Coverages.** Contractor is required to maintain and furnish satisfactory evidence of the following insurance policies:
  - 2.1 **Commercial General Liability Insurance** coverage that would be maintained by a reasonable contractor in Contractor's profession performing a similar contract, with the following minimum limits:
    - \$1,500,000 – per occurrence
    - \$1,500,000 – annual aggregate
    - \$1,500,000 – annual aggregate – applying to Products/Completed Operations
  
  - 2.2 **Commercial Automobile Liability Insurance** coverage that would be maintained by a reasonable contractor in Contractor's profession performing a similar contract, with the following minimum limits:
    - \$1,500,000 – per occurrence Combined Single limit for Bodily Injury and Property Damage

The following coverages should be included: Owned, Hired, and Non-owned Automobile.

2.3 **Workers' Compensation Insurance.** Contractor shall obtain and maintain for the duration of the Contract, statutory workers' compensation insurance and employer's liability insurance as required under the laws of the State of Minnesota.

2.4 **Professional Liability, Errors, and Omissions.** This policy will provide coverage for all claims the Contractor may become legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to Contractor's professional services required under the Contract. Insurance minimum limits are as follows:

\$2,000,000 - per claim or event

\$2,000,000 - annual aggregate

Any deductible will be the sole responsibility of the Contractor and may not exceed \$50,000 without the written approval of GRPUC.

## **Exhibit B: Specifications, Duties, and Scope of Work**

The Contractor shall:

- Provide professional lobbying services for the GRPU at the legislature for the period of time identified in this contract.
- Assist the GRPU and GRPU staff in development of legislative priorities and strategies as authorized by the GRPU Commission.
- Coordinate, monitor, attend and/or testify as needed before relevant legislative committees or arrange for appropriate elected, appointed, GRPU staff or community people to testify as deemed necessary on legislation that may impact the GRPU.
- The Consultant shall work cooperatively with staff and other professional lobbyist of GRPU affiliated associations when not in conflict with the Consultant's other clients or the legislative goals or parameters established by the GRPU.
- To coordinate informational tours or meetings which will promote the policies or interests of the GRPU.
- Facilitate requested meetings with local legislators.
- Report periodically as requested by the GRPU on activities either in person, by phone, or in writing to the GRPU Commission and their designated representative. Meet as requested with the GRPU Commission, the general manager, or appropriate GRPU personnel.
- Notify the GRPU regarding any potential conflict of interest while representing other clients. Notification shall be to the General Manager.

The Consultant shall furnish qualified personnel to perform the services as required. It is agreed that Loren A. Solberg shall assume primary responsibility for delivering professional services as required by this contract.

Consultant shall at all times be free to exercise initiative, judgement and discretion as to how to best perform or provide services identified herein.

**Exhibit C: Price and Payment Schedule**

Compensation shall be One Thousand Two Hundred Dollars and no cents per month for six months (\$1,200.00/month for six months). Total of Seven Thousand Two Hundred Dollars and no Cents (\$7,200.00).

Approved reimbursable expenses not to exceed Two Thousand Eight Hundred Dollars and no Cents (\$2,800.00).

Total compensation not to exceed Ten Thousand Dollars and no Cents (\$10,000.00).

Payment 30 days after receipt of an uncontested invoice and documentation of allowable reimbursable expenses by Grand Rapids Public Utilities.

### PROCUREMENT CONTRACT

This Procurement Contract (“Contract”) is by and between the Grand Rapids Public Utilities Commission, located at 500 SE 4th St, Grand Rapids, MN 55744 (“GRPUC”), and Midwest Communications, Inc. located at 807 West 27<sup>th</sup> Street, Hibbing, MN 55746 (“Contractor”). GRPUC and Contractor may be referred to jointly as the “Parties” or individually as a “Party.”

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#### Recitals

- A. GRPUC has solicited and received quotations from contractors for two - :30 second commercials on 99.9 Radio USA and 93.9 WTBX. (“Solicitation”);
- B. Contractor provided a response to the Solicitation indicating its interest in and ability to provide the goods or services requested in the Solicitation; and
- C. Subsequent to an evaluation in accordance with the terms of the Solicitation and negotiation, the Parties desire to enter into a contract.

Accordingly, the Parties agree as follows:

---

#### Contract

1. **Term.** The effective date of this Contract is January 1, 2022. The Contractor must not begin work under this Contract until this Contract is fully executed and the Contractor has been notified by GRPUC’s Authorized Representative to begin the work. This Contract will terminate upon the first of the following to occur:

- 1.1 December 31, 2022.
- 1.2 All of Contractor’s obligations have been satisfactorily fulfilled.
- 1.3 GRPUC may cancel this Contract at any time, with or without cause, upon ten (10) days’ written notice to the Contractor.
- 1.4 GRPUC may terminate this Contract immediately in the event of a breach by Contractor.
- 1.5 The Parties may terminate this Contract at any time by mutual written agreement.

Upon receipt of any notice of termination Contractor shall immediately stop performance to the extent specified in such notice. In no event shall GRPUC be liable for any loss of revenue or profit incurred by Contractor as a result of any termination. Upon termination of this Contract, or earlier upon GRPUC’s request, Contractor shall deliver to GRPUC all items requested by GRPUC containing any confidential information or work product information or make such other disposition thereof as GRPUC may direct in writing.

## 2. Contractor's Duties

2.1 The Contractor shall:

On 99.9 Radio USA – broadcast one :30 second commercial each day, Monday through Friday, sponsoring a rotating primetime weather report that will air between the hours of 6 a.m. – 9:30 a.m. from January 10 through December 31, 2022; and

On 93.9 WTBX – broadcast one :30 second commercial each day, Monday through Friday, sponsoring a rotating primetime weather report that will air between the hours of 6 a.m. – 9:30 a.m. for a nine (9) week period to be determined between January 10 and December 31, 2022.

(The services (if any) to be provided by Contractor to GRPUC are referred to as the “**Services.**” The goods (if any) to be provided by Contractor to GRPUC are referred to as the “**Goods.**”). Contractor’s precise duties, specifications, deliverables, and completion dates related to the Goods and Services are more specifically described in **Exhibit B.**

2.2 GRPUC may make changes to the general scope of Goods and Services by written or oral notice to Contractor. If such changes affect the cost of or the time required to provide the Goods and Services, an equitable adjustment in the schedule and compensation under this Contract shall be made. GRPUC and Contractor may agree to additional Services or Goods by written amendment to this Contract.

2.3 Contractor agrees that all Goods and Services shall be provided, and all of Contractor’s obligations performed, in accordance with all applicable laws and other legal requirements without extra charge or expense. Contractor will be responsible for a violation of any such legal requirements and will indemnify, defend, and hold harmless GRPUC from and against any expense or cost incurred by reason of any such violation by Contractor.

2.4 Contractor warrants and represents that the Goods and Services will be provided in a manner that is consistent with the level of care and skill exercised by members of Contractor’s profession currently working under similar conditions. All Goods and Services not conforming to this standard will be considered defective and Contractor shall, at no cost to GRPUC, promptly and satisfactorily correct all such defective Goods and Services. Payment shall be withheld for Goods or Services found by GRPUC to be unsatisfactory or in violation of legal requirements.

2.5 Contractor shall be responsible for all its employees, agents, subcontractors, and invitees and their health and safety. Contractor shall ensure that all persons who perform the Services or produce or deliver the Goods are professionally competent and properly qualified and will remove any person GRPUC deems incompetent, careless, or otherwise objectionable.

2.6 Contractor is solely responsible and assumes full and exclusive liability for the payment of all contributions or taxes to be paid on or to persons employed by Contractor, and for payment of all sales, use, or other taxes of whatever nature levied or assessed against GRPUC arising out of the furnishing of the Services or production or delivery of the Goods, and will indemnify, defend, and hold harmless GRPUC from any such liability.



### 3. Consideration and Payment

3.1 Consideration. GRPUC will pay for performance by the Contractor under this Contract as follows:

3.1.1 Compensation. The Contractor will be paid Six Thousand Dollars and no cents (\$6,000.00) in accordance with **Exhibit C**.

3.1.2 Total obligation. The total obligation and liability of GRPUC under this Contract will not exceed Six Thousand Dollars and no cents. (\$6,000.00).

3.2 Payment.

3.2.1 Invoices. GRPUC will pay the Contractor within thirty (30) days following receipt of an undisputed invoice that complies with **Exhibit C**. GRPUC may pay the Contractor in advance in its sole discretion. Payment will only be made for Goods received or Services actually performed that have been accepted by GRPUC.

3.2.2 Retainage. No more than ninety percent (90%) of the amount due under this Contract may be paid until Contractor has performed all of its obligations under this Contract to GRPUC's satisfaction.

### 4. Authorized Representative

GRPUC's Authorized Representative is Julie Kennedy at the following business address: 500 SE 4<sup>th</sup> Street, Grand Rapids, MN, 55744 and the following telephone number: 218.326.7024 or his/her successor or delegate, and has the responsibility to monitor the Contractor's performance.

Contractor's Authorized Representative is Jim Heitzman at the following business address: 807 West 37<sup>th</sup> Street, Hibbing, MN 55746, and the following telephone number: 218.722.4321, or his/her successor. If the Contractor's Authorized Representative changes at any time during this Contract, the Contractor must immediately notify GRPUC.

5. **Indemnification.** Contractor will indemnify, defend, and hold harmless GRPUC, its agents, and employees, in relation to any expenses, damages, claims or causes of action, including reasonable attorney's fees, to the extent caused by any negligent or wrongful act, error or omission, breach of contract, or infringement of any intellectual property right by Contractor, any third party that Contractor has a business relationship with, or any of Contractor's agents or employees.

6. **Subcontracting.** Contractor may not subcontract all or any portion of this Contract without GRPUC's prior written consent, which GRPUC may grant or withhold in its sole discretion. If an approved subcontractor is determined to be performing unsatisfactorily by GRPUC, Contractor will ensure that the subcontractor is no longer used for this Contract. The provisions of the Contract shall apply with equal force and effect to all approved subcontractors and no subcontract will terminate the primary responsibility of Contractor hereunder. Contractor will pay all subcontractors in accordance with applicable law and the agreement between Contractor and the subcontractor.

7. **Ownership.** Contractor agrees that all legal right, title, and interest to intellectual property, data, documents, photographs, drawings, analyses, graphs, reports, physical property or other subject matter (“**GRPUC Property**”) prepared, delivered, procured, or produced in relation to Contractor’s obligations under this Contract shall vest in GRPUC. Contractor will perform all acts necessary to ensure that all GRPUC Property is the sole property of GRPUC, and that neither Contractor nor its employees, agents, or subcontractors retain any interest in and to the GRPUC Property.

8. **GRPUC Audits.** The Contractor’s books, records, documents, and accounting procedures and practices relevant to this Contract are subject to examination by GRPUC for six (6) years from the expiration or termination of this Contract. After reasonable notice, Contractor shall make such books, records, documents, and accounting procedures and practices available to GRPUC for its examination and audit.

9. **Miscellaneous.**

9.1 **General.** No provision of this Contract may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by all the Parties. No waiver by a Party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreement or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by any Party which are not expressly set forth in this Contract. The validity, interpretation, construction and performance of this Contract shall be governed by the internal laws of Minnesota. If any provision of this Contract shall be held or made invalid by a court decision, statute, rule or otherwise, the remainder of this Contract shall not be affected thereby. This Contract shall be binding on, and shall inure to the benefit of the Parties hereto and their respective successors and permitted assigns. Contractor may not assign Contractor’s rights or obligations hereunder without the prior written consent of GRPUC. This Contract may be executed in any number of counterparts, each of which shall for all purposes be deemed to be an original and all of which shall together constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Contract in Portable Document Format (PDF) or by facsimile transmission shall be as effective as delivery of a manually executed original counterpart of this Contract. In the event a Party institutes any legal proceeding against another Party regarding this Contract, the prevailing Party is entitled to receive the costs incurred by such Party, including reasonable attorneys’ fees. In performing its obligations under this Contract, Contractor and its employees and agents shall act in the capacity of independent contractors and not as an employee, partner, joint venturer, or agent of GRPUC. When Contractor’s employees are working on the premises of GRPUC, wherever located, they shall observe the working rules, policies, and procedures of GRPUC, including, but not limited to, its respectful workplace policy. The Parties must comply with the Minnesota Government Data Practices Act in relation to this Contract. Contractor certifies that neither it nor its principals are presently debarred or suspended by any federal, state, or local government or agency or political subdivision thereof. Neither Party will publicize anything in relation to this Contract without the other Party’s prior written consent. Contractor shall not use or disclose any confidential information it receives from GRPUC except as is necessary to perform under this Contract. The obligations of Contractor hereunder shall survive the expiration or earlier termination of this Contract. Each of the Parties shall take such further actions as may be reasonably required to carry out the provisions of this Contract.

9.2 Notices. Any notice or other communication to any Party in connection with this Contract shall be in writing and shall be sent by hand-delivery, email, fax, overnight courier, or United States mail (postage prepaid) addressed to the address set forth below. All periods of notice shall be measured from the date of delivery thereof if hand-delivered, from the date of sending thereof if sent by email or fax (effective upon confirmation of receipt), from the first day after the date of sending if sent by overnight courier, or from three (3) business days after the date of mailing if mailed. Any Party may change such Party's address for notices by notice given not less than ten (10) calendar days prior to the effective date of the change.

GRPUC  
Address:  
500 SE 4<sup>th</sup> Street  
Grand Rapids, MN 55744  
Attn: Julie Kennedy  
Email: jakennedy@grpuc.org

Contractor: Midwest  
Communications  
Address: 807 West 37<sup>th</sup> Street  
Hibbing, MN 55746  
Attn: Jim Heitzman  
Email:  
jim.heizman@mwcadvertising.com

10. Exhibits

The following Exhibits are attached and incorporated into this Contract. In the event of a conflict between the terms of this Contract and its Exhibits (including any supplements), or between Exhibits (including any supplements), the order of precedence is first the Contract, and then in the following order:

- Exhibit A: Insurance Requirements
- Exhibit B: Specifications, Duties, and Scope of Work
- Exhibit C: Price and Payment Schedule

IN WITNESS WHEREOF, the parties hereto by their duly authorized representatives have executed this Contract effective as of the effective date set forth above.

Midwest Communications

Grand Rapids Public Utilities Commission

By: 

By: Julie Kennedy 01/13/2022

Print Name: Jim Heitzman

Print Name: Julie A. Kennedy

Title: Marketing Consultant

Title: General Manager

### Exhibit A: Insurance Requirements

- 1 **Notice to Contractor and Insurer.** Contractor shall not commence work under the Contract until it has obtained all the insurance described below and GRPUC has approved such insurance. Contractor shall maintain such insurance throughout the term of this Contract. GRPUC reserves the right to immediately terminate this Contract if the Contractor is not in compliance with the insurance requirements. All insurance policies must be open to inspection by GRPUC, and copies of policies must be submitted to GRPUC's Authorized Representative upon written request. The Contractor's insurance companies waive the right to assert the immunity of GRPUC as a defense to any claims made under said insurance.
  
- 2 **Additional Insurance Conditions.** The following apply to the Contractor and Contractor's subcontractor: Contractor's policy(ies) shall be primary insurance to any other valid and collectible insurance available to GRPUC. Contractor agrees to notify GRPUC within five (5) business days of receipt of any insurance cancellation notice. Contractor is responsible for payment of Contract-related insurance premiums and deductibles. Contractor's policy(ies) shall include legal defense fees in addition to its policy limits with the exception of professional liability. Contractor's insurance companies must either (1) have an AM Best rating of A- (minus) and a Financial Size Category of VII or better, and be authorized to do business in Minnesota, or (2) be domiciled in Minnesota and have a Certificate of Authority/Compliance from the Minnesota Department of Commerce if they are not rated by AM Best. An Umbrella or Excess Liability insurance policy may be used to supplement the Contractor's policy limits to satisfy the full policy limits required by the Contract.
  
- 3 **Coverages.** Contractor is required to maintain and furnish satisfactory evidence of the following insurance policies:
  - 3.1 **Commercial General Liability Insurance** coverage that would be maintained by a reasonable contractor in Contractor's profession performing a similar contract, with the following minimum limits:
    - \$1,500,000 – per occurrence
    - \$1,500,000 – annual aggregate
    - \$1,500,000 – annual aggregate – applying to Products/Completed Operations
  
  - 3.2 **Commercial Automobile Liability Insurance** coverage that would be maintained by a reasonable contractor in Contractor's profession performing a similar contract, with the following minimum limits:
    - \$1,500,000 – per occurrence Combined Single limit for Bodily Injury and Property Damage

The following coverages should be included: Owned, Hired, and Non-owned Automobile.


3.3 **Workers' Compensation Insurance.** Contractor shall obtain and maintain for the duration of the Contract, statutory workers' compensation insurance and employer's liability insurance as required under the laws of the State of Minnesota.

3.4 ~~Professional Liability, Errors, and Omissions.~~ This policy will provide coverage for all claims the Contractor may become legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to Contractor's professional services required under the Contract. Insurance minimum limits are as follows:

~~\$2,000,000 - per claim or event~~

~~\$2,000,000 - annual aggregate~~

~~Any deductible will be the sole responsibility of the Contractor and may not exceed \$50,000 without the written approval of GRPUC.~~

 JAK

**Exhibit B: Specifications, Duties, and Scope of Work**

On 99.9 Radio USA:

One :30 second commercial each day, Monday through Friday. The investment is \$20 per day, from January 10th through December 31<sup>st</sup>, 2022.

Total of 255 weekdays @\$20 each = \$5,100.

For 93.9 WTBX:

One :30 second commercial each day, Monday through Friday. The investment is \$20 per day, for a nine (9) week period to be determined between January 10<sup>th</sup> and December 31<sup>st</sup>, 2022

Total of 45 weekdays @\$20 each = \$900.

**Exhibit C: Price and Payment Schedule**

On 99.9 Radio USA:

One :30 second commercial each day, Monday through Friday. The investment is \$20 per day, from January 10th through December 31<sup>st</sup>, 2022.

Total of 255 weekdays @\$20 each = \$5,100.

For 93.9 WTBX:

One :30 second commercial each day, Monday through Friday. The investment is \$20 per day, for a nine (9) week period to be determined between January 10<sup>th</sup> and December 31<sup>st</sup>, 2022

Total of 45 weekdays @\$20 each = \$900.

The total investment for both Radio USA and WTBX would be \$6,000.

Payment 30 days after receipt of an uncontested invoice and acceptance of goods and service by Grand Rapids Public Utilities.



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

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**AGENDA DATE:** February 9, 2022

**AGENDA ITEM:** Consider a motion to ratify the procurement contract with CB Technology Solutions, Inc. for IT professional services in an amount not to exceed \$23,100.00.

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

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### **BACKGROUND:**

The IT professional services being obtained are part of the approved 2022 Administration /Business Services operations budget. Procurement Policy G.030 was followed with this single source vendor purchase. CB Technology Solutions, Inc. is working with Administration staff and CW Technology, GRPU's consultant for IT support, to design and build and train employees on the new GRPU intranet site.

A copy of the certificates of insurance has been reviewed and is on file.

### **RECOMMENDATION:**

Consider a motion to ratify the procurement contract with CB Technology Solutions, Inc. for IT professional services in an amount not to exceed \$23,100.00.



## PROCUREMENT CONTRACT

This Procurement Contract (“**Contract**”) is by and between the Grand Rapids Public Utilities Commission, located at 500 SE 4th St, Grand Rapids, MN 55744 (“**GRPUC**”), and CB TECHNOLOGY SOLUTIONS, INC., a corporation in Minnesota, located at 2720 Carver Ave E, Maplewood, Minnesota 55119 (“**Contractor**”). GRPUC and Contractor may be referred to jointly as the “**Parties**” or individually as a “**Party**.”

### Recitals

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A. GRPUC has solicited and received a quotation from a contractor for professional services to analyze, design, build, support migration of content, training and rollout assistance for a new Microsoft 365 Intranet SharePoint site. (“**Solicitation**”);

B. Contractor provided a response to the Solicitation indicating its interest in and ability to provide the goods or services requested in the Solicitation; and

C. Subsequent to an evaluation in accordance with the terms of the Solicitation and negotiation, the Parties desire to enter into a contract.

Accordingly, the Parties agree as follows:

### Contract

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1. **Term.** The effective date of this Contract is January 14, 2022. The Contractor must not begin work under this Contract until this Contract is fully executed and the Contractor has been notified by GRPUC’s Authorized Representative to begin the work. This Contract will terminate upon the first of the following to occur:

- 1.1 July 1, 2022.
- 1.2 All of Contractor’s obligations have been satisfactorily fulfilled.
- 1.3 GRPUC may cancel this Contract at any time, with or without cause, upon ten (10) days’ written notice to the Contractor.
- 1.4 GRPUC may terminate this Contract immediately in the event of a breach by Contractor.
- 1.5 The Parties may terminate this Contract at any time by mutual written agreement.

Upon receipt of any notice of termination Contractor shall immediately stop performance to the extent specified in such notice. In no event shall GRPUC be liable for any loss of revenue or profit incurred by Contractor as a result of any termination. Upon termination of this Contract, or earlier upon GRPUC’s request, Contractor shall deliver to GRPUC all items requested by GRPUC containing any confidential information or work product information or make such other disposition thereof as GRPUC may direct in writing.

## 2. Contractor's Duties

2.1 The Contractor shall provide the following software services to develop a new Intranet in Microsoft 365 as the home for corporate communication and internal documentation such as policies, SOPs, and forms. The new SharePoint intranet will be key to GRPUC's future communication strategy.

- Analysis and Design
- Teams Assessment, Best Practices and Integrations
- Complete build out of site structure
- Site Branding
- Rollout and Adoption Planning
- Training Development and Delivery
- SharePoint and Teams Governance
- Content Migration
- Project Management

Analysis and Design phase of the project is to fully understand the solution requirements and build out a detailed specifications plan that captures those requirements, the technical design of the solution, and define a detailed rollout plan that includes components for training, communication, change management, and successful adoption of the new intranet solution. During the Build phase of the project, we will execute the build out of the new information architecture of the site and support the migration of organization-level content into the new solution. Training support and rollout assistance will also be provided.

(The services (if any) to be provided by Contractor to GRPUC are referred to as the “**Services.**” The goods (if any) to be provided by Contractor to GRPUC are referred to as the “**Goods.**”). Contractor's precise duties, specifications, deliverables, and completion dates related to the Goods and Services are more specifically described in **Exhibit B**.

2.2 GRPUC may make changes to the general scope of Goods and Services by written or oral notice to Contractor. If such changes affect the cost of or the time required to provide the Goods and Services, an equitable adjustment in the schedule and compensation under this Contract shall be made. GRPUC and Contractor may agree to additional Services or Goods by written amendment to this Contract.

2.3 Contractor agrees that all Goods and Services shall be provided, and all of Contractor's obligations performed, in accordance with all applicable laws and other legal requirements without extra charge or expense. Contractor will be responsible for a violation of any such legal requirements and will indemnify, defend, and hold harmless GRPUC from and against any expense or cost incurred by reason of any such violation by Contractor.

2.4 Contractor warrants and represents that the Goods and Services will be provided in a manner that is consistent with the level of care and skill exercised by members of Contractor's profession currently working under similar conditions. All Goods and Services not conforming to this standard will be considered defective and Contractor shall, at no cost to GRPUC, promptly and satisfactorily correct all such defective Goods and Services. Payment shall be

withheld for Goods or Services found by GRPUC to be unsatisfactory or in violation of legal requirements.

2.5 Contractor shall be responsible for all its employees, agents, subcontractors, and invitees and their health and safety. Contractor shall ensure that all persons who perform the Services or produce or deliver the Goods are professionally competent and properly qualified and will remove any person GRPUC deems incompetent, careless, or otherwise objectionable.

2.6 Contractor is solely responsible and assumes full and exclusive liability for the payment of all contributions or taxes to be paid on or to persons employed by Contractor, and for payment of all sales, use, or other taxes of whatever nature levied or assessed against GRPUC arising out of the furnishing of the Services or production or delivery of the Goods, and will indemnify, defend, and hold harmless GRPUC from any such liability.

### 3. **Consideration and Payment**

3.1 Consideration. GRPUC will pay for performance by the Contractor under this Contract as follows:

3.1.1 Compensation. The Contractor will be paid not to exceed Twenty-Three Thousand One Hundred Dollars and no cents. (not to exceed \$23,100.00) in accordance with **Exhibit C**.

3.1.2 Total obligation. The total obligation and liability of GRPUC under this Contract will not exceed Twenty-Three Thousand One Hundred Dollars and no cents (not to exceed \$23,100.00).

3.2 Payment.

3.2.1 Invoices. GRPUC will pay the Contractor within thirty (30) days following receipt of an undisputed invoice that complies with **Exhibit C**. GRPUC may pay the Contractor in advance in its sole discretion. Payment will only be made for Goods received or Services actually performed that have been accepted by GRPUC.

3.2.2 Retainage. No more than ninety percent (90%) of the amount due under this Contract may be paid until Contractor has performed all of its obligations under this Contract to GRPUC's satisfaction.

### 4. **Authorized Representative**

GRPUC's Authorized Representative is Julie A. Kennedy, General Manager at the following business address: 500 SE 4<sup>th</sup> Street, Grand Rapids, MN, 55744 and the following telephone number: 218-326-7687 or his/her successor or delegate, and has the responsibility to monitor the Contractor's performance.

Contractor's Authorized Representative is Connie Wiegel, President at the following business

address: 2720 Carver Ave E, Maplewood, Minnesota 55119 and the following telephone number: 651.329.3776, or his/her successor. If the Contractor's Authorized Representative changes at any time during this Contract, the Contractor must immediately notify GRPUC.

5. **Indemnification.** Contractor will indemnify, defend, and hold harmless GRPUC, its agents, and employees, in relation to any expenses, damages, claims or causes of action, including reasonable attorney's fees, to the extent caused by any negligent or wrongful act, error or omission, breach of contract, or infringement of any intellectual property right by Contractor, any third party that Contractor has a business relationship with, or any of Contractor's agents or employees.

6. **Subcontracting.** Contractor may not subcontract all or any portion of this Contract without GRPUC's prior written consent, which GRPUC may grant or withhold in its sole discretion. If an approved subcontractor is determined to be performing unsatisfactorily by GRPUC, Contractor will ensure that the subcontractor is no longer used for this Contract. The provisions of the Contract shall apply with equal force and effect to all approved subcontractors and no subcontract will terminate the primary responsibility of Contractor hereunder. Contractor will pay all subcontractors in accordance with applicable law and the agreement between Contractor and the subcontractor.

7. **Ownership.** Contractor agrees that all legal right, title, and interest to intellectual property, data, documents, photographs, drawings, analyses, graphs, reports, physical property or other subject matter ("**GRPUC Property**") prepared, delivered, procured, or produced in relation to Contractor's obligations under this Contract shall vest in GRPUC. Contractor will perform all acts necessary to ensure that all GRPUC Property is the sole property of GRPUC, and that neither Contractor nor its employees, agents, or subcontractors retain any interest in and to the GRPUC Property.

8. **GRPUC Audits.** The Contractor's books, records, documents, and accounting procedures and practices relevant to this Contract are subject to examination by GRPUC for six (6) years from the expiration or termination of this Contract. After reasonable notice, Contractor shall make such books, records, documents, and accounting procedures and practices available to GRPUC for its examination and audit.

9. **Miscellaneous.**

9.1 **General.** No provision of this Contract may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by all the Parties. No waiver by a Party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreement or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by any Party which are not expressly set forth in this Contract. The validity, interpretation, construction and performance of this Contract shall be governed by the internal laws of Minnesota. If any provision of this Contract shall be held or made invalid by a court decision, statute, rule or otherwise, the remainder of this Contract shall not be affected thereby. This Contract shall be binding on, and shall inure to the benefit of the Parties hereto and their respective successors and permitted assigns. Contractor may not assign Contractor's rights or obligations hereunder

without the prior written consent of GRPUC. This Contract may be executed in any number of counterparts, each of which shall for all purposes be deemed to be an original and all of which shall together constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Contract in Portable Document Format (PDF) or by facsimile transmission shall be as effective as delivery of a manually executed original counterpart of this Contract. In the event a Party institutes any legal proceeding against another Party regarding this Contract, the prevailing Party is entitled to receive the costs incurred by such Party, including reasonable attorneys' fees. In performing its obligations under this Contract, Contractor and its employees and agents shall act in the capacity of independent contractors and not as an employee, partner, joint venturer, or agent of GRPUC. When Contractor's employees are working on the premises of GRPUC, wherever located, they shall observe the working rules, policies, and procedures of GRPUC, including, but not limited to, its respectful workplace policy. The Parties must comply with the Minnesota Government Data Practices Act in relation to this Contract. Contractor certifies that neither it nor its principals are presently debarred or suspended by any federal, state, or local government or agency or political subdivision thereof. Neither Party will publicize anything in relation to this Contract without the other Party's prior written consent. Contractor shall not use or disclose any confidential information it receives from GRPUC except as is necessary to perform under this Contract. The obligations of Contractor hereunder shall survive the expiration or earlier termination of this Contract. Each of the Parties shall take such further actions as may be reasonably required to carry out the provisions of this Contract.

9.2 Notices. Any notice or other communication to any Party in connection with this Contract shall be in writing and shall be sent by hand-delivery, email, fax, overnight courier, or United States mail (postage prepaid) addressed to the address set forth below. All periods of notice shall be measured from the date of delivery thereof if hand-delivered, from the date of sending thereof if sent by email or fax (effective upon confirmation of receipt), from the first day after the date of sending if sent by overnight courier, or from three (3) business days after the date of mailing if mailed. Any Party may change such Party's address for notices by notice given not less than ten (10) calendar days prior to the effective date of the change.

GRPUC  
Address:  
500 SE 4<sup>th</sup> Street  
Grand Rapids, MN 55744  
Attn: Julie A. Kennedy  
Email: jakennedy@grpuc.org

CB TECHNOLOGY SOLUTIONS,  
INC.  
Address:  
2720 Carver Ave E  
Maplewood, MN 55119  
Attn: Connie Wiegel  
Email: connie@cbtechsolutions.com

**10. Exhibits**

The following Exhibits are attached and incorporated into this Contract. In the event of a conflict between the terms of this Contract and its Exhibits (including any supplements), or between

Exhibits (including any supplements), the order of precedence is first the Contract, and then in the following order:

- Exhibit A: Insurance Requirements
- Exhibit B: Specifications, Duties, and Scope of Work
- Exhibit C: Price and Payment Schedule

**IN WITNESS WHEREOF**, the parties hereto by their duly authorized representatives have executed this Contract effective as of the effective date set forth above.

**CB TECHNOLOGY SOLUTIONS, INC.**

**Grand Rapids Public Utilities Commission**

By: Connie O. Wiegel

By: Julie A Kennedy 01/22/2022

Print Name: Connie Wiegel

Print Name: Julie A. Kennedy

Title: President

Title: General Manager

### Exhibit A: Insurance Requirements

- 1 **Notice to Contractor and Insurer.** Contractor shall not commence work under the Contract until it has obtained all the insurance described below and GRPUC has approved such insurance. Contractor shall maintain such insurance throughout the term of this Contract. GRPUC reserves the right to immediately terminate this Contract if the Contractor is not in compliance with the insurance requirements. All insurance policies must be open to inspection by GRPUC, and copies of policies must be submitted to GRPUC's Authorized Representative upon written request. The Contractor's insurance companies waive the right to assert the immunity of GRPUC as a defense to any claims made under said insurance.
  
- 2 **Additional Insurance Conditions.** The following apply to the Contractor and Contractor's subcontractor: Contractor's policy(ies) shall be primary insurance to any other valid and collectible insurance available to GRPUC. Contractor agrees to notify GRPUC within five (5) business days of receipt of any insurance cancellation notice. Contractor is responsible for payment of Contract-related insurance premiums and deductibles. Contractor's policy(ies) shall include legal defense fees in addition to its policy limits with the exception of professional liability. Contractor's insurance companies must either (1) have an AM Best rating of A- (minus) and a Financial Size Category of VII or better, and be authorized to do business in Minnesota, or (2) be domiciled in Minnesota and have a Certificate of Authority/Compliance from the Minnesota Department of Commerce if they are not rated by AM Best. An Umbrella or Excess Liability insurance policy may be used to supplement the Contractor's policy limits to satisfy the full policy limits required by the Contract.
  
- 3 **Coverages.** Contractor is required to maintain and furnish satisfactory evidence of the following insurance policies:
  - 3.1 **Commercial General Liability Insurance** coverage that would be maintained by a reasonable contractor in Contractor's profession performing a similar contract, with the following minimum limits: [GRPUC does not generally allow limits lower than \$1.5 M. Contractor can use umbrella coverage to get to the minimum limit amount of \$1.5M]
    - \$1,500,000 – per occurrence
    - \$1,500,000 – annual aggregate
    - \$1,500,000 – annual aggregate – applying to Products/Completed Operations
  
  - 3.2 **Commercial Automobile Liability Insurance** coverage that would be maintained by a reasonable contractor in Contractor's profession performing a similar contract, with the following minimum limits:
    - \$1,500,000 – per occurrence Combined Single limit for Bodily Injury and Property Damage

The following coverages should be included: Owned, Hired, and Non-owned Automobile.

