

[Successful Contractor Logo]

ATTACHMENT NO. 11 TO RFP

SOUTHEAST ALASKA POWER AGENCY SAMPLE CONTRACT NO. <u>25001</u>

for



SOUTHEAST ALASKA POWER AGENCY 2025-2027 ANNUAL TRANSMISSION LINE MAINTENANCE CONTRACT

Contract No. 25001

This Contract No. 25001 ("Contract") is effective as of the 1st day of January 2025 by and between:

SOUTHEAST ALASKA POWER AGENCY

55 Don Finney Lane Ketchikan. Alaska 99901 (hereinafter called "SEAPA", "Agency" or "Owner")

and

[Successful Contractor]

(hereinafter called "Contractor")

[address] [address]

SEAPA and Contractor, in consideration of the mutual covenants hereinafter set forth, agree as follows.

1. Scope of Work

The Contractor shall complete all work as specified or indicated in the Contract Documents defined in Section 3, below. The project for which the work under the Contract Documents is generally described is as follows:

2025-2027 Annual Transmission Line Maintenance Project ("Project") (Provide annual inspections, repairs, and maintenance services for the Swan Lake, Tyee Lake, and Swan-Tyee Intertie Transmission Lines in Southeast Alaska in Years 2025, 2026, and 2027, with an option to renew for Year 2028.)

2. Owner's Project Manager

a. The Owner's Project Manager for this Contract is:

Clay Hammer, Operations Manager Southeast Alaska Power Agency 55 Don Finney Lane, Ketchikan, Alaska 99901 O 907.874.3834 | C 907.660.7880 | Email: chammer@seapahydro.org

b. The Contractor's Project Manager for this Contract is: [name, title and contact information to be inserted following award of contract.]

3. Contract Documents

The term "Contract Documents" shall include:

- A. Technical Specifications and any modifications thereto
- B. All requirements of laws, ordinances, and regulations
- C. Construction Schedule
- D. Contractor's, and Subcontractor's (if applicable) Certificates of Insurance
- E. This Contract No. 25001 and any change orders
- F. Payer's Request for Taxpayer Identification (Form W-9)
- G. Notice of Recommendation of Award
- H. Notice of Award
- I. Notice to Proceed
- J. Contractor's Bid Proposal
- K. Owner's Request for Proposals, and any Addendums, Appendices, and Attachments thereto
- L. Performance Bond (100% of Bid)
- M. Payment Bond (100% of Bid)

4. Examination of Contract Documents

At the time of execution of this Contract, the Contractor represents that it has given the Owner's Project Manager written notices of conflicts, errors, or discrepancies discovered in the Contract Documents, and the written resolution thereof by the Owner's Project Manager is acceptable to the Contractor.

5. Modifications

Any modification to the Contract Documents shall be in writing and mutually agreed to by the parties. Any written modifications mutually agreed to by the parties, including change orders, duly delivered, and executed after execution of the Contract shall be deemed part of the Contract Documents.

The Contract Documents as a whole will be the legal agreement between SEAPA and the Contractor. There are no Contract Documents other than those listed in Section 3, above. The Contract Documents may be altered, amended, or repealed only by a written modification agreed to and signed by both parties.

6. Changes in Quantities

Contractor understands and agrees that the quantities required for this Project are approximate, and that the total number of units upon which payment shall be made shall be as set forth in the inventory. If Owner changes the quantity of any Assembly Unit or Assembly Units specified in this Contract by more than fifteen percent (15%), and the materials cost to Contractor is increased thereby to an extent which would not be adequately compensated by application of the unit prices in this Contract to the revised quantity of such unit or units, such change, to the extent of the quantities of such units in excess of such 15% shall be regarded as a change in the construction.

7. Document Interpretation

The Contract Documents are intended to be mutually cooperative and to provide all details reasonably required for the execution of the proposed work. The Contract Documents are complementary, and items called for by one document shall be binding as if called for by all. The intent of the documents is to define the work required to complete the Contract. In case of a conflict, the more stringent or stricter requirement takes precedence over the more lenient one.

8. Contract Term and Schedule

The Contractor hereby agrees to commence work under this Contract on the date specified in the written Notice to Proceed from SEAPA. This contract shall remain in effect until completion of the work defined in the Contract Documents (see, Section 3 herein).

9. Optional Contract Extension

Owner may exercise an option to extend this Contract for inspections, repairs, and maintenance services for the Swan Lake, Tyee Lake, and Swan-Tyee Intertie Transmission Lines in Southeast Alaska for the year 2028, in which case, Owner shall notify Contractor, in writing, by November 1, 2027 of its intent thereof. Within ten (10) days of receiving Owner's notification, Contractor shall provide, in writing, its interest in the extension of the Project for the year 2028, and submit a proposal form to be provided by Owner for Contractor to propose its unit costs. Following approval of Owner's Board of Directors at a regular board meeting customarily held in the month of December each year, a Notice to Proceed shall issue to Contractor and this Contract shall be deemed amended and extended accordingly for the year 2028.

10. Deliverables; Deadlines; Payment Terms and Invoices

Contractor shall perform the work in the manner that conforms to the Contract Documents and inspection, repair and maintenance schedules. SEAPA shall pay the Contractor for performance of the work that conforms to the Contract Documents for a sum not-to-exceed the unit prices bid by Contractor unless agreed otherwise by Change Order.

