

	[successful Contractor's Logo]
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SOUTHEAST ALASKA POWER AGENCY

SAMPLE CONTRACT NO. 26005

(SEAPA reserves the right to negotiate the final contract with the successful contractor)

for



REPLACEMENT OF TWO
WOODEN TRANSMISSION
TOWERS PROJECT

_____, 2026

**SOUTHEAST ALASKA POWER AGENCY
REPLACEMENT OF TWO WOODEN TRANSMISSION TOWERS CONTRACT**

Contract No. 26005

This Contract No. 26005 ("Contract") is effective as of the ____ day of _____ 2026 between:

SOUTHEAST ALASKA POWER AGENCY
55 Don Finney Lane
Ketchikan, Alaska 99901

(hereinafter called "SEAPA", "Agency"
or "Owner")

and

[Contractor Name]
[address]
[City/State/Zip]

(hereinafter called "Contractor")

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:

**Replace Two Wooden Transmission Towers Project ("Project")
(Provide experienced labor, equipment, materials, transportation, and
services, including all fuel, water and communications necessary for
the replacement of two (2) wooden transmission towers located near
White River on SEAPA's Swan-Bailey Transmission Line on central
Revillagigedo Island north of Ketchikan in Southeast Alaska.)**

2. Project Managers

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

Clay Hammer, Operations Manager
Southeast Alaska Power Agency
55 Don Finney Lane, Ketchikan, Alaska 99901
O 907.228.3834 | C 907.660.7880 | Email: chammer@seapahydro.org

b. The Contractor's Project Manager and contact information for this Contract is:

[name/title]
[company name]
[address]
Office Ph: [_____] | Cell Ph: [_____] | Email: [PM's Email Address]

3. Contract Documents

The term "Contract Documents" shall include:

- A. Owner's Request for Proposals and any addendums, appendices and attachments thereto
- B. All requirements of laws, ordinances, and regulations
- C. Construction Schedule
- D. Contractor's (and Subcontractor's if any) Certificates of Insurance
- E. This Contract No. 26005 and any amendments and change orders hereto
- 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. Performance Bond (100% of Bid)
- L. 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, is 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. 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.

7. 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).

8. Deliverables; Deadlines; Payment Terms and Invoices

Contractor shall perform the work in the manner that conforms to the Contract Documents. SEAPA shall pay the Contractor for performance of the work that conforms to the Contract Documents for a sum not-to-exceed the prices set forth in Contractor's Bid Schedule attached hereto as **Exhibit A** and made a part hereof unless agreed to otherwise by Change Order.

Contractor shall submit invoices to accounting@seapahydro.org monthly during performance of the project work. Payment terms are Net 30 upon receipt by Owner of Contractor's invoice.

The parties' project managers shall each agree on the work completed and any costs 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.

9. 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. SEAPA's transmission line outage is anticipated to occur in the month of June and the work under this contract is expected to occur sometime between June 1 through June 10, 2026.

c. The time for completion of the work required under this contract may 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 a Covid-19 Pandemic, 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.

10. Liquidated Damages

The outage period for this Project is the essence of the Contract. Should the Contractor neglect, refuse, or fail to complete the work required under this contract 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 Four Hundred Seventy-six and 00/100ths US Dollars (\$13,476.00) per day and will continue to accrue for a not-to-exceed amount of ten percent (10%) of the total Contract price. 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 Contractor in writing of the manner in which the amount retained, deducted or claimed as liquidated damages was computed.

11. 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.

12. Supervision and Inspection

a. Contractor shall cause construction work on the Project to receive constant supervision by a competent superintendent (hereinafter called the "Superintendent") who shall always be present 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 to protect the interest of the Owner. Owner shall have the right to require Contractor 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 work required under this Contract. 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 work required under this Contract. Contractor shall provide all reasonable facilities necessary for such inspection and tests. 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 a qualified individual approved by the Owner for the purpose of determining the exact nature, extent and location of such defects.

13. 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.

14. 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.

15. 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.

16. 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
- b. 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.

17. Franchises and Rights of Way

Contractor is responsible for obtaining any franchises, authorizations, permits or approvals required to be obtained by the federal, state, judicial districts, municipal, boroughs, or other authorities, or any rights of way over private lands or any agreements between the Contractor and third parties with respect to access, construction and operation of the Project.

18. 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. 26005
- B. Performance Bond
- C. Payment Bond
- D. Contractor's (and its Subcontractor's Certificates of Insurance
- E. Payer's Request for Taxpayer Identification (Form W-9)
- F. 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 this Contract. Signature by both parties constitutes execution of the contract.