**3.3 Workers' Compensation Insurance.** Contractor shall obtain and maintain for the duration of the Contract, statutory workers' compensation insurance and employer's liability insurance as required under the laws of the State of Minnesota.

**3.4 Professional Liability, Errors, and Omissions.** This policy will provide coverage for all claims the Contractor may become legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to Contractor's professional services required under the Contract. Insurance minimum limits are as follows:

\$2,000,000 - per claim or event  
\$2,000,000 - annual aggregate

Any deductible will be the sole responsibility of the Contractor and may not exceed \$50,000 without the written approval of GRPUC.

**3.5 Network Security and Privacy Liability Insurance (or equivalent)** coverage that would be maintained by a reasonable contractor in Contractor's profession performing a similar contract, with the following minimum limits

\$2,000,000 - per occurrence  
\$2,000,000 - annual aggregate





## Exhibit B: Specifications, Duties, and Scope of Work



### Software Services Proposal for: Grand Rapids Public Utilities Commission

## Grand Rapids Public Utilities Commission Microsoft 365 Intranet

*Delivered by: Connie Wiegel and Betsy Sween*

### Project Summary

Grand Rapids Public Utilities Commission (GRPUC) would like to develop a new Intranet in Microsoft 365 as the home for corporate communication and internal documentation such as policies, SOPs, and forms. The new SharePoint intranet will be key to GRPUC's future communication strategy and will provide the following benefits:

- Easy self-serve access to important information and documents
- Simple intuitive navigation from within Teams (using integrated SharePoint features)
- Powerful search functionality

CB Technology Solutions, along with the GRPUC strategy team have recently begun to engage in conversations to analyze GRPUC's requirements. The goal of this "Analysis and Design" phase of the project is to fully understand the solution requirements and build out a detailed specifications plan that captures those requirements, the technical design of the solution, and define a detailed rollout plan that includes components for training, communication, change management, and successful adoption of the new intranet solution.

During the "Build" phase of the project, we will execute the build out of the new information architecture of the site and support the migration of organization-level content into the new solution. Training support and rollout assistance will also be provided.

The project is structured in the following way:

### Analysis and Design

- Headed up by experienced SharePoint Business Analyst and Developer/Architect
- Set up the project team with an executive sponsor who will serve as the SharePoint strategic team going forward. This team may include representatives from groups such as IT, HR, Executive leadership, and Administration.
- Discuss the requirements for the new portal based on interviews, feedback, and observation. The cycle would look like this:
  - Work with the project team to understand the organization's business needs and requirements. What work processes do they follow? What are the current challenges? How well do current solutions meet their needs? We do not talk technology at this time but rather focus on business needs.
  - Digest our findings and mockup wireframes or starter/POC (proof-of-concept) solutions. Some POC development can be done side-by-side with internal resources for training purposes.
  - Meet with project stakeholders again to show wireframes and starter solutions to get detailed feedback and further develop the design



**Software Services Proposal for:  
Grand Rapids Public Utilities Commission**

- Present some targeted demos of Office 365 functionality and tools to give team members an idea of the technical possibilities and what some solutions might look like. Provide some informal training to prepare the team for adoption of the new platform.
- Present findings and planned next steps during a presentation to the project team, including a summary slide-deck. This becomes the road map for the Build phase.

**Solution Build Out**

- Focus on core features that have the highest value to the business and end-users
- Include at least 2 or 3 mission-critical “killer features” that will drive users into the new portal daily
- Build out site structure and get content managers trained and engaged in content migration and creation
- Create and apply a simple brand that helps end users identify with the solution
- Deploy to production and rollout to end users

**Scope of Work and Hours Estimates**

The following specific tasks will be performed during the project. Effort estimates are included for each task. Core tasks are the minimum that will be required to build and deploy the core site. Killer features are listed in a separate proposal as some of these could be deferred to a later phase of the project if desired.

Task	Description / Comments	Hours
Analysis and Design	<ul style="list-style-type: none"> <li>• Conduct discovery and brainstorming sessions with one or more teams of key stakeholders and/or team leads in the organization</li> <li>• Discuss and understand at a high level how teams in the company work together today in terms of communication, collaboration, sharing and working on documents, etc., looking for places where SharePoint and the related O365 tools could provide significant improvements.</li> <li>• Create a design document for the final solution that includes a site map with information architecture planning and other key design aspects to provide a roadmap for the build phase of the project.</li> <li>• Note that some development ideas may surface during this process that will not fit into the phase one development budget. In that case all ideas will be captured to a backlog feature list for future consideration and prioritization.</li> </ul>	24



**Software Services Proposal for:  
Grand Rapids Public Utilities Commission**

<p>Teams Assessment, Best Practices, and Integrations</p>	<ul style="list-style-type: none"> <li>• Work with GRPUC strategy team - and other Teams users as desired – to assess current Teams usage and make recommendations related to use of teams, channels, apps, and integrations. Potential integrations may include:                             <ul style="list-style-type: none"> <li>○ Planner</li> <li>○ Forms</li> <li>○ OneNote</li> <li>○ SharePoint</li> <li>○ Stream</li> <li>○ List - Issue Tracker</li> <li>○ Teams approvals app</li> </ul> </li> <li>• Provide end user Teams training (see Training section)</li> <li>• Work with strategy team to develop a Teams and SharePoint governance plan (see SharePoint and Teams Governance section)</li> </ul>	<p>4-8</p>
<p>Complete build out of site structure</p>	<ul style="list-style-type: none"> <li>• Create navigation structures and all communication sites. Configure hub site and spoke site connections. This may include areas for:                             <ul style="list-style-type: none"> <li>○ News</li> <li>○ Safety</li> <li>○ HR</li> <li>○ Electric Department</li> <li>○ Water/Wastewater Department</li> </ul> </li> <li>• Create and configure all lists, libraries, and core site pages including primary landing pages (but not all content pages such as news articles).</li> <li>• Develop any needed content types and associated site columns and metadata.</li> </ul>	<p>30</p>
<p>Site Branding</p>	<ul style="list-style-type: none"> <li>• Create, test, and deploy a modern site theme to all communication sites.</li> <li>• Assist and provide guidance to GRPUC regarding the branding of news articles and landing page content.</li> </ul>	<p>4</p>
<p>Rollout and Adoption Planning</p>	<ul style="list-style-type: none"> <li>• Put together the structure of a rollout plan that includes a communication plan, training plan, and adoption strategy that focuses on high user adoption and ROI.</li> <li>• Discuss strategies for ongoing development and support of the platform.</li> </ul>	<p>4-8</p>



**Software Services Proposal for:  
Grand Rapids Public Utilities Commission**

	<ul style="list-style-type: none"> <li>Conduct session with project team to review and discuss recommendations around each component. Note: After this session, the client will determine how/if they would like additional assistance from CB Technology Solutions in developing and implementing any of the above-referenced plans. If they choose to complete these items using internal resources, it will greatly decrease project time for this item.</li> </ul>	
<p>Training Development and Delivery</p>	<p>Work with the project team to develop a training plan and session agendas, to include the following components:</p> <ul style="list-style-type: none"> <li>SharePoint Content Manager Training (1.5 hours)             <ul style="list-style-type: none"> <li>Audience: SharePoint content owners (pages, documents)</li> <li>Covers site and content management with the new modern SharePoint tools and templates, including creating news and site pages, managing events, quick links, and working with documents.</li> </ul> </li> <li>Teams Training (1.5 hours)             <ul style="list-style-type: none"> <li>Audience: Beginner to Intermediate Teams users</li> <li>Intro to Microsoft Teams including Chat, Calls, Teams, Channels, Tabs, Search, Files, and more</li> </ul> </li> <li>SharePoint Site Administration Training (1.5 hours)             <ul style="list-style-type: none"> <li>Audience: IT SharePoint support staff</li> <li>Covers site collection administration topics such as creating lists and libraries, working with metadata, setting permissions, Hub site settings and working with navigation elements</li> </ul> </li> <li>SharePoint and Teams Service Administration Training (1.5 hours)             <ul style="list-style-type: none"> <li>Audience: IT SharePoint/Teams support staff</li> <li>Covers SharePoint and Teams Admin centers; settings and policies related to permissions, apps, and more; usage and monitoring</li> </ul> </li> <li>Delve Profile Updates (.5 hours)             <ul style="list-style-type: none"> <li>Audience: IT support staff</li> <li>Covers how to modify others' MS 365 profiles including uploading their photos</li> </ul> </li> </ul>	<p>20</p>



## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

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**AGENDA DATE:** February 9, 2022

**AGENDA ITEM:** Consider a motion to ratify the procurement contract with CW Technology for CW Care in the amount of \$5,284.00.

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

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### **BACKGROUND:**

This purchase is part of the approved Administration/Business Services operations budget. Procurement Policy G.030 was followed with this single source vendor purchase. CW Technology provides GRPU with IT support for end user's needs, proactive monitoring of system resources, and consulting services to address current and future IT planning needs.

Cost is \$357/month plus a one-time setup charge of \$1,000 totaling \$5,284 for this annual contract.

A copy of the certificate of insurance has been reviewed and is on file.

### **RECOMMENDATION:**

Consider a motion to ratify the procurement contract with CW Technology for IT Services/CW Care in the amount of \$5,284.00.

**CW CARE** – Updated Security Controls

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January 24, 2022

# Grand Rapids Public Utilities

Prepared by: Joey Glisczinski, Client Strategy Manager

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## 1. EXECUTIVE SUMMARY

CW Care provides a unique approach to IT support by providing ready support for end user needs, proactive monitoring of system resources to keep you running efficiently and consulting services to address your current and future IT planning needs. CW Technology currently works with over 250 organizations in Minnesota and Wisconsin providing support to over 9,500 individual seats daily.

CW Technology for your technology support needs:

- **Remote Access** – Through the CW Technology CW Care program, we provide full help desk support to your staff for all IT needs. Our help desk is available from 7:00 a.m. – 5:30 p.m. Monday – Friday with extended after hour support available. Our average response time is less than 15 minutes and our average resolution time is less than 40 minutes. This means your technology issues are being addressed and resolved quickly to keep you moving forward. Also, 86% of all requests that come to our help desk can be handled remotely. This means that we are much less dependent on on-site support to resolve IT issues.
- **Security** – CW Technology takes the security and confidentiality of your systems very seriously. All CW Care employees go through a full annual FBI background check and are fingerprinted by the Hermantown MN Police Department as a prerequisite and ongoing condition of employment at CW Technology. CW Technology has also worked with the Minnesota Bureau of Criminal Apprehension to become certified to work on their systems. The certification involved ensuring not only the personnel but the systems and processes being used by our managed services program meet the stringent security requirements of the BCA.
- **Flexibility** – We make it easy to implement CW Care into your organization. There is no contract to sign. Your agreement is month to month from the start so you always have control over your IT support decisions. Plus, you can change or modify programs as your needs change.
- **Complete System Planning** – Beyond the “nuts and bolts” support you expect from this program, you will have access to full system design and budget planning. We will help you develop a written disaster recovery plan and Acceptable Use Policies for your corporate owned machines. If these are in place, we will review them to make sure they are up to date with your current business practices.

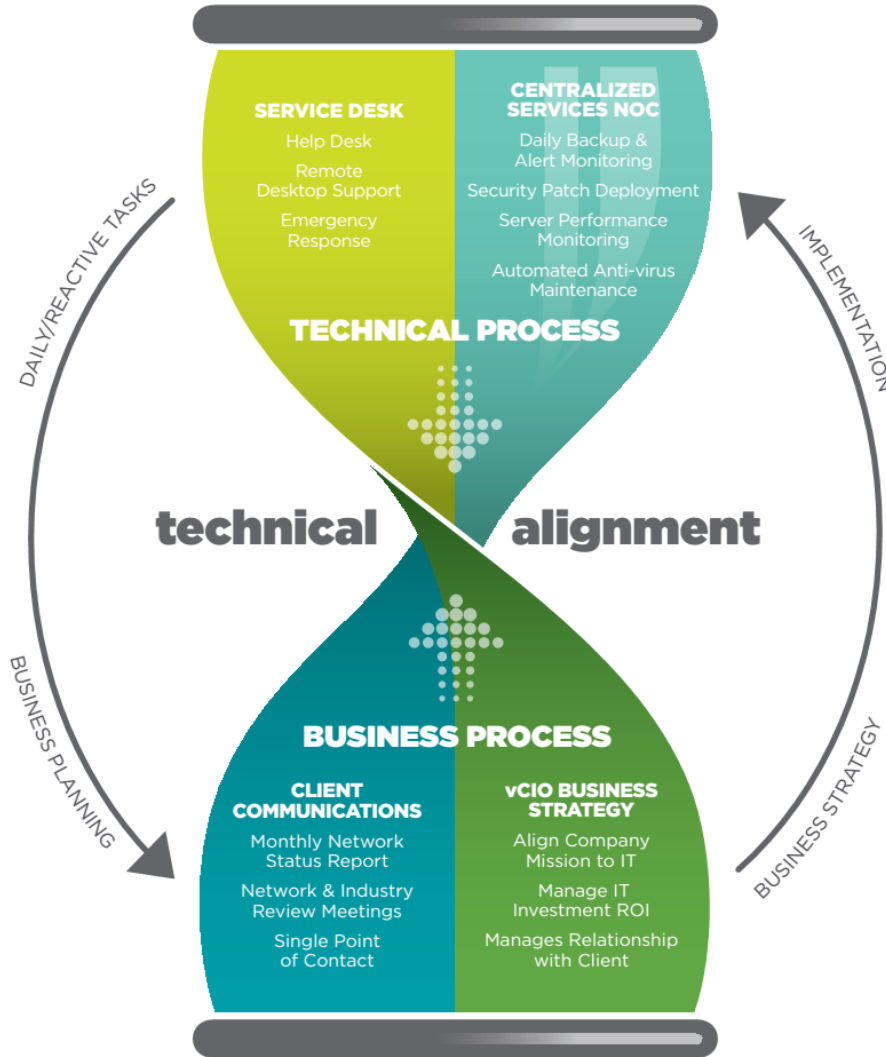
Attached is a document based on the need to align with Cyber Liability Insurers security recommendations/requirements at Grand Rapids Public Utilities.





## 2. CW TECHNOLOGY SERVICE DELIVERY MODEL

This service delivery model is centered around a full technical alignment process to ensure your technology infrastructure is aligned with business needs.





### 3. SUMMARY OF SCOPE OF SERVICES AND FEES

CW Technology will provide the following services listed in Table A. These services shall continue unless terminated by Grand Rapids Public Utilities in writing with 60 days' notice.

Grand Rapids Public Utilities will be invoiced based on the number of units of each type listed in Table A. The monthly fee is based on the number of supported units of each type listed. Additional services may be added at any time during the life of this contract at the unit rates listed below.

CW Technology will audit the customer's usage of units on an ongoing basis; for each unit found in excess of the amount listed in Table A, CW Technology will increase the monthly fee by the corresponding amount indicated in Table A. Reductions in Units above the minimum threshold will be reflected on the invoice within 30 days of service removal.

**Table A: Services & Fees**

#### Current CW Care and Security Foundational Items Updated

Description	Units	Unit Price	Monthly Fee	One-Time Setup*	Status
Current CW Care Solution			Existing		On-Going
<b>Foundational Security Updates</b>					
Advanced Endpoint Protection	51	\$7.00	\$357.00	\$1,000.00	To Be Deployed
Employee Awareness Training	0		Existing		KnowBe4 On-Going
Dark Web Monitoring	0		Existing		On-Going
Multi-Factor Authentication			To Be Determined		
<b>Total</b>			<b>\$357.00</b>	<b>\$1,000.00</b>	

\*Discounted installation during opt-out period.

### 4. DELIVERABLES AND SERVICES

CW Technology will supply the necessary qualified resources to manage the IT Services of the customer as defined below M-F, 7:00am-5:30pm. Scheduled and emergency maintenance windows are detailed in Addendum A.

Included Devices: 'Included Devices' will be defined as applicable devices associated with the unit quantities stated in Table A.

CW Technology provides the following functions and services:

**A. 24X7 Monitoring and Incident Response Services:**

1. CW Technology will provide Incident response services for all included devices per the SLA in Addendum A.





2. CW Technology will track all incidents through an ITIL (Information Technology Infrastructure Library) based Service Desk system. All requests will be prioritized and processed per the 'Priority' guidelines listed in Addendum A.
  3. CW Technology will provide 24x7 collection of performance data for the customer's included server and network devices per CW Technology's best practices.
  4. CW Technology will utilize industry best practices for remote access, control and management of all devices.
  5. CW Technology Network Operations Center is staffed from 7:00am to 5:30pm Monday through Friday.
- B. Proactive Services:**
1. **Backup Management:** CW Technology will monitor and maintain backups for included devices utilizing CW Technology approved solutions (Appendix B).
  2. **Patch Management:** CW Technology will perform maintenance activities on included devices such as the application of vendor provided software and firmware updates.
  3. **Application Support:** CW Technology will interface with third party software vendors and independent contractors as necessary in order to provide resolution of issues encountered on included devices.
  4. **Support Tools:** CW Technology will deploy the CW Technology Remote Support and agents to all applicable included devices. CW Technology will make a "best effort" to automatically deploy these agents to the said devices.
- C. Strategic Partner Services:** CW Technology will provide the customer with a named Strategic Partner.
1. **Budgeting:** The Strategic Partner will work with the customer to develop an annual technology budget for recurring expense items and new capital requirements in alignment with organizational goals.
  2. **Strategic Planning:** The Strategic Partner will recommend technology solutions as well as provide roadmaps that support key business processes in order to help the customer leverage technology appropriately. The Strategic Partner will work with the customer as part of the annual planning process to understand the current business drivers and goals and make recommendations targeted toward maximizing the effectiveness of the customer's technology investment.
  3. **Analyze IT Health data:** The Strategic Partner will perform a periodic analysis of the data collected by CW Technology's monitoring systems to proactively resolve issues and assess potential risks within the environment. The Strategic Partner will make this analysis available to key stakeholders and provide direction on business decisions regarding the level of investment.



**D. Excluded Services:**

1. Items other than those included above are expressly excluded from the Services provided within this Agreement. Section 7 includes examples of typical services which are excluded from the Scope of Services provided in this Agreement.
2. For all services which incur additional hourly fees, CW Technology will notify the customer that these services are outside the scope of this agreement and will receive approval from customer prior to rendering these additional services.

**5. CUSTOMER RESPONSIBILITIES**

- A. Customer will provide a primary point of contact for CW Technology to work with on all services provided in this Agreement.
- B. Customer is responsible for authorizing access for CW Technology to sites that are owned / controlled by third parties.
- C. Customer is responsible for proper disposal of customer-owned devices.
- D. Customer will make a best effort to maintain the minimum infrastructure requirements as defined by CW Technology.
- E. Customer will implement infrastructure upgrades deemed necessary by CW Technology in order to effectively provide the stated level of service.
- F. Customer will maintain both hardware and software maintenance agreements with the source Vendor whenever possible to allow for ongoing access to security updates and to provide quick replacement of non-functioning components.

**6. ASSUMPTIONS**

- A. CW Technology will make reasonable efforts to resolve all issues remotely prior to dispatching an engineer onsite. Travel hours incurred will be dependent on the program selected as defined in Section 1.
- B. The agreement will not become effective unless and until it is agreed upon and signed by the customer and CW Technology.

**7. EXCLUDED SERVICES**

Excluded services are those related to functionality upgrades, such as those required to evaluate, specify, purchase, and implement client system or server upgrades such as operating systems, third party software deployments or upgrades, or equipment related to these services whose scope exceeds that defined above. CW Technology will provide these services to the customer on a Time & Materials Agreement basis. If modification or replacement of a hardware device or component is required, customer is responsible





for all hardware and hardware vendor services costs, excluding CW Technology owned hardware explicitly provided through this Agreement.

Software development, training and project work, and non-patch upgrades of software, are not included.

## 8. LIMITED WARRANTY AND DISCLAIMERS

8.1 Limited Warranty. CW Technology warrants to Client that the Services, as and when delivered or rendered hereunder, will substantially conform to the description of services or specifications set forth in the applicable Agreement. CW Technology's sole liability under the foregoing warranty shall be to provide the services described in Section 8.3 hereof.

8.2 Disclaimer of warranties. The warranty set forth in section 8.1 states company's sole and exclusive warranty to client concerning the services hereunder. Except as expressly set forth in section 8.1, the services are provided strictly "as is" and CW Technology makes no additional warranties, express, implied, arising from course of dealing or usage of trade, or statutory, as to the services or any matter whatsoever. In particular, any and all warranties of merchantability, fitness for a particular purpose and non-infringement are expressly excluded. CW Technology does not warrant, and specifically disclaims that the services being provided will result in cost savings, profit improvement, or that the services will be error-free. This is a limited warranty and is the only warranty made by CW Technology.

8.3 Notice Obligation; Remedy. Client shall notify CW Technology in writing within thirty (30) days after completion of the Services in question when any of the Services fail to substantially conform to the description of services or specifications set forth in the applicable Work Order. Such notification shall include the detailed information necessary for CW Technology to verify such nonconformity. Upon actual receipt of such notification and verification of the nonconformity, CW Technology shall correct the nonconformity so that the Services shall substantially conform with the agreed description of services or specifications in the applicable Work Order. Client agrees to pay CW Technology for all personnel time and expenses incurred in investigating reported nonconformities when the alleged nonconformities are not discovered. The passage of the thirty (30) day period after completion of the Services in question without the notification described herein shall constitute final acceptance of the Services.

## 9. LIMITATION OF LIABILITY

9.1 CW Technology's liability on any claim, loss or liability arising out of, or connected with this agreement, the services or use of the product of any services furnished hereunder, shall in all cases be limited solely to correction of nonconformities which do not substantially conform with the agreed description of services in a work order, or specifications identified in a work order.

9.2 If for any reason CW Technology is unable or fails to correct nonconformities as provided, CW Technology's liability for damages arising out of any work order for such failure, whether in contract or tort (including negligence), law, equity or otherwise, shall not exceed the amounts paid by client for that





portion of the services which fail to conform. In no event shall company be liable under this agreement or any work order for any amounts in excess of the amounts paid by client to company in the ninety (90) day period preceding any failure or breach by company or claim by client.

9.3 Under no circumstances shall CW Technology be liable to client for any loss of use, interruption of business, loss or corruption of data, or any indirect, special, incidental, punitive or consequential damages of any kind (including lost profits) regardless of the form of action whether in contract, tort (including negligence), law, equity or otherwise, even if CW Technology has been advised of the possibility of such damages, or for any claim or damages asserted by any third party.

9.4 Client acknowledges that CW Technology has set its fees, and entered into this agreement in reliance upon the limitations of liability and the disclaimers of warranties and damages set forth in this agreement, and that the same form an essential basis of the bargain between the parties. The foregoing limitation of liability is independent of any exclusive remedies for breach of warranty set forth in this agreement.

9.5 The provisions of sections 8 and 9 are client's exclusive remedies related to the services, any failure by CW Technology to correct nonconformities in the services, or for breach by CW Technology of this agreement or a work order and shall apply regardless of the success or effectiveness of such remedies.

9.6 Client is responsible for adopting reasonable measures to limit Client's exposure with respect to such potential losses and damages, including (without limitation) examination and confirmation of results of the Services prior to use thereof, provision for identification and correction of errors and omissions, and preparation and storage of backup or duplicate data. Client is also responsible for complying with all local, state, and federal laws pertaining to the use and disclosure of any Client Information.

## 10. GENERAL PROVISIONS

- 10.1 Each party to this Agreement agrees that it will not hire, employee or contract with, or solicit to hire, employ or contract with, any person who is, or within the immediately preceding one year was, an employee or subcontractor of the other party to this Agreement for any purposes during the term of this Agreement, or for a period of one year after this Agreement terminates.
- 10.2 Forum. All disputes arising under this Agreement shall be brought in the state or federal courts located in Minnesota, as permitted by law. The state and federal courts located in Minnesota shall each have non-exclusive jurisdiction over disputes under this Agreement. Client consents to the personal jurisdiction of the above courts.
- 10.3 Injunctive Relief. It is understood and agreed that, notwithstanding any other provisions of this Agreement, breach of the provisions of this Agreement by Client will cause Company irreparable damage for which recovery of money damages would be inadequate, and that Company shall therefore be entitled to obtain timely injunctive relief to protect Company's rights under this Agreement in addition to any and all remedies available at law.





**11. INVOICING**

CW Technology will invoice Customer per Table B. CW Technology will invoice the implementation fee upon receipt of the signed customer agreement. CW Technology will invoice the customer a pro-rated monthly fee based on any partial month of service plus the first full month of service on the effective services start date. All subsequent service months will be invoiced at the start of the month in which services are to be rendered. If additional services are turned on during the course of a month, then fees associated with those services will be included in the next customer invoice. Any taxes related to services purchased or licensed pursuant to this Agreement shall be paid by customer or customer shall present an exemption certificate acceptable to the taxing authorities. Applicable taxes and freight charges shall be billed as a separate item on the invoice. Unit rates will increase 5% annually on the anniversary of the Effective Services Start Date.

The terms of this agreement will automatically renew each month unless notice of termination is provided to CW Technology no fewer than 60 calendar days prior to expiration of the current active term.

**Table B**

Milestone Billing	Milestone Description / Date
Implementation Fee	Invoiced at the signing of Agreement
Monthly Fee	Invoicing to begin at Effective Services Start Date

\*Refer to Table A for implementation fee and monthly fee amounts

**CW Technology**

DocuSigned by:  
 By: Joey Glisczynski  
560E4CB9D9BC4E6

Name: **Joey Glisczynski**

Date: 1/24/2022

**Grand Rapids Public Utilities**

DocuSigned by:  
 By: Julie Kennedy  
9BAFE61ED36E472

Name: **Julie Kennedy**

Date: 2/2/2022







## 12. ADDENDUM A – SERVICE DESK PRIORITIES

Incidents and Service Requests are triaged and prioritized to effectively resolve the most important issues in a timely manner. CW Technology utilizes the following priorities, criteria and response metrics:

### A. Priority 1:

- System/device/service down causing work to cease and critical impact to the organization or a whole department; no workaround available; customer is in danger of or is experiencing a financial loss or the ability to make strategic business decisions is impaired; begin resolution activities immediately.

### B. Priority 2:

- System/device/service down causing work to cease and potential business impact for an individual user; no workaround available.
- Level of service degraded causing impact to the organization or a whole department; no workaround available.

### C. Priority 3:

- Level of service degraded causing impact to an individual user; no workaround available.
- Operational impact to the organization or a whole department though work continues as a result of implementing a workaround or use of other system/device/service.
- A request to enable or configure a system/device/service within 2 business days.
- Incidents related to Backup system failures.

### D. Priority 4:

- Operational impact to the organization, department or user exists though work continues as a result of implementing a workaround or use of another system/device/service.
- A request to enable or configure a system/device/service within 5 business days.

### E. Priority 5:

- Operational impact to the organization, department or user is minimal or is mitigated by a reliable workaround.
- A request to enable or configure a system/device/service beyond 5 business days from the date of the request.
- Requests that require longer lead times to implement than 5 business days.

Call Priority	Initial Customer Contact Guidelines	Initial Customer Contact Percentages
1	30 Min	95%
2	60 Min	95%
3	4 business hours	95%
4	8 business hours	95%
5	8 Business Hours	95%





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

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**AGENDA DATE:** February 9, 2022

**AGENDA ITEM:** Consider a motion to ratify the procurement contract with Eaton for MultiSpeak AMI Yukon Interface for \$4170.00.

**PREPARED BY:** Jeremy Goodell, Electric Department Manager

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### **BACKGROUND:**

This purchase is part of the approved Electric Department Operations Budget. Procurement Policy G.030 was followed, this is a single source vendor procurement.

### **RECOMMENDATION:**

Consider a motion to ratify the procurement contract with Eaton for MultiSpeak AMI Yukon Interface for \$4170.00.

## PROCUREMENT CONTRACT

This Procurement Contract (“**Contract**”) is by and between the Grand Rapids Public Utilities Commission, located at 500 SE 4th St, Grand Rapids, MN 55744 (“**GRPUC**” or “**Licensee**”), and EATON, Cannon Technologies, Inc., located at 3033 Campus Drive – Suite 350N, Minneapolis, Minnesota, 55441 (“**Contractor**” or “**Licensor**”). GRPUC and Contractor may be referred to jointly as the “**Parties**” or individually as a “**Party**.”

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### Recitals

A. GRPUC has solicited and received quotations from contractors for MultiSpeak AMI Yukon Interface, setup fee, and annual Yukon software Support to communicate between automated metering system and the mPower outage management system. (“**Solicitation**”);

B. Contractor provided a response to the Solicitation indicating its interest in and ability to provide the goods or services requested in the Solicitation; and

C. Subsequent to an evaluation in accordance with the terms of the Solicitation and negotiation, the Parties desire to enter into a contract.

Accordingly, the Parties agree as follows:

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### Contract

1. **Term.** The effective date of this Contract is January 5, 2022. The Contractor must not begin work under this Contract until this Contract is fully executed and the Contractor has been notified by GRPUC’s Authorized Representative to begin the work. This Contract will terminate upon the first of the following to occur:

1.1 March 31, 2022 excluding annual support contract.

1.2 All of Contractor’s obligations have been satisfactorily fulfilled.

1.3 GRPUC may cancel this Contract at any time, with or without cause, upon ten (10) days’ written notice to the Contractor.

1.4 GRPUC may terminate this Contract immediately in the event of a breach by Contractor, if Contractor has not cured the breach within ten (10) business days after written notice from GRPUC or fails to commence curing the breach if the breach cannot be reasonably cured within ten (10) business days.

1.5 The Parties may terminate this Contract at any time by mutual written agreement.

Upon receipt of any notice of termination Contractor shall immediately stop performance to the extent specified in such notice. In no event shall GRPUC be liable for any loss of revenue or profit incurred by Contractor as a result of any termination. Upon termination of this Contract, or earlier upon GRPUC’s request, Contractor shall deliver to GRPUC all items requested by GRPUC

containing any of GRPUC's confidential information or GRPUC's work product information or make such other disposition thereof as GRPUC may direct in writing.

## 2. Contractor's Duties

### 2.1 The Contractor shall:

Install MultiSpeak to the automated meter information (AMI) Yukon and interface between AMI system and the outage management system from mPower. This includes MultiSpeak setup and annual Yukon software support P81-RF.

This is a single source vendor contract with EATON – Cannon Technologies, Inc. due to the previously bid and selected vendor EATON in which GRPU purchased Yukon AMI software.

(The services (if any) to be provided by Contractor to GRPUC are referred to as the “**Services.**” The goods (if any) to be provided by Contractor to GRPUC are referred to as the “**Goods.**”). Contractor's precise duties, specifications, deliverables, and completion dates related to the Goods and Services are more specifically described in **Exhibit B.**

2.2 GRPUC may make changes to the general scope of Goods and Services by written notice to Contractor. If such changes affect the cost of or the time required to provide the Goods and Services, an equitable adjustment in the schedule and compensation under this Contract shall be made. GRPUC and Contractor may agree to additional Services or Goods by written amendment to this Contract.

2.3 Contractor agrees that all Goods and Services shall be provided, and all of Contractor's obligations performed, in accordance with all applicable laws and other legal requirements without extra charge or expense..

2.4 Contractor warrants and represents that the Goods and Services will be provided in a manner that is consistent with the level of care and skill exercised by members of Contractor's profession currently working under similar conditions.

2.5 Software Warranty: Licensor warrants to Licensee that for a period of ninety (90) days from the date of shipment of the software set forth on Exhibit B (“**Licensed Software**”) from Licensor to Licensee, the Licensed Software shall perform in substantial conformity with any specifications or performance criteria published in any documentation related to the Licensed Software (“**Software Documentation**”) provided by Licensor to Licensee. Licensor does not warrant that the use of the Licensed Software will be uninterrupted or error-free. Licensor warrants that the Licensed Software accurately receives, provides and processes date data, within from and between centuries, leap years and other years. Licensee shall have no rights with respect to the foregoing warranties and the warranties shall be deemed not to apply to Licensee unless: (i) the Licensed Software is used on the designated Yukon system operating at GRPU, which Licensor has confirmed to Licensee in writing, a) in a proper manner, b) in compliance with this Agreement and with all Software Documentation, and c) solely for use as required to operate the Licensed Software as set forth in the Software Documentation; (ii) no modifications or alterations to the Licensed Software have been made other than by Licensor or other than with Licensor's prior written consent; and (iii) no act or cause beyond

the reasonable control of Licensor has occurred that was a substantial factor causing the failure of the Licensed Software to meet the warranty terms.