Payments shall be made by Owner within thirty (30) days of the date a proper payment request is received from Contractor via email to Owner's Accounting Department at accounting@seapahydro.org. Payment requests will be based upon the following schedule of values submitted by Contractor in its bid proposal:

	2025			
Bid Item 1	Swan Lake Transmission Line Inspections, Maintenance & Repair	\$		
Bid Item 1.4	Swan Lake Bucket Truck Inspections	\$		
Bid Item 4	Tyee Lake Transmission Line Inspections, Maintenance & Repair	\$		
Bid Item 4.5	Tyee Lake Bucket Truck Inspections in Wrangell ("Forgotten Line")	\$		
Bid Item 7	Swan-Tyee Intertie Transmission Line Inspections, Maintenance & Repair	\$		
	Subtotal	\$		
2026				
Bid Item 2	Swan Lake Transmission Line Inspections, Maintenance & Repair	\$		
Bid Item 2.4	Swan Lake Bucket Truck Inspections	\$		
Bid Item 5	Tyee Lake Transmission Line Inspections, Maintenance & Repair	\$		
Bid Item 8	Swan-Tyee Intertie Transmission Line Inspection, Maintenance & Repair	\$		
	Subtotal			
	2027			
Bid Item 3	Swan Lake Transmission Line Inspections, Maintenance & Repair	\$		
Bid Item 3.4	Swan Lake Bucket Truck Inspections	\$		
Bid Item 6	Tyee Lake Transmission Line Inspections, Maintenance & Repair	\$		
Bid Item 9	Swan-Tyee Intertie Transmission Line Inspection, Maintenance & Repair	\$		
	Subtotal			
	Total Contract Price:	\$		

The Owner's Project Manager and Contractor shall each agree on the work completed for which payment is being requested prior to submission of the payment request to Owner's Accounting Department. Payment to Contractor in accordance with this section shall be Contractor's full and exclusive compensation for Contractor's performance under the Contract Documents.

11. Time and Manner of Construction

a. Contractor shall deliver the deliverables in accordance with the Contract Documents except as otherwise agreed in advance by SEAPA in writing.

- b. Line outages generally occur in the months of May and June, or September each year. Outages for 2025-2027 will be determined by Owner during the end of February in each year. Owner and Contractor shall negotiate a schedule for substantial completion each year once each year's outage schedule is determined by Owner.
- c. The time for completion of Annual Projects shall be extended for the period of any reasonable delay which is due exclusively to causes beyond the control and without the fault of the Contractor, including Acts of God, fires, floods, inability to obtain materials and acts or omissions of the Owner with respect to matters for which Owner is solely responsible; provided, however, that no such extension of time for completion shall be granted the Contractor unless within two (2) days after the happening of any event relied upon by Contractor for such an extension of time Contractor shall have made a request therefore in writing describing the circumstances to justify an extension to Owner, and provided further that no delay in such time of completion or in the progress of the work which results from any of the above causes except acts or omissions of the Owner, shall result in any liability on the part of the Owner.
- d. Owner may, from time to time during the progress of the construction of the Project, make such changes in, additions to, or subtractions from the Plans, Specifications, Construction Drawings, List of Materials and sequence of construction provided for in the previous paragraph that are part of the Contractor's Proposal as conditions may warrant; provided, however, that if any change in the construction to be done shall require an extension of time, a reasonable extension will be granted if Contractor shall make a written request thereof to Owner within three (3) days after any such change is made. And provided further, that if the cost to Contractor of construction of the Project shall be materially increased by any such change or addition, Owner shall pay Contractor for the reasonable cost thereof in accordance with a Construction Contract Amendment signed by Owner and Contractor, but no claim for additional compensation for any such change or addition will be considered unless Contractor shall have made a written request therefore to Owner prior to the commencement of work in connection with such change or addition.

12. Liquidated Damages

The outage periods for this Project are the essence of the Contract. Should the Contractor neglect, refuse, or fail to complete outage work within the outage period specified herein, after giving effect to extensions of time, if any, herein provided, then, in that event and in view of the difficulty of estimating with exactness damages caused by such delay, Owner shall have the right to deduct from and retain out of such moneys which may be then due, or which may become due and payable to Contractor a sum for each and every day that such outage is extended beyond the specified time, as liquidated damages and not as a penalty. *An extension of time will be granted for events that occur that are outside the control of the Contractor.* The liquidated damage sum for the Swan Lake Project shall be Thirteen Thousand and 00/100ths US Dollars (\$13,000.00) per day. The liquidated damage sum for the Tyee Lake Project shall be Ten Thousand and 00/100ths US Dollars (\$10,000.00) per day. If the amount due and to become due from Owner to Contractor is insufficient to pay in full any such liquidated damages, Contractor shall pay to Owner the amount necessary to effect such payment in full, provided, however, that Owner shall promptly notify Bidder in writing of the manner in which the amount retained, deducted or claimed as liquidated damages was computed.

13. Failure to Complete on Time

Permitting the Contractor to continue to finish the Work or any part of it after the time fixed for its completion, or after the date to which the time for completion may have been extended, will in no way operate as a waiver on the part of SEAPA of any liquidated damages or any other rights under the contract.