19. Contractor shall procure and provide evidence of the following minimum insurance coverage and limits of liability:

Workers' Compensation <u>applicable to Alaska</u> (including Jones Act and United States Longshore and Harbor Workers Act coverage for projects having such exposures), and Employer's Liability	Statutory Benefits with Employers: \$1,000,000 Bodily Injury by Accident \$1,000,000 Bodily Injury by Disease \$1,000,000 Bodily Injury Policy Limit
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	\$5,000,000 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

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 shall provide Certificates of Insurance acceptable in form and content in compliance with item VI. Verification,. Certificates of Insurance and required endorsements and other documents may be delivered by email to contadmin@seapahydro.org.

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

i. Additional Insured Requirements

Contractor and its subcontractors shall endorse liability policies, to add Owner as an "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 subcontractors' policies shall be primary insurance and not excess over, or contributing with, any insurance bought or maintained by Owner.

ii. Waiver of Subrogation

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

iii. Commercial 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 be kept 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.

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.

iv. Worker's Compensation and Employers' Liability

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. Where contractor will be performing work subject to Jones Act, United States Longshore and Harbor Workers Act or other maritime employers liability exposures, policy shall be endorsement to specifically add such coverages

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. Insurance Verification

For Owner to verify Contractor compliance with required insurance, and to avoid delays, Contractor must provide all the following acceptable to Owner:

- a. A fully completed ACORD Certificate of Liability Insurance form evidencing compliance with all insurance requirements.
- b. A copy of the declaration page for all policies.
- c. For Commercial General Liability insurance include SEAPA as named additional insured using ISO form CG201011/85 or CG2010/10 with CG2037 10/01, or their equivalent. Form CG2033 is not acceptable for subcontractor insurance.
- d. For workers compensation include a waiver or recourse endorsement naming SEAPA.
- e. For primary liability coverage(s) include form CG250303/97, or equivalent for per project aggregate.
- f. Include endorsements for all policies showing policies are primary and non-contributing.
- g. Include waiver of subrogation endorsements for Liability and workers compensation policies.

vi. Lower-Tiered Subcontractors (if applicable)

To the extent each of Contractor's lower tiered subcontractors have insurance coverage applicable to the Project, the lower-tiered subcontractors shall name the Owner as additional insured and waive their right of subrogation against the Owner for workers compensation and liability coverages.

vii. Failure to Maintain Required Insurance

The Contractor acknowledges and agrees that in the event it does not 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.

viii. Cancellation of Insurance

The Contractor and any subcontractors shall not cause any insurance policy to be cancelled or allow 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 subcontractors shall provide evidence of renewal before end of the term of the policy. The Certificates of Insurance shall provide that the broker will give written notice of cancellation of the above-required insurance policies to the certificate holder thirty (30) days prior to cancellation.

ix. 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.

x. 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 because of Contractor's relationship with Owner.

20. 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. Protection to Persons and Property. 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 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 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 notification to SEAPA that proper authorization has been received from the owner of the property, and Contractor shall promptly notify SEAPA 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.

21. 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.

22. 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.

23. Non-assignment of Contract

Contractor shall not assign this Contract 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.

24. 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.

25. 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.

26. 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.

27. 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.

28. 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.

29. 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.

30. 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.

31. 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.

32. 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. 26005

This CONTRACT, between **Southeast Alaska Power Agency**, herein called SEAPA, Agency, or Owner, and _____, herein called Contractor, is effective as of the date of the signature of SEAPA on this document.

WITNESSETH: That the Contractor, for and in consideration of the payment or payments herein specified and agreed to by SEAPA, hereby covenants and agrees to furnish and deliver all the materials and to do and perform all the work and labor required for SEAPA's Replacement of Two Wooden Transmission Towers Project, which will require the provision of materials, equipment, tools, labor, transportation, and other means to perform the project at the unit prices set forth in Section 8 above and such other items as are mentioned in Contractor's Bid Proposal, which Proposal and prices named, together with the Contract Documents are made a part of this Contract and accepted as such.

It is distinctly understood and agreed that no claim for additional work or materials, done or furnished by the Contractor and not specifically herein provided for, will not be allowed by SEAPA, nor shall the Contractor do any work or furnish any material not covered by this Contract, unless such work is ordered in writing by SEAPA. In no event shall SEAPA be liable for any materials furnished or used, or for any work or labor done, unless the materials, work, or labor are required by the Contract or on written order furnished by SEAPA. Any such work or materials which may be done or furnished by the Contractor without written order first being given shall be at the Contractor's own risk, cost, and expense, and the Contractor hereby covenants and agrees to make no claim for compensation for work or materials done or furnished without such written order.

IN WITNESS WHEREOF, the parties hereto have executed this Contract and hereby agree to its terms and conditions.

CONTRACTOR

[CONTRACTOR'S NAME]

By _____
_____, _____

Date

OWNER

SOUTHEAST ALASKA POWER AGENCY

By _____
Robert Siedman, P.E., CEO

Date