2.6 In the event that Licensee claims that Licensor has breached any of its warranty obligations hereunder, Licensee's sole and exclusive remedy for a breach of this limited warranty shall be that Licensor will at its option, either repair or replace any defective Licensed Software so that the Licensed Software performs in accordance with the warranties set forth above. Licensee and Licensor agree that in the event that Licensor determines that this exclusive remedy is unable to bring the Licensed Software into conformity with the warranty, Licensee's exclusive remedy shall be to terminate this Agreement and receive a full refund from Licensor of the compensation paid by Licensee pursuant to Section 3 of this Contract. EXCEPT AS SPECIFICALLY STATED IN THIS CONTRACT, LICENSOR EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, IN RELATION TO THE LICENSED SOFTWARE OR THEIR USE BY LICENSEE, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT OF THIRD PARTY RIGHTS. LICENSOR DOES NOT WARRANT THAT LICENSEE OR ANY USER OF THE LICENSED SOFTWARE WILL ACHIEVE ANY PARTICULAR RESULT OR BENEFIT FROM THE USE OF THE PRODUCT LICENSED OR SERVICE RECEIVED HEREUNDER.

2.7 Contractor shall be responsible for all its employees, agents, subcontractors, and invitees and their health and safety. Contractor shall ensure that all persons who perform the Services or produce or deliver the Goods are professionally competent and properly qualified and will remove any person GRPUC deems incompetent, careless, or otherwise objectionable.

2.8 Contractor is solely responsible and assumes full and exclusive liability for the payment of all contributions or taxes to be paid on or to persons employed by Contractor, and for payment of all sales, use, or other taxes of whatever nature levied or assessed against GRPUC arising out of the furnishing of the Services or production or delivery of the Goods, and will indemnify, defend, and hold harmless GRPUC from any such liability.

### 3. Consideration and Payment

3.1 Consideration. GRPUC will pay for performance by the Contractor under this Contract as follows:

3.1.1 Compensation. The Contractor will be paid Four Thousand One Hundred Seventy Dollars (\$4,170.00) in accordance with **Exhibit C**.

3.1.2 Total obligation. The total obligation and liability of GRPUC under this Contract will not exceed Four Thousand One Hundred Seventy Dollars (\$4,170.00).

3.2 Payment.

3.2.1 Invoices. GRPUC will pay the Contractor within thirty (30) days following receipt of an undisputed invoice that complies with **Exhibit C**. GRPUC may pay the

Contractor in advance in its sole discretion. Payment will only be made for Goods received or Services actually performed that have been accepted by GRPUC.

#### 4. **Authorized Representative**

GRPUC's Authorized Representative is Jeremy Goodell at the following business address: 500 SE 4<sup>th</sup> Street, Grand Rapids, MN, 55744 and the following telephone number: 218.326.7024, or his/her successor or delegate, and has the responsibility to monitor the Contractor's performance.

Contractor's Authorized Representative is Tom Thorson, Sales Representative at the following business address: 3033 Campus Drive – Suite 350N, Minneapolis, MN, 55441, and the following telephone number: 763.543.7777, or his/her successor. If the Contractor's Authorized Representative changes at any time during this Contract, the Contractor must immediately notify GRPUC.

5. **Indemnification.** Contractor will indemnify, defend, and hold harmless GRPUC, its agents, and employees, in relation to any expenses, damages, claims or causes of action, including reasonable attorney's fees, for third party claims for bodily injury (including death) and property damage, to the extent caused by the gross negligence or intentional misconduct of Contractor or any of Contractor's agents or employees.

6. **Subcontracting.** Contractor may not subcontract all or any portion of this Contract without GRPUC's prior written consent, which GRPUC may grant or withhold in its sole discretion. If an approved subcontractor is determined to be performing unsatisfactorily by GRPUC, Contractor will ensure that the subcontractor is no longer used for this Contract. The provisions of the Contract shall apply with equal force and effect to all approved subcontractors and no subcontract will terminate the primary responsibility of Contractor hereunder. Contractor will pay all subcontractors in accordance with applicable law and the agreement between Contractor and the subcontractor.

7. **License.** Licensor hereby grants Licensee a non-exclusive, non-sublicensable, and non-transferable license to use the Licensed Software in accordance with the terms of this Contract and the Software Documentation.

8. **GRPUC Audits.** The Contractor's books, records, documents, and accounting procedures and practices relevant to this Contract are subject to examination by GRPUC for six (6) years from the expiration or termination of this Contract. After reasonable notice, Contractor shall make such books, records, documents, and accounting procedures and practices available to GRPUC for its examination and audit. Any audits shall exclude information Contractor deems confidential or proprietary in nature. All audits shall be at the sole cost and expense of GRPUC.

#### 9. **Miscellaneous.**

9.1 **General.** No provision of this Contract may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by all the Parties. No waiver by a Party shall be deemed a waiver of similar or dissimilar provisions or conditions at

the same or at any prior or subsequent time. No agreement or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by any Party which are not expressly set forth in this Contract. The validity, interpretation, construction and performance of this Contract shall be governed by the internal laws of Minnesota. If any provision of this Contract shall be held or made invalid by a court decision, statute, rule or otherwise, the remainder of this Contract shall not be affected thereby. This Contract shall be binding on, and shall inure to the benefit of the Parties hereto and their respective successors and permitted assigns. Contractor may not assign Contractor’s rights or obligations hereunder without the prior written consent of GRPUC, which shall not be unreasonably withheld. This Contract may be executed in any number of counterparts, each of which shall for all purposes be deemed to be an original and all of which shall together constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Contract in Portable Document Format (PDF) or by facsimile transmission shall be as effective as delivery of a manually executed original counterpart of this Contract. In the event a Party institutes any legal proceeding against another Party regarding this Contract, the prevailing Party is entitled to receive the costs incurred by such Party, including reasonable attorneys’ fees. In performing its obligations under this Contract, Contractor and its employees and agents shall act in the capacity of independent contractors and not as an employee, partner, joint venturer, or agent of GRPUC. When Contractor’s employees are working on the premises of GRPUC, wherever located, they shall observe the working rules, policies, and procedures of GRPUC, including, but not limited to, its respectful workplace policy. The Parties must comply with the Minnesota Government Data Practices Act in relation to this Contract. Contractor certifies that neither it nor its principals are presently debarred or suspended by any federal, state, or local government or agency or political subdivision thereof. Neither Party will publicize anything in relation to this Contract without the other Party’s prior written consent. Contractor shall not use or disclose any confidential information it receives from GRPUC except as is necessary to perform under this Contract. The obligations of Contractor hereunder shall survive the expiration or earlier termination of this Contract. Each of the Parties shall take such further actions as may be reasonably required to carry out the provisions of this Contract.

9.2 Notices. Any notice or other communication to any Party in connection with this Contract shall be in writing and shall be sent by hand-delivery, email, fax, overnight courier, or United States mail (postage prepaid) addressed to the address set forth below. All periods of notice shall be measured from the date of delivery thereof if hand-delivered, from the date of sending thereof if sent by email or fax (effective upon confirmation of receipt), from the first day after the date of sending if sent by overnight courier, or from three (3) business days after the date of mailing if mailed. Any Party may change such Party’s address for notices by notice given not less than ten (10) calendar days prior to the effective date of the change.

GRPUC  
Address:  
500 SE 4<sup>th</sup> Street  
Grand Rapids, MN 55744  
Attn: Jeremy Goodell  
Email: jjgoodell@grpuc.org

Contractor EATON – Cannon  
Technologies, Inc.  
Address: 3033 Campus Drive –  
Suite 350N, Minneapolis, MN,  
55441  
Attn: Jill Skarsten  
Email: jillrskarsten@eaton.cm

10. **Limitation of Liability.** THE REMEDIES OF THE PARTIES SET FORTH IN THIS CONTRACT ARE EXCLUSIVE AND ARE THEIR SOLE REMEDIES FOR ANY FAILURE OF THE OTHER PARTY TO COMPLY WITH THEIR OBLIGATIONS HEREUNDER. NOTWITHSTANDING ANY PROVISION IN THIS CONTRACT TO THE CONTRARY, IN NO EVENT SHALL A PARTY BE LIABLE IN CONTRACT, IN TORT (INCLUDING NEGLIGENCE OR STRICT LIABILITY) OR OTHERWISE FOR DAMAGE TO PROPERTY OR EQUIPMENT OTHER THAN PRODUCTS SOLD HEREUNDER, LOSS OF PROFITS OR REVENUE, LOSS OF USE OF PRODUCTS (OTHER THAN PRODUCTS SOLD HEREUNDER), COST OF CAPITAL, CLAIMS OF CUSTOMERS OR ANY SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES WHATSOEVER, REGARDLESS OF WHETHER SUCH POTENTIAL DAMAGES ARE FORESEEABLE OR IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE TOTAL CUMULATIVE LIABILITY OF A PARTY ARISING FROM OR RELATED TO THIS CONTRACT WHETHER THE CLAIMS ARE BASED IN CONTRACT, IN TORT (INCLUDING NEGLIGENCE OR STRICT LIABILITY) OR OTHERWISE, SHALL NOT EXCEED THE PRICE OF THE PRODUCT OR SERVICES ON WHICH SUCH LIABILITY IS BASED. THIS PARAGRAPH DOES NOT APPLY TO GROSS NEGLIGENCE OR INTENTIONAL MISCONDUCT.

11. **Exhibits**

The following Exhibits are attached and incorporated into this Contract. In the event of a conflict between the terms of this Contract and its Exhibits (including any supplements), or between Exhibits (including any supplements), the order of precedence is first the Contract, and then in the following order:

- Exhibit A: Insurance Requirements
- Exhibit B: Specifications, Duties, and Scope of Work
- Exhibit C: Price and Payment Schedule

**IN WITNESS WHEREOF**, the parties hereto by their duly authorized representatives have executed this Contract effective as of the effective date set forth above.

EATON – Cannon Technologies, Inc.

**Grand Rapids Public Utilities Commission**

By: 

By:  01/05/2022

Print Name: Jim Roche

Print Name: Julie A. Kennedy

Title: Product Line Manager, AMI

Title: General Manager



## Exhibit A: Insurance Requirements

- 1 **Notice to Contractor and Insurer.** Contractor shall not commence work under the Contract until it has obtained all the insurance described below and GRPUC has approved such insurance. Contractor shall maintain such insurance throughout the term of this Contract. GRPUC reserves the right to immediately terminate this Contract if the Contractor is not in compliance with the insurance requirements. All insurance policies must be submitted to GRPUC's Authorized Representative upon written request. The Contractor's insurance companies waive the right to assert the immunity of GRPUC as a defense to any claims made under said insurance.
  
- 2 **Additional Insurance Conditions.** The following apply to the Contractor and Contractor's subcontractor: Contractor's policy(ies) shall be primary insurance to any other valid and collectible insurance available to GRPUC. Contractor agrees to promptly notify GRPUC of any insurance cancellation notice. Contractor is responsible for payment of Contract-related insurance premiums and deductibles. Contractor's policy(ies) shall include legal defense fees in addition to its policy limits with the exception of professional liability. Contractor's insurance companies must either (1) have an AM Best rating of A- (minus) and a Financial Size Category of VII or better, and be authorized to do business in Minnesota, or (2) be domiciled in Minnesota and have a Certificate of Authority/Compliance from the Minnesota Department of Commerce if they are not rated by AM Best. An Umbrella or Excess Liability insurance policy may be used to supplement the Contractor's policy limits to satisfy the full policy limits required by the Contract.
  
- 3 **Coverages.** Contractor is required to maintain and furnish satisfactory evidence of the following insurance policies:
  - 3.1 **Commercial General Liability Insurance** coverage that would be maintained by a reasonable contractor in Contractor's profession performing a similar contract, with the following minimum limits:
    - \$1,500,000 – per occurrence
    - \$1,500,000 – annual aggregate
    - \$1,500,000 – annual aggregate – applying to Products/Completed Operations
  
  - 3.2 **Commercial Automobile Liability Insurance** coverage that would be maintained by a reasonable contractor in Contractor's profession performing a similar contract, with the following minimum limits:
    - \$1,500,000 – per occurrence Combined Single limit for Bodily Injury and Property Damage

The following coverages should be included: Owned, Hired, and Non-owned Automobile.

3.3 **Workers' Compensation Insurance.** Contractor shall obtain and maintain for the duration of the Contract, statutory workers' compensation insurance and employer's liability insurance as required under the laws of the State of Minnesota.

3.4 **Professional Liability, Errors, and Omissions.** This policy will provide coverage for all claims the Contractor may become legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to Contractor's professional services required under the Contract. Insurance minimum limits are as follows:

\$2,000,000 - per claim or event

\$2,000,000 - annual aggregate

- Any deductible will be the sole responsibility of the Contractor.

## **Exhibit B: Specifications, Duties, and Scope of Work**

Install MultiSpeak AMI Yukon Interface with GRPU outage management system vendor mPower.

Annual Yukon Software Support P81-RF

**Exhibit C: Price and Payment Schedule**

MultiSpeak AMI Yukon Interface with GRPU outage management system	\$2,500.00
MultiSpeak setup fee	\$1,170.00
Annual Yukon Software Support P881-RF	\$500.00
<b>TOTAL</b>	<b>\$4,170.00</b>

Payment 30 days after receipt of an uncontested invoice and acceptance of services and goods by Grand Rapids Public Utilities



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

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**AGENDA DATE:** February 9, 2022

**AGENDA ITEM:** Consider a motion to ratify the procurement contract with Viking Electric for LED light fixtures in the amount of \$9,728.00

**PREPARED BY:** Jeremy Goodell, Electric Department Manager

---

### **BACKGROUND:**

This purchase is part of the approved Service Center Capital Budget. Per the GRPU Procurement Policy G.030, two quotes are on file and Viking Electric is the lowest quote in the amount of \$9,728.00.

### **RECOMMENDATION:**

Consider a motion to ratify the procurement contract with Viking Electric for LED light fixtures in the amount of \$9,728.00

## PROCUREMENT CONTRACT

This Procurement Contract (“**Contract**”) is by and between the Grand Rapids Public Utilities Commission, located at 500 SE 4th St, Grand Rapids, MN 55744 (“**GRPUC**”), and Viking Electric, located at 15 S 38th Avenue West, Duluth, MN 55807 (“**Contractor**”). GRPUC and Contractor may be referred to jointly as the “**Parties**” or individually as a “**Party**.”

---

### Recitals

A. GRPUC has solicited and received quotations from contractors for 152 2 x 4 foot luminaire LED recessed flat panel light fixtures. (“**Solicitation**”);

B. Contractor provided a response to the Solicitation indicating its interest in and ability to provide the goods or services requested in the Solicitation; and

C. Subsequent to an evaluation in accordance with the terms of the Solicitation and negotiation, the Parties desire to enter into a contract.

Accordingly, the Parties agree as follows:

---

### Contract

1. **Term.** The effective date of this Contract is February 1, 2022. The Contractor must not begin work under this Contract until this Contract is fully executed and the Contractor has been notified by GRPUC’s Authorized Representative to begin the work. This Contract will terminate upon the first of the following to occur:

- 1.1 June 30, 2022
- 1.2 All of Contractor’s obligations have been satisfactorily fulfilled.
- 1.3 GRPUC may cancel this Contract at any time, with or without cause, upon ten (10) days’ written notice to the Contractor.
- 1.4 GRPUC may terminate this Contract immediately in the event of a breach by Contractor.
- 1.5 The Parties may terminate this Contract at any time by mutual written agreement.

Upon receipt of any notice of termination Contractor shall immediately stop performance to the extent specified in such notice. In no event shall GRPUC be liable for any loss of revenue or profit incurred by Contractor as a result of any termination. Upon termination of this Contract, or earlier upon GRPUC’s request, Contractor shall deliver to GRPUC all items requested by GRPUC containing any confidential information or work product information or make such other disposition thereof as GRPUC may direct in writing.

## 2. Contractor's Duties

### 2.1 The Contractor shall provide the following goods or services:

- **152 – LED recessed flat panel luminaires**
- **Size – 2 by 4 feet luminaire to fit in standard suspended ceiling location**
- **3500K to 4000K light temperature**
- **Approximately 4000 lumens light output per fixture**
- **Input voltage range 120 to 277 VAC**
- **0 to 10 volts dimming control**

GRPUC may make changes to the general scope of Goods and Services by written or oral notice to Contractor.

2.2 Contractor agrees that all Goods and Services shall be provided, and all of Contractor's obligations performed, in accordance with all applicable laws and other legal requirements without extra charge or expense. Contractor will be responsible for a violation of any such legal requirements and will indemnify, defend, and hold harmless GRPUC from and against any expense or cost incurred by reason of any such violation by Contractor.

2.3 Contractor warrants and represents that the Goods and Services will be provided in a manner that is consistent with the level of care and skill exercised by members of Contractor's profession currently working under similar conditions.

2.4 Contractor shall be responsible for all its employees, agents, subcontractors, and invitees and their health and safety and shall ensure that all persons who perform the Service are professionally competent and properly qualified.

2.5 Contractor is solely responsible and assumes full and exclusive liability for the payment of all contributions or taxes to be paid on or to persons employed by Contractor.

2.6 Contractor warrants that at the time GRPUC accepts the Goods: (A) Contractor has good title to the Goods, free and clear of any lien, security interest, or other encumbrance ("**Encumbrance**"), and (B) the Goods are in good condition and are adequate for the uses to which they are being put. Contractor shall execute and deliver such additional documents and take such further actions as may be necessary to transfer Contractor's right, title and interest in the Goods to GRPUC, free and clear of any Encumbrances. Contractor has all risk of loss until GRPUC accepts the Goods.

## 3. Consideration and Payment

3.1 Consideration. GRPUC will pay for performance by the Contractor under this Contract as follows:

**Compensation. The Contractor will be paid Nine Thousand Seven Hundred Twenty-Eight Dollars and no (zero) Cents (\$9,728.00)**

3.1.1 Total obligation. The total obligation and liability of GRPUC under this Contract will not exceed Nine Thousand Seven Hundred Twenty-Eight Dollars and no (zero) Cents (\$9,728.00)

3.2 Payment.

3.2.1 Invoices. GRPUC will pay the Contractor within thirty (30) days following receipt and acceptance of goods or services and receipt of an undisputed invoice.

**4. Authorized Representative**

GRPUC's Authorized Representative is Jeremy Goodell, Electric Department Manager at the following business address: 500 SE 4<sup>th</sup> Street, Grand Rapids, MN, 55744 and the following telephone number: 218-326-7024 or his/her successor or delegate, and has the responsibility to monitor the Contractor's performance.

Contractor's Authorized Representative is Dennis Pelletier at the following business address: 15 S 38<sup>th</sup> Ave West, Duluth, MN 55807, and the following telephone number: 218-336-1341, or his/her successor. If the Contractor's Authorized Representative changes at any time during this Contract, the Contractor must immediately notify GRPUC.

5. **Indemnification.** Contractor will indemnify, defend, and hold harmless GRPUC, its agents, and employees, in relation to any expenses, damages, claims or causes of action, including reasonable attorney's fees, to the extent caused by any negligent or wrongful act, error or omission, breach of contract, or infringement of any intellectual property right by Contractor, any third party that Contractor has a business relationship with, or any of Contractor's agents or employees.

6. **Subcontracting.** Contractor may not subcontract all or any portion of this Contract without GRPUC's prior written consent, which GRPUC may grant or withhold in its sole discretion.

7. **Ownership.** Contractor agrees that all legal right, title, and interest to intellectual property, data, documents, photographs, drawings, analyses, graphs, reports, physical property or other subject matter ("**GRPUC Property**") prepared, delivered, procured, or produced in relation to Contractor's obligations under this Contract shall vest in GRPUC.

8. **Insurance.** Contractor shall maintain Commercial General Liability, Commercial Automobile Liability, Workers' Compensation, Professional Liability, Errors and Omissions insurance throughout the term of this Contract. All insurance policies must be open to inspection by GRPUC, and copies of policies must be submitted to GRPUC's Authorized Representative upon written request. The Contractor's insurance companies waive the right to assert the immunity of GRPUC as a defense to any claims made under said insurance.



9. **Miscellaneous.**

General. No provision of this Contract may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by all the Parties. The validity, interpretation, construction and performance of this Contract shall be governed by the internal laws of Minnesota. Contractor may not assign Contractor’s rights or obligations hereunder without the prior written consent of GRPUC. When Contractor’s employees are working on the premises of GRPUC, wherever located, they shall observe the working rules, policies, and procedures of GRPUC, including, but not limited to, its respectful workplace policy. The Parties must comply with the Minnesota Government Data Practices Act in relation to this Contract. Contractor certifies that neither it nor its principals are presently debarred or suspended by any federal, state, or local government or agency or political subdivision thereof. Neither Party will publicize anything in relation to this Contract without the other Party’s prior written consent. Contractor shall not use or disclose any confidential information it receives from GRPUC except as is necessary to perform under this Contract.

9.1 Notices. Any notice or other communication to any Party in connection with this Contract shall be in writing and shall be sent by hand-delivery, email, fax, overnight courier, or United States mail (postage prepaid) addressed to the address set forth below.

GRPUC  
Address:  
500 SE 4<sup>th</sup> Street  
Grand Rapids, MN 55744  
Attn: Jeremy Goodell  
Email: jjgoodell@grpuc.org

Viking Electric  
Address:  
15 S 38<sup>th</sup> Ave W  
Duluth, MN 55807  
Attn: Dennis Pelletier  
Email:  
dennis.pelletier@vikingelectric.com

**IN WITNESS WHEREOF**, the parties hereto by their duly authorized representatives have executed this Contract effective as of the effective date set forth above.

**Viking Electric**

By: 

Print Name: Brett Wilson \_\_\_\_\_

Title: Vice President \_\_\_\_\_

Date: 2/2/2022 \_\_\_\_\_

**Grand Rapids Public Utilities Commission**

By: 

Print Name: Julie A. Kennedy

Title: General Manager

Date: 02-03-2022 \_\_\_\_\_



## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

---

**AGENDA DATE:** February 9, 2022

**AGENDA ITEM:** Consider a motion to ratify the procurement contract with RESCO for wood power poles in the amount of \$16,718.75

**PREPARED BY:** Jeremy Goodell, Electric Department Manager

---

### **BACKGROUND:**

This purchase is part of the approved Electric Department Capital Budget. Per the GRPU Procurement Policy G.030, four quotes are on file and RESCO is the lowest quote in the amount of \$16,718.75. RESCO's insurance has been verified per the contract and a copy is on file.

### **RECOMMENDATION:**

Consider a motion to ratify the procurement contract with RESCO for wood power poles in the amount of \$16,718.75.

## PROCUREMENT CONTRACT

This Procurement Contract (“**Contract**”) is by and between the Grand Rapids Public Utilities Commission, located at 500 SE 4th St, Grand Rapids, MN 55744 (“**GRPUC**”), and Rural Electric Supply Cooperative (“**RESCO**”) a Wisconsin Cooperative, located at 2250 Pinehurst Drive, Middleton, WI 53562 (“**Contractor**”). GRPUC and Contractor may be referred to jointly as the “**Parties**” or individually as a “**Party**.”

---

### Recitals

A. GRPUC has solicited and received quotations from contractors for Twenty-Five (25) 40 foot power poles manufactured in accordance with GRPU Standard Plate No 2 and per GRPUC wood pole specifications (“**Solicitation**”);

B. Contractor provided a response to the Solicitation indicating its interest in and ability to provide the goods or services requested in the Solicitation; and

C. Subsequent to an evaluation in accordance with the terms of the Solicitation and negotiation, the Parties desire to enter into a contract.

Accordingly, the Parties agree as follows:

---

### Contract

#### 1. Term of Contract

- 1.1 Effective date. The effective date of this Contract is January 13, 2022. The Contractor must not begin work under this Contract until this Contract is fully executed and the Contractor has been notified by GRPUC’s Authorized Representative to begin the work.
- 1.2 Expiration date. The expiration date of this Contract is March 31, 2022, or until all of Contractor’s obligations have been satisfactorily fulfilled, whichever occurs first. The contract may be extended for up to an additional three months to June 30, as determined by GRPUC, through a duly executed amendment.

#### 2. Contractor’s Duties

- 2.1 The Contractor shall to deliver to GRPU the following Goods and Services:

(The services (if any) to be provided by Contractor to GRPUC are referred to as the “**Services**.” The goods (if any) to be provided by Contractor to GRPUC are referred to as the “**Goods**.”). Contractor’s precise duties, specifications, deliverables, and completion dates related to the Goods and Services are more specifically described as

Twenty-Five (25) Western Red Cedar, Forty (40) Foot Power Poles per RUS Bulletin 1728F-700, pressure treated with Pentachlorophenol and oil per RUS Bulletin 1728F-700, Use Category 2. Wood Quality Control (WQC) inspection charges are included.

Manufactured per attached “GRPUC Wood Pole Specifications” and “GRPUC Standard Plate No 2”.

GRPUC may make changes to the general scope of Goods and Services (including but not limited to, suspension of performance, changes in time of performance, schedule, quantities, or specifications) by written notice, or by oral notice subsequently confirmed by GRPUC in writing within ten (10) days thereafter, to Contractor. If such changes affect the cost of or the time required to provide the Goods and Services, an equitable adjustment in the schedule and compensation under this Contract shall be made. Contractor shall proceed with providing the Goods and Services as so changed, notwithstanding any dispute regarding such equitable adjustment. Any claim of such adjustment must be submitted to GRPUC in writing within thirty (30) days from the date the change is ordered, and Contractor shall not be entitled to any adjustment unless such written claim is so submitted.

- 2.2 GRPUC may from time to time, require additional Services or Goods from Contractor. Such additional Services or Goods, including the amount of compensation for such additional Services or Goods, mutually agreed upon by and between GRPUC and Contractor, shall be effective when incorporated by written amendment to this Contract. Additional Services or Goods shall not begin until the amendment is executed. Thereafter, such additional Services or Goods shall be subject to the terms of this Contract.
- 2.3 Contractor agrees that all Goods and Services shall be provided in accordance with all applicable laws, rules, regulations, ordinances, codes, and orders of all federal, state, and local governmental authorities, agencies, departments, or bureaus having jurisdiction and which affect the Goods or Services hereunder (“**Legal Requirements**”) without extra charge or expense. Contractor will be responsible for a violation of any such Legal Requirements arising out of the provision of Goods or Services by Contractor and will indemnify, defend, and hold harmless GRPUC from and against any fine or expense, including reasonable attorneys’ fees and disbursements, resulting to it by reason of any such violation by Contractor.
- 2.4 The Goods and Services will be provided in a manner that is consistent with the level of care and skill exercised by members of Contractor’s profession currently working under similar conditions. All Goods and Services not conforming to this standard will be considered defective and Contractor shall, at no cost to GRPUC, promptly and satisfactorily correct all such defective Goods and Services. All Services shall be performed and all Goods shall be produced and delivered to the satisfaction of GRPUC, and in accordance with the Legal Requirements. Payment shall be withheld for Goods or Services found by GRPUC to be unsatisfactory or in violation of the Legal Requirements.
- 2.5 Contractor shall ensure that all persons who perform the Services or produce or deliver the Goods shall be professionally competent and properly qualified. If so requested by GRPUC, Contractor shall remove any person GRPUC deems incompetent, careless, or otherwise objectionable. At all times Contractor will be responsible for the acts, omissions, work, materials, and equipment of its employees, subcontractors, and agents and any other person, directly or indirectly, employed by any of them.

- 2.6 Contractor shall cooperate fully with GRPUC, other GRPUC contractors, municipalities, local government officials, public utility companies, and others as may be directed by GRPUC. This shall include attendance at meetings, discussions, and hearings as may be requested by GRPUC, furnishing data as may be requested from time to time by GRPUC to effect such cooperation, and compliance with all directives issued by GRPUC.
- 2.7 Contractor is solely responsible and assumes full and exclusive liability for the payment of all contributions or taxes to be paid on or to persons employed by Contractor, and for payment of all sales, use, or other taxes of whatever nature levied or assessed against GRPUC arising out of the furnishing of the Services or production or delivery of the Goods, and will indemnify, defend, and hold harmless GRPUC from any such liability.
- 2.8 Contractor shall be responsible for the health and safety, and shall provide and maintain a safe working environment, for all its employees, agents, subcontractors, and invitees. Contractor shall adopt, supervise, and enforce reasonable and adequate safety requirements, including GRPUC's work safety rules and any safety plan or requirements which may be established by GRPUC, and shall at all times observe and comply fully with all Legal Requirements relating to health and safety.
- 2.9 Contractor is responsible for the handling and distribution of its own tools, equipment, and materials. Contractor shall confine its tools, equipment, and materials, and its operations, to areas directed by GRPUC. Contractor shall organize and coordinate, well in advance of the time required by this Contract, the procurement and delivery of all necessary materials, supplies, and equipment so that they will be available as needed for timely completion of the Goods and Services.
- 2.10 At the time GRPUC accepts the Goods from Contractor, Contractor shall sell, assign, transfer, convey and deliver to GRPUC, all of Contractor's right, title and interest in the Goods, free and clear of any mortgage, pledge, lien, charge, security interest, claim or other encumbrance ("**Encumbrance**"). Contractor shall execute and deliver such additional documents, instruments, conveyances and assurances and take such further actions as may be necessary to transfer Contractor's right, title and interest in the Goods to GRPUC, free and clear of any Encumbrances. Contractor has all risk of loss until GRPUC accepts the Goods.

### 3. **Representations and Warranties**

- 3.1 GRPUC is authorized to enter into this Contract.
- 3.2 Contractor warrants that it is duly qualified and shall perform its obligations under this Contract in accordance with the commercially reasonable standards of care, skill, and diligence in Contractor's industry, trade, or profession, and in accordance with the specifications set forth in this Contract, to the satisfaction of GRPUC.
- 3.3 Contractor warrants that it possesses the legal authority to enter into this Contract and that it has taken all actions required by its procedures, by-laws, and applicable laws to exercise that authority, and to lawfully authorize its undersigned signatory to execute this Contract, or any part thereof, and to bind Contractor to its terms.

3.4 Merchandise offered for sale by Contractor is warranted only to the actual extent of the original manufacturer's warranty. Contractor makes no express or implied warranties, whether of merchantability or fitness or for any particular use, or otherwise (except as to title) other than those expressly set forth above, and in no event does contractor assume, nor shall be liable for consequential or special damages, or for installation adjustment or modification expenses whether direct or indirect. No waiver alteration or modification of the foregoing conditions shall be valid unless made in writing and signed by an executive officer of Contractor.

#### 4. Time

The Contractor must comply with all the time requirements described in this Contract. In the performance of this Contract, time is of the essence.

#### 5. Consideration and Payment

5.1 Consideration. GRPUC will pay for performance by the Contractor under this Contract as follows:

5.1.1 Compensation. The Contractor will be paid Six Hundred Sixty-Eight Dollars and Seventy-Five Cents per pole (\$668.75 per pole) in accordance with **Exhibit D**.

Total obligation. The total obligation and liability of GRPUC under this Contract will not exceed Sixteen Thousand Seven Hundred Eighteen Dollars and Seventy-Five Cents. (\$16,718.75).

5.2 Payment.

5.2.1 Invoices. GRPUC will pay the Contractor after the Contractor presents an itemized invoice for the Services actually performed, and Goods actually delivered to GRPUC, in accordance with Section 1 of **Exhibit C**. Invoices must be submitted timely and according to the schedule set forth on **Exhibit D**.

#### 6. Authorized Representative

GRPUC's Authorized Representative is Jeremy Goodell, Electric Department Manager, at the following business address: 500 SE 4<sup>th</sup> Street, Grand Rapids, MN, 55744, and the following telephone number: 218.326.7182, or his/her successor or delegate, and has the responsibility to monitor the Contractor's performance.

Contractor's Authorized Representative is Chris Pederson at the following business address: 4100 30<sup>th</sup> Ave. S Moorhead, MN 56560, and the following telephone number: (800)346-3330, or his/her successor. If the Contractor's Authorized Representative changes at any time during this Contract, the Contractor must immediately notify GRPUC.

**7. Exhibits**

The following Exhibits are attached and incorporated into this Contract. In the event of a conflict between the terms of this Contract and its Exhibits (including any supplements), or between Exhibits (including any supplements), the order of precedence is first the Contract, and then in the following order:

- Exhibit A: Contract Terms
- Exhibit B: Insurance Terms
- Exhibit C: Specifications, Duties, and Scope of Work
- Exhibit D: Price and Payment Schedule

**[The Signature Page Follows]**

**Rural Electric Supply Cooperative**

By: 

Print Name: Chris Pederson

Title: Regional Vice President

**Grand Rapids Public Utilities Commission**

By:  2/2/2022

Print Name: Julie A. Kennedy

Title: General Manager

\*\*RESCO takes exception to all stricken out items listed in the contract.

\*\*Prices and lead-times are subject to receipt of a purchase order within the stated quote validity.

## Exhibit A: Contract Terms

### 1. Prompt Payment and Invoicing.

- 1.1 Prompt Payment. GRPUC will pay the Contractor within thirty (30) days following receipt of an undisputed invoice. Terms requesting payment in less than thirty (30) days will be changed to read "Net 30 days." Notwithstanding the foregoing, GRPUC may pay the Contractor in advance in its sole discretion.

The payment for each invoice will only be made for Goods received or Services actually performed that have been accepted by GRPUC, and meet all terms, conditions, and specifications of the Contract.