14. Supervision and Inspection

- a. Contractor shall cause the construction work on the Project to receive constant supervision by a competent superintendent (hereinafter called the "Superintendent") who shall be present at all times during working hours near the project. Contractor shall also employ, in connection with the construction of the Project, capable, experienced and reliable foremen at the work site at all times and such skilled workmen as may be required for the various classes of work to be performed. Directions and instructions given to the Superintendent shall be binding upon Contractor.
- b. Owner reserves the right to require the removal from the Project of any employee of the Contractor, if in the judgment of the Owner such removal shall be necessary in order to protect the interest of the Owner. Owner shall have the right to require Bidder to increase the number of its employees, and to increase or change the amount or kind of tools and equipment if at any time the progress of the work shall be unsatisfactory to Owner; but the failure of Owner to give any such directions shall not relieve Contractor of its obligations to complete the work within the time and in the manner specified in this Proposal.
- c. The manner of construction of the Project, and all materials and equipment used therein, shall be subject to the inspection, tests and approval of Owner, and Contractor shall furnish all information required by Owner concerning the nature or source of any materials incorporated or to be incorporated in the Project. Owner shall have the right to inspect all payrolls, materials invoices, and other data and records of the Contractor and of any subcontractor, relevant to the construction of the Project. Contractor shall provide all reasonable facilities necessary for such inspection and tests and shall maintain an office, with telephone service where obtainable and at least one office employee to whom directions and instructions of the Owner may be delivered. Delivery of such directions or instructions in writing to the employee of Contractor at such office shall constitute delivery to Contractor. Contractor shall have an authorized agent accompany Owner when final inspection is made and, if requested by Owner, when any other inspection is made.
- d. In the event that Owner shall determine that the construction contains or may contain numerous defects, it shall be the duty of the Contractor and the Contractor's surety or sureties to have an inspection made by an engineer approved by the Owner for the purpose of determining the exact nature, extent and location of such defects.

15. Environmental Protection

Contractor shall perform work in such a manner as to maximize preservation of beauty, conservation of natural resources and minimize marring and scarring of the landscape and silting of streams. Contractor shall not deposit trash in streams or waterways and shall not use herbicides or other chemicals in or near streams, waterways or within the right-of-way. Contractor shall follow, under general direction of the Owner, the criteria relating to environmental protection as specified by Owner.

16. Defective Materials and Workmanship

a. The acceptance of any materials (except Owner-furnished materials), equipment or any workmanship by the Owner or the Engineer shall not preclude the subsequent rejection thereof if such materials, equipment, or workmanship shall be found to be defective after delivery or installation, and any such materials, equipment or workmanship found defective before final acceptance of the construction shall be replaced or remedied, as the case may be, by and at the expense of Bidder. Any such condemned material or equipment shall be immediately removed

from the site of the Project by Contractor at Contractor's expense. Contractor shall not be entitled to any payment hereunder so long as any defective materials, equipment or workmanship in respect to the Project, of which the Contractor shall have had notice, shall not have been replaced or remedied, as the case may be.

b. Notwithstanding any certificate which may have been given by the Owner if any materials (except Owner-furnished materials), equipment, or any workmanship which does not comply with the requirements of this Contract, shall be discovered within one (1) year after Completion of Annual Construction, Contractor shall replace such defective materials or equipment or remedy any such defective workmanship within thirty (30) days after notice in writing of the existence thereof shall have been given by the Owner. If Contractor shall be called upon to replace any defective materials or equipment or to remedy defective workmanship as herein provided, Owner, if so requested by Contractor shall de-energize that section of the Project involved in such work. In the event of failure by the Contractor to do so, Owner may replace such defective materials or equipment or remedy such defective workmanship, as the case may be, and in such event Contractor shall pay to the Owner the cost and expense thereof.

17. Termination

- a. SEAPA may terminate this Contract for any reason prior to SEAPA's issuance of the Notice to Proceed.
- b. SEAPA may terminate this Contract if Contractor assigns its rights or obligations to a third party without SEAPA's prior written consent.
- c. SEAPA may terminate this Contract for any reason upon thirty (30) days' notice to Contractor, provided that: (1) SEAPA pays Contractor in full for the Scope of Work and Deliverables that have been satisfactorily performed and delivered in accordance with the Construction Schedule; and (2) SEAPA pays Contractor an amount equal to the value beyond the correlating Scope of Work (under the Construction Schedule) of the work fully and satisfactorily performed.
- d. Either party may terminate this Agreement upon ten (10) business days' written notice to the other party upon the occurrence of any of the following events:
- 1. either party appoints a receiver or trustee in bankruptcy or other similar officer over any or all its property or assets;
- 2. either party files a voluntary or has filed against it an involuntary petition in bankruptcy which remains in effect for thirty (30) days or makes any arrangements for the benefit of creditors; or,
- 3. either party merges with or is acquired by a third party without the other party's prior written consent.
- e. Where the Contractor's services have been so terminated by SEAPA, the termination will not affect any rights or remedies of SEAPA against the Contractor then existing or which may thereafter accrue. Any retention or payment of monies due the Contractor by SEAPA will not release the Contractor from liability.

18. Requirements of Laws, Ordinances, Regulations, Licenses, and Taxes

It is the Contractor's responsibility to be familiar with all Federal, State, Borough and City laws, ordinances, statutes, and regulations, which in any manner may affect the work, and it will be deemed to be included in the Contract Documents the same as though herein written out in full. The Contractor shall not be excused in the performance of the work or any part thereof because of the Contractor's misunderstanding or lack of familiarity with such laws.

Contractor is required to hold the following State of Alaska licenses to perform the work:

- a. Alaska General Contractor's or Electrical Specialty License
- Alaska Electrical Administrator License in 'unlimited line category' or 'line work'
- c. Alaska Certificate of Fitness (journeyman lineman)
- d. Alaska Business License

All required Federal, State, and local sales and use taxes shall be paid by the Contractor as required by the laws and statutes of the State of Alaska and of any of its political subdivisions, and shall be included in the prices quoted in the proposal.

