

May 20, 2019

Attn: Talia Baker  
PRC, Administrative Support  
Dept. of Enterprise Services,  
Engineering & Architectural Services  
Post Office Box 41476  
Olympia, WA 98504-1476

Dear PRC Members:

Public Utility District No. 2 of Grant County, Washington ("Grant PUD") is pleased to submit the attached application for project approval to use the Design-Build alternative contracting procedure.

In 2017 Grant PUD successfully completed its first Progressive Design-Build project, the award winning Substation Reliability Project, which delivered eight substation sites. The Design-Build delivery method was effective in reducing the overall project schedule by two years relative to the traditional Design-Bid-Build approach. Grant PUD, along with our Design-Build partner, was able to meet our customer's timelines for new electric service while maintaining an excellent safety record and achieving a high quality outcome.

Due to continued high demand for load growth, Grant PUD seeks to execute a second Progressive Design Build project, the Load Growth Project. This project is similar to the first. We are proposing to deliver new electric system infrastructure at seven to ten sites with the same goal of schedule savings for our customers along with excellent safety and quality outcomes.

We have assembled a well-qualified team including Robynne Thaxton as D-B Legal Counsel, Stanley Consultants as Owner's Engineer, and Scott Tomlinson with Vanir Construction Management as senior advisor.

We are excited to apply the many lessons learned from our first DB project to the proposed Load Growth Project. We look forward to presenting our proposed project to the Committee and to any input or questions you have.

Sincerely,



Russ Seiler  
Manager of Power Delivery Projects  
Grant County Public Utility District

State of Washington  
Capital Projects Advisory Review Board (CPARB)  
PROJECT REVIEW COMMITTEE (PRC)

**APPLICATION FOR PROJECT APPROVAL**  
*To Use the Design-Build (DB)*  
*Alternative Contracting Procedure*

The CPARB PRC will only consider complete applications: Incomplete applications may result in delay of action on your application. Responses to sections 1-7 and 9 should not exceed 20 pages (*font size 11 or larger*). Provide no more than six sketches, diagrams or drawings under Section 8.

**Identification of Applicant**

- a) Legal name of Public Body (your organization): **Public Utility District No. 2 of Grant County, Washington (“Grant PUD”)**
- b) Address: **P.O. Box 878, Ephrata WA 98823**
- c) Contact Person Name: **Russ Seiler** Title: **Manager of Power Delivery Projects**
- d) Phone Number: **509-793-1558** E-mail: **Rseiler@gcpud.org**

**1. Brief Description of Proposed Project**

- a) Name of Project: **Load Growth Project**
- b) County of Project Location: **Grant**
- c) Please describe the project in no more than two short paragraphs. (*See Attachment A for an example.*)

In 2017 Grant PUD successfully completed its first award winning DB project which included 8 substations. Because of its success with the first DB project, Grant PUD has developed a second project with a similar structure with some changes based on its extensive “lessons learned” evaluation that was performed both internally and with the assistance of Washington State University professors David Gunderson and Rick Cherf (see discussion below).

**Base Scope**

The goal of the Load Growth Project is to once again safely provide expedited design and construction of new electrical infrastructure in Grant County, WA. The new infrastructure is required to support continued high demand for customer growth. This demand includes new businesses and existing businesses seeking to expand. The base scope for this project includes seven sites:

1. Red Rock Substation – Build a new substation to support agricultural business growth in the Port of Royal City, WA.
2. Red Rock Transmission Line – Build a new 230kV transmission line to supply power to the new Red Rock Substation.
3. Red Rock Ring Bus – Add a new 230kV ring bus at the connection point for the Red Rock Transmission line to enhance service reliability in the Royal City area.
4. Burke Substation – Remove the existing aging substation and build a new substation with increased capacity and enhanced reliability features to support agricultural and small commercial growth.
5. 230kV Capacitor Bank – Add 230kV capacitors in Quincy, WA to enable additional load growth in the surrounding area.
6. South Ephrata Substation – Build a new substation in Ephrata, WA to provide improved reliability for all customers in the Ephrata area and support residential load growth.
7. South Ephrata Ring Bus – Build a new three position ring bus to improve service reliability to Ephrata and Quincy area customers.

**Alternates**

Beyond the base scope listed above, Grant PUD has seven additional sites that may be candidates to include in the Load Growth Project. It is planned that a portion (approximately 2 to 4) of these additional sites will be included in the project as commitments with Grant PUD’s customers become

firm. Grant PUD will work with the design-builder to determine which of these additional sites can be integrated effectively into the Load Growth Project based on resources, funding, and prioritization. The determination of the additional sites to be added to the scope will be made during Phase 1 of the project.