### 2. Termination.

- 2.1 Termination for Convenience. GRPUC may cancel this Contract at any time, with or without cause, upon thirty (30) days' written notice to the Contractor. Upon termination for convenience, the Contractor will be entitled to payment, determined on a pro rata basis, for Services satisfactorily performed and Goods satisfactorily produced and delivered.
- 2.2 Termination for Breach. GRPUC may terminate this Contract, with cause, upon thirty (30) days' written notice to Contractor of the alleged breach and opportunity to cure. If after thirty (30) days, the alleged breach has not been remedied, GRPUC may immediately terminate the Contract.
- 2.3 Termination by Mutual Agreement. The Parties may terminate this Contract at any time by mutual written agreement.
- 2.4 Effect of Termination. Upon receipt of any notice of termination Contractor shall immediately stop performance of the Services and stop production and delivery of the Goods to the extent specified in such notice. In no event shall GRPUC be liable for any loss of revenue or profit incurred by Contractor as a result of any termination.
- 2.5 Return of Information. Upon termination of this Contract, or earlier upon GRPUC's request, Contractor shall deliver to GRPUC all items requested by GRPUC containing any Confidential Information or work product information or make such other disposition thereof as GRPUC may direct in writing.

### 3. Force Majeure.

Neither Party shall be responsible to the other or considered in default of its obligations within this Contract to the extent that performance of any such obligations is prevented or delayed by acts of God, war, riot, disruption of government, or other catastrophes beyond the reasonable control of the Party unless the act or occurrence could have been reasonably foreseen and reasonable action could have been taken to prevent the delay or failure to perform. A Party relying on this provision to excuse performance must provide the other Party prompt written notice of the inability to perform and take all necessary steps to bring about performance as soon as practicable.



#### 4. Confidentiality.

In connection with Contractor's provision of the Goods and Services under this Contract ("**Purpose**") GRPUC may disclose to Contractor, or Contractor may otherwise receive access to, confidential or proprietary information of GRPUC ("**Confidential Information**"). Contractor shall use the Confidential Information solely for the Purpose and shall not disclose or permit access to Confidential Information other than to its employees, officers, and advisors (collectively, "**Representatives**") who: (a) need to know such Confidential Information for the Purpose; (b) know of the existence and terms of this Contract; and (c) agree to be bound by the confidentiality terms contained herein. Contractor shall safeguard the Confidential Information from unauthorized use, access, or disclosure using at least the degree of care it uses to protect its most sensitive information and no less than a reasonable degree of care. Contractor shall promptly notify GRPUC of any unauthorized use or disclosure of Confidential Information and cooperate with GRPUC to prevent further use or disclosure. Contractor will be responsible for any breach of this paragraph caused by its Representatives. If Contractor is required by law or court order to disclose Confidential Information, Contractor shall provide GRPUC with prompt written notice thereof, so that GRPUC may seek a protective order or other appropriate remedy, as well as notice of the terms and circumstances surrounding such request or requirement. Contractor and its Representatives will use reasonable efforts to obtain and will not oppose action by GRPUC to obtain such protective order or other appropriate remedy. If such protective order or other remedy is not obtained, then Contractor will furnish only that portion of the Confidential Information which Contractor is advised by Contractor's legal counsel is legally required and will exercise all reasonable efforts to obtain assurance that confidential treatment, if available, will be accorded such Confidential Information. This Section 4 is subject to any limitations or obligations imposed by the Minnesota Government Data Practices Act ("**MGDPA**").

#### 5. Indemnification.

5.1 In the performance of this Contract, the Indemnifying Party must indemnify, save, and hold harmless GRPUC, its agents, and employees, from any claims or causes of action, including attorney's fees incurred by GRPUC, by reason of injury or death to person(s) or damages to property to the extent caused by Indemnifying Party's:

- Intentional, willful, or negligent acts or omissions; or
- Actions that give rise to strict liability; or

"**Indemnifying Party**" is defined to include the Contractor, and Contractor's agents and employees, to the fullest extent permitted by law. The indemnification obligations of this section do not apply in the event the claim or cause of action is the result of GRPUC's sole negligence. This clause will not be construed to bar any legal remedies the Indemnifying Party may have for GRPUC's failure to fulfill its obligation under this Contract.

5.2 Nothing within this Contract, whether express or implied, shall be deemed to create an obligation on the part of GRPUC to indemnify, defend, hold harmless or release an Indemnifying Party. This shall extend to all agreements related to the subject matter of this Contract, and to all terms subsequently added, without regard to order of precedence.

## 6. Subcontracting and Subcontractor Payment.

6.1 Subcontracting. A subcontractor is a person or company that has been awarded a portion of the Contract by Contractor. Only subcontractors that have been approved by GRPUC can be used for this Contract.

After the effective date of the Contract, the Contractor shall not, without prior written approval of GRPUC, subcontract for the performance of any of the Contractor's obligations that were not already approved for subcontracting when the Contract was awarded. During this Contract, if an approved subcontractor is determined to be performing unsatisfactorily by GRPUC, the Contractor will receive written notification that the subcontractor can no longer be used for this Contract.

The provisions of the Contract shall apply with equal force and effect to all approved subcontractors engaged by the Contractor. Notwithstanding approval by GRPUC, no subcontract shall serve to terminate or in any way affect the primary legal responsibility of the Contractor for timely and satisfactory performance of the obligations contemplated by the Contract.

6.2 Subcontractor Payment. Contractor must pay any subcontractor within ten (10) days of Contractor's receipt of payment from GRPUC for undisputed services provided by the subcontractor. Contractor must pay interest of 1-1/2 percent (1.5%) per month or any part of a month to the subcontractor on any undisputed amount not paid on time to the subcontractor. The minimum monthly interest penalty payment for an unpaid balance of \$100 or more is \$10. For an unpaid balance of less than \$100, the Contractor shall pay the actual penalty due to the subcontractor. A subcontractor who prevails in a civil action to collect interest penalties from Contractor shall be awarded its costs and disbursements, including attorney's fees, incurred in bringing the action. So long as it does not conflict with this Contract, subcontractor payments will be set forth in the agreement between Contractor and the subcontractor.

## 7. Government Data Practices.

The Contractor and GRPUC must comply with the MGDPA, as it applies to all data provided by GRPUC under this Contract, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Contractor under this Contract. The civil remedies of Minn. Stat. § 13.08 apply to the release of the data governed by the MGDPA, by either the Contractor or GRPUC.

If the Contractor receives a request to release the data referred to in this clause, the Contractor must immediately notify and consult with GRPUC's Authorized Representative as to how the Contractor should respond to the request. The Contractor's response to the request shall comply with applicable law.

## 8. **Copyright.**

Upon prompt notice by GRPUC of any claim of U.S. patent, copyright, or trademark infringement with respect to any goods, Contractor will use its reasonable efforts to secure for GRPUC such indemnity rights as the manufacturer may customarily give with respect to such goods. This section sets forth GRPUC's sole and exclusive remedy against Contractor regarding the infringement by any goods of any third-party intellectual property rights, including, without limitation, any patents or trademark.

## 9. **GRPUC Audits.**

The Contractor's books, records, documents, and accounting procedures and practices relevant to this Contract are subject to examination by GRPUC for six (6) years from the expiration or termination of this Contract. After reasonable notice, Contractor shall make such books, records, documents, and accounting procedures and practices available to GRPUC for its examination and audit.

## 10. **Publicity and Endorsement.**

10.1 Publicity. Any publicity regarding the subject matter of this Contract must identify GRPUC as the sponsoring agency and must not be released without prior written approval from GRPUC's Authorized Representative. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, information posted on corporate or other websites, research, reports, signs, and similar public notices prepared by or for the Contractor individually or jointly with others, or any subcontractors, with respect to the Goods or Services provided resulting from this Contract.

10.2 Endorsement. The Contractor must not claim that GRPUC endorses its products or services.

## 11. **Debarment by the State, its Departments, Commissions, Agencies, or Political Subdivisions.**

Contractor certifies that neither it nor its principals is presently debarred or suspended by the Federal government, state, or any of the state's departments, commissions, agencies, or political subdivisions. Contractor's certification is a material representation upon which the Contract award was based. Contractor shall provide immediate written notice to GRPUC's Authorized Representative if at any time it learns that this certification was erroneous when submitted or becomes erroneous by reason of changed circumstances.

## 12. **Equal Employment, Nondiscrimination, and Affirmative Action.**

In connection with the work under this Contract, Contractor agrees to comply with the applicable Legal Requirements related to equal employment opportunity, nondiscrimination, affirmative action, and nonretaliation.

### 13. General / Miscellaneous.

13.1 Observance of GRPUC Policies. When Contractor's employees are working on the premises of GRPUC, wherever located, they shall observe the working rules, policies, and procedures of GRPUC, including, but not limited to, its respectful workplace policy.

13.2 Independent Contractor. It is understood and agreed that in providing the Goods and Services hereunder, Contractor shall act in the capacity of an independent contractor and not as an employee, partner, joint venturer, or agent of GRPUC. Contractor agrees that unless otherwise instructed in writing it shall not represent itself as the agent or legal representative of GRPUC for any purpose whatsoever. Contractor shall be solely responsible for the remuneration of and the payment of any and all taxes with respect to its employees and contractors and any claims with respect thereto and shall be solely responsible for the withholding and payment of all federal, state, and local income taxes as well as all FICA and FUTA taxes applicable to it, its employees, and its contractors. Contractor acknowledges that as an independent contractor, neither it nor any of its employees or contractors shall be eligible for any GRPUC employee benefits, including, but not limited to, vacation, sick, medical or dental insurance, or pension benefits.

13.3 Further Assurances. Each of the Parties shall execute and deliver such additional documents, instruments, conveyances and assurances and take such further actions as may be reasonably required to carry out the provisions of this Contract and give effect to the transactions contemplated by this Contract.

13.4 Governing Law, Jurisdiction, and Venue. Minnesota law, without regard to its choice-of-law provisions, governs this Contract. Venue for all legal proceedings out of this Contract, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Itasca County, Minnesota.

13.5 Notices. Any notice or other communication to any Party in connection with this Contract shall be in writing and shall be sent by hand-delivery, email, fax, overnight courier, or United States mail (postage prepaid) addressed to the address set forth below. All periods of notice shall be measured from the date of delivery thereof if hand-delivered, from the date of sending thereof if sent by email or fax (effective upon confirmation of receipt), from the first day after the date of sending if sent by overnight courier, or from three (3) business days after the date of mailing if mailed. Any Party may change such Party's address for notices by notice given not less than ten (10) calendar days prior to the effective date of the change.

GRPUC  
Address: 500 SE 4<sup>th</sup> Street  
Grand Rapids, MN 55744  
Attn: General Manager  
Email: jakennedy@grpuc.org

Contractor  
Address: 4100 30<sup>th</sup> Ave S  
Moorhead, MN 56560  
Attn: Municipal Inside Sales  
Email: rruhl@resco1.com

13.6 Entire Agreement. This Contract (including any exhibits) represents the only agreement between the Parties concerning the subject matter hereof and supersedes all other prior agreements whether written or oral, relating thereto.

13.7 Modification and Waiver. No purported amendment, modification, or waiver of any provision hereof shall be binding unless set forth in a written document signed by all Parties (in the case of amendments or modifications) or by a Party to be charged thereby (in the case of waivers). Any waiver shall be limited to the circumstance or event specifically referenced in the written waiver document and shall not be deemed a waiver of any other term hereof or of the same circumstance or event upon any recurrence thereof.

13.8 Severability. If any provision of this Contract is held to be illegal, invalid, or unenforceable under present or future laws, such provision shall be fully severable and this Contract shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never constituted a part hereof, and the remaining provisions shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance therefrom. Furthermore, in lieu of such illegal, invalid or unenforceable provision there shall be added automatically as part of this Contract a legal, valid, and enforceable provision as similar in terms to the illegal, invalid, or unenforceable provision as may be possible.

13.9 Binding Effect; Assignment. This Contract shall be binding on the Parties and on their respective heirs, devisees, representatives, successors, and assigns. Contractor shall not assign, sublet, or subcontract the Goods or Services or any portion thereof without the prior written consent of GRPUC. Such consent shall not relieve Contractor of its obligations or liabilities under the Contract.

13.10 Counterparts; Electronic Signatures. This Contract may be executed in separate counterparts with the same effect as if all signatures were on the same Contract. For purposes of this Contract, a telecopy, electronic, or facsimile Contract and signature shall be deemed as, and shall serve as, an original Contract and signature.

13.11 Attorneys' Fees. In the event of any litigation between the Parties hereto with respect to this Contract, the prevailing party (the party entitled to recover the costs of suit, at such time as all appeals have been exhausted or the time for taking such appeals has expired) shall be entitled to recover reasonable attorneys' fees in addition to such other relief as the court may award.

13.12 Survival. The obligations of Contractor hereunder, including, without limitation, obligations concerning indemnity, warranties, confidentiality, intellectual property and defense of GRPUC, shall survive the expiration or earlier termination of this agreement.

**[Remainder of Page Intentionally Left Blank]**

## **Exhibit B: Insurance Requirements**

### **1. Notice to Contractor.**

- 1.1 The Contractor is required to submit Certificates of Insurance acceptable to GRPUC as evidence of insurance coverage requirements prior to commencing work under this Contract.
- 1.2 Contractor shall not commence work under the contract until it has obtained all the insurance described below and GRPUC has approved such insurance. Contractor shall maintain such insurance in force and effect throughout the term of this Contract, unless otherwise specified in this Contract
- 1.3 The failure of the Contractor to provide a Certificate of Insurance, for the policies required under this Contract or renewals thereof, or failure of the insurance company to notify GRPUC of the cancellation of policies required under this Contract shall not constitute a waiver by GRPUC to the Contractor to provide such insurance.
- 1.4 GRPUC reserves the right to immediately terminate this Contract if the Contractor is not in compliance with the insurance requirements and retains all rights to pursue any legal remedies against the Contractor. All insurance policies must be open to inspection by GRPUC, and copies of policies must be submitted to GRPUC's Authorized Representative upon written request.

### **2 Notice to Insurer.**

The Contractor's insurance company(ies) waives its right to assert the immunity of GRPUC as a defense to any claims made under said insurance.

### **3 Additional Insurance Conditions. The following apply to the Contractor, or the Contractor's subcontractor:**

- 3.1 Contractor's policy(ies) shall be primary insurance to any other valid and collectible insurance available to GRPUC with respect to any claim arising out of Contractor's performance under this Contract.
- 3.2 If Contractor receives a cancellation notice from an insurance carrier affording coverage herein, Contractor agrees to notify GRPUC within five (5) business days with a copy of the cancellation notice, unless Contractor's policy(ies) contain a provision that coverage afforded under the policy(ies) will not be cancelled without at least thirty (30) days advance written notice to GRPUC.
- 3.3 Contractor is responsible for payment of Contract-related insurance premiums and deductibles.
- 3.4 If Contractor is self-insured, a Certificate of Self-Insurance must be attached.

3.5 Contractor's policy(ies) shall include legal defense fees in addition to its policy limits with the exception of professional liability.

3.6 Contractor's insurance companies must either (1) have an AM Best rating of A- (minus) and a Financial Size Category of VII or better, and be authorized to do business in Minnesota, or (2) be domiciled in Minnesota and have a Certificate of Authority/Compliance from the Minnesota Department of Commerce if they are not rated by AM Best.

3.7 An Umbrella or Excess Liability insurance policy may be used to supplement the Contractor's policy limits to satisfy the full policy limits required by the Contract.

**4 Coverages. Contractor is required to maintain and furnish satisfactory evidence of the following insurance policies:**

**4.1 Commercial General Liability Insurance.** Contractor is required to maintain insurance protecting it from claims for damages for bodily injury, including sickness or disease, death, and for care and loss of services as well as from claims for property damage, including loss of use which may arise from operations under the Contract whether the operations are by the Contractor or by a subcontractor or by anyone directly or indirectly employed by the Contractor under the contract. Insurance minimum limits are as follows: [GRPUC does not allow limits lower than \$1.5 M. Contractor can use umbrella coverage to get to the minimum limit amount of \$1.5M]

\$1,500,000 – per occurrence

\$1,500,000– annual aggregate

\$1,500,000– annual aggregate – applying to Products/Completed Operations

The following coverages shall be included:

- Premises and Operations Bodily Injury and Property Damage
- Personal and Advertising Injury
- Blanket Contractual Liability
- Products and Completed Operations Liability
- Other; if applicable, please list \_\_\_\_\_
- **GRPUC must be named as an Additional Insured**, to the extent permitted by law

**4.2 Commercial Automobile Liability Insurance.** Contractor is required to maintain insurance protecting it from claims for damages for bodily injury as well as from claims for property damage resulting from the ownership, operation, maintenance or use of all owned, hired, and non-owned autos which may arise from operations under this Contract, and in case any work is subcontracted the Contractor will require the subcontractor to maintain Commercial Automobile Liability insurance. Insurance minimum limits are as follows: [GRPUC does not allow limits lower than \$1.5 M. Contractor can use umbrella coverage to get to the minimum limit amount of \$1.5M]

\$1,500,000 – per occurrence Combined Single limit for Bodily Injury and Property Damage

In addition, the following coverages should be included: Owned, Hired, and Non-owned Automobile.

Evidence of Subcontractor insurance shall be filed with the Contractor.

**4.3 Workers' Compensation Insurance.** Except as provided below, Contractor must provide Workers' Compensation insurance for all its employees and, in case any work is subcontracted, Contractor will require the subcontractor to provide Workers' Compensation insurance in accordance with applicable Legal Requirements, including Coverage B, Employer's Liability. Insurance **minimum** limits are as follows: {The following limits are statutory and cannot be lowered.}

\$100,000 – Bodily Injury by Disease per employee

\$500,000 – Bodily Injury by Disease aggregate

\$100,000 – Bodily Injury by Accident

If Minn. Stat. § 176.041 exempts Contractor from Workers' Compensation insurance or if the Contractor has no employees in the state, Contractor must provide a written statement, signed by an authorized representative, indicating the qualifying exemption that excludes Contractor from the Minnesota Workers' Compensation requirements.

If during the course of the Contract the Contractor becomes eligible for Workers' Compensation, the Contractor must comply with the Workers' Compensation Insurance requirements herein and provide GRPUC with a certificate of insurance.

**4.4 Professional Liability, Errors, and Omissions.** This policy will provide coverage for all claims the Contractor may become legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to Contractor's professional services required under the Contract. Insurance **minimum** limits are as follows: [GRPUC does not allow lower limits]

\$2,000,000 - per claim or event

\$2,000,000 - annual aggregate

Any deductible will be the sole responsibility of the Contractor and may not exceed \$50,000 without the written approval of GRPUC. If the Contractor desires authority from GRPUC to have a deductible in a higher amount, the Contractor shall so request in writing, specifying the amount of the desired deductible and providing financial documentation by submitting the most current audited financial statements so that GRPUC can ascertain the ability of the Contractor to cover the deductible from its own resources.

The retroactive or prior acts date of such coverage shall not be after the effective date of this Contract and Contractor shall maintain such insurance for a period of at least three (3) years, following completion of the work. If such insurance is discontinued, extended reporting period coverage must be obtained by Contractor to fulfill this requirement.



**Exhibit C: Specifications, Duties, and Scope of Work**

Western Red Cedar Poles per RUS Bulletin 1728F-700, pressure treated with Pentachlorophenol and oil per RUS Bulletin 1728F-700, Use Category 2. Wood Quality Control (WQC) inspection charges are included.

Manufactured according to attached "GRPU Wood Pole Specifications" and "GRPU Standard Plate No 2".

**Exhibit D: Price and Payment Schedule**

<b>Quantity</b>	<b>Species</b>	<b>Class/Length</b>	<b>Framing</b>	<b>Price Each</b>	<b>Extended Price</b>
25	Western Red Cedar	3/40	GRPU Standard Plate No 2	\$668.75	\$16,718.75

FOB: Self-Unloading Truck - Grand Rapids MN

Shipment: Commencing 4-5 week(s) after receipt of order via self-unloading truck.

Freight is subject to fuel surcharges as they may occur.

Does not include any sales or use tax that may apply to the customer.

Payment 30 days after receipt of an uncontested invoice and acceptance of goods by Grand Rapids Public Utilities.



## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

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**AGENDA DATE:** February 9, 2022

**AGENDA ITEM:** Consider a motion to ratify the procurement contract with Power Process Equipment for pump parts for rebuilding the Moyno 2000 primary sludge pump for \$16,594.28.

**PREPARED BY:** Steve Mattson

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### **BACKGROUND:**

This purchase is part of the approved Wastewater Treatment O&M Budget. Procurement Policy G.030 was followed and two quotes are on file.

### **RECOMMENDATION:**

Consider a motion to ratify the procurement contract with Power Process Equipment for pump parts for rebuilding the Moyno 2000 primary sludge pump for \$16,594.28.

## PROCUREMENT CONTRACT

This Procurement Contract (“**Contract**”) is by and between the Grand Rapids Public Utilities Commission, located at 500 SE 4th St, Grand Rapids, MN 55744 (“**GRPUC**”), and Power Process Equipment, Inc, located at 1660 Lake Drive W Chanhassen, MN 55317 (“**Contractor**”). GRPUC and Contractor may be referred to jointly as the “**Parties**” or individually as a “**Party**.”

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### Recitals

- A. GRPUC has solicited and received quotations from Power Process Equipment Inc., (“**Solicitation**”);

This purchase was deemed an emergency purchase by management and the GRPU procurement policy was altered to allow for this emergency purchase.

- B. Contractor provided a response to the Solicitation indicating its interest in and ability to provide the goods or services requested in the Solicitation; and
- C. Subsequent to an evaluation in accordance with the terms of the Solicitation and negotiation, the Parties desire to enter into a contract.

Accordingly, the Parties agree as follows:

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### Contract

1. **Term.** The effective date of this Contract is January 27, 2022. The Contractor must not begin work under this Contract until this Contract is fully executed and the Contractor has been notified by GRPUC’s Authorized Representative to begin the work. This Contract will terminate upon the first of the following to occur:

- 1.1 February 15, 2022.
- 1.2 All of Contractor’s obligations have been satisfactorily fulfilled.
- 1.3 GRPUC may cancel this Contract at any time, with or without cause, upon ten (10) days’ written notice to the Contractor.
- 1.4 GRPUC may terminate this Contract immediately in the event of a breach by Contractor.
- 1.5 The Parties may terminate this Contract at any time by mutual written agreement.

Upon receipt of any notice of termination Contractor shall immediately stop performance to the extent specified in such notice. In no event shall GRPUC be liable for any loss of revenue or profit incurred by Contractor as a result of any termination. Upon termination of this Contract, or earlier upon GRPUC’s request, Contractor shall deliver to GRPUC all items requested by GRPUC

containing any confidential information or work product information or make such other disposition thereof as GRPUC may direct in writing.

## 2. Contractor's Duties

2.1 The Contractor shall:

Provide parts (no labor) to rebuild Primary Sludge Pump 1A Moyno 2000 model  
81.123.000

(The services (if any) to be provided by Contractor to GRPUC are referred to as the "**Services.**" The goods (if any) to be provided by Contractor to GRPUC are referred to as the "**Goods.**"). Contractor's precise duties, specifications, deliverables, and completion dates related to the Goods and Services are more specifically described in **Exhibit B.**

2.2 GRPUC may make changes to the general scope of Goods and Services by written or oral notice to Contractor. If such changes affect the cost of or the time required to provide the Goods and Services, an equitable adjustment in the schedule and compensation under this Contract shall be made. GRPUC and Contractor may agree to additional Services or Goods by written amendment to this Contract.

2.3 Contractor agrees that all Goods and Services shall be provided, and all of Contractor's obligations performed, in accordance with all applicable laws and other legal requirements without extra charge or expense. Contractor will be responsible for a violation of any such legal requirements and will indemnify, defend, and hold harmless GRPUC from and against any expense or cost incurred by reason of any such violation by Contractor.

2.4 Contractor warrants and represents that the Goods and Services will be provided in a manner that is consistent with the level of care and skill exercised by members of Contractor's profession currently working under similar conditions. All Goods and Services not conforming to this standard will be considered defective and Contractor shall, at no cost to GRPUC, promptly and satisfactorily correct all such defective Goods and Services. Payment shall be withheld for Goods or Services found by GRPUC to be unsatisfactory or in violation of legal requirements.

2.5 Contractor shall be responsible for all its employees, agents, subcontractors, and invitees and their health and safety. Contractor shall ensure that all persons who perform the Services or produce or deliver the Goods are professionally competent and properly qualified and will remove any person GRPUC deems incompetent, careless, or otherwise objectionable.

2.6 Contractor is solely responsible and assumes full and exclusive liability for the payment of all contributions or taxes to be paid on or to persons employed by Contractor, and for payment of all sales, use, or other taxes of whatever nature levied or assessed against GRPUC arising out of the furnishing of the Services or production or delivery of the Goods, and will indemnify, defend, and hold harmless GRPUC from any such liability.

2.7 Contractor warrants that at the time GRPUC accepts the Goods: (A) Contractor has good title to the Goods, free and clear of any lien, security interest, or other encumbrance

("Encumbrance"), and (B) the Goods are in good condition and are adequate for the uses to which they are being put. Contractor shall execute and deliver such additional documents and take such further actions as may be necessary to transfer Contractor's right, title and interest in the Goods to GRPUC, free and clear of any Encumbrances. Contractor has all risk of loss until GRPUC accepts the Goods.]

### 3. Consideration and Payment

3.1 Consideration. GRPUC will pay for performance by the Contractor under this Contract as follows:

3.1.1 Compensation. The Contractor will be paid Sixteen Thousand Five Hundred and Ninety Four Dollars and Twenty eight Cents (\$16,594.28) **Exhibit C**.

3.1.2 Total obligation. The total obligation and liability of GRPUC under this Contract will not exceed Sixteen Thousand Five Hundred and Ninety Four Dollars and Twenty eight Cents (\$16,594.28)

3.2 Payment.

3.2.1 Invoices. GRPUC will pay the Contractor within thirty (30) days following receipt of an undisputed invoice that complies with **Exhibit C**. GRPUC may pay the Contractor in advance in its sole discretion. Payment will only be made for Goods received or Services actually performed that have been accepted by GRPUC.

### 4. Authorized Representative

GRPUC's Authorized Representative is Steve Mattson at the following business address: 500 SE 4<sup>th</sup> Street, Grand Rapids, MN, 55744 and the following telephone number: 218.326.7195, or his/her successor or delegate, and has the responsibility to monitor the Contractor's performance.

Contractor's Authorized Representative is John Sayer Jr at the following business address: 1660 Lake Drive W Chanhassen, MN 55317, and the following telephone number: 952-937-1000, or his/her successor. If the Contractor's Authorized Representative changes at any time during this Contract, the Contractor must immediately notify GRPUC.

5. **Indemnification.** Contractor will indemnify, defend, and hold harmless GRPUC, its agents, and employees, in relation to any expenses, damages, claims or causes of action, including reasonable attorney's fees, to the extent caused by any negligent or wrongful act, error or omission, breach of contract, or infringement of any intellectual property right by Contractor, any third party that Contractor has a business relationship with, or any of Contractor's agents or employees.

6. **Subcontracting.** Contractor may not subcontract all or any portion of this Contract without GRPUC's prior written consent, which GRPUC may grant or withhold in its sole discretion. If an approved subcontractor is determined to be performing unsatisfactorily by GRPUC, Contractor will ensure that the subcontractor is no longer used for this Contract. The provisions of the Contract shall apply with equal force and effect to all approved subcontractors and no subcontract will terminate the primary responsibility of Contractor hereunder. Contractor will pay all subcontractors in accordance with applicable law and the agreement between Contractor and the subcontractor.

7. **Ownership.** Contractor agrees that all legal right, title, and interest to intellectual property, data, documents, photographs, drawings, analyses, graphs, reports, physical property or other subject matter ("**GRPUC Property**") prepared, delivered, procured, or produced in relation to Contractor's obligations under this Contract shall vest in GRPUC. Contractor will perform all acts necessary to ensure that all GRPUC Property is the sole property of GRPUC, and that neither Contractor nor its employees, agents, or subcontractors retain any interest in and to the GRPUC Property.

8. **Miscellaneous.**

8.1 General. No provision of this Contract may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by all the Parties. No waiver by a Party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreement or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by any Party which are not expressly set forth in this Contract. The validity, interpretation, construction and performance of this Contract shall be governed by the internal laws of Minnesota. If any provision of this Contract shall be held or made invalid by a court decision, statute, rule or otherwise, the remainder of this Contract shall not be affected thereby. This Contract shall be binding on, and shall inure to the benefit of the Parties hereto and their respective successors and permitted assigns. Contractor may not assign Contractor's rights or obligations hereunder without the prior written consent of GRPUC. This Contract may be executed in any number of counterparts, each of which shall for all purposes be deemed to be an original and all of which shall together constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Contract in Portable Document Format (PDF) or by facsimile transmission shall be as effective as delivery of a manually executed original counterpart of this Contract. In the event a Party institutes any legal proceeding against another Party regarding this Contract, the prevailing Party is entitled to receive the costs incurred by such Party, including reasonable attorneys' fees. In performing its obligations under this Contract, Contractor and its employees and agents shall act in the capacity of independent contractors and not as an employee, partner, joint venture, or agent of GRPUC. When Contractor's employees are working on the premises of GRPUC, wherever located, they shall observe the working rules, policies, and procedures of GRPUC, including, but not limited to, its respectful workplace policy. The Parties must comply with the Minnesota Government Data Practices Act in relation to this Contract. Contractor certifies that neither it nor its principals are presently debarred or suspended by any federal, state, or local government or agency or political subdivision thereof. Neither Party will publicize anything in relation to this Contract without the other Party's prior written consent. Contractor shall not use or disclose any confidential

information it receives from GRPUC except as is necessary to perform under this Contract. The obligations of Contractor hereunder shall survive the expiration or earlier termination of this Contract. Each of the Parties shall take such further actions as may be reasonably required to carry out the provisions of this Contract.

8.2 Notices. Any notice or other communication to any Party in connection with this Contract shall be in writing and shall be sent by hand-delivery, email, fax, overnight courier, or United States mail (postage prepaid) addressed to the address set forth below. All periods of notice shall be measured from the date of delivery thereof if hand-delivered, from the date of sending thereof if sent by email or fax (effective upon confirmation of receipt), from the first day after the date of sending if sent by overnight courier, or from three (3) business days after the date of mailing if mailed. Any Party may change such Party's address for notices by notice given not less than ten (10) calendar days prior to the effective date of the change.

GRPUC  
Address:  
500 SE 4<sup>th</sup> Street  
Grand Rapids, MN 55744  
Attn: Steve Mattson  
Email: srmattton@grpuc.org

Power Process Equipment  
Address:  
1660 Lake Drive W  
Chanhassen, MN 55317  
Attn: John Sayer Jr  
Email: Jsayer@powerprocess.net

**9. Exhibits**

The following Exhibits are attached and incorporated into this Contract. In the event of a conflict between the terms of this Contract and its Exhibits (including any supplements), or between Exhibits (including any supplements), the order of precedence is first the Contract, and then in the following order:

- Exhibit A: Insurance Requirements
- Exhibit B: Specifications, Duties, and Scope of Work
- Exhibit C: Price and Payment Schedule



IN WITNESS WHEREOF, the parties hereto by their duly authorized representatives have executed this Contract effective as of the effective date set forth above.

**Power Process Equipment Inc**

**Grand Rapids Public Utilities Commission**

By: John Sayer

By: Julie Kennedy 2/2/22

Print Name: John Sayer

Print Name: Julie A. Kennedy

Title: Representative

Title: General Manager

### Exhibit A: Insurance Requirements

- 1 **Notice to Contractor and Insurer.** Contractor shall not commence work under the Contract until it has obtained all the insurance described below and GRPUC has approved such insurance. Contractor shall maintain such insurance throughout the term of this Contract. GRPUC reserves the right to immediately terminate this Contract if the Contractor is not in compliance with the insurance requirements. All insurance policies must be open to inspection by GRPUC, and copies of policies must be submitted to GRPUC's Authorized Representative upon written request. The Contractor's insurance companies waive the right to assert the immunity of GRPUC as a defense to any claims made under said insurance.
  
- 2 **Additional Insurance Conditions.** The following apply to the Contractor and Contractor's subcontractor: Contractor's policy(ies) shall be primary insurance to any other valid and collectible insurance available to GRPUC. Contractor agrees to notify GRPUC within five (5) business days of receipt of any insurance cancellation notice. Contractor is responsible for payment of Contract-related insurance premiums and deductibles. Contractor's policy(ies) shall include legal defense fees in addition to its policy limits with the exception of professional liability. Contractor's insurance companies must either (1) have an AM Best rating of A- (minus) and a Financial Size Category of VII or better, and be authorized to do business in Minnesota, or (2) be domiciled in Minnesota and have a Certificate of Authority/Compliance from the Minnesota Department of Commerce if they are not rated by AM Best. An Umbrella or Excess Liability insurance policy may be used to supplement the Contractor's policy limits to satisfy the full policy limits required by the Contract.
  