19. Permits for Explosives

All permits necessary for the handling or use of dynamite or other explosives in connection with the construction of the Project shall be obtained by and at the expense of the Contractor.

20. Franchises and Rights of Way

Contractor shall be under no obligation to obtain or assist in obtaining any franchises, authorizations, permits or approvals required to be obtained by Owner from the federal, state, judicial districts, municipal, boroughs, or other authorities, or any rights of way over private lands or any agreements between the Owner and third parties with respect to the joint use of poles, crossings, or other matter incident to the construction and operation of the Project.

21. Execution of Contract

The successful bidder shall, within ten (10) calendar days after receiving Notice of Award, sign and deliver to SEAPA:

- A. This Contract No. 25001 signed by Contractor
- B. Performance Bond
- C. Payment Bond
- D. Payer's Request for Tax Payer Identification (Form W-9)
- E. Any other documents required as stated in the Notice of Award

After receiving the above documents from the successful bidder, SEAPA's authorized agent will sign the contract. Signature by both parties constitutes execution of the contract.

22. Certificate of Insurance

Contractor shall procure the following minimum insurance coverage and limits of liability:

Workers' Compensation applicable	Statutory Benefits with Employers:	
to Alaska (including Jones Act and	\$1,000,000 Bodily Injury by Accident	
United States Longshore and	\$1,000,000 Bodily Injury by Disease	
Harbor Workers Act coverage),	\$1,000,000 Bodily Injury Policy Limit	
Employer's Liability		
Commercial General Liability	\$ 2,000,000 General Aggregate	
	\$ 2,000,000 Products/Completed	
	Operations Aggregate	
	\$1,000,000 Personal and Advertising	
	Injury	
	\$1,000,000 Each Occurrence	

	\$100,000 Fire Legal Liability – Each Fire
Umbrella/Excess Liability	\$10,000,000 per occurrence excess of Employer's Liability, Commercial Automobile Liability and General Liability
Commercial Automobile Liability – owned, hired and non-owned auto	\$1,000,000 per accident CSL for bodily injury and property damage
Aviation Liability Insurance owned and non-owned aircraft (may be via air carrier's policy)	\$10,000,000 per occurrence
Hired, owned and non-owned watercraft	\$10,000,000 per occurrence

Employer's Liability, Commercial General Liability and Commercial Automobile Liability insurance may be arranged under single policies for full minimum limits required, or by a combination of underlying policies with the balance provided by an Excess or Umbrella Liability policy.

The Contractor and its lower tiered subcontractors shall provide Certificates of Insurance acceptable in form and content, or their insurance companies and/or agents, naming the **Southeast Alaska Power Agency** as Certificate Holder and Additional Insured on liability policies for the work specified in the contract. Certificates of Insurance may be delivered by email to contadmin@seapahydro.org.

Contractor is responsible for making sure its subcontractors maintain in full force and effect insurance coverage appropriate for the work to be performed under this Contract.

i. Additional Insured Requirements

Contractor and its lower tiered subcontractors shall endorse liability policies, including without limitation, Employer's Liability policy, to add Owner as "additional insured" with respect to liability arising out of (a) operations performed for Owner by Contractor, (b) general supervision of Contractor's operations, and (c) claims for bodily injury or death brought against Owner by Contractor's employees, or the employees of the Contractor's lower tiered contractors of any tier, however caused, related to the performance of operations under the Contract Documents. Such insurance afforded to Owner as additional insureds under Contractor's and its lower tiered subcontractors' policies shall be primary insurance and not excess over, or contributing with, any insurance purchased or maintained by Owner.

ii. Waiver of Subrogation

To the extent of coverage afforded any property insurance applicable to The Work or the Project or equipment used in performance of The Work or the Project, regardless of whether such insurance is owned by or for the benefit of Contractor, Owner or their respective agents and lower tiered subcontractors, Owner, and Contractor waive all rights against each other, lower tiered subcontractors, agents and employees each of the other, for loss or damage to the extent covered by such insurance, except such rights as they may have to the proceeds of such insurance.

Contractor's insurers and its lower tiered subcontractors' insurers shall waive their right of subrogation against the Owner for workers compensation and liability coverages.

If policies of insurance referred to in this Contract require an endorsement to provide for continued coverage where there is waiver of subrogation, the owners of such policies will cause them to be so endorsed.

iii. General Liability Insurance

Commercial General Liability insurance required under this paragraph shall include coverage for Personal Injury/Advertising Injury, Products/Completed Operations, including Completed Operations and Blanket Contractual Liability insurance applicable to the Contractor's indemnity obligations under this Contract, and other Contractual indemnities assumed by Contractor under the Contract Documents. Coverage shall be on a per occurrence basis.

The Contractor shall purchase and maintain General Liability Insurance covering bodily injuries, including death at any time resulting therefrom, sustained by any person or person, and covering damages to property, including loss of use thereof, arising out of or in consequence of the performance of the Contract or The Work or construction.

Insurance Period. Such General Liability Insurance shall always be maintained in effect until final acceptance of all The Work by the Owner and coverage for completed operations liability for at least two years thereafter.

Insurance Form. General Liability Insurance shall indemnify and contain an affirmative duty to defend the Contractor and the Owner as an additional named insured, and all of their officers and employees, from and against any and all by reasons of liability imposed by law, including, but not limited to, Operations/Premises Liability, Independent Contractor's Protective Liability/Owner's Protective Liability, Completed Operations and Products Liability, owned, non-owned, and Hired Vehicles, and Equipment and, including explosion, collapse and underground damages and loss of use. Such General Liability Insurance shall be provided on a comprehensive bodily injury and property damage liability form satisfactory to the Owner and shall name the Owner as an additional insured and shall cover and include Contractor's Contractual indemnity of Owner. The coverage shall not include an unfunded self-insured retention.