1. Royal City Substation Rebuild
2. Quincy Plains Substation Expansion
3. Cyprus Substation
4. Monument Hill Switchyard
5. Monument Hill Transmission Line
6. Quincy Substation
7. South County Substation

**2. Projected Total Cost for the Project:**

**A. Project Budget (Base Scope)**

Costs for Professional Services (A/E, Legal etc.)	<b>\$2,504,000</b>
Estimated project construction costs ( <i>including construction contingencies</i> ):	<b>\$22,894,000</b>
Equipment and furnishing costs	<b>\$8,973,000</b>
Off-site costs	<b>\$n/a</b>
Contract administration costs (owner, cm etc.)	<b>\$2,850,000</b>
Contingencies (owner)	<b>\$2,412,000</b>
Other related project costs (briefly describe)	
Sales Tax	<b>\$2,978,000</b>
<b>Total</b>	<b>\$42,611,000</b>

<i>Anticipated Budget for Alternates (Includes statutorily required Contingency)</i>	<b>\$20,000,000</b>
<i>Total Project Budget (Base Scope plus Alternates)</i>	<b>\$62,611,000</b>

**B. Funding Status**

Please describe the funding status for the whole project. Note: If funding is not available, please explain how and when funding is anticipated

Grant PUD’s project funding for the Load Growth Project is included in Grant PUD’s 10 year Financial Forecast and approved in the 10 year Capital Projects Plan. Grant PUD updates the forecast and capital plan each calendar quarter. Per statute, Grant PUD prepares an official annual budget for the coming year based in part on the forecast and capital plan projected cash flows.

Preliminary Load Growth Project spending has been adopted in Grant PUD’s 2019 budget with amounts anticipated to be included in subsequent annual budgets for 2020, 2021, and 2022 based on project milestones, the financial forecast and the Capital Plan. A percentage of the projects will be funded by upfront contributions from customers. This contribution is factored in to Grant PUD’s Capital Plan.

**3. Anticipated Project Design and Construction Schedule**

Please provide (*See Attachment B for an example schedule.*):

The anticipated project design and construction schedule, including:

- a) Procurement;
- b) Hiring consultants if not already hired; and
- c) Employing staff or hiring consultants to manage the project if not already employed or hired.

**See Attachment B: Load Growth Project Schedule**

## Key Milestones:

3/29/2019	Owner's Engineer (Owner's Representative) Notice to Proceed
5/20/2019	PRC Application
6/27/2019	PRC Presentation
6/27/2019	Issue Design-Builder RFQ
8/8/2019	Issue Design-Builder RFP
11/13/2019	Design-Builder Notice to Proceed
4/30/2020	30% Design, Long Lead Material, and Guaranteed Maximum Price Negotiation
6/30/2022	Final Design and Construction Complete

#### **4. Explain why the DB Contracting Procedure is Appropriate for this Project**

Please provide a detailed explanation of why use of the contracting procedure is appropriate for the proposed project. Please address the following, as appropriate:

- If the construction activities are highly specialized and a DB approach is critical in developing the construction methodology (1) What are these highly specialized activities, and (2) Why is DB critical in the development of them?
- If the project provides opportunity for greater innovation and efficiencies between designer and builder, describe these opportunities for innovation and efficiencies.

The DB contracting procedure will provide opportunities for innovation and efficiency beyond those that are available under a traditional DBB approach. On a DBB project the builder is not selected until after the design is 100% complete. Under the DB approach the builder is selected prior to the beginning of design. Grant PUD will take advantage of this difference by encouraging early collaboration between the designer, the builder, and Grant PUD staff to develop a design that fully considers the builder's input and perspective. This will result in a design that not only meet requirements but is easier to construct and maintain. The builder will also have early input into the project schedule and sequence of construction. This will maximize efficiency for equipment, labor, and material management across multiple sites. Finally, with the same designer and builder collaborating on multiple sites within the same project they will be able to apply lessons learned and innovations from the initial sites to later sites.

- If significant savings in project delivery time would be realized, explain how DB can achieve time savings on this project.

In 2017 Grant PUD completed its first DB project which completed eight substations. The DB approach resulted in a two year time savings versus DBB. For this second DB project Grant PUD has a very similar scope of work and once again, one of the primary reasons the DB contracting procedure has been selected is for schedule savings.

Grant PUD's current resources limit its ability to design and construct new or modified substations to approximately two per year utilizing the traditional design-bid-build project delivery. This means that the earliest date the last of the substations for this project would be completed is some time in 2024

The DB team will be able to significantly compress the traditional project schedule by starting construction while the design is being completed. The construction schedule will also be compressed, in part, because the design-builder will be able to drive early equipment selection and procure long lead items while the design is still underway. Further, the design-builder will save time and promote efficiency by building a project schedule that integrates the work on different sites in a way that makes the best use of available labor. The DB approach will also allow Grant PUD the flexibility to re-sequence the substations during design and/or construction as needed to meet the customers' request with greater ease than in a traditional DBB delivery.

Grant PUD has concluded that the only reasonable way to accomplish the design and construction in the time required is to utilize qualifications focused design-build procurement and delivery. Grant PUD

will leverage the lessons learned on its first successful DB project to once again realize schedule savings and further innovation.

## 5. Public Benefit

In addition to the above information, please provide information on how use of the DB contracting procedure will serve the public interest. For example, your description must address, but is not limited to:

- How this contracting method provides a substantial fiscal benefit; or
- How the use of the traditional method of awarding contracts in a lump sum (*the “design-bid-build method”*) is not practical for meeting desired quality standards or delivery schedules.

Grant PUD's highest priority is to safely maintain the reliability of its system for its current customers while developing new infrastructure to support new customers and their increased energy demands. There are a substantial number of new industrial customers relocating to Grant County bringing jobs and economic diversity; however, if the PUD cannot provide sufficient power to these existing and new customers in a timely fashion, they will locate their facilities somewhere else. Therefore, the timely completion of this project with the highest quality, reliability and with the speed necessary to accommodate these new industrial customers provides a substantial public benefit to the community at large.

As described in section 4 above, the DB method will enable Grant PUD to deliver new electrical infrastructure to support