- 3 **Coverages.** Contractor is required to maintain and furnish satisfactory evidence of the following insurance policies:
  - 3.1 **Commercial General Liability Insurance** coverage that would be maintained by a reasonable contractor in Contractor's profession performing a similar contract, with the following minimum limits:
    - \$1,500,000 – per occurrence
    - \$1,500,000 – annual aggregate
    - \$1,500,000 – annual aggregate – applying to Products/Completed Operations
  
  - 3.2 **Commercial Automobile Liability Insurance** coverage that would be maintained by a reasonable contractor in Contractor's profession performing a similar contract, with the following minimum limits:
    - \$1,500,000 – per occurrence Combined Single limit for Bodily Injury and Property Damage

The following coverages should be included: Owned, Hired, and Non-owned Automobile.
  
  - 3.3 **Workers' Compensation Insurance.** Contractor shall obtain and maintain for the duration of the Contract, statutory workers' compensation insurance and employer's liability insurance as required under the laws of the State of Minnesota.

### Exhibit B: Specifications, Duties, and Scope of Work

Parts Provide parts (no labor) to rebuild Primary Sludge Pump 1A Moyno 2000 model 81.123.000 as detailed below:

ITEM	Part / Description	Est. Del ARO**	UOM	QTY
10	PG0-611 RADIAL GREASE SEAL #1 SUMMIT NUMBER SPC1000789	12/30/2021	EA	2.00
20	BK1-13Q BUNA ORING #3 SUMMIT NUMBER SPC1000811	12/30/2021	EA	2.00
30	PG0-971 HARDENED DRIVE SHAFT #4 SUMMIT NUMBER SPC1000772	12/30/2021	EA	1.00
40	BG1-14Q ORING BUNA #5 SUMMIT NUMBER SPC1000812	12/30/2021	EA	2.00
50	PG0-981 THRUST PLATE PRIM #6 SUMMIT NUMBER SPC1000781	12/30/2021	EA	2.00
60	RG0-761 KEY SHAFT #7 SUMMIT NUMBER RG0-761	12/30/2021	EA	4.00
70	AG0-952 GEAR RING #8 SUMMIT NUMBER SPC10001631	12/30/2021	EA	2.00
80	RG0-581 LOCK NUT #9 SUMMIT NUMBER SPC1000798	12/30/2021	EA	2.00
90	AG0-951 LOCK NUT #10 SUMMIT NUMBER SPC10001630	12/30/2021	EA	2.00
100	KPH-951 GEAR JOINT KIT SUMMIT NUMBER SPC1000955	12/30/2021	EA	2.00
110	PG0-982 THRUST PLATE SECONARY #11 SUMMIT NUMBER SPC1000782	12/30/2021	EA	2.00

120	PG0-87Q GEAR JOINT SEAL #13 SUMMIT NUMBER SPC1000784	12/30/2021	EA	2.00
130	KPG-87Q GEAR JOINT KIT SUMMIT NUMBER SPC1000856	12/30/2021	EA	2.00
140	PG0-261 DRIVE SHAFT #14 SUMMIT NUMBER SPC1000773	12/30/2021	EA	1.00
150	PG0-311 BEARING ROLLER ASSEMBLY #15 SUMMIT NUMBER SPC1000785	12/30/2021	EA	2.00
160	KPG-291 BEARING ROLLER KIT SUMMIT NUMBER SPC1000857	01/13/2022	EA	1.00
170	P10-762 BEARING LOCK PLUG SUMMIT NUMBER SPC1000514	12/30/2021	EA	1.00
180	PG0-581 BEARING LOCK NUT #18 SUMMIT NUMBER SPC10002784	12/30/2021	EA	1.00
190	PG0-621 GREASE SEAL THRUST #19 SUMMIT NUMBER SPC1000788	12/30/2021	EA	1.00
200	PG0-771 SLINGER ORING BUNA #20 SUMMIT NUMBER SPC1000801	12/30/2021	EA	1.00
210	BG0-85Q GASKET BUNA # SUMMIT NUMBER SPC1000665	12/30/2021	EA	1.00
220	AG0-085 ORING STATOR # SUMMIT NUMBER SPC10001795	12/30/2021	EA	2.00
230	PG0-911 GEAR JOINT SHELL #39 SUMMIT NUMBER SPC1000777	01/06/2022	EA	1.00
240	PG1-13Q ORING BUNA #41 SUMMIT NUMBER SPC1000814	12/30/2021	EA	2.00
250	BH0-85Q GASKET BUNA STR # SUMMIT NUMBER SPC10001021	12/30/2021	EA	2.00
260	PG0-252 CONNECTING ROD SUMMIT NUMBER SPX35817	12/30/2021	EA	1.00
270	C72-GJ1 ROTOR SUMMIT NUMBER SPC10003320	12/30/2021	EA	1.00
280	C32-0JQ STATOR SUMMIT NUMBER SPC1000872	01/06/2022	EA	1.00

**Exhibit C: Price and Payment Schedule**

The total obligation and liability of GRPUC under this Contract will not exceed Sixteen Thousand Five Hundred and Ninety Four Dollars and Twenty eight Cents (\$16,594.28)

Payment after receipt and acceptance of goods by Grand Rapids Public Utilities.

Payment 30 days after receipt of an uncontested invoice and acceptance of goods by Grand Rapids Public Utilities.



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

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**AGENDA DATE:** February 9, 2022

**AGENDA ITEM:** Consider a motion to ratify the procurement contract with Power Process Equipment for the Moyno pump seal 675213R for \$3,262.50.

**PREPARED BY:** Steve Mattson

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### **BACKGROUND:**

This purchase is part of the approved Wastewater Treatment O&M Budget. This was a single source purchase due to a proprietary part. Procurement Policy G.030 was followed.

### **RECOMMENDATION:**

Consider a motion to ratify the procurement contract with Power Process Equipment for the Moyno pump seal 675213R for \$3,262.50.

## PROCUREMENT CONTRACT

This Procurement Contract (“**Contract**”) is by and between the Grand Rapids Public Utilities Commission, located at 500 SE 4th St, Grand Rapids, MN 55744 (“**GRPUC**”), and Power Process Equipment, Inc, located at 1660 Lake Drive W Chanhassen, MN 55317 (“**Contractor**”). GRPUC and Contractor may be referred to jointly as the “**Parties**” or individually as a “**Party.**”

---

### Recitals

A. GRPUC has solicited and received quotations from Power Process Equipment Inc., (“**Solicitation**”);

B. Contractor provided a response to the Solicitation indicating its interest in and ability to provide the goods or services requested in the Solicitation; and

C. Subsequent to an evaluation in accordance with the terms of the Solicitation and negotiation, the Parties desire to enter into a contract.

Accordingly, the Parties agree as follows:

---

### Contract

1. **Term.** The effective date of this Contract is January 27, 2022. The Contractor must not begin work under this Contract until this Contract is fully executed and the Contractor has been notified by GRPUC’s Authorized Representative to begin the work. This Contract will terminate upon the first of the following to occur:

- 1.1 March 15, 2022.
- 1.2 All of Contractor’s obligations have been satisfactorily fulfilled.
- 1.3 GRPUC may cancel this Contract at any time, with or without cause, upon ten (10) days’ written notice to the Contractor.
- 1.4 GRPUC may terminate this Contract immediately in the event of a breach by Contractor.
- 1.5 The Parties may terminate this Contract at any time by mutual written agreement.

Upon receipt of any notice of termination Contractor shall immediately stop performance to the extent specified in such notice. In no event shall GRPUC be liable for any loss of revenue or profit incurred by Contractor as a result of any termination. Upon termination of this Contract, or earlier upon GRPUC’s request, Contractor shall deliver to GRPUC all items requested by GRPUC containing any confidential information or work product information or make such other disposition thereof as GRPUC may direct in writing.

## 2. Contractor's Duties

### 2.1 The Contractor shall: Provide

Provide a Moyno pump seal 675213R 155-26, 3.25 in sa. TC/tC SFKM

(The services (if any) to be provided by Contractor to GRPUC are referred to as the "Services." The goods (if any) to be provided by Contractor to GRPUC are referred to as the "Goods."). Contractor's precise duties, specifications, deliverables, and completion dates related to the Goods and Services are more specifically described in **Exhibit B**.

2.2 GRPUC may make changes to the general scope of Goods and Services by written or oral notice to Contractor. If such changes affect the cost of or the time required to provide the Goods and Services, an equitable adjustment in the schedule and compensation under this Contract shall be made. GRPUC and Contractor may agree to additional Services or Goods by written amendment to this Contract.

2.3 Contractor agrees that all Goods and Services shall be provided, and all of Contractor's obligations performed, in accordance with all applicable laws and other legal requirements without extra charge or expense. Contractor will be responsible for a violation of any such legal requirements and will indemnify, defend, and hold harmless GRPUC from and against any expense or cost incurred by reason of any such violation by Contractor.

2.4 Contractor warrants and represents that the Goods and Services will be provided in a manner that is consistent with the level of care and skill exercised by members of Contractor's profession currently working under similar conditions. All Goods and Services not conforming to this standard will be considered defective and Contractor shall, at no cost to GRPUC, promptly and satisfactorily correct all such defective Goods and Services. Payment shall be withheld for Goods or Services found by GRPUC to be unsatisfactory or in violation of legal requirements.

2.5 Contractor shall be responsible for all its employees, agents, subcontractors, and invitees and their health and safety. Contractor shall ensure that all persons who perform the Services or produce or deliver the Goods are professionally competent and properly qualified and will remove any person GRPUC deems incompetent, careless, or otherwise objectionable.

2.6 Contractor is solely responsible and assumes full and exclusive liability for the payment of all contributions or taxes to be paid on or to persons employed by Contractor, and for payment of all sales, use, or other taxes of whatever nature levied or assessed against GRPUC arising out of the furnishing of the Services or production or delivery of the Goods, and will indemnify, defend, and hold harmless GRPUC from any such liability.

2.7 Contractor warrants that at the time GRPUC accepts the Goods: (A) Contractor has good title to the Goods, free and clear of any lien, security interest, or other encumbrance ("**Encumbrance**"), and (B) the Goods are in good condition and are adequate for the uses to which they are being put. Contractor shall execute and deliver such additional documents and take such further actions as may be necessary to transfer Contractor's right, title and interest



in the Goods to GRPUC, free and clear of any Encumbrances. Contractor has all risk of loss until GRPUC accepts the Goods.]

### 3. **Consideration and Payment**

3.1 Consideration. GRPUC will pay for performance by the Contractor under this Contract as follows:

3.1.1 Compensation. The Contractor will be paid Two Thousand Seven hundred Sixty Two Dollars and Fifty Cents (\$2,762.50) Plus Shipping Costs added to invoice. **Exhibit C.**

3.1.2 Shipping added to total of invoice not to exceed \$500

3.1.3 Total obligation. The total obligation and liability of GRPUC under this Contract will not exceed Three Thousand Two Hundred Sixty Two and Fifty cents. (\$3,262.50).

3.2 Payment.

3.2.1 Invoices. GRPUC will pay the Contractor within thirty (30) days following receipt of an undisputed invoice that complies with **Exhibit C.** GRPUC may pay the Contractor in advance in its sole discretion. Payment will only be made for Goods received or Services actually performed that have been accepted by GRPUC.

### 4. **Authorized Representative**

GRPUC's Authorized Representative is Steve Mattson at the following business address: 500 SE 4<sup>th</sup> Street, Grand Rapids, MN, 55744 and the following telephone number: 218.326.7195, or his/her successor or delegate, and has the responsibility to monitor the Contractor's performance.

Contractor's Authorized Representative is John Sayer Jr at the following business address: 1660 Lake Drive W Chanhassen, MN 55317, and the following telephone number: 952-937-1000, or his/her successor. If the Contractor's Authorized Representative changes at any time during this Contract, the Contractor must immediately notify GRPUC.

5. **Indemnification.** Contractor will indemnify, defend, and hold harmless GRPUC, its agents, and employees, in relation to any expenses, damages, claims or causes of action, including reasonable attorney's fees, to the extent caused by any negligent or wrongful act, error or omission, breach of contract, or infringement of any intellectual property right by Contractor, any third party that Contractor has a business relationship with, or any of Contractor's agents or employees.

6. **Subcontracting.** Contractor may not subcontract all or any portion of this Contract without GRPUC's prior written consent, which GRPUC may grant or withhold in its sole discretion. If an approved subcontractor is determined to be performing unsatisfactorily by GRPUC, Contractor will ensure that the subcontractor is no longer used for this Contract. The provisions of the Contract shall apply with equal force and effect to all approved subcontractors and no subcontract will terminate the primary responsibility of Contractor hereunder. Contractor will pay all subcontractors in accordance with applicable law and the agreement between Contractor and the subcontractor.

7. **Ownership.** Contractor agrees that all legal right, title, and interest to intellectual property, data, documents, photographs, drawings, analyses, graphs, reports, physical property or other subject matter (“**GRPUC Property**”) prepared, delivered, procured, or produced in relation to Contractor’s obligations under this Contract shall vest in GRPUC. Contractor will perform all acts necessary to ensure that all GRPUC Property is the sole property of GRPUC, and that neither Contractor nor its employees, agents, or subcontractors retain any interest in and to the GRPUC Property.

8. **Miscellaneous.**

8.1 General. No provision of this Contract may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by all the Parties. No waiver by a Party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreement or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by any Party which are not expressly set forth in this Contract. The validity, interpretation, construction and performance of this Contract shall be governed by the internal laws of Minnesota. If any provision of this Contract shall be held or made invalid by a court decision, statute, rule or otherwise, the remainder of this Contract shall not be affected thereby. This Contract shall be binding on, and shall inure to the benefit of the Parties hereto and their respective successors and permitted assigns. Contractor may not assign Contractor’s rights or obligations hereunder without the prior written consent of GRPUC. This Contract may be executed in any number of counterparts, each of which shall for all purposes be deemed to be an original and all of which shall together constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Contract in Portable Document Format (PDF) or by facsimile transmission shall be as effective as delivery of a manually executed original counterpart of this Contract. In the event a Party institutes any legal proceeding against another Party regarding this Contract, the prevailing Party is entitled to receive the costs incurred by such Party, including reasonable attorneys’ fees. In performing its obligations under this Contract, Contractor and its employees and agents shall act in the capacity of independent contractors and not as an employee, partner, joint venture, or agent of GRPUC. When Contractor’s employees are working on the premises of GRPUC, wherever located, they shall observe the working rules, policies, and procedures of GRPUC, including, but not limited to, its respectful workplace policy. The Parties must comply with the Minnesota Government Data Practices Act in relation to this Contract. Contractor certifies that neither it nor its principals are presently debarred or suspended by any federal, state, or local government or agency or political subdivision thereof. Neither Party will publicize anything in relation to this Contract without the other Party’s prior written consent. Contractor shall not use or disclose any confidential information it receives from GRPUC except as is necessary to perform under this Contract. The obligations of Contractor hereunder shall survive the expiration or earlier termination of this Contract. Each of the Parties shall take such further actions as may be reasonably required to carry out the provisions of this Contract.

8.2 Notices. Any notice or other communication to any Party in connection with this Contract shall be in writing and shall be sent by hand-delivery, email, fax, overnight courier, or United States mail (postage prepaid) addressed to the address set forth below. All periods of notice

shall be measured from the date of delivery thereof if hand-delivered, from the date of sending thereof if sent by email or fax (effective upon confirmation of receipt), from the first day after the date of sending if sent by overnight courier, or from three (3) business days after the date of mailing if mailed. Any Party may change such Party's address for notices by notice given not less than ten (10) calendar days prior to the effective date of the change.

GRPUC  
Address:  
500 SE 4<sup>th</sup> Street  
Grand Rapids, MN 55744  
Attn: Steve Mattson  
Email: srmattton@grpuc.org

Power Process Equipment  
Address:  
1660 Lake Drive W  
Chanhassen, MN 55317  
Attn: John Sayer Jr  
Email: Jsayer@powerprocess.net

**9. Exhibits**

The following Exhibits are attached and incorporated into this Contract. In the event of a conflict between the terms of this Contract and its Exhibits (including any supplements), or between Exhibits (including any supplements), the order of precedence is first the Contract, and then in the following order:

- Exhibit A: Insurance Requirements
- Exhibit B: Specifications, Duties, and Scope of Work
- Exhibit C: Price and Payment Schedule

**IN WITNESS WHEREOF**, the parties hereto by their duly authorized representatives have executed this Contract effective as of the effective date set forth above.

**Power Process Equipment Inc**

**Grand Rapids Public Utilities Commission**

By: John Sayer

By: Julie Kennedy 2/2/22

Print Name: John Sayer

Print Name: Julie A. Kennedy

Title: Representative

Title: General Manager

### Exhibit A: Insurance Requirements

- 1 **Notice to Contractor and Insurer.** Contractor shall not commence work under the Contract until it has obtained all the insurance described below and GRPUC has approved such insurance. Contractor shall maintain such insurance throughout the term of this Contract. GRPUC reserves the right to immediately terminate this Contract if the Contractor is not in compliance with the insurance requirements. All insurance policies must be open to inspection by GRPUC, and copies of policies must be submitted to GRPUC's Authorized Representative upon written request. The Contractor's insurance companies waive the right to assert the immunity of GRPUC as a defense to any claims made under said insurance.
  
- 2 **Additional Insurance Conditions.** The following apply to the Contractor and Contractor's subcontractor: Contractor's policy(ies) shall be primary insurance to any other valid and collectible insurance available to GRPUC. Contractor agrees to notify GRPUC within five (5) business days of receipt of any insurance cancellation notice. Contractor is responsible for payment of Contract-related insurance premiums and deductibles. Contractor's policy(ies) shall include legal defense fees in addition to its policy limits with the exception of professional liability. Contractor's insurance companies must either (1) have an AM Best rating of A- (minus) and a Financial Size Category of VII or better, and be authorized to do business in Minnesota, or (2) be domiciled in Minnesota and have a Certificate of Authority/Compliance from the Minnesota Department of Commerce if they are not rated by AM Best. An Umbrella or Excess Liability insurance policy may be used to supplement the Contractor's policy limits to satisfy the full policy limits required by the Contract.
  
- 3 **Coverages.** Contractor is required to maintain and furnish satisfactory evidence of the following insurance policies:
  - 3.1 **Commercial General Liability Insurance** coverage that would be maintained by a reasonable contractor in Contractor's profession performing a similar contract, with the following minimum limits:
    - \$1,500,000 – per occurrence
    - \$1,500,000 – annual aggregate
    - \$1,500,000 – annual aggregate – applying to Products/Completed Operations
  
  - 3.2 **Commercial Automobile Liability Insurance** coverage that would be maintained by a reasonable contractor in Contractor's profession performing a similar contract, with the following minimum limits:
    - \$1,500,000 – per occurrence Combined Single limit for Bodily Injury and Property Damage

The following coverages should be included: Owned, Hired, and Non-owned Automobile.
  
  - 3.3 **Workers' Compensation Insurance.** Contractor shall obtain and maintain for the duration of the Contract, statutory workers' compensation insurance and employer's liability insurance as required under the laws of the State of Minnesota.

**Exhibit B: Specifications, Duties, and Scope of Work**

Rebuild Mechanical Seal for Grand Rapids Public Utilities Commission Moyno pump seal  
675213R 155-26, 3.25In. SA TC/TC S-FKM Repair

**Exhibit C: Price and Payment Schedule**

Price for Rebuilding seal is (\$ 2,762.50) Plus Shipping added to invoice not to exceed  
\$500 for a **Total not to exceed \$3,262.50**

Payment after receipt and acceptance of goods by Grand Rapids Public Utilities.

Payment 30 days after receipt of an uncontested invoice and acceptance of goods by Grand  
Rapids Public Utilities.



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

---

**AGENDA DATE:** February 9, 2022

**AGENDA ITEM:** Consider a motion to ratify the procurement contract with PSI Engineering for pump parts for rebuilding the Ingersol Dresser 4x3x6 D814 water pump for \$3,899.00.

**PREPARED BY:** Steve Mattson

---

### **BACKGROUND:**

This purchase is part of the approved Water O&M Budget. Procurement Policy G.030 was followed and two quotes are on file.

### **RECOMMENDATION:**

Consider a motion to ratify the procurement contract with PSI Engineering for pump parts for rebuilding the Ingersol Dresser 4x3x6 D814 water pump for \$3,899.00.

## PROCUREMENT CONTRACT

This Procurement Contract (“**Contract**”) is by and between the Grand Rapids Public Utilities Commission, located at 500 SE 4th St, Grand Rapids, MN 55744 (“**GRPUC**”), and PSI ENGINEERING, located at 1800 East 122<sup>nd</sup> Street Burnsville, MN 55337 (“**Contractor**”). GRPUC and Contractor may be referred to jointly as the “**Parties**” or individually as a “**Party**.”

### Recitals

---

A. GRPUC has solicited and received quotations from PSI Engineering. (“**Solicitation**”);

B. Contractor provided a response to the Solicitation indicating its interest in and ability to provide the goods or services requested in the Solicitation; and

C. Subsequent to an evaluation in accordance with the terms of the Solicitation and negotiation, the Parties desire to enter into a contract.

Accordingly, the Parties agree as follows:

### Contract

---

1. **Term.** The effective date of this Contract is February 2, 2022. The Contractor must not begin work under this Contract until this Contract is fully executed and the Contractor has been notified by GRPUC’s Authorized Representative to begin the work. This Contract will terminate upon the first of the following to occur:

1.1 March 22, 2022.

1.2 All of Contractor’s obligations have been satisfactorily fulfilled.

1.3 GRPUC may cancel this Contract at any time, with or without cause, upon ten (10) days’ written notice to the Contractor.

1.4 GRPUC may terminate this Contract immediately in the event of a breach by Contractor.

1.5 The Parties may terminate this Contract at any time by mutual written agreement.

Upon receipt of any notice of termination Contractor shall immediately stop performance to the extent specified in such notice. In no event shall GRPUC be liable for any loss of revenue or profit incurred by Contractor as a result of any termination. Upon termination of this Contract, or earlier upon GRPUC’s request, Contractor shall deliver to GRPUC all items requested by GRPUC containing any confidential information or work product information or make such other disposition thereof as GRPUC may direct in writing.

## 2. Contractor's Duties

### 2.1 The Contractor shall:

Provide parts to rebuild number 2 water distribution booster pump (Ingersol Dresser 4x3x6 D814).

(The services (if any) to be provided by Contractor to GRPUC are referred to as the “**Services.**” The goods (if any) to be provided by Contractor to GRPUC are referred to as the “**Goods.**”). Contractor's precise duties, specifications, deliverables, and completion dates related to the Goods and Services are more specifically described in **Exhibit B.**

2.2 GRPUC may make changes to the general scope of Goods and Services by written or oral notice to Contractor. If such changes affect the cost of or the time required to provide the Goods and Services, an equitable adjustment in the schedule and compensation under this Contract shall be made. GRPUC and Contractor may agree to additional Services or Goods by written amendment to this Contract.

2.3 Contractor agrees that all Goods and Services shall be provided, and all of Contractor's obligations performed, in accordance with all applicable laws and other legal requirements without extra charge or expense. Contractor will be responsible for a violation of any such legal requirements and will indemnify, defend, and hold harmless GRPUC from and against any expense or cost incurred by reason of any such violation by Contractor.

2.4 Contractor warrants and represents that the Goods and Services will be provided in a manner that is consistent with the level of care and skill exercised by members of Contractor's profession currently working under similar conditions. All Goods and Services not conforming to this standard will be considered defective and Contractor shall, at no cost to GRPUC, promptly and satisfactorily correct all such defective Goods and Services. Payment shall be withheld for Goods or Services found by GRPUC to be unsatisfactory or in violation of legal requirements.

2.5 Contractor shall be responsible for all its employees, agents, subcontractors, and invitees and their health and safety. Contractor shall ensure that all persons who perform the Services or produce or deliver the Goods are professionally competent and properly qualified and will remove any person GRPUC deems incompetent, careless, or otherwise objectionable.

2.6 Contractor is solely responsible and assumes full and exclusive liability for the payment of all contributions or taxes to be paid on or to persons employed by Contractor, and for payment of all sales, use, or other taxes of whatever nature levied or assessed against GRPUC arising out of the furnishing of the Services or production or delivery of the Goods, and will indemnify, defend, and hold harmless GRPUC from any such liability.

2.7 Contractor warrants that at the time GRPUC accepts the Goods: (A) Contractor has good title to the Goods, free and clear of any lien, security interest, or other encumbrance (“**Encumbrance**”), and (B) the Goods are in good condition and are adequate for the uses to which they are being put. Contractor shall execute and deliver such additional documents and take such further actions as may be necessary to transfer Contractor's right, title and interest



in the Goods to GRPUC, free and clear of any Encumbrances. Contractor has all risk of loss until GRPUC accepts the Goods.]

### 3. Consideration and Payment

3.1 Consideration. GRPUC will pay for performance by the Contractor under this Contract as follows:

3.1.1 Compensation. The Contractor will be paid three thousand four hundred and ninety nine dollars (\$3,499.00) Plus Shipping Costs with **Exhibit C**.

3.1.2 Shipping not to exceed Four hundred (\$400.00).

3.1.3 Total obligation. The total obligation and liability of GRPUC under this Contract will not exceed Three Thousand Eight Hundred and Ninety Nine Dollars (\$3,899.00).

3.2 Payment.

3.2.1 Invoices. GRPUC will pay the Contractor within thirty (30) days following receipt of an undisputed invoice that complies with **Exhibit C**. GRPUC may pay the Contractor in advance in its sole discretion. Payment will only be made for Goods received or Services actually performed that have been accepted by GRPUC.

### 4. Authorized Representative

GRPUC's Authorized Representative is Steve Mattson at the following business address: 500 SE 4<sup>th</sup> Street, Grand Rapids, MN, 55744 and the following telephone number: 218.326.7195, or his/her successor or delegate, and has the responsibility to monitor the Contractor's performance.

Contractor's Authorized Representative is Dave Morris (Senior Account Manager) at the following business address: 1800 East 122<sup>nd</sup> Street, Burnsville, MN 55337, and the following telephone number: 952-894-3150, or his/her successor. If the Contractor's Authorized Representative changes at any time during this Contract, the Contractor must immediately notify GRPUC.

5. **Indemnification.** Contractor will indemnify, defend, and hold harmless GRPUC, its agents, and employees, in relation to any expenses, damages, claims or causes of action, including reasonable attorney's fees, to the extent caused by any negligent or wrongful act, error or omission, breach of contract, or infringement of any intellectual property right by Contractor, any third party that Contractor has a business relationship with, or any of Contractor's agents or employees.

6. **Subcontracting.** Contractor may not subcontract all or any portion of this Contract without GRPUC's prior written consent, which GRPUC may grant or withhold in its sole discretion. If an approved subcontractor is determined to be performing unsatisfactorily by GRPUC, Contractor will ensure that the subcontractor is no longer used for this Contract. The provisions of the Contract shall apply with equal force and effect to all approved subcontractors and no subcontract will terminate the primary responsibility of Contractor hereunder. Contractor will pay all subcontractors in accordance with applicable law and the agreement between Contractor and the subcontractor.

7. **Ownership.** Contractor agrees that all legal right, title, and interest to intellectual property, data, documents, photographs, drawings, analyses, graphs, reports, physical property or other subject matter ("**GRPUC Property**") prepared, delivered, procured, or produced in relation to Contractor's obligations under this Contract shall vest in GRPUC. Contractor will perform all acts necessary to ensure that all GRPUC Property is the sole property of GRPUC, and that neither Contractor nor its employees, agents, or subcontractors retain any interest in and to the GRPUC Property.

## 8. **Miscellaneous.**

8.1 General. No provision of this Contract may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by all the Parties. No waiver by a Party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreement or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by any Party which are not expressly set forth in this Contract. The validity, interpretation, construction and performance of this Contract shall be governed by the internal laws of Minnesota. If any provision of this Contract shall be held or made invalid by a court decision, statute, rule or otherwise, the remainder of this Contract shall not be affected thereby. This Contract shall be binding on, and shall inure to the benefit of the Parties hereto and their respective successors and permitted assigns. Contractor may not assign Contractor's rights or obligations hereunder without the prior written consent of GRPUC. This Contract may be executed in any number of counterparts, each of which shall for all purposes be deemed to be an original and all of which shall together constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Contract in Portable Document Format (PDF) or by facsimile transmission shall be as effective as delivery of a manually executed original counterpart of this Contract. In the event a Party institutes any legal proceeding against another Party regarding this Contract, the prevailing Party is entitled to receive the costs incurred by such Party, including reasonable attorneys' fees. In performing its obligations under this Contract, Contractor and its employees and agents shall act in the capacity of independent contractors and not as an employee, partner, joint venturer, or agent of GRPUC. When Contractor's employees are working on the premises of GRPUC, wherever located, they shall observe the working rules, policies, and procedures of GRPUC, including, but not limited to, its respectful workplace policy. The Parties must comply with the Minnesota Government Data Practices Act in relation to this Contract. Contractor certifies that neither it nor its principals are presently debarred or suspended by any federal, state, or local government or agency or political subdivision thereof. Neither Party will publicize anything in relation to this Contract without the other Party's prior written consent. Contractor shall not use or disclose any confidential

information it receives from GRPUC except as is necessary to perform under this Contract. The obligations of Contractor hereunder shall survive the expiration or earlier termination of this Contract. Each of the Parties shall take such further actions as may be reasonably required to carry out the provisions of this Contract.

8.2 Notices. Any notice or other communication to any Party in connection with this Contract shall be in writing and shall be sent by hand-delivery, email, fax, overnight courier, or United States mail (postage prepaid) addressed to the address set forth below. All periods of notice shall be measured from the date of delivery thereof if hand-delivered, from the date of sending thereof if sent by email or fax (effective upon confirmation of receipt), from the first day after the date of sending if sent by overnight courier, or from three (3) business days after the date of mailing if mailed. Any Party may change such Party’s address for notices by notice given not less than ten (10) calendar days prior to the effective date of the change.

GRPUC  
Address:  
500 SE 4<sup>th</sup> Street  
Grand Rapids, MN 55744  
Attn: Steve Mattson  
Email: srmattton@grpuc.org

Contractor  
Address:  
1800 East 122<sup>nd</sup> Street  
Burnsville, MN 55337  
Attn: Dave Morris  
Email:  
Dave.Morris@psiengineering.net

**9. Exhibits**

The following Exhibits are attached and incorporated into this Contract. In the event of a conflict between the terms of this Contract and its Exhibits (including any supplements), or between Exhibits (including any supplements), the order of precedence is first the Contract, and then in the following order:

- Exhibit A: Insurance Requirements
- Exhibit B: Specifications, Duties, and Scope of Work
- Exhibit C: Price and Payment Schedule

**IN WITNESS WHEREOF**, the parties hereto by their duly authorized representatives have executed this Contract effective as of the effective date set forth above.

**PSI Engineering**

**Grand Rapids Public Utilities Commission**

By: Dave Morris 2/2/22

By: Julie Kennedy 2/2/22

Print Name: Dave Morris

Print Name: Julie A. Kennedy

Title: Senior Account Manager

Title: General Manager

## **Exhibit A: Insurance Requirements**

- 1 **Notice to Contractor and Insurer.** Contractor shall not commence work under the Contract until it has obtained all the insurance described below and GRPUC has approved such insurance. Contractor shall maintain such insurance throughout the term of this Contract. GRPUC reserves the right to immediately terminate this Contract if the Contractor is not in compliance with the insurance requirements. All insurance policies must be open to inspection by GRPUC, and copies of policies must be submitted to GRPUC's Authorized Representative upon written request. The Contractor's insurance companies waive the right to assert the immunity of GRPUC as a defense to any claims made under said insurance.
  
- 2 **Additional Insurance Conditions.** The following apply to the Contractor and Contractor's subcontractor: Contractor's policy(ies) shall be primary insurance to any other valid and collectible insurance available to GRPUC. Contractor agrees to notify GRPUC within five (5) business days of receipt of any insurance cancellation notice. Contractor is responsible for payment of Contract-related insurance premiums and deductibles. Contractor's policy(ies) shall include legal defense fees in addition to its policy limits with the exception of professional liability. Contractor's insurance companies must either (1) have an AM Best rating of A- (minus) and a Financial Size Category of VII or better, and be authorized to do business in Minnesota, or (2) be domiciled in Minnesota and have a Certificate of Authority/Compliance from the Minnesota Department of Commerce if they are not rated by AM Best. An Umbrella or Excess Liability insurance policy may be used to supplement the Contractor's policy limits to satisfy the full policy limits required by the Contract.
  
- 3 **Coverages.** Contractor is required to maintain and furnish satisfactory evidence of the following insurance policies:
  - 3.1 **Commercial General Liability Insurance** coverage that would be maintained by a reasonable contractor in Contractor's profession performing a similar contract, with the following minimum limits:
    - \$1,500,000 – per occurrence
    - \$1,500,000 – annual aggregate
    - \$1,500,000 – annual aggregate – applying to Products/Completed Operations
  
  - 3.2 **Commercial Automobile Liability Insurance** coverage that would be maintained by a reasonable contractor in Contractor's profession performing a similar contract, with the following minimum limits:
    - \$1,500,000 – per occurrence Combined Single limit for Bodily Injury and Property Damage

The following coverages should be included: Owned, Hired, and Non-owned Automobile.
  