Worker's Compensation and Employers' Liability

Insurance Requirements. The Contractor and its subcontractors shall purchase and maintain Worker's Compensation Insurance with limits satisfactory to meet any statutory requirement and Employers Liability insurance with limits of not less than \$1,000,000 for any one injury. Coverage is to extend to Jones Act, United States Longshore and Harbor Workers Act and other maritime employers liability exposures.

Insurance Period. Such industrial accident, worker's compensation and employer's liability insurance shall be maintained in effect until final acceptance of Contractor's Work.

Failure to Maintain Worker's Compensation Insurance. The Contractor acknowledges and agrees that in the event it fails to maintain proper workers' compensation insurance coverage, the State and the Owner may pursue any remedies provided by AS 23.30.045, the Contractor may terminate the Contract without liability and/or take or pursue any other remedies otherwise provided by Contract or by law.

iv. Automobile

Automobile liability insurance covering all motor vehicles used in connection with the Contract, whether owned, non-owned, or hired, shall have limits for bodily injury or

death of not less than \$1 million per accident for bodily injury and property damage combined single limit.

v. Aviation

Aircraft liability insurance on all aircraft used in connection with the Contract, whether owned, non-owned, or hired, shall have limits insuring against claims for bodily injury, personal injury including death, and for property damage of not less than \$10,000,000 million per occurrence. Such minimum insurance limits may be provided in a single policy or multiple policies of insurance, such as primary insurance with an excess or umbrella liability form.

vi. Watercraft

Watercraft liability insurance on all watercraft, vessels or barges used in connection with the Contract, whether owned, non-owned, or hired, shall have limits insuring against claims for bodily injury, personal injury including death, and for property damage of not less than \$10,000,000 million per occurrence. Such minimum insurance limits may be provided in a single policy or multiple policies of insurance, such as primary insurance with an excess or umbrella liability form.

vii. Cancellation of Insurance

The Contractor and its lower-tiered subcontractors shall not cause any insurance policy to be cancelled or permit any policy to lapse or reduce the amount of such insurance during the period of the Contract. All insurance policies shall include a provision to the effect that the insurance policy shall not be subject to cancellation, lapse or to a reduction in the amount of insurance until written notice has been first delivered to the Owner by the insuring company stating the date that such cancellation, lapse or reduction shall be effective, which date shall not be less than thirty days after the delivery of such notice to the Owner.

When a renewal of a policy is approaching, Contractor and its lower-tiered subcontractors shall deposit evidence of renewal before expiration of the term of the policy. The Certificates of Insurance shall provide that the broker will endeavor to give written notice of cancellation of the above-required insurance policies to the certificate holder thirty (30) days prior to cancellation.

viii. Verification

Certificates of Insurance, as evidence of the insurance required by this Contract, shall be furnished by Contractor to Owner before any access to the Property or construction is commenced by Contractor, its agents, or subcontractors.

The Owner shall have the right to require Contractor to provide verification, including the right to inspect Contractor's records at reasonable times, to confirm the insurance called for herein is in force. If the Contractor fails to provide verification of full coverage of all the insurance required by the Contract Documents, at all times, Owner may, without liability, direct the Contractor cease any further operations, and remove all personnel and equipment from the Project site until all such insurance is verified as being in full force and effect, or may without liability, deem such failure to verify full coverage as a material breach and default and terminate the Contract without liability.

ix. Lower-Tiered Subcontractors (if applicable)

To the extent each of Contractor's lower tiered subcontractors has insurance coverage applicable to the Project, the lower-tiered subcontractors shall name the Owner as additional insureds.

x. Failure to Maintain Required Insurance

The Contractor acknowledges and agrees that in the event it fails to maintain insurance as required by this Contract the Owner may terminate the Contract without liability or cost and/or take or pursue any other remedies otherwise provided by Contract or law.

xi. Contractor's Acknowledgement

Contractor acknowledges that it is not an employee of Owner and that neither the Contractor, nor any of its employees, has any rights in or under any health, liability or disability or other insurance policies maintained by Owner, nor to any overtime, vacation holiday, sick leave, seniority or other benefits. Contractor further acknowledges that neither it, nor any of its employees, has any right to claim unemployment compensation, worker's compensation, or disability compensation pursuant to this Contract, or as a result of Contractor's relationship with Owner.

xii. Primary Insurance

Insurance policies maintained by Contractor shall be primary. Polices maintained by SEAPA shall be excess and noncontributory to policies maintained by Contractor.

xiii. Insurer Integrity

Contractor shall purchase insurance coverage from insurers acceptable to Owner and with good financial integrity and shall be rated no less than A- (VII) by A.M. Best's insurance rating service.