  - 3.3 **Workers' Compensation Insurance.** Contractor shall obtain and maintain for the duration of the Contract, statutory workers' compensation insurance and employer's liability insurance as required under the laws of the State of Minnesota.

**Exhibit B: Specifications, Duties, and Scope of Work**

Contractor shall provide the following pumps parts for rebuilding number 2 water distribution booster pump (Ingersol Dresser 4x3x6 D814)

Qty ( 1 ) part # RX186715  
Impeller, Bronze, trim to 5.90" diameter ( # 2 )  
PRICE: \$1598.00 Net each.....\$1598.00 TOTAL

Qty ( 1 ) part # 977875-00  
Shaft, D814 Frame B ( # 6 )  
PRICE: \$654.00 Net each.....\$654.00 TOTAL

Qty ( 1 ) part # 0959437-07  
Shaft Sleeve Bronze ( # 14 ) Includes Retaining Ring ( # 212 )  
PRICE: \$312.00 Net each.....\$312.00 TOTAL

Qty ( 1 ) part # 809887-00  
Radial Bearing ( # 16 )  
PRICE: \$178.00 Net each.....\$178.00 TOTAL

Qty ( 1 ) part # 809888-00  
Thrust Bearing ( # 18 )  
PRICE: \$218.00 Net Each.....\$218.00 TOTAL

Qty ( 2 ) part # 039115-00  
Key - Impeller ( # 32 ), and Key – Coupling ( # 46 )  
PRICE: \$3.50 Net each.....\$7.00 TOTAL

Qty ( 1 ) part # P02895-00  
Seat – Mech Seal ( # 65 )  
PRICE: \$157.00 Net each.....\$157.00 TOTAL

Qty ( 1 ) part # P02887-00  
Rotor – Mech Seal ( # 80 )  
PRICE: \$188.00 Net each.....\$188.00 TOTAL

Qty ( 1 ) part # 173A13S175  
Retaining Ring – Thrust Bearing ( # 212A )  
PRICE: \$35.00 Net each.....\$35.00 TOTAL

Qty ( 1 ) part # 0GASKT-13  
Gasket Kit Frame B ( # 773 )  
PRICE: \$152.00 Net each.....\$152.00 TOTAL

### **Exhibit C: Price and Payment Schedule**

The total price for the listed pump parts is three thousand four hundred and ninety nine dollars (\$3,499.00) Plus shipping cost not to exceed four hundred dollars (\$400.00) for a grand total of three thousand eight hundred and ninety nine dollars (**\$3,899.00**)

Payment after receipt and acceptance of goods by Grand Rapids Public Utilities.

Payment 30 days after receipt of an uncontested invoice and acceptance of goods by Grand Rapids Public Utilities.



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

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**AGENDA DATE:** February 9, 2022

**AGENDA ITEM:** Consider a motion to ratify the procurement contract with PSI Engineering for two (2) 6” HP20T Telsa pumps for \$5,006.00.

**PREPARED BY:** Steve Mattson

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### **BACKGROUND:**

This purchase is part of the approved WWT O&M Budget. Procurement Policy G.030 was followed and two quotes are on file.

### **RECOMMENDATION:**

Consider a motion to ratify the procurement contract with PSI Engineering for two (2) 6” HP20T Telsa pumps for \$5,006.00.

## PROCUREMENT CONTRACT

This Procurement Contract (“**Contract**”) is by and between the Grand Rapids Public Utilities Commission, located at 500 SE 4th St, Grand Rapids, MN 55744 (“**GRPUC**”), and PSI ENGINEERING, located at 1800 East 122<sup>nd</sup> Street Burnsville, MN 55337 (“**Contractor**”). GRPUC and Contractor may be referred to jointly as the “**Parties**” or individually as a “**Party**.”

### Recitals

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A. GRPUC has solicited and received quotations from PSI Engineering. (“**Solicitation**”);

B. Contractor provided a response to the Solicitation indicating its interest in and ability to provide the goods or services requested in the Solicitation; and

C. Subsequent to an evaluation in accordance with the terms of the Solicitation and negotiation, the Parties desire to enter into a contract.

Accordingly, the Parties agree as follows:

### Contract

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1. **Term.** The effective date of this Contract is January 27, 2022. The Contractor must not begin work under this Contract until this Contract is fully executed and the Contractor has been notified by GRPUC’s Authorized Representative to begin the work. This Contract will terminate upon the first of the following to occur:

1.1 March 15, 2022.

1.2 All of Contractor’s obligations have been satisfactorily fulfilled.

1.3 GRPUC may cancel this Contract at any time, with or without cause, upon ten (10) days’ written notice to the Contractor.

1.4 GRPUC may terminate this Contract immediately in the event of a breach by Contractor.

1.5 The Parties may terminate this Contract at any time by mutual written agreement.

Upon receipt of any notice of termination Contractor shall immediately stop performance to the extent specified in such notice. In no event shall GRPUC be liable for any loss of revenue or profit incurred by Contractor as a result of any termination. Upon termination of this Contract, or earlier upon GRPUC’s request, Contractor shall deliver to GRPUC all items requested by GRPUC containing any confidential information or work product information or make such other disposition thereof as GRPUC may direct in writing.



## 2. Contractor's Duties

2.1 The Contractor shall:

Provide quantity of 2 -60181839, 6"GF HP20T 460/60 DOL SI Tesla pumps for \$2348.00 each for a total of \$4,696.00

(The services (if any) to be provided by Contractor to GRPUC are referred to as the "**Services.**") The goods (if any) to be provided by Contractor to GRPUC are referred to as the "**Goods.**"). Contractor's precise duties, specifications, deliverables, and completion dates related to the Goods and Services are more specifically described in **Exhibit B.**

2.2 GRPUC may make changes to the general scope of Goods and Services by written or oral notice to Contractor. If such changes affect the cost of or the time required to provide the Goods and Services, an equitable adjustment in the schedule and compensation under this Contract shall be made. GRPUC and Contractor may agree to additional Services or Goods by written amendment to this Contract.

2.3 Contractor agrees that all Goods and Services shall be provided, and all of Contractor's obligations performed, in accordance with all applicable laws and other legal requirements without extra charge or expense. Contractor will be responsible for a violation of any such legal requirements and will indemnify, defend, and hold harmless GRPUC from and against any expense or cost incurred by reason of any such violation by Contractor.

2.4 Contractor warrants and represents that the Goods and Services will be provided in a manner that is consistent with the level of care and skill exercised by members of Contractor's profession currently working under similar conditions. All Goods and Services not conforming to this standard will be considered defective and Contractor shall, at no cost to GRPUC, promptly and satisfactorily correct all such defective Goods and Services. Payment shall be withheld for Goods or Services found by GRPUC to be unsatisfactory or in violation of legal requirements.

2.5 Contractor shall be responsible for all its employees, agents, subcontractors, and invitees and their health and safety. Contractor shall ensure that all persons who perform the Services or produce or deliver the Goods are professionally competent and properly qualified and will remove any person GRPUC deems incompetent, careless, or otherwise objectionable.

2.6 Contractor is solely responsible and assumes full and exclusive liability for the payment of all contributions or taxes to be paid on or to persons employed by Contractor, and for payment of all sales, use, or other taxes of whatever nature levied or assessed against GRPUC arising out of the furnishing of the Services or production or delivery of the Goods, and will indemnify, defend, and hold harmless GRPUC from any such liability.

2.7 Contractor warrants that at the time GRPUC accepts the Goods: (A) Contractor has good title to the Goods, free and clear of any lien, security interest, or other encumbrance ("**Encumbrance**"), and (B) the Goods are in good condition and are adequate for the uses to which they are being put. Contractor shall execute and deliver such additional documents and take such further actions as may be necessary to transfer Contractor's right, title and interest

in the Goods to GRPUC, free and clear of any Encumbrances. Contractor has all risk of loss until GRPUC accepts the Goods.]

### 3. Consideration and Payment

3.1 Consideration. GRPUC will pay for performance by the Contractor under this Contract as follows:

3.1.1 Compensation. The Contractor will be paid Four Thousand Six hundred and ninety six dollars (\$4,696.00) Plus Shipping Costs with **Exhibit C**.

3.1.2 Three hundred and ten (\$310.00) for shipping added to total.

3.1.3 Total obligation. The total obligation and liability of GRPUC under this Contract will not exceed Five Thousand and Six Dollars (\$5,006.00).

3.2 Payment.

3.2.1 Invoices. GRPUC will pay the Contractor within thirty (30) days following receipt of an undisputed invoice that complies with **Exhibit C**. GRPUC may pay the Contractor in advance in its sole discretion. Payment will only be made for Goods received or Services actually performed that have been accepted by GRPUC.

### 4. Authorized Representative

GRPUC's Authorized Representative is Steve Mattson at the following business address: 500 SE 4<sup>th</sup> Street, Grand Rapids, MN, 55744 and the following telephone number: 218.326.7195, or his/her successor or delegate, and has the responsibility to monitor the Contractor's performance.

Contractor's Authorized Representative is Dave Morris (Senior Account Manager) at the following business address: 1800 East 122<sup>nd</sup> Street, Burnsville, MN 55337, and the following telephone number: 952-894-3150, or his/her successor. If the Contractor's Authorized Representative changes at any time during this Contract, the Contractor must immediately notify GRPUC.

5. **Indemnification.** Contractor will indemnify, defend, and hold harmless GRPUC, its agents, and employees, in relation to any expenses, damages, claims or causes of action, including reasonable attorney's fees, to the extent caused by any negligent or wrongful act, error or omission, breach of contract, or infringement of any intellectual property right by Contractor, any third party that Contractor has a business relationship with, or any of Contractor's agents or employees.

6. **Subcontracting.** Contractor may not subcontract all or any portion of this Contract without GRPUC’s prior written consent, which GRPUC may grant or withhold in its sole discretion. If an approved subcontractor is determined to be performing unsatisfactorily by GRPUC, Contractor will ensure that the subcontractor is no longer used for this Contract. The provisions of the Contract shall apply with equal force and effect to all approved subcontractors and no subcontract will terminate the primary responsibility of Contractor hereunder. Contractor will pay all subcontractors in accordance with applicable law and the agreement between Contractor and the subcontractor.

7. **Ownership.** Contractor agrees that all legal right, title, and interest to intellectual property, data, documents, photographs, drawings, analyses, graphs, reports, physical property or other subject matter (“**GRPUC Property**”) prepared, delivered, procured, or produced in relation to Contractor’s obligations under this Contract shall vest in GRPUC. Contractor will perform all acts necessary to ensure that all GRPUC Property is the sole property of GRPUC, and that neither Contractor nor its employees, agents, or subcontractors retain any interest in and to the GRPUC Property.

8. **Miscellaneous.**

8.1 General. No provision of this Contract may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by all the Parties. No waiver by a Party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreement or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by any Party which are not expressly set forth in this Contract. The validity, interpretation, construction and performance of this Contract shall be governed by the internal laws of Minnesota. If any provision of this Contract shall be held or made invalid by a court decision, statute, rule or otherwise, the remainder of this Contract shall not be affected thereby. This Contract shall be binding on, and shall inure to the benefit of the Parties hereto and their respective successors and permitted assigns. Contractor may not assign Contractor’s rights or obligations hereunder without the prior written consent of GRPUC. This Contract may be executed in any number of counterparts, each of which shall for all purposes be deemed to be an original and all of which shall together constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Contract in Portable Document Format (PDF) or by facsimile transmission shall be as effective as delivery of a manually executed original counterpart of this Contract. In the event a Party institutes any legal proceeding against another Party regarding this Contract, the prevailing Party is entitled to receive the costs incurred by such Party, including reasonable attorneys’ fees. In performing its obligations under this Contract, Contractor and its employees and agents shall act in the capacity of independent contractors and not as an employee, partner, joint venturer, or agent of GRPUC. When Contractor’s employees are working on the premises of GRPUC, wherever located, they shall observe the working rules, policies, and procedures of GRPUC, including, but not limited to, its respectful workplace policy. The Parties must comply with the Minnesota Government Data Practices Act in relation to this Contract. Contractor certifies that neither it nor its principals are presently debarred or suspended by any federal, state, or local government or agency or political subdivision thereof. Neither Party will publicize anything in relation to this Contract without the other Party’s prior written consent. Contractor shall not use or disclose any confidential

information it receives from GRPUC except as is necessary to perform under this Contract. The obligations of Contractor hereunder shall survive the expiration or earlier termination of this Contract. Each of the Parties shall take such further actions as may be reasonably required to carry out the provisions of this Contract.

8.2 Notices. Any notice or other communication to any Party in connection with this Contract shall be in writing and shall be sent by hand-delivery, email, fax, overnight courier, or United States mail (postage prepaid) addressed to the address set forth below. All periods of notice shall be measured from the date of delivery thereof if hand-delivered, from the date of sending thereof if sent by email or fax (effective upon confirmation of receipt), from the first day after the date of sending if sent by overnight courier, or from three (3) business days after the date of mailing if mailed. Any Party may change such Party’s address for notices by notice given not less than ten (10) calendar days prior to the effective date of the change.

GRPUC  
Address:  
500 SE 4<sup>th</sup> Street  
Grand Rapids, MN 55744  
Attn: Steve Mattson  
Email: srmattton@grpuc.org

Contractor  
Address:  
1800 East 122<sup>nd</sup> Street  
Burnsville, MN 55337  
Attn: Dave Morris  
Email:  
Dave.Morris@psiengineering.net

**9. Exhibits**

The following Exhibits are attached and incorporated into this Contract. In the event of a conflict between the terms of this Contract and its Exhibits (including any supplements), or between Exhibits (including any supplements), the order of precedence is first the Contract, and then in the following order:

- Exhibit A: Insurance Requirements
- Exhibit B: Specifications, Duties, and Scope of Work
- Exhibit C: Price and Payment Schedule

**IN WITNESS WHEREOF**, the parties hereto by their duly authorized representatives have executed this Contract effective as of the effective date set forth above.

**PSI Engineering**

**Grand Rapids Public Utilities Commission**

By: Dave Morris 2/1/22

By: Julie Kennedy 2/2/22

Print Name: Dave Morris

Print Name: Julie A. Kennedy

Title: Senior Account Manager

Title: General Manager

## **Exhibit A: Insurance Requirements**

- 1 **Notice to Contractor and Insurer.** Contractor shall not commence work under the Contract until it has obtained all the insurance described below and GRPUC has approved such insurance. Contractor shall maintain such insurance throughout the term of this Contract. GRPUC reserves the right to immediately terminate this Contract if the Contractor is not in compliance with the insurance requirements. All insurance policies must be open to inspection by GRPUC, and copies of policies must be submitted to GRPUC's Authorized Representative upon written request. The Contractor's insurance companies waive the right to assert the immunity of GRPUC as a defense to any claims made under said insurance.
  
- 2 **Additional Insurance Conditions.** The following apply to the Contractor and Contractor's subcontractor: Contractor's policy(ies) shall be primary insurance to any other valid and collectible insurance available to GRPUC. Contractor agrees to notify GRPUC within five (5) business days of receipt of any insurance cancellation notice. Contractor is responsible for payment of Contract-related insurance premiums and deductibles. Contractor's policy(ies) shall include legal defense fees in addition to its policy limits with the exception of professional liability. Contractor's insurance companies must either (1) have an AM Best rating of A- (minus) and a Financial Size Category of VII or better, and be authorized to do business in Minnesota, or (2) be domiciled in Minnesota and have a Certificate of Authority/Compliance from the Minnesota Department of Commerce if they are not rated by AM Best. An Umbrella or Excess Liability insurance policy may be used to supplement the Contractor's policy limits to satisfy the full policy limits required by the Contract.
  
- 3 **Coverages.** Contractor is required to maintain and furnish satisfactory evidence of the following insurance policies:
  - 3.1 **Commercial General Liability Insurance** coverage that would be maintained by a reasonable contractor in Contractor's profession performing a similar contract, with the following minimum limits:
    - \$1,500,000 – per occurrence
    - \$1,500,000 – annual aggregate
    - \$1,500,000 – annual aggregate – applying to Products/Completed Operations
  
  - 3.2 **Commercial Automobile Liability Insurance** coverage that would be maintained by a reasonable contractor in Contractor's profession performing a similar contract, with the following minimum limits:
    - \$1,500,000 – per occurrence Combined Single limit for Bodily Injury and Property Damage

The following coverages should be included: Owned, Hired, and Non-owned Automobile.
  
  - 3.3 **Workers' Compensation Insurance.** Contractor shall obtain and maintain for the duration of the Contract, statutory workers' compensation insurance and employer's liability insurance as required under the laws of the State of Minnesota.

**Exhibit B: Specifications, Duties, and Scope of Work**

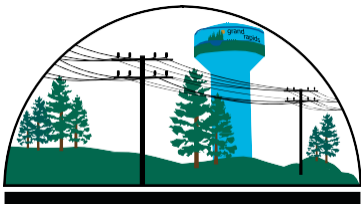
Contractor shall provide two (2) new DOL SI Tesla Pumps – 60181839, 6” GF HP20T 460/60

**Exhibit C: Price and Payment Schedule**

The total price for 2 pumps is Four Thousand six hundred and ninety six dollars (\$4,696.00) Plus shipping cost of three hundred and ten dollars (\$310.00) for a grand total of **\$5,006.00**

Payment after receipt and acceptance of goods by Grand Rapids Public Utilities.

Payment 30 days after receipt of an uncontested invoice and acceptance of goods by Grand Rapids Public Utilities.



GRAND RAPIDS  
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Item 18.

500 SE Fourth Street • Grand Rapids, Minnesota 55744

## ADMINISTRATION DEPARTMENT MONTHLY REPORT February 2022 Commission Meeting

### **Safety**

There were no OSHA recordable accidents in the Administration Department last month.

### **Office Closures**

- GRPU offices will be closed on February 21, 2022 in observance of the Presidents' Day holiday.

### **Community Involvement**

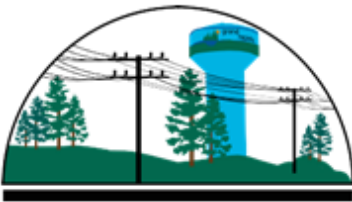
- MMUA Tom Bovitz Memorial Scholarship – applications due April 1, 2022 (see attachment).
- Frozen Fairways Golf Tournament – Forest Lake – GRPU provides temporary power
- Northwoods Pond Hockey Tournament – McKinney Lake – GRPU provides portable power

### **Projects Performed Last Month**

- GRPU Annual Employee Meeting – January 18, 2022
- MMUA T&O Conference presentation with Jeremy on Solar plus Storage Project
- MMUA T&O Conference facilitator with Jeremy on MMUA mutual aid efforts for emergency events
- Onboarding new Maintenance III employee
- Assisted employees/retirees with transition to Medica health insurance coverage

### **Projects Scheduled for This Month**

- GRPU Internal Communications Plan Development (intranet, document storage and retention).
- Employee Licenses/Certifications tracking program in new HR software.
- Legislative efforts for GRPU WTP Renovation Project and other utility related legislation.



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## BUSINESS SERVICES DEPARTMENT MONTHLY REPORT February 2022 Commission Meeting

### **Safety**

There were no OSHA recordable accidents last month.

### **Effective Wholesale Electric Power Rate Last Month**

The attached graph shows the effective wholesale electric rate for last month.

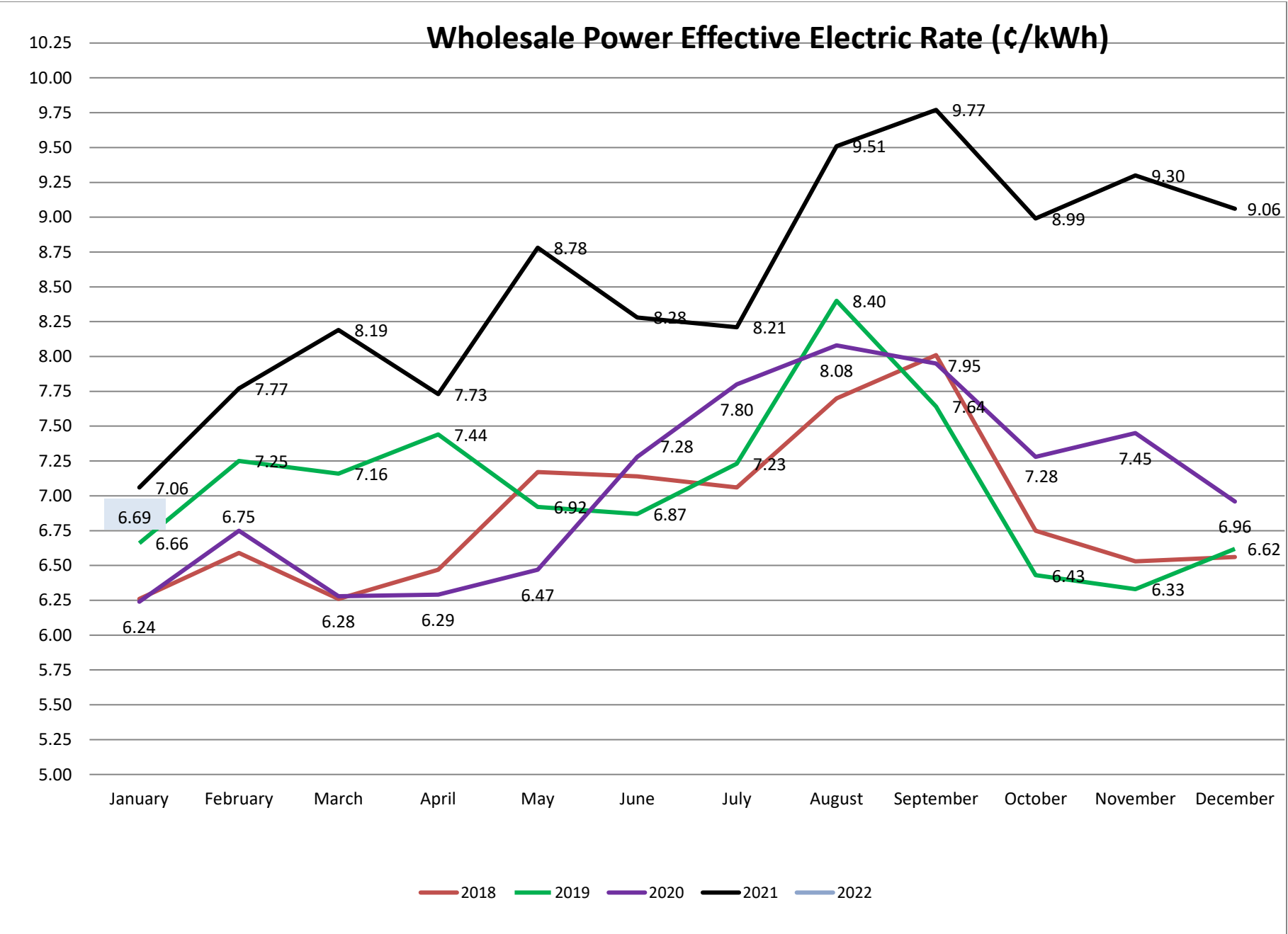
### **Projects Performed Last Month**

- Continue training new customer service and accounting personnel.
- Cybersecurity awareness training (Knowbe4).
- Documentation of Cogsdale and GP Dynamics software application processes.
- Continued to review and improve instructions for customer service tasks.
- Met with outsourced IT support and discussed internal communication platforms.
- Projects training with managers and directors.
- Purchase order training with managers and directors.
- Successful upload to Cogsdale CSM module new City storm water rates vs manual entry.

### **Projects Scheduled for This Month**

- Continue training new customer service team members.
- Start to develop quarterly financial reports for Commission.
- Finalize scheduling the training for 2018 GP Dynamics/Cogsdale upgrade.
- Work the 2022 operations and capital budget plan.
- Audit field work March 21 – 25 virtual.
- Manager and Director budget versus actual monthly meeting February 17.
- Joint meeting with City Finance and GRPU Finance teams February 16.
- Start phased implementation of Journyx software for time keeping.







## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

**AGENDA DATE:** February 9, 2022

**AGENDA ITEM:** Consider a motion to approve the 2022 workers' compensation premium coverage quotation regular premium option from the LCMIT in the amount of \$78,405, authorize the general manager to sign premium documents, and approve the payment of the 2022 insurance premium of \$78,405 to the LMCIT.

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

### **BACKGROUND:**

The League of Minnesota Cities Insurance Trust (LMCIT) is a self-insured membership cooperative. It was created by Minnesota cities for Minnesota cities and its fundamental purpose is to cover city risks and to mitigate hazards, not show a profit for stakeholders.

The LMCIT has coverage for property, liability, auto, and workers' compensation and LMCIT emphasizes coverage inclusion. LMCIT funds not needed for claims, expenses, or reserves are returned to members as a dividend.

The workers' compensation premium quotation for 1/1/2022 to 12/31/2022 is \$78,405 calculated on a base (manual) premium of \$92,591 less the experience modification credit of \$6,481 and premium discount credit of \$7,705.

The GRPU base premium decreased from \$100,215 in 2021 to \$92,591 for 2022. Yet the experience modification factor increased from 0.82 in 2021 to 0.93 for 2022 which resulted in a decreased experience modification credit. The experience modification factor is based on a formula that uses the past three years history of claim costs for medical and worker loss time payments. Experience modification factors less than 1.00 result in a premium calculation credit.

Management is recommending the regular premium option.

The total 2022 workers' compensation premium increased by \$3,541 or 4% greater than 2021.

### **RECOMMENDATION:**

Approve the 2022 workers' compensation premium coverage quotation regular premium option from the LCMIT in the amount of \$78,405, authorize the general manager to sign premium documents, and approve the payment of the 2022 insurance premium of \$78,405 to the LMCIT.

**League of Minnesota Cities Insurance Trust**  
**Group Self-Insured Workers' Compensation Plan**  
 145 University Avenue West St. Paul, MN 55103-2044 Phone (651) 215-4173

**Notice of Premium Options for Standard Premiums of \$50,000 - \$100,000**

GRAND RAPIDS PUBLIC UTILITIES  
 500 SE 4TH STREET  
 GRAND RAPIDS, MN 55744

Agreement No.: WC 1000947\_Q-6  
 Agreement Period:  
 From: 01/01/2022  
 To: 01/01/2023

Enclosed is a quotation for workers' compensation deposit premium. **Note: Renewal Coverage will be bound as per the expiring coverage arrangement, including coverage for elected and appointed officials, with the premium indicated on the quote, unless the member or agent sends a written request not to bind renewal coverage.**

<u>PAYROLL DESCRIPTION</u>	<u>CODE</u>	<u>RATE</u>	<u>ESTIMATED PAYROLL</u>	<u>DEPOSIT PREMIUM</u>
----------------------------	-------------	-------------	--------------------------	------------------------

SEE ATTACHED SCHEDULE FOR DETAILS

Manual Premium		92,591
Experience Modification	0.93	-6,481
Standard Premium		86,110
Deductible Credit	0.00%	0
Premium Discount		-7,705
Net Deposit Premium		\$78,405
Adjustment for Commission*		0
Total Net Deposit Premium		\$78,405

\*Workers compensation rates assume a 2% standard commission. The commission adjustment accounts for the commission difference, above or below 2%.

**Agent:**  
 00457 Greater Insurance Service of Northeast Minnesota Inc  
 407 S Pokegama Ave  
 Grand Rapids, MN 55744-3817

# Notice of Premium Options for Standard Premiums of \$50,000 - \$100,000 (Con't)

**OPTIONS**

Please indicate below the premium option you wish to select. You may choose only one option and you cannot change options during the agreement period.

1.	<input type="checkbox"/> <b>Regular Premium Option</b>	<b>Net Deposit Premium</b>	<b>Commission Adjustment</b>	<b>Total Net Deposit Premium</b>
		78,405	0	78,405

2.  **Deductible Premium Option**  
 Deductible options are available in return for a premium credit applied to your estimated standard Premium of \$ 86,110. The deductible will apply per occurrence to paid medical costs only. There is no aggregate limit.

	<b>Deductible per Occurrence</b>	<b>Premium Credit</b>	<b>Credit Amount</b>	<b>Net Deposit Premium</b>	<b>Commission Adjustment</b>	<b>Total Net Deposit Premium</b>
<input type="checkbox"/>	\$250	0.70%	-603	77,802	0	77,802
<input type="checkbox"/>	\$500	1.20%	-1,033	77,372	0	77,372
<input type="checkbox"/>	\$1,000	2.00%	-1,722	76,683	0	76,683
<input type="checkbox"/>	\$2,500	3.50%	-3,014	75,391	0	75,391
<input type="checkbox"/>	\$5,000	5.00%	-4,306	74,099	0	74,099
<input type="checkbox"/>	\$10,000	7.50%	-6,458	71,947	0	71,947
<input type="checkbox"/>	\$25,000	12.00%	-10,333	68,072	0	68,072
<input type="checkbox"/>	\$50,000	16.50%	-14,208	64,197	0	64,197

3.  **Retrospective Rates Premium Option**

	<b>Retro-Rated Minimum Factor</b>	<b>Est. Minimum Premium</b>	<b>Retro-Rated Maximum Factor</b>	<b>Est. Maximum Premium</b>
<input type="checkbox"/>	0.564 %	48,566	1.300 %	111,943
<input type="checkbox"/>	0.525 %	45,208	1.500 %	129,165
<input type="checkbox"/>	0.452 %	38,922	2.000 %	172,220

This quotation is for a deposit premium based on your estimate of payroll and selected options. Your final actual premium will be computed after an audit of payroll subsequent to the close of your agreement year and will be subject to revisions in rates, payrolls and experience modification. While you are a member of the LMCIT Workers' Compensation Plan, you will be eligible to participate in dividend distributions from the Trust based upon claims experience and earnings of the Trust.

If you desire the coverage offered above, please return this signed document for the option you have selected.

This quotation should be signed by an authorized representative of the city requesting coverage.

\_\_\_\_\_  
 Signature Title Date

**Notice of Premium Options for Standard Premiums of \$50,000 - \$100,000  
(Con't)**

Item 20.

CONTINUATION SCHEDULE FOR QUOTATION PAGE

<u>REMUNERATION</u>	<u>RATE</u>	<u>CODE</u>	<u>DESCRIPTION</u>	<u>EST. PREM</u>
151,623	9.37	5506	GENERAL MAINTENANCE	14,207
222,595	3.95	7520	WATERWORKS	8,793
880,704	3.42	7539	ELECTRIC & STEAM PLANT	30,120
717,725	4.73	7580	SEWAGE DISPOSAL PLANT	33,948
733,819	0.74	8810	PUBLIC UTILITIES CLERICAL	5,430
18,200	0.51	9411	ELECTED OR APPOINTED OFFICIALS	93
			Manual Premium	92,591



# 2021-2022 Premium Rates

The Trust's Board of Trustees evaluates loss projections every year to ensure premium rates are adequately set to respond to future claims experienced by Minnesota cities. Here is information about premium rates going into effect for property/casualty coverages renewing on or after Nov. 15, 2021, and for workers' compensation coverages renewing on or after Jan. 1, 2022.

## Property/casualty rates

### What does property/casualty coverage include?

The Trust's coverage is tailored specifically for Minnesota cities, and it's generally broader than commercial policies. It includes coverage for things like loss or damage to city buildings, liability claims resulting from actions or incidents involving city staff or elected officials, land use, sewer back-up liability, auto liability and auto physical damage, and cyber-related claims.

### How does the Trust set rates?

Rates are set at a level to generate enough premium to cover 1) projected administrative expenses for the program; 2) expected claim costs for the year based on actuaries' calculations; and 3) a contingency margin to protect the Trust and its members from the possibility that losses will be higher than expected.

### What do property/casualty rates look like for 2022?

Property/casualty rates will decrease by an average rate of 1.5% for 2022. However, each member will be impacted differently, with some members seeing a higher rate increase and others a lower rate increase or decrease for the following reasons (members and agents can contact their underwriter for details that are member-specific).

Property rates will decrease 7% on average, but overall rates have been restructured for specific buildings types (see "other variables" below) so that rates align with the risk that certain building types present. This means that rates for some building types will increase and for others, rates will decrease. Each members' actual rate change will depend on its particular mix of covered property.

Property types with biggest rate increases include general civic buildings like city halls, fire stations, community centers, police stations, and water, sewer, and electric utility property; while biggest decreases include park property and property in the open (property in the open is items like benches, picnic tables, statues, playgrounds, sports apparatus, etc.). Members with a mix of property that proportionately matches the program as a whole will not be impacted much, as increases and decreases for property types will largely offset each other.

Other changes:

- There will be a new premium charge for first-party cyber coverage. It's important to note we formerly funded for first-party cyber coverage costs implicitly through property premiums, and part of the reason we're able to decrease property rates by so much is because we're no longer funding for first-party cyber coverage costs through property premiums.
- Land use litigation and sewer backup rates will decrease 3%.
- Excess liability rates will increase 9%.

## What about other variables?

Members should note their premiums will be affected by other individual factors such as changes in expenditures, property values, payroll, experience ratings, and others. Contact the Trust's underwriting specialists for questions about your specific rates.

## Workers' compensation rates

### What is workers' compensation coverage?

Workers' compensation provides coverage for members that have employees who are injured while in the course and scope of employment.