23. Accident Prevention/Safety

- a. The Contractor shall comply with all pertinent provisions of the Occupational Safety and Health Standards issued by the State of Alaska Department of Labor in their performance of any work required to be performed under this Contract. This Contract may be suspended at any time if, in Agency's discretion, it is determined that Contractor is not performing the work in a safe manner. Agency shall immediately notify Contractor in writing of its election to suspend this Agreement for safety purposes and shall specify their safety concerns. Contractor shall have five (5) days, unless agreed otherwise between the parties in writing, within which to correct each safety concern or reach agreement regarding modification of the task(s) to be performed by Contractor. If the safety concern is not addressed within the time frame agreed to by the parties, Agency may notify Contractor, in writing, of its election to terminate this Contract. Agency shall have no liability for suspension, delay, or termination of the work if such is due to a safety concern, and shall compensate Contractor up to the date Agency issues notice in writing to Contractor of their election to suspend this Contract for safety purposes.
- b. This Contract may be suspended at any time if, in Contractor's discretion, it is determined that the working conditions or tasks directed by Agency presents an unreasonable risk of physical injury to any of Contractor's employees. Contractor shall immediately notify Agency in writing of their election to suspend this Contract for safety purposes and shall specify their safety concerns. Agency shall have five (5) days, unless agreed otherwise between the parties in writing, within which to correct each safety concern or reach agreement regarding modification of the task(s) to be performed by Contractor. If the safety concern is not addressed within the time frame agreed to by the parties, Contractor may notify Agency, in writing, of its election to terminate this Contract. Contractor shall have no liability for suspension, delay, or termination if such is due to a safety concern, and shall be compensated up to the date Contractor issues notice in writing to Agency of their election to suspend this Contract for safety purposes.
- c. <u>Protection to Persons and Property</u>. Contractor shall at all times take all reasonable precautions for the safety of employees on the work and of the public, and shall comply with all applicable provisions of Federal, State and Municipal safety laws and electrical,

building and construction codes, as well as the safety rules and regulations of the Owner. All machinery and equipment and other physical hazards shall be guarded in accordance with the Manual of accident Prevention in Construction of the Associated General Contractors of America unless such instructions are incompatible with Federal, State, or Municipal laws or regulations.

The following provisions shall not limit the generality of the above requirements:

- 1. Contractor shall so conduct the construction of the Project as to cause the least possible obstruction of public highways.
- 2. Contractor shall provide and maintain all such guard lights and other protection for the public as may be required by applicable statutes, ordinances and regulations or by local conditions.
- 3. Contractor shall do all things necessary or expedient to properly protect any and all parallel, converging and intersecting lines, joint line poles, highways and any and all property of others from damage, and in the event that any such parallel, converging and intersection lines, joint line poles, highways or other property are damaged in the course of the construction of the Project, Contractor shall at its own expense restore any or all such damaged property immediately to as good a state as before such damage occurred.
- 4. Where the right-of-way of the Project traverses cultivated lands, Contractor shall limit the movement of its crews and equipment so as to cause as little damage as possible to the property and shall endeavor to avoid marring the lands. All fences that are necessarily opened or moved during the construction of the Project shall be replaced in as good condition as they were found. Contractor shall not be responsible for loss of or damage to property on the right-of-way necessarily incident to the construction of the Project and not caused by negligence or inefficient operation of the Contractor. Contractor shall be responsible for all other loss of or damage to property, whether on or off the right-of-way caused by the construction of the Project. The right-of-way for purposes of this said section shall consist of an area extending 50 feet on both sides of the centerline of the structures along the route of the Project lines, plus such area reasonably required by Contractor for access to the route of the Project lines from Public roads to carry on construction activities.
- 5. The Annual Project, from the commencement of work to completion, shall be under the charge and control of the Contractor and during such period of control by Contractor, all risks in connection with the construction of the Project and the materials to be used therein shall be borne by Contractor. Contractor shall make good on all injuries and fully repair damages to the Annual Project or any portion thereof under the control of Contractor by reason of any Act of God or other casualty or cause, whether or not the same shall have occurred by reason of the Contractor's negligence. Contractor shall hold Owner harmless from any and all claims for injuries to persons or for damage to property happening by reason of any negligence on the part of Contractor or any of Contractor's agents or employees during the control by Contractor of the Annual Project or any part thereof.
- 6. Any and all excess earth, rock, debris, underbrush and other useless material shall be removed by Contractor from the site of the Project as rapidly as practicable as the work progresses.

- 7. Upon violation by Contractor of any of the provisions of this section, after written notice of such violation given to Contractor by Owner, Contractor shall immediately correct such violation. Upon failure of Contractor to do so Owner may correct such violation at Contractor's expense, provided, however, that Owner may, if it deems it necessary or advisable, correct such violation at Contractor's expense without such prior notice to Contractor.
- 8. Contractor shall immediately notify the Owner of all accidents. The Contractor shall submit to the Owner within 24 hours a written report all accidents, giving such data as may be prescribed by the Owner.
- 9. Contractor shall not proceed with the cutting of trees or clearing of right-of-way without written notification from Owner that proper authorization has been received from the owner of the property, and Contractor shall promptly notify Owner whenever any landowner objects to the trimming or felling of any trees or the performance of any other work on its land in connection with the Project and shall obtain the consent in writing of the Owner before proceeding in any such case.

24. Change Orders

A change in contract price or responsibility may only be made by a Change Order. Contractor shall inform Owner of any damages and suggested repairs not already set forth in the Contract Documents. Repairs may be completed only upon Owner's approval followed by Contractor's submittal of a written change order to Owner to document the repair.

25. Differing Site Conditions

a. The Contractor shall promptly, and before such conditions are disturbed (except in an emergency) notify SEAPA's Project Manager in writing of: (1) subsurface or latent physical conditions at the site differing materially from those indicated in the contract, and which could not have been discovered by a careful examination of the site, or (2) unknown physical conditions at the site, of an unusual nature, differing materially from those ordinarily encountered and generally recognized as inherent in the work of the character provided for in the contract, which subsurface, latent or unknown conditions are not among the risks of performance assumed by the Contractor and which will be considered by the Contractor as a basis for a claim for extra compensation.