### What are the rate changes for 2022?

As was the case last year, public safety post-traumatic stress disorder (PTSD) claims have had significant cost implications, resulting in an average rate increase of 10% for the coming year.

Additionally, the Trust will make job class rate relativity adjustments, which means rates for some job classes will increase and for others the rate will decrease. Individual members' premiums will be impacted differently depending on the particular mix of payroll by job class.

Here's a look at the specific rate changes by job class:

Rate Relativity Adjustments Effective Jan. 1, 2022				
This table details 2022 class rate changes for the bulk of city payrolls. Most job class rates are shown per \$100 of payroll.				
Rates for volunteer firefighters are shown per 100 of population.				
Class Code	Description	2021 Rates	2022 Rates	Rate change
7380	Ambulance	\$ 6.16	\$ 6.44	4%
7381	Ambulance: volunteer	\$ 12.04	\$ 10.83	-10%
9015	Building maintenance	\$ 7.77	\$ 7.32	-6%
9182	City arena operations	\$ 3.83	\$ 4.25	11%
8227	City shop & yard	\$ 4.90	\$ 4.41	-10%
8810	Clerical office employees	\$ 0.82	\$ 0.74	-10%
9063	Community centers	\$ 2.87	\$ 2.58	-10%
9411	Elected or appointed officials	\$ 0.56	\$ 0.51	-10%
7539	Electric & steam plant	\$ 3.69	\$ 3.42	-7%
7706	Firefighters	\$ 9.09	\$ 10.77	18%
7716	Firefighters: non-smoking	\$ 8.18	\$ 9.69	18%
7708	Firefighters: volunteer	\$ 265.55	\$ 265.55	0%
7718	Firefighters: volunteer, non- smoking	\$ 239.00	\$ 239.00	0%
9403	Garbage	\$ 9.95	\$ 8.96	-10%
7502	Gas company	\$ 8.00	\$ 8.07	1%
9060	Golf course	\$ 1.34	\$ 1.74	30%
9033	Housing authority	\$ 3.07	\$ 3.99	30%
9410	Municipal employee	\$ 0.71	\$ 0.92	30%
8017	Off sale liquor store	\$ 4.57	\$ 4.11	-10%
9084	On sale liquor store	\$ 3.50	\$ 4.28	22%
9102	Parks	\$ 6.31	\$ 7.68	22%
7720	Police	\$ 8.28	\$ 10.76	30%
7722	Police reserves	\$ 3.02	\$ 3.77	25%
7723	Police reserves: non-smoking	\$ 2.72	\$ 3.39	25%
7721	Police: non-smoking	\$ 7.45	\$ 9.68	30%
7580	Sewage disposal plant	\$ 5.25	\$ 4.73	-10%
5506	Street construction	\$ 10.42	\$ 9.37	-10%
7520	Waterworks	\$ 4.38	\$ 3.95	-10%

Members and agents can contact their underwriter for member-specific details.

## What about other variables?

Individual member premiums for the workers' compensation program will also be affected by other factors like changes in member expenditures, payrolls, experience rating, and other exposure measures.

## What role does PTSD play in workers' compensation rate increases?

Since PTSD claims first became compensable in 2013, they have risen to a point where they're currently projected to make up about 37% of the Trust's annual workers' compensation claim costs, with most of that arising from police claims. The majority of PTSD costs are attributable to covering lost wages for employees who do not return to work after their diagnosis.

## What is the Trust doing to address PTSD costs?

The Trust understands pressures on city budgets faced with rising premium rates. The Trust and its members have taken a leading role — along with public safety professional



organizations, other local government insurance pools across the country, and other significant stakeholders — to address workers’ compensation costs associated with PTSD.

The Trust’s PTSD specialist, hired in 2020, continues to work with Trust staff and external stakeholders on outreach and educational efforts with member cities in an effort to promote PTSD prevention and treatment among public safety personnel. This past year, a Duty Disability Group was formed among stakeholders to work with the League of Minnesota Cities’ Intergovernmental Relations team to identify and seek a workable state legislative solution that will involve a PTSD disability funding solution without ties to the state’s workers’ compensation system. The Trust has also planned a robust public information campaign for 2022 emphasizing that PTSD among first responders is treatable and does not need to be permanently debilitating.

## What can members do?

In addition to the financial burden posed on the workers’ compensation system, PTSD has a dramatic impact on law enforcement staffing, departmental morale, and the well-being of affected employees and their families, friends, and communities. For tips on preventing, recognizing, and acknowledging PTSD within your city’s law enforcement and first responder communities, please visit the Trust’s [PTSD and Mental Health Toolkit](#).

The Trust has developed this resource to help our members address issues of PTSD and general mental health. It also addresses topics such as suicide prevention, creating a supportive environment, PTSD treatability, and more. The toolkit also includes a Media Room that shares stories and perspectives from the public safety community related to PTSD and mental health. Understanding and implementing the action steps described in these resources can play significant roles in mitigating costly PTSD claims. Even more important, it will help return injured employees to a full and healthy life.

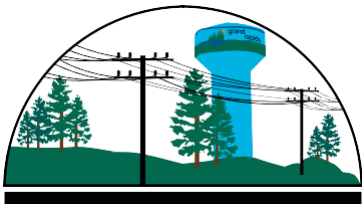
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### Your LMC Resource

Underwriters are available to assist with questions about coverages and more.

#### [Connect with Underwriters](#)

*choose “Underwriting” under “Department”*



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Item 21.

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## ELECTRIC DEPARTMENT MONTHLY REPORT February 2022 Commission Meeting

### **Safety**

- There were no OSHA recordable accidents last month.

### **Demand Threshold and Power Usage for past month**

- The attached graph shows the system load with demand threshold for the past month.

### **Reliability Last Month**

- We had no outages during the month.

### **Projects Performed Last Month**

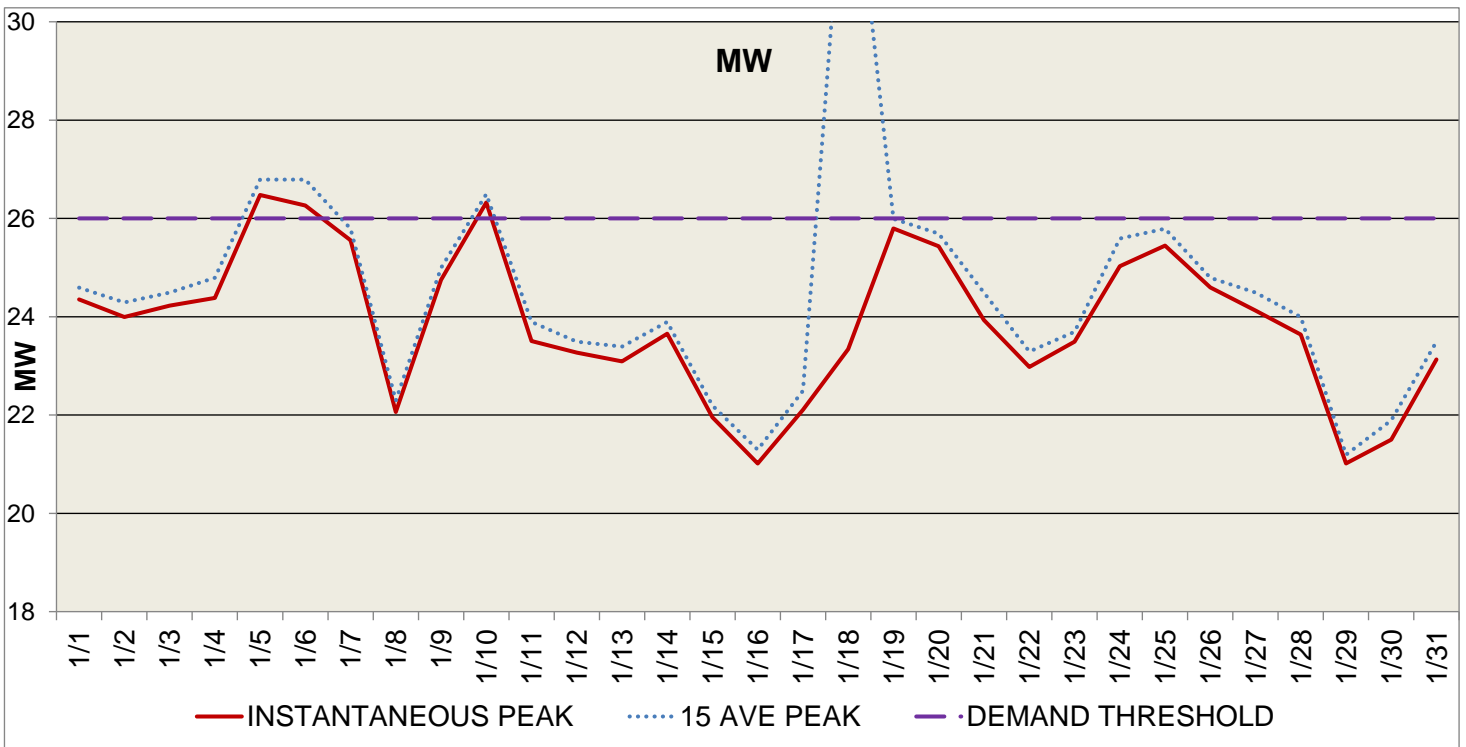
- Tripsaver recloser installation, Security light conversion
- Policy/procedure work, project scheduling and material acquisition
- MMUA Emergency Preparedness and Restoration Conference

### **Projects Scheduled for This Month**

- Work flow, procedural work
- Solar plus Battery Storage project
  - UL Certification for battery – required before battery installation
  - Battery delivered to Shakopee in heated warehouse
  - First test energy and anti-islanding test – February
  - Solar and battery testing – February
  - System commissioning – February
- New services/construction 2022 – County Courts and Jail project, Caribou coffee, LaPrairie campground, Maturi addition/old Kmart, Best Western, Woodland Bank, Cenex station, old Ainsworth site including lift stations, MDI second service

GRAND RAPIDS PUBLIC UTILITIES COMMISSION				
JANUARY 2022 LOAD MANAGEMENT SYSTEM REPORT				
Jan-22	INST PK MW	15 MIN AVE PK MW	MW DEMAND THRESHOLD	CONTROLLED DAYS
Minimum	21.19	21.01	26.00	
Maximum	34.39	26.48	26.00	
Average	24.54	23.88	26.00	
Total				6

Savings due to active load management system for month of January 2022 estimated at \$23,013



**GRAND RAPIDS PUBLIC UTILITIES COMMISSION**  
**DAILY POWER USAGE**

Jan-22	INST PK MW	15 MIN AVE PK MW	MW DEMAND THRESHOLD	CONTROLLED DAYS
1/1	24.59	24.35	26.00	-1.65
1/2	24.29	23.99	26.00	-2.01
1/3	24.49	24.22	26.00	-1.78
1/4	24.79	24.38	26.00	-1.62
1/5	26.79	26.48	26.00	0.48
1/6	26.79	26.26	26.00	0.26
1/7	25.79	25.55	26.00	-0.45
1/8	22.29	22.06	26.00	-3.94
1/9	24.99	24.75	26.00	-1.25
1/10	26.49	26.32	26.00	0.32
1/11	23.89	23.51	26.00	-2.49
1/12	23.49	23.27	26.00	-2.73
1/13	23.39	23.09	26.00	-2.91
1/14	23.89	23.65	26.00	-2.35
1/15	22.19	21.95	26.00	-4.05
1/16	21.29	21.01	26.00	-4.99
1/17	22.49	22.10	26.00	-3.90
1/18	34.39	23.34	26.00	-2.66
1/19	25.99	25.79	26.00	-0.21
1/20	25.69	25.43	26.00	-0.57
1/21	24.49	23.93	26.00	-2.07
1/22	23.29	22.98	26.00	-3.02
1/23	23.69	23.49	26.00	-2.51
1/24	25.59	25.03	26.00	-0.97
1/25	25.79	25.45	26.00	-0.55
1/26	24.79	24.59	26.00	-1.41
1/27	24.49	24.13	26.00	-1.87
1/28	23.99	23.64	26.00	-2.36
1/29	21.19	21.01	26.00	-4.99
1/30	21.89	21.50	26.00	-4.50
1/31	23.49	23.13	26.00	-2.87
Minimum	28.02	27.58	28.65	
Maximum	34.39	26.48	26.00	
Average	24.54	23.88	26.00	
Total				6
		Peak Demand Day		Controlled Day



## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

---

**AGENDA DATE:** February 9, 2022

**AGENDA ITEM:** Consider a motion to approve the Electric Department Rules Policy, E.001

**PREPARED BY:** Jeremy Goodell, Electric Department Manager

---

### **BACKGROUND:**

As part of our ongoing policy review process, the Electric Department Rules Policy, E.001 has been reviewed and updated. Sections within the original policy that belonged in other departments such as service agreements, billing, deposits, and rates among others were removed and will be included in Business Services Department policies. The format of the policy was also changed to reflect a utility wide format which is easier to navigate and provides clear communication to the staff, customers, and contractors.

The proposed policy was presented and discussed at the January 25, 2022 Commission Work Session and minimal changes were requested. The policy has been revised with these changes and I am recommending Commission approval of this policy.

### **RECOMMENDATION:**

Consider a motion to approve the Electric Department Rules Policy, E.001



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Section: <b>Electric</b>	Category:
Policy Reference: <b>E.001</b>	Policy Title: <b>Electric Department Rules</b>

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## **Section I – Introduction**

This policy was developed to be used as a guide by Grand Rapids Public Utilities (GRPU) personnel and to provide each customer the greatest practicable latitude in the use of service consistent with reliable, economical and safe service to all customers. The Grand Rapids Public Utilities Electric Department Rules is on file at the Grand Rapids Public Utilities office, 500 SE 4th Street, Grand Rapids, MN 55744, Telephone: 218-326-7024, Fax: 218-326-7499. Copies are obtainable by any customer upon request made in person, telephone, by email, or by mail at the GRPU office. The result of using this manual should be consistent, logical and fair treatment of GRPU customers in regard to electric service issues.

Legal ramifications of these policies are addressed in various parts of applicable code and regulations.

## **1. Definitions**

The following terms when used in these Service Regulations, in Rate Schedules and in Service Agreements, shall, unless otherwise indicated, have the meanings given below:

**Customer:** Any individual, partnership, association, firm, public or private corporation or governmental agency having GRPUC's electric service at any specified location.

**Customer Extension:** Any branch from, or continuation of, an existing line to the point of delivery to Customer, including increases in capacity of any of GRPUC's existing facilities, or the changing of any line to meet the Customer's requirements, and including all transformers, service drops and meters.

**Customer's Installation:** In general, all wiring, appliances and apparatus of any kind or nature on Customer's side of the point of delivery (except GRPUC's meter installation), useful in connection with Customer's ability to take electric service.

**Electric Service:** The supplying of electric power and energy, or its availability, irrespective of whether any electric power and energy is actually used. Supplying of service by GRPUC consists of the maintaining by it, at the point of delivery, of approximately the agreed voltage and frequency by means of facilities adequate for carrying Customer's contracted load.

**GRPUC:** Grand Rapids Public Utilities Commission a municipal corporation established under M.S.A. 412.321 – 412.391.

**Meter:** The meter or meters, together with auxiliary devices, if any, constituting the complete installation needed to measure the power and energy supplied to any Customer at a single point of delivery.

**Month:** An interval of approximately thirty days between successive meter reading dates, except when the calendar month is specified.

**Notice:** Unless otherwise specified, a written notification delivered personally or mailed by one party to the other at such other party's last known address, the period of notice being computed from the date of such personal delivery or mailing.

**Point of Delivery:** The end of GRPUC's service drop, or the point where GRPUC's wires are joined to Customer's service entrance conductors or apparatus, unless otherwise specified in Customer's Service Agreement. For underground services the point of delivery is either the top or first connection at the meter base, or the first connection into the current transformer metering cabinet

**Service Agreement:** The agreement or contract between GRPUC and Customer pursuant to which service is supplied and taken.

**Service Drop:** The wires, owned by GRPUC, connecting GRPUC's distribution mains to Customer's service entrance conductors.

**Service Entrance Conductors:** The wires provided by the Customer extending from Customer's main line switch or center at which circuits originate, to the terminal of the GRPUC's service drop.

## **2. Electrical regulations**

### **a. Purpose**

The primary purpose of these regulations is the practical safeguarding of persons, of buildings and their contents from hazards arising from the use of electricity for light, heat, power, radio and television signaling, and other safeguards to life and property. The National Electric Code Standards of the National Board of Fire Underwriters as approved by the American Standards Association are minimum requirements for electrical wiring and installations. Other requirements, as may be adopted by the Grand Rapids Public Utilities Commission, are included herein and shall be complied with by all licensed electricians or customers working within the jurisdiction of the Grand Rapids Public Utilities service area. Grand Rapids Public Utilities operates under the National Electric Safety Code.

### **b. General**

All electrical wiring, apparatus, and equipment for electric light, heat, and power, shall comply with rules and regulations of the Grand Rapids Public Utilities, and the latest edition of the National Electric Code. This includes compliance with the Railroad and Warehouse Commission, the Commissioner of Insurance, or the Industrial Commission, as applicable, the Minnesota Building Code and any other code as adopted by a governmental agency applicable to safe and adequate electric wiring and installation of equipment. Deviations from the regulations may be made only at the discretion, and with the approval of, the General Manager or the Electric Department Manager, Grand Rapids Public Utilities.

### **c. Access**

The Utility shall have access at all reasonable hours to meters, service connections and other property owned by it which may be located on customer's property. Access shall be provided for purposes of installation, maintenance, reading, checking or removal if necessary. Failure to provide access shall result in termination of service until it has been provided. It shall also be a requirement that the electric meter shall be located outside the building before service will be restored.

### **d. Service continuity**

The Utility will do all it can, when practical, to supply continuous service to its customers. It does not assume direct liability for loss or damage to persons or property due to its service, or as a result of failure of the service, interruptions, or variation because of an act of God, strikes, or any causes beyond the Utility's control.

The Utility reserves the right to curtail or temporarily interrupt the customer's electrical service, when necessary, to make repairs, and replacement changes to the Utility's facilities, either on or off the customer's premises, or during emergencies, when power may not be available on a short term basis.

### **3. Inspection**

#### **a. Affidavits**

Any electrical wiring within the service area of Grand Rapids Public Utilities requires a Certificate (Affidavit) of Electric Inspection issued and obtained by a licensed Master Electrician or from the State Electrical Inspector. Prior to connection to the Grand Rapids Public Utilities electrical system, this Certificate (Affidavit) will be verified to be complete by the utility.

#### **b. Connection refusal**

Refusal to permit the inspector to properly examine the wiring will be cause for Grand Rapids Public Utilities to refuse to connect the premises to electrical service or to discontinue the existing service until such time as the wiring may be inspected. Service connection may also be refused if the wiring is not completed in conformance with the National Electric Code as determined by the Electrical Inspector.

### **4. Customer Classification**

#### **a. Residential customers**

A residential customer is defined to include each separate house, flat, or other living quarters occupied by a person or persons constituting a distinct household using energy for general illumination, for operating household appliances, and space heating. Residential lighting use may be extended to include the use of energy for lighting private garages, private barns, or buildings which are adjacent to, connected with, and used exclusively for the residence being served.

#### **b. Apartment houses**

In buildings having two or more apartments (as defined below), each apartment shall be considered a single-family dwelling. The electrical circuits of each apartment building or portion of a building used for apartments which was constructed or materially changed, with the exception of apartment buildings constructed solely for occupancy by the elderly pursuant to a governmentally subsidized housing program, shall be arranged to permit the consumption of electricity by each apartment to be individually metered. GRPU will install meters to measure the consumption of electricity and will separately bill each individual apartment on the applicable rate schedule. Service shall not be submetered or resold at a higher rate than purchased from GRPU.

An apartment is defined as a portion of a building consisting of two or more rooms completely equipped for living purposes.

#### **c. Non-demand customers**

A commercial customer is defined to include each separate business enterprise, occupation, or institution taking service through a single meter, occupying for its exclusive use any unit or units of space (such as an entire building, entire floor, suite of rooms, or a single room), and using energy or the illumination of such space and for such incidental use as the schedule of rates applicable to the particular installation may permit.

Where a commercial unit and one or more residential units are combined so as to obtain electric service through one meter, the commercial rate shall apply.

Where a single business enterprise, or institution, occupies more than one unit of space in the conduct of the same business, each separate unit will be metered separately and considered a distinct customer, unless the customer makes the necessary provisions for approved circuits and loops by which to connect the different units to permit the metering of all the energy in the various units through one meter.

#### **d. Demand customer**

A demand customer is defined to include each separate business, enterprise or institution occupying, for its exclusive use, any unit or units of space (such as an entire building, entire floor, suite of rooms, or a single room), which falls under the applicable Grand Rapids Public Utilities demand rate customer policy.

Where a single business, enterprise or institution occupies more than one unit of space in the conduct of the same business and requires energy for power purposes (as defined herein in each unit of space), each unit will be metered separately and considered as a distinct customer unless the customer makes the necessary provisions for approved circuits and loops by which to connect the different units to permit the metering of all the energy used for power purposes in the various units through one meter.

#### **e. Types of service**

Types of service that may be available from Grand Rapids Public Utilities are as follows:

120/240 volt, 3 wire, single phase

240/480 volt, 3 wire, single phase

120/208 volt, 4 wire, 3 phase

277/480 volt, 4 wire, 3 phase

Any other voltage such as delta configuration shall be discussed with the Utility before installation. Primary metered or medium voltage services may be available when required.

#### **f. Large load requirements**

Any large loads that are to be added to the Utility system must be discussed well in advance of the installation, as it may require considerable work to make this available.

### **5. Meters - general rules**

#### **a. Complaints**

On complaints concerning high bills, and where a meter check is requested, the Utility will test the meter using calibration equipment under generally accepted industry procedure.

If a customer requests the removal and testing of their electric meter because of high bills, they shall deposit with the Utility the sum of the electric meter test fee in accordance with the applicable Grand Rapids Public Utilities policy and it shall be paid prior to removing the meter for test.

If the meter is found to be accurate within plus or minus three percent (3%), the fee will be retained by the Utility. If the meter is found to be in error beyond these limits, the Utility will bear the cost of testing and return the meter test fee and adjust the customer's bill in the amount of the error for the past six (6) month period.

#### **b. Sealing meters**

Meters, service entrance switches, and service entrance outlets are sealed by the Utility. Such seals shall not be broken or tampered with without the consent of the Utility except in cases of emergency. The Utility should be notified as soon as possible after a seal has been broken.

### **c. Metering facilities**

By-Pass meter sockets shall be installed on the exterior of the building suitable for radio reads closest to the utility transformer as practical as determined by Grand Rapids Public Utilities and located at a point four and one half (4 ½) feet above grade. Services that require current transformer cabinets or secondary connection cabinets shall have their meters located closest to the cabinet as practical. Current transformers shall not be located within the Utility transformer enclosure, and shall be located within a dedicated current transformer and secondary connection cabinet. Meters shall not be installed on the utility poles.

The Utility shall supply and retain ownership of all utility meters and metering current transformers.

Off Peak metering shall be at the same location as main meter, as described above.

Any meter located other than in the above fashion, shall be cleared by the Utility prior to installation, or it shall be changed by the customer, at their expense, to conform to the Utility standards.

### **d. Failure of meters to register properly**

In all cases where a utility meter, because of improper adjustment or defective parts, is found to be registering outside the allowable limits of error, correction in the customer's billing will be made as per the applicable Grand Rapids Public Utilities policy.

### **e. Unmetered energy**

When the Utility has reasonable evidence that a customer is obtaining their supply of electricity, in whole or in part, by means of devices or methods used to stop or interfere with the proper metering of the utility service being delivered to their equipment, the Utility reserves the right to estimate and present a bill for service unmetered as a result of such interference. Such bill shall be payable subject to a twenty-four (24) hour disconnection of service.

GRPU will consider depending on circumstance contact or make a report to local law enforcement for theft of utilities.

The customer will be required to pay the Utility for any and all damages to its equipment on the customer's premises due to such stoppage or interference with its metering.

The customer must further agree to comply with reasonable requirements to protect the Utility against further losses.

### **f. Meter malfunction**

When stoppage has been made to occur or interference has been found in connection with electric service metering, and the meter is located inside the building, the customer shall be required, at their own expense, to place all of their inside service and metering facilities outside the building.

Should the Utility subsequently have reasonable evidence that said customer is receiving any utility service, either wholly or partly, unmetered, either in their name or for their use, the Utility reserves the right to discontinue all utility service until proper restitution has been made.

### **g. Number of meters**

Customers shall be furnished one service and one meter to measure energy consumption on their premises unless otherwise approved by the Utility. This shall service all buildings that are electrically combined and are part of that complex. Additional meters shall be supplied for different rate programs such as but not limited to: off peak heating, time of use rates.

If a customer requires redundant service, the Grand Rapids Public Utilities must be advised as soon as possible so the feasibility of such service can be determined. If the Grand Rapids Public Utilities determines that redundant services can and will be provided, the customer will be required to reimburse the Grand Rapids

Public Utilities for the entire cost of the additional services, including all labor and materials. An agreement between the customer and the Grand Rapids Public Utilities may also be executed.

If for some reason, the customer requests and is granted a second meter on their premises, it shall be treated as a separate and individual customer.

#### **h. Redistribution of energy**

All energy sold by the Utility is to be used by the customer for the purposes designated or implied in the rate schedule applicable to their particular installation. Energy so sold may not be resold or redistributed to other metered users unless specifically approved by the utility. Energy sold by the Utility to customers such as apartments, mobile home parks, or similar may be compensated by tenants for purchase of power from the Utility but not at a higher rate than purchased from the Utility.

### **6. Underground and overhead services**

#### **a. General**

Underground services shall be installed in residential or commercial areas wherever practical as determined by the Utility. Any existing service, that is to be replaced, must be installed underground wherever practical.

All Commercial/ Industrial service entrances, through the service disconnecting device(s) shall be installed by a licensed electrician qualified by the State Board of Electricity. All residential service entrances, through the service disconnecting device(s) shall be inspected and approved by the State Electrical inspector.

#### **b. New area development**

Total underground service, both primary and secondary, will be made available in new area developments. Before this type of underground service can be made available, the subdivider must provide a ten (10) foot combined utility easement on the property if not already available. Final grades must be established before the system is installed, and ground brought to grade within at least six (6) inches from the final grade level. Large filled areas must be compacted to prevent settling. Lot boundaries shall be marked by the subdivider or owner prior to installation.

The subdivider shall pay up front all costs incurred by the Utility for the construction of the primary electric service less costs solely for the purchase of transformers and for individual services. Costs for individual services including but not limited to additional primary cable, cabinets, transformers, and secondary electric services will be paid for by either the Contractor constructing the structures, or by the customer if already established for the lot. If the transformer is to serve more than one customer, each customer will only pay for their portion of the shared infrastructure evenly divided between each customer served by the transformer. Infrastructure solely dedicated to each customer shall be paid for by the individual customer.

#### **c. New residential service**

New residential services shall be located underground and shall extend from the source designated by the Utility to the meter socket. Electrical contractor shall supply the appropriate meter socket. Grand Rapids Public Utilities will furnish and install the meter. Services shall be located entirely within the boundaries of the property served and the adjoining public right-of-way to the source of power designated by the Utility. Service entrance shall be located as follows:

At service pedestal on meter post which will be located as close to the transformer as practical. Owner furnishes, installs, and maintains secondary conductor from service pedestal to the residence. Utility furnishes, installs, and maintains secondary conductor from transformer to the pedestal.

**d. Residential service replacements**

Residential services to be replaced for any reason shall be placed underground and shall comply with the requirements of Section 5.c. - New residential service, where practical.

**e. Underground service construction**

Underground electric service depth shall be a minimum of twenty-four (24) inches for low voltage secondary cable less than 600 volts, and a forty-two (42) inches for medium voltage primary cable greater than or equal to 600 volts below the final grade. Conductor shall be installed in as straight a line as possible from power source to meter or service entrance. If trenched in, conductor shall be laid slack in trench. Conductor trench shall be back-filled and compacted with a good fill material, free of rocks and foreign material to prevent damage to cable. Conductor may also be bored or plowed in as a method of installation.

If owner requires electrical services after ground is frozen, owner can provide a trench of required width and depth at no cost to the Utility or Utility can provide a trench at an additional charge.

**f. New single phase underground service supplied to new customer in established areas**

Customer must supply trench and restoration and must comply with all other Utility policies.

**g. Maintenance of underground services**

The Utility reserves the right to cause the underground service to be replaced if such cable is damaged, overloaded, and hazardous or for any condition deemed necessary by the Utility.

The customer and their agents shall not perform work in or on service pedestals, transformers, switching cabinets, vaults, manholes, junction boxes, poles, or towers owned by the Utility.

**h. Underground commercial/industrial (non-demand/demand)**

All commercial and industrial service entrances shall be wired by a licensed electrician, so qualified by the State Board of Electricity. Commercial and industrial services shall be underground except by written authority of Grand Rapids Public Utilities.

The owner shall be responsible for the service entrance to the source of power as determined by the Utility. This includes the removal and replacement of sidewalks and/or pavement as necessary to provide complete service entrance continuity.

**i. Overhead service construction (used only as an exception)**

An overhead drop shall be furnished by the Utility to a suitable support on the customer's premises. This support shall be located so that the service wire will not cross over the building.

Customer's portion of the service shall consist of conduit, a weather-head, and wire furnished by the customer, and attached to their building. Tails shall be left on the customer service wires extending a minimum of three (3) feet beyond the weather-head. The neutral wire shall be identified and shall be continuous (no cut) from the weather-head to the entrance switch (unless otherwise approved by the Utility).

The service mast shall extend above the roof a distance of thirty (30) inches, and must use conduit with a minimum size of two (2) inches, terminating just above the meter connection.

If it is necessary that this service extend unusually high above the roof, the pipe size shall be increased accordingly, to give suitable strength to support the utility service connection. If the conduit is not increased in size, a tie to the building must be supplied by the customer to support the service wires.

The point of attachment to the customer's premises shall be high enough to allow for clearance above ground to allow for vertical clearance of conductors as per the National Electric Safety Code.



**j. Service termination**

No service shall be cut at any time by the customer and they shall not break the seal or remove the meter for any reason. The Utility must be notified and they will make any adjustments necessary. If this rule is not complied with, suitable penalties shall be imposed on the one interfering with this service.

**k. Service relocation**

When the utility pole or service pedestal must be replaced or relocated because of a request from the customer, the customer is responsible for reimbursing the Utility the cost of moving or replacing the underground service.

If the Utility replaces or relocates the pole or service pedestal of its own volition, the Utility is responsible for the expense of moving or replacing the underground service.

**7. Temporary Service****a. Construction**

Temporary service for construction purposes may be obtained upon compliance with the provisions of the Certificate (Affidavit) of Electrical Inspection and payment of the required fee plus customer deposit for service as per Utility policy.

**b. Extensions**

Temporary extensions of primary and/or secondary distribution shall be extended under the following rules:

The customer will reimburse the Utility for its expenditures in extending service.

The "cost of extending service" includes all items of labor and materials, with the customary overhead charges necessary to furnish the customer with the service requested. It shall also include any costs involved in the dismantling of materials and their return to stock. Where materials dismantled have a salvage value, the "cost of extending service" will be credited with such salvage value.

The Utility will require the customer to make an advance deposit sufficient to cover "cost of extending service" and the estimated bill for energy.

A connection to a permanent service for power used during construction is not considered to be Temporary Service under these rules.

**c. Measurement and costs**

All energy will be measured at one standard voltage at some convenient point designated by the Utility.

The customer will make necessary arrangements and provide for the necessary equipment in the event more than one voltage is required.

The cost of all construction (labor and materials) necessary to distribute energy on the premises occupied by the customer will be borne by the customer.

**d. Construction safety**

No connections will be made to any temporary switch unless it conforms to the current Utility standards and the National Electric Code.

All temporary services shall be equipped with ground fault equipment as required by the National Electric Code.

All temporary service shall be maintained in a safe manner so that injury to persons shall not result from contact with it in any manner. This shall only remain as temporary for a reasonable length of time and must be changed to a permanent one when directed by the Utility.

#### **e. Deposits and fees**

All deposits for electrical services shall be in accordance with the deposit rules as set forth by the Utility.

### **8. Service Extension**

#### **a. General**

The following rules shall govern the extension of GRPU's electric distribution lines and service connections in all areas served by GRPU to all classes of retail Customers requiring GRPU's standard single or three phase electric distribution service.

The standard type of extension shall be the most feasible and economical as determined by GRPU and shall be constructed in accordance with reasonable engineering standards. When conditions require extensions from or connections to lines of voltages other than the standard voltage or where line construction other than GRPU's standard construction is required including alternate feeders, GRPU reserves the right to make adjustments to these rules for such non-standard extensions.

Facilities on the Grand Rapids Public Utilities side of the point of delivery shall at all times remain the sole property of GRPU, regardless of any contributions in aid of construction paid by Customers. When meter pedestals have been installed by GRPU, Customer shall be responsible for installing and will remain the sole property owner of all facilities on Customer's side of the meter. In the case of overhead service drops, Customer shall be responsible for installing and will remain the sole property owner of all facilities on Customer's side of the service drop. In case of cancellation of Customer's service agreement for any cause, GRPU shall have the right to remove all facilities installed for serving Customer.