Changed conditions that occur because of any negligence or inattention on the part of the Contractor, its employees or agents will not be considered eligible for extra payment. SEAPA's Project Manager will, as promptly as practicable, investigate such conditions and make a finding and determination to the Contractor. If SEAPA's Project Manager determines that such conditions do materially differ and cause an increase or decrease in the Contractor's cost of, or the time required for performance of any part of the Work under the contract, such matters shall be covered by an agreed Change Order.

No claim of the Contractor under this section will be allowed unless the Contractor has given the required notice prior to disturbance beyond that necessary to identify the condition. If the Contractor disagrees with SEAPA's Project Manager's determination, or if the parties fail to agree upon the adjustment to be made, SEAPA's Project Manager's determination will be final and conclusive unless the Contractor submits a Notice of Claim to SEAPA in writing. Conditions which would have been revealed by a reasonable site inspection shall in no event be considered the basis for a changed condition or granting an adjustment. In any event, the Contractor shall not be relieved, unless permitted by SEAPA, from its obligation of resuming construction operations pending decision as to the validity of the claim or pending execution of a Change Order to this Contract.

- b. Any claim for additional compensation by the Contractor shall not be allowed unless the Contractor has first given the notice required by this Contract. Failure to furnish such notice in a timely manner shall be regarded as a release from and will act as a waiver of the claim. Also, any claim made under this clause shall be limited to the physical location of the construction identified by the Site Plan in the Drawings. In the event that SEAPA and the Contractor are unable to reach an agreement concerning an alleged differing site condition, the Contractor will be required to keep an accurate and detailed record which will indicate the actual cost of the work done under the alleged differing site condition. Failure to keep such a record shall be a bar to any recovery by reason of such alleged differing site conditions. SEAPA shall be given the opportunity to supervise and check the keeping of such records.
- c. Any change to statute or regulation shall not form a basis for a claim for additional time or compensation by the Contractor under this paragraph.

26. Non-assignment of Contract

Contractor shall not assign this Contracted or any interest in any funds that may be due or become due hereunder or enter into any contract with any person, firm, or corporation for the performance of Contractor's obligations hereunder or any part thereof, without the approval in writing of the Owner and of the surety or sureties on any bond furnished by the Contractor for the faithful performance of the Contractor's obligations hereunder. If Contractor, with the consent of Owner in writing, and any surety or sureties on the Contractor's bonds shall enter into a subcontract with any subcontractor for the performance of any part of this Contract, Contractor shall be as fully responsible to Owner for the acts and omissions of such subcontractor and of persons employed by such subcontractor as Contractor would be for its own acts and omissions and those of persons directly employee by it.

27. Extension to Successors and Assigns

Each and all of the covenants and agreements herein contained shall extend to and be binding upon the successors and assigns of the parties hereto.

28. Default of Contract

- A. If the Contractor:
- 1. Fails to begin the Work under the Contract within the time specified in the Proposal, or
- 2. Fails to perform the Work in accordance with the Contract Documents including, but not limited to, failure to supply sufficiently skilled workmen, suitable materials, or equipment or failure to adhere to the schedule, or
- 3. Performs the Work unsuitably or neglects or refuses to remove materials or to correct Defective Work, or
 - 4. Discontinues the prosecution of the Work, or
- 5. Fails to resume work which has been discontinued within a reasonable time after notice to do so, or
- 6. Becomes insolvent, except that if the Contractor declares bankruptcy, termination shall be in accordance with U.S. Code §362 and/or 11 U.S. Code § 365. In the event the Contractor declares bankruptcy, the Contractor agrees that the Contract will be assumed or rejected in a timely manner so that the Contract will be completed by the date specified in the Contract, or

- 7. Allows any final judgment to stand against him unsatisfied for a period of sixty (60) days, or
- 8. Makes an assignment for the benefit of creditors without the consent of SEAPA, or
- 9. Disregards Regulatory Requirements of any public body having jurisdiction, or
- 10. Otherwise violates in any substantial way any provisions of the Contract Documents, or
- 11. For any cause whatsoever, fails to carry on the Work in an acceptable manner, SEAPA may give notice in writing to the Contractor of such delay, neglect, or default.
- B. If the Contractor, within the time specified in the above notice of default, does not proceed in accordance therewith, then SEAPA may, upon written notification from SEAPA's Project Manager, in the event such delay, neglect or default is evident, and the Contractor fails to comply with such notice, exercise full power and authority without violating the Contract, to take the prosecution of the Work from the Contractor. SEAPA may terminate the services of the Contractor, exclude the Contractor from the Site, and take possession of the Work and finish the Work as SEAPA may deem expedient. SEAPA may enter into an agreement for the completion of said Contract according to the terms and provisions thereof or use such other methods that in the opinion of SEAPA are required for the completion of said Contract in an acceptable manner.
- C. If the Contract is terminated for default, the Contractor shall be liable for the excess cost of completion, and all costs and expenses incurred by SEAPA in completing the Work or arranging for completion of the Work, including but not limited to costs of assessing the Work to be done, costs associated with advertising, soliciting or negotiating for bids or proposals for completion, and other re-procurement costs. Following termination the Contractor shall not be entitled to receive any further balance of the amount to be paid under the Contract until the Work is fully finished and accepted, at which time if the unpaid balance exceeds the amount due SEAPA and any amounts due to persons for whose benefit SEAPA has withheld funds, such excess shall be paid by SEAPA to the Contractor. If the damages, costs, and expenses due SEAPA exceed the unpaid balance, the Contractor and his Surety shall pay the difference.
- D. If, after notice of termination of the Contractor's right to proceed under the provisions of this clause, it is determined for any reason that the Contractor was not in default under the provisions of this clause, or that the delay was excusable under the provisions of this clause, or that termination was wrongful, the rights and obligations of the parties shall be determined in accordance with the clause providing for convenience termination.