#### **b. Extension cost**

The "Extension Cost" is the estimated cost of extending lines and the addition or relocation of facilities to serve new Customers or new loads. This shall be the total cost of extending the line, including all branch or lateral lines, but excluding the cost of transformer, current transformers, meter, and any system betterment's.

#### **c. Contributions**

The "Contribution in Aid of Construction," hereafter referred to as Contribution, is the additional amount required to support the GRPU's Extension Cost. Where a line extension other than GRPU's standard type extension is required, including alternate feeders, a Contribution shall be required to support any additional cost of such non-standard extension.

#### **d. Basis for making extensions for permanent service**

If the Extension Cost does not exceed Customer Service Allowance of \$950 and GRPU's standard type construction is used in making the extension, Customer shall not be required to make payment to GRPU for the Extension Cost. If the Extension Cost exceeds \$950, customer must pay Company in advance a Contribution for the Extension Cost in excess of \$950.

For multi-resident housing units such as apartments, multi-unit townhouses, resident care facilities, or similar, Customer must pay Company in advance a Contribution for the Extension Cost in excess of \$950 per transformer serving these facilities as deemed necessary by the Utility Engineer.

#### **e. Conversion from overhead to underground**

When Customers request conversion of existing overhead electric service facilities to underground facilities, GRPU may at its discretion make such conversions subject to the following conditions:

When an overhead service drop is replaced with an underground service drop, Customer shall pay Contribution to the GRPU equivalent to the GRPU's total estimated installed cost of the underground service drop plus the estimated undepreciated balance of the overhead service drop being replaced less the estimated replacement cost of the existing overhead service drop.

When overhead distribution lines and service drops are replaced with underground facilities:

All property owners on contiguous lots served by the distribution line or a portion thereof, which will be converted, are agreeable to the conversion.

Satisfactory easements and right-of-way necessary for the installation, operation and maintenance of the underground system can be furnished without expense to the Company.

Property owners shall pay a Contribution to the GRPU equivalent to the installed cost of the underground system plus the estimated undepreciated balance of the overhead system being replaced less the replacement cost of the existing overhead system.

#### **f. Special conditions**

Construction of an extension will commence when the following conditions have been met.

Agreements, when required, shall have been executed by each Customer and accepted by GRPU specifying initial contract period, guaranteed annual revenue, and any Contribution.

Each Customer has paid to GRPU his/her share of any Contribution.

Satisfactory right-of-way necessary for the construction, operation and maintenance of the extension (including any tree trimming rights) both for the purpose of providing access to the extension on Customers' premises and for continuing the extension to other Customers, has been furnished without expense to the GRPU.

The extension cost will include excess installation costs incurred by the GRPU because of special conditions that impede the installation of distribution facilities. Such special conditions include, but are not limited to ground frost, surface or subsurface impediments and submarine installations. Surface or subsurface impediments may include, but are not limited to: rock, bedrock, sub-surface structures and wetlands.

### **9. Motors**

#### **a. Authority**

Special permission shall be obtained from proper authorities of the Utility to install any motor larger than ten (10) HP on residential service lines. On commercial service, motors of twenty-five (25) HP or larger may require reduced voltage starters as determined by the Utility.

#### **b. Power factor**

If the power factor drops below 95% due to the operation of a large motor or a number of smaller motors in an establishment, suitable corrections must be made.

All motors operating at 220 volts or more, larger than 3 HP shall have capacitors to correct for power factor and these capacitors shall be energized when the motor is operating.

### **10. Generators**

To prevent a hazard to personnel and damage to Utility equipment, whenever approval has been given for stand-by generation, the customer shall install an approved double throw switch. This switch shall completely disconnect the Utility service from the customer's system whenever the generator is used.

## **11. Permits**

### **a. Responsibility**

The contractor shall be responsible for any damages to the property of the utility resulting from not following the guidelines of Gopher State One-Call. A violation of these regulations shall constitute a misdemeanor.

## **12. Policy history**

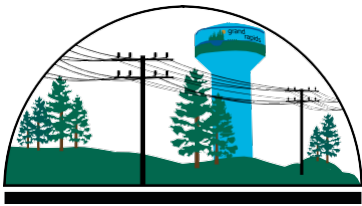
Effective: May 8, 2002

Adopted: May 8, 2002

Revision: January 20, 2011

Revision: April 13, 2011

Revision: February 9, 2022 (revision to all sections)



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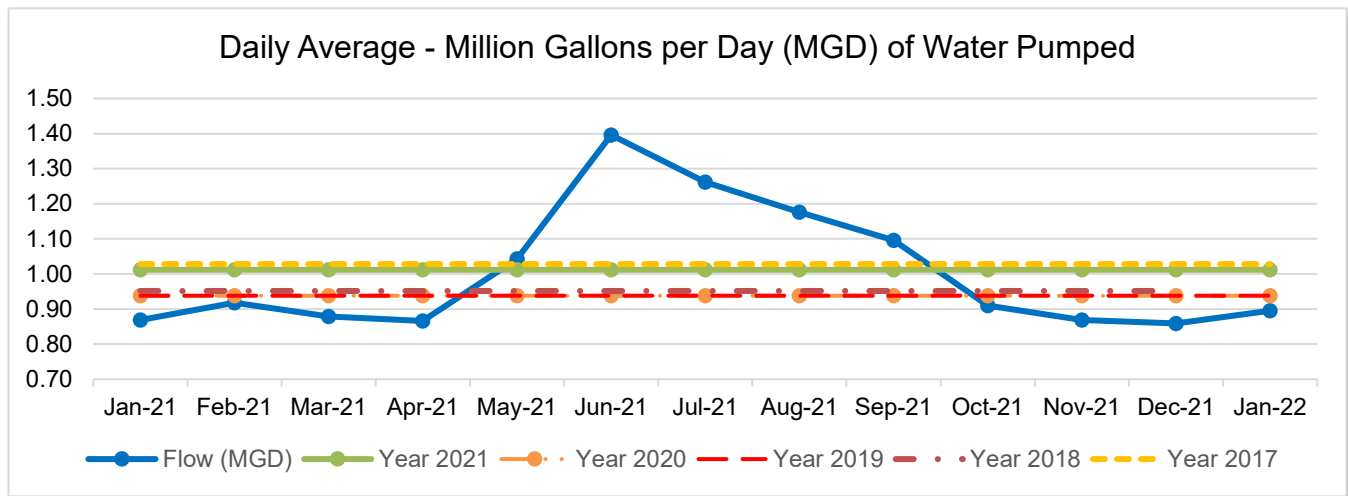
## WATER & WASTEWATER DEPARTMENT MONTHLY REPORT February 2022 Commission Meeting

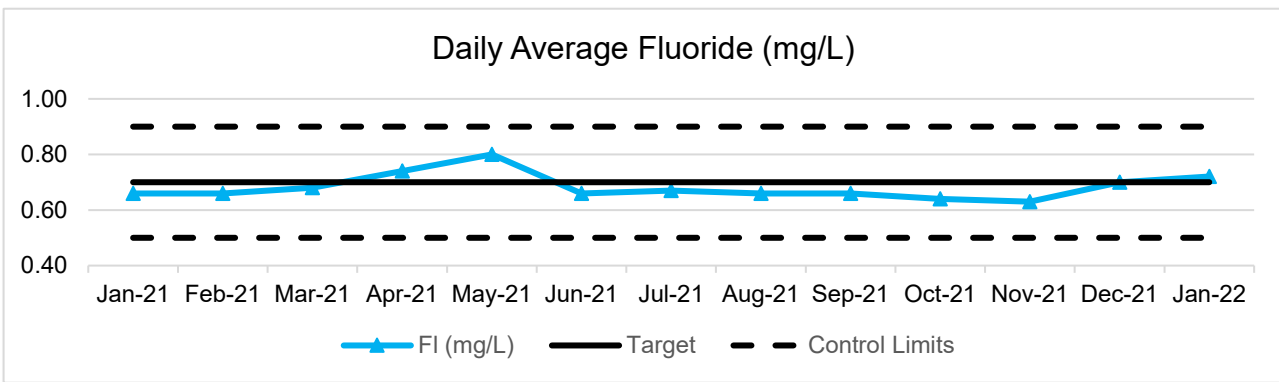
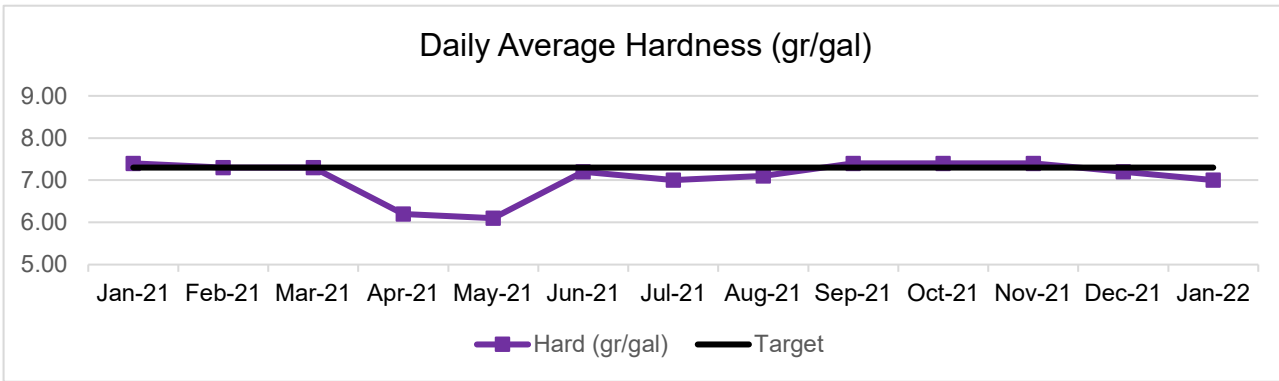
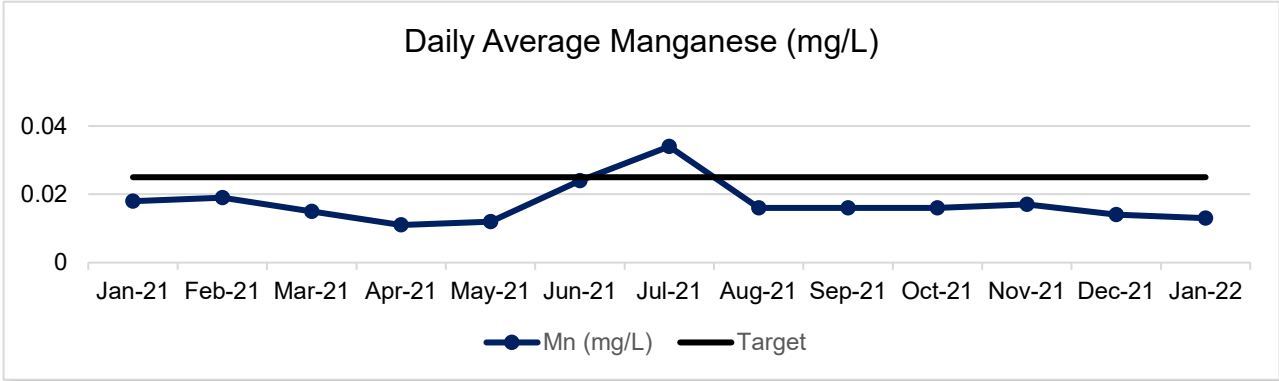
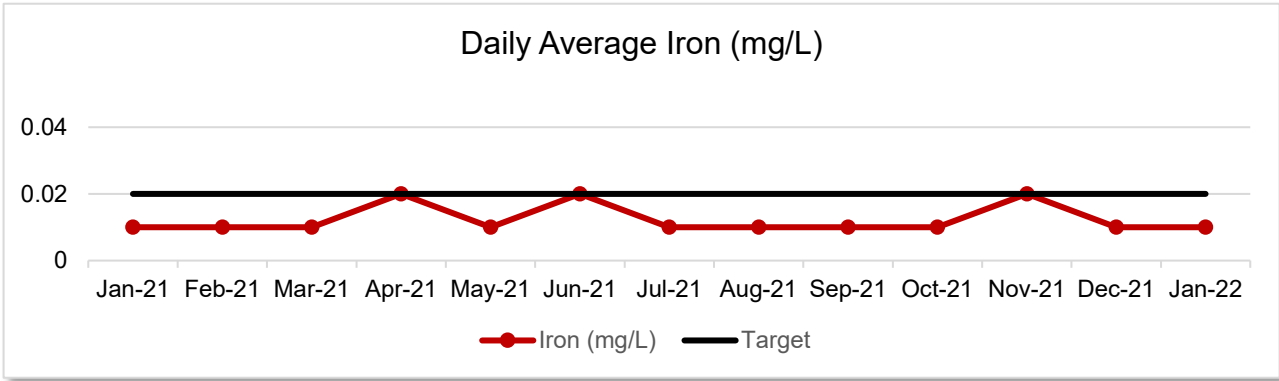
### Safety

There were no OSHA recordable accidents last month.

### WTP Operations

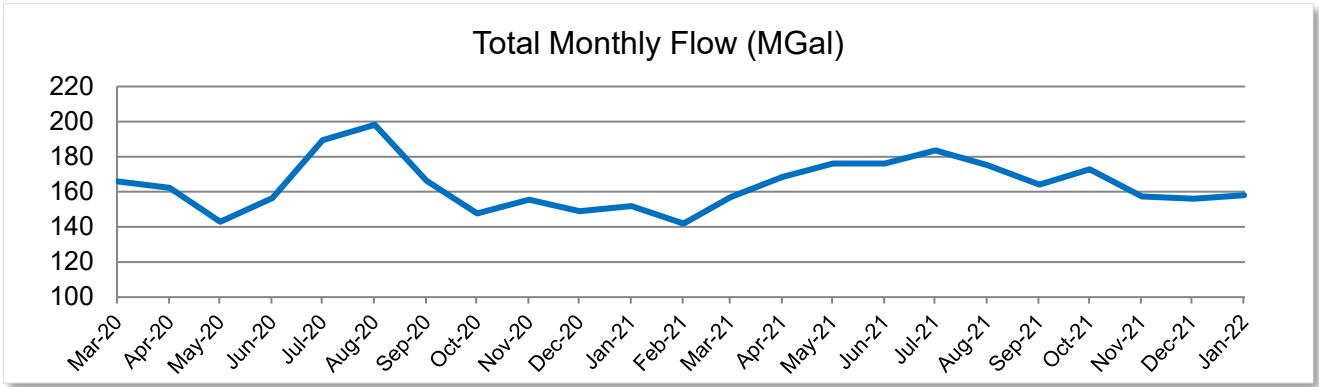
The water plant pumped an average of 0.90 million gallons of water per day (MGD) with a peak of 1.02 million gallons during last month.



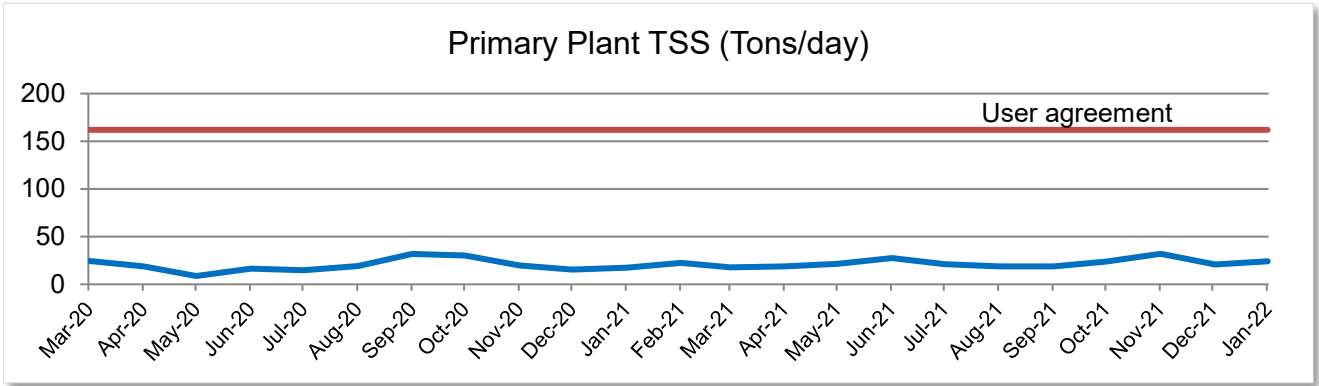


## WWTP Operations

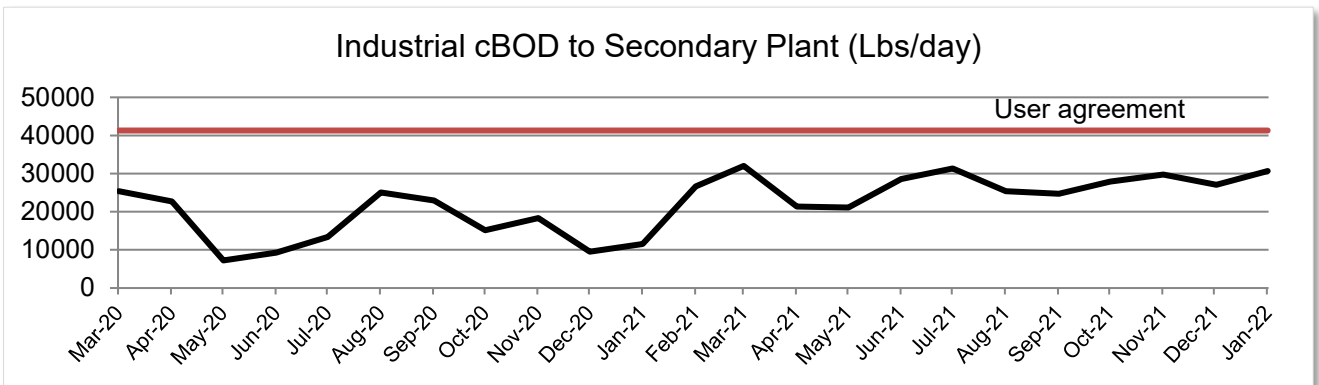
The Wastewater Treatment Plant (WWTP) met all National Pollutant Discharge Elimination System (NPDES) permit requirements last month. We treated 158 million gallons of water removing 99.4% of the Total Suspended Solids (TSS) and 97.9% Biochemical Oxygen Demand (cBOD).

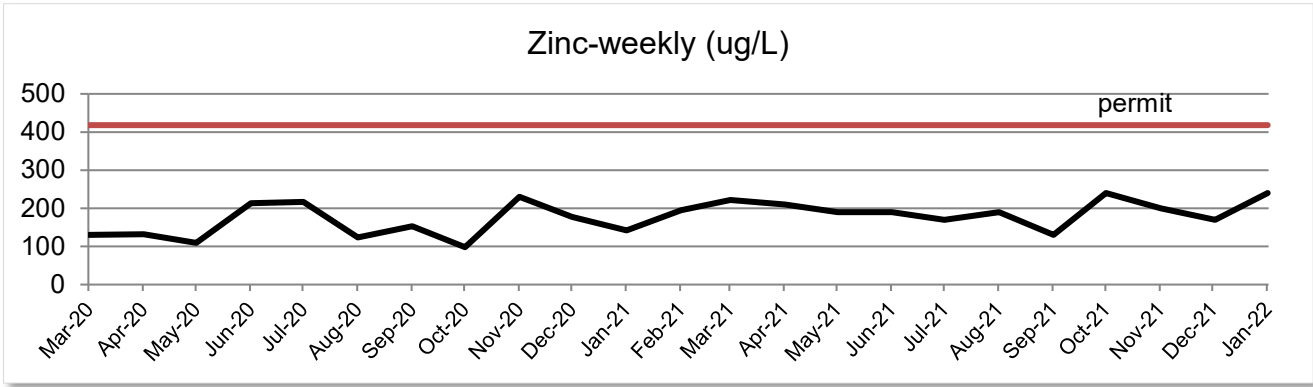


	Design Limits (monthly AVG)	Actual Results
<b>Primary Plant</b>		
Flow (MGD)	13.25	4.0
TSS (Tons/day)	162	24.1
TSS Peak (Tons/Day)	284	64.8

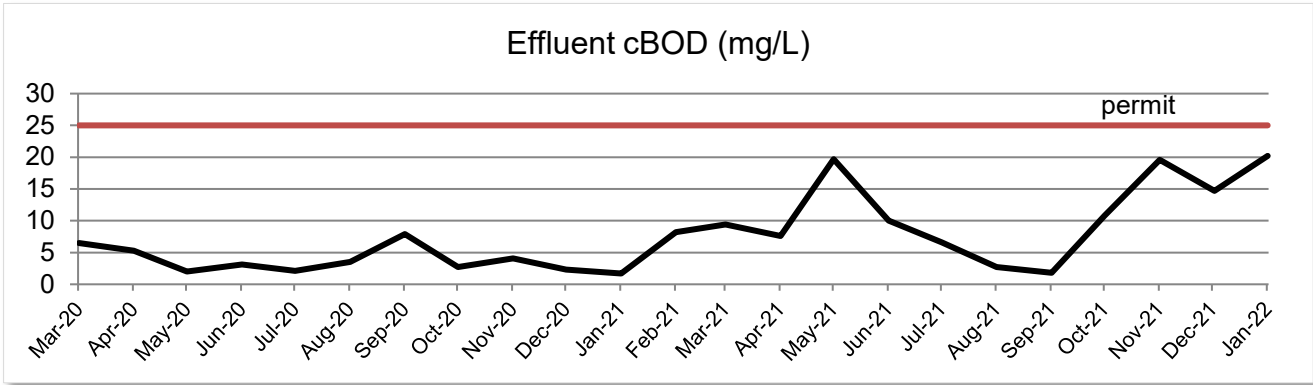
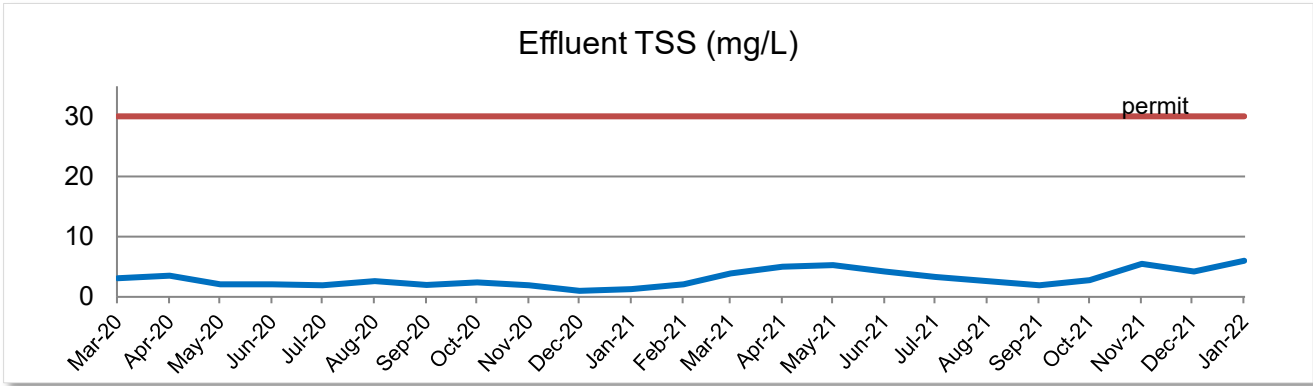


	Design Limits (monthly AVG)	Actual Results
<b>Secondary Plant</b>		
Flow (MGD)	15.25	5.1
cBOD (lbs/Day)	41,300	33,240
Peak cBOD (lbs/Day)	57,350	47,696
Zinc-weekly (ug/L)	418	240
% GRPUC		23.5%





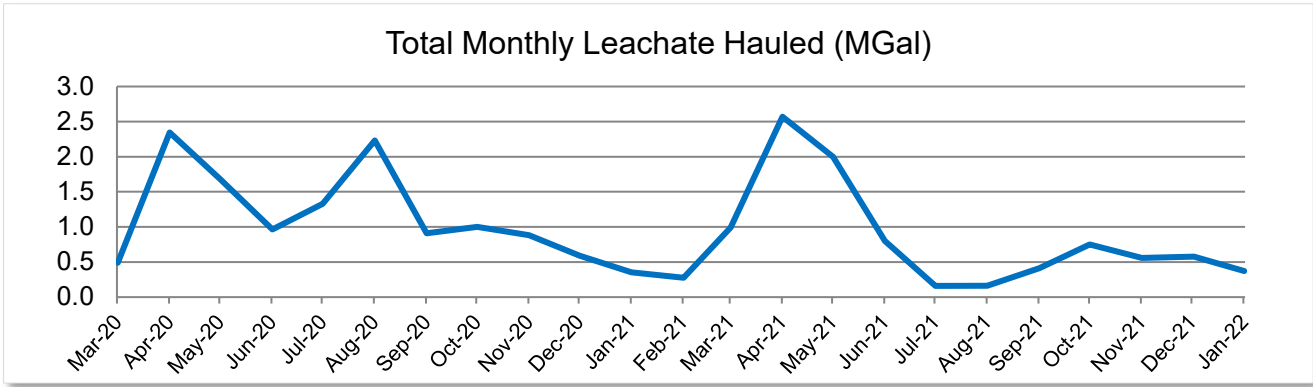
Effluent	Permit Limits (monthly AVG)	Actual Results
TSS (mg/L) – monthly average	30	6.0
cBOD (mg/L) – monthly average	25	20.2
Dissolved Oxygen (mg/L)	>1.0	3.2



### Sludge Landfill Operations

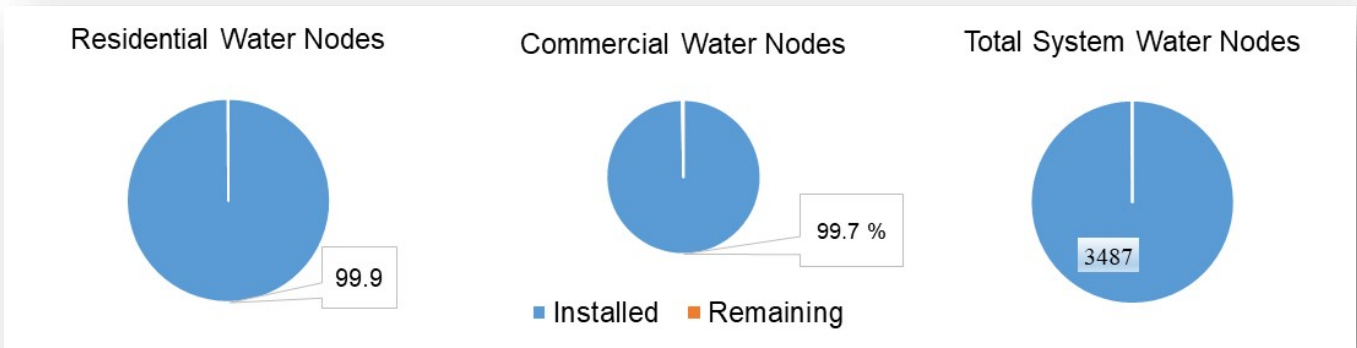
- 0.37 million gallons of leachate were hauled last month
- 4,092 cubic yards of sludge solids were hauled to the landfill





### AMI Water Install Last Month

We installed 1 water nodes and/or meters in residential routes. We currently have 3487 (99%) active water nodes installed in the system.

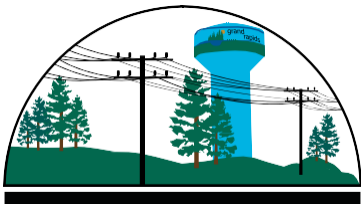


### Projects Performed Last Month

- Installed Sumotomo blower at WTP
- Rebuilt 5 hp KSP lift station pump
- Rebuilt and installed primary sludge pump 1A

### Projects Scheduled for This Month

- Change out motor on aeration basin mixer A1
- Install air compressor at WTP
- Repair Helen filter for WWT secondary plant EWS system



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## SAFETY REPORT February 2022 Commission Meeting

### Safety Topic Last Month

The Lock Out, Tag Out (LOTO) SOP update project kickoff meeting was held on January 21 with the staff committee. This began a 3-month project to review and update all of the LOTO procedural sheets.

### Safety Topic This Month

AWAIR, Bloodborne Pathogens, Employee Right to Know, Hazard Communication, and Global Harmonizing System Training for all staff is scheduled for February 22 with MMUA Safety Coordinator Dave Lundberg.

### Accidents Reported last Month by Department

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

### Cumulative Accidents for 2022

Recordable Accidents	0
Lost Time Days 2022	0
Restricted Days 2022	0
First Aid Only (not recordable)	0

Total FROI      0

### Recordable Accident 5-year History

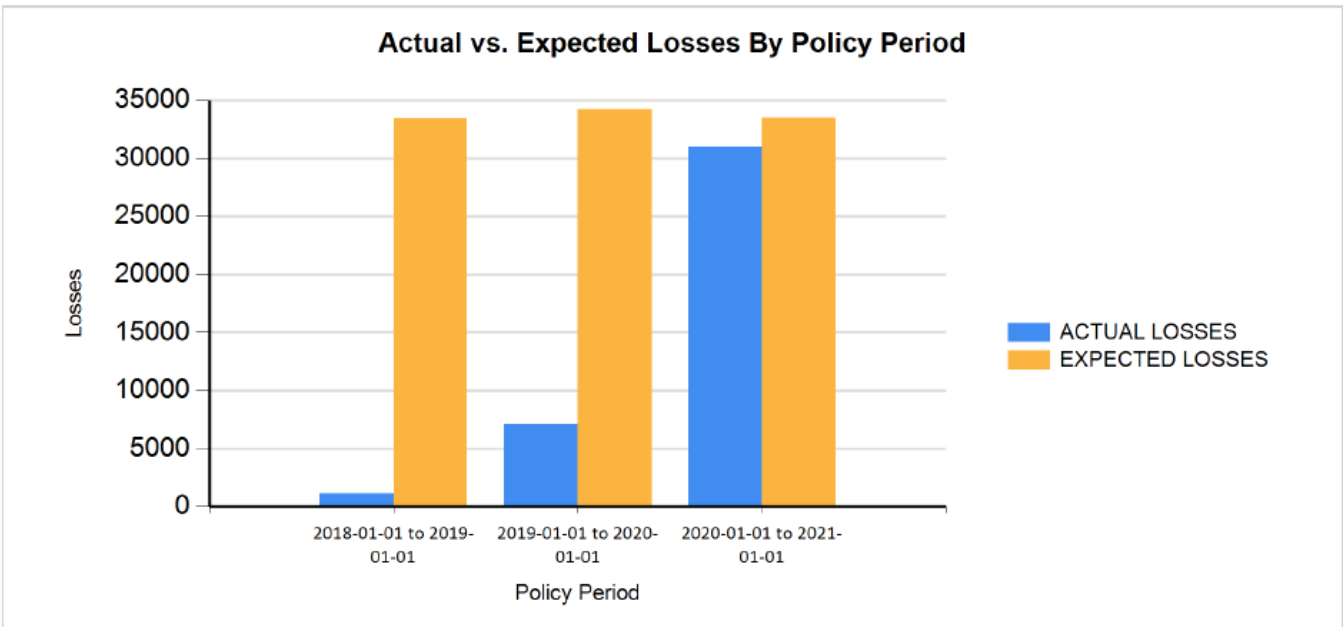
	2018	2019	2020	2021	2022
ADMIN	0	0	0	0	0
BUS SVCS	1	4	0	0	0
ELEC	1	1	0	0	0
W-WW	3	5	3	1	0
TOTAL	5	10	3	1	0

## LMCIT Mod Analysis

The loss analysis on which our current 2022 Worker's Compensation Insurance Premiums are based are the 3-year rating period of 2018, 2019, and 2020. On the first page, you can see in the Recordable Accident History table that we had 5, 10, and 3 recordable accidents for those years, respectively. The loss analysis is based on actual loss amounts, however, rather than the number of accidents reported. For example, despite having less recordable accidents in 2020 than in 2019, the actual losses incurred were greater in 2020. Below is the graph from our LMCIT Mod Analysis Report showing our actual losses compared to the industry based expected losses for the rating period. Though our loss amount increased, we were still below the industry expected amount and received a mod factor credit as referenced in the insurance renewal agenda item. This credit is largely attributed to the strong commitment GRPU employees have placed on workplace safety and their continual effort to meet, discuss, and make process changes to ensure the safest conditions possible at work.

### Loss Analysis by Policy Period

The graph below compares actual and expected losses in the three-year rating period. The direction of future experience mods can be predicted using this information and comparing it to the years included in a given rating period. For example, if an undesirable policy period – a year that actual losses exceed the expected losses – is dropped from the three-year rating calculation, the member can expect to see an improvement in the mod if a more desirable policy period – one where the actual losses are less than expected – is added to the calculation. Assistance in achieving this outcome can be provided by loss control efforts.



Policy Period	Adjusted Losses	Expected Losses
2018-01-01 to 2019-01-01	\$1,119	\$33,410
2019-01-01 to 2020-01-01	\$7,117	\$34,213
2020-01-01 to 2021-01-01	\$31,004	\$33,464
Totals:	\$39,241	\$101,087