29. Limitation of Liability

To the maximum extent permitted by law, the aggregate liability to SEAPA for any and all damages under this Contract shall not exceed the Contract price. Notwithstanding the foregoing, nothing in this Section shall be construed as limiting the indemnity provisions of this contract or the insurance-related remedies provided in this contract.

30. Indemnification

Each Party shall defend, indemnify and hold the other harmless against any claims, liabilities, damages, losses or expenses imposed on the other Party, including reasonable attorney's fees for personal injury or property damage to third Parties resulting from or arising out of: (i) breach

of this Contract by the indemnifying Party; (ii) the conduct of the indemnifying Party's business; or (iii) any negligent act or omission or willful misconduct of the indemnifying Party. The foregoing shall not, however, constitute a waiver by the indemnifying Party of any immunity from claims by employees under any industrial insurance or Workers Compensation Act.

31. Governing Law.

This contract shall be governed by the laws of the State of Alaska. Venue of any action shall be in the Superior Court of the State of Alaska, First Judicial District at Ketchikan.

32. Waiver.

The failure of Agency to demand strict performance of any provision of this contract shall not constitute a waiver of any provision, term, covenant, or condition of this contract or of the right to demand strict performance in the future.

33. Dispute Resolution.

If parties to this contract are unable to reach a mutually agreeable resolution of a dispute after a good faith effort, then any dispute or action under this Agreement shall first be mediated by a professional mediator, mutually agreed to by the parties, and whose costs shall be shared by the parties equally. If mediation does not settle the dispute, all disputes must be submitted to arbitration in accordance with Alaska law, and under the rules governing commercial arbitration as promulgated by the American Arbitration Association, applying Alaska law. An arbitrator shall be selected pursuant to the rules governing commercial arbitration as promulgated by the American Arbitration Association. Such arbitration hearing shall be held in either Anchorage, Alaska, or Seattle, Washington, whichever location is most convenient for the arbitrator. Except for any injunctive relief, the parties hereby waive their rights to a trial by jury in Alaska District court. In any action to enforce or interpret this agreement, the prevailing party shall be entitled to recover, as part of its judgment, reasonable attorney's fees and associated necessary costs.

34. Equal Employment Opportunity.

Agency is an Equal Opportunity Employer (EEO) under Federal and Alaska law, and it is unlawful to discriminate against any employee or applicant for employment on the basis of race, religion, color, national origin, age, physical or mental disability, sex, marital status, changes in marital status, pregnancy, or parenthood (unless the reasonable demands of such position require a distinction). This is the policy of the Agency ("EEO Policy").

Contractor agrees that this EEO Policy shall apply equally to it, its employees, and hiring policies. Further, Contractor agrees that this EEO Policy shall apply to any subconsultant or subcontractor it hires to assist it under this contract and shall be responsible for inserting similar language into its contracts. Contractor and any subcontractors shall keep all records regarding compliance with this EEO Policy in the event the State and Federal agencies confidentially request such records.

35. Acceptance of Scanned Signatures.

The parties agree that this Contract, agreements ancillary to this Contract, and related documents to be entered into in connection with this Contract, will be considered signed when the last dated signature of a party is delivered by scanned image (e.g., .pdf or .tiff file extension name) as an attachment to electronic mail (email). Such scanned signature will be treated in all respects as having the same effect as an original signature.

[Remainder of page intentionally left blank.]

SIGNATURE PAGE TO CONTRACT NO. 25001

This CONTRACT, between Southeast Alaska P	
Agency, or Owner, and, a under the laws of the State of Alaska, its successors and	company, organized
effective the date of the signature of SEAPA on this docum	
•	
WITNESSETH: That the Contractor, for and in con-	
herein specified and agreed to by SEAPA, hereby covenar	
the materials and to do and perform all the work and la Annual Transmission Line Maintenance Project, which we	
equipment, tools, labor, transportation, and other means to	
set forth in Section 10 above and such other items as are m	
which Proposal and prices named, together with the Contr	act Documents are made a part of this
Contract and accepted as such.	
It is distinctly understood and agreed that no claim or furnished by the Contractor and not specifically herein SEAPA, nor shall the Contractor do any work or furnish any unless such work is ordered in writing by SEAPA. In no materials furnished or used, or for any work or labor done are required by the Contract or on written order furnished by which may be done or furnished by the Contractor without at the Contractor's own risk, cost, and expense, and the Contractor without at the contractor's own risk, cost, and expense, and the Contractor's own risk, cost, and expense of the contractor's own risk, cost, and co	n provided for, will not be allowed by material not covered by this Contract, event shall SEAPA be liable for any e, unless the materials, work, or labor y SEAPA. Any such work or materials written order first being given shall be
to make no claim for compensation for work or materials	
order.	
IN WITNESS WHEREOF, the parties hereto hav	e executed this Contract and hereby
agree to its terms and conditions.	
CONTRACTOR	
Name of Contractor	
Cinnatura	Data
Signature	Date
Name and Title (please print legibly]	
OWNER	
SOUTHEAST ALASKA POWER AGENCY	
SOUTHLAST ALAGRA FOWER AGENCY	
Ву	
Robert Siedman, P.E., Chief Executive Officer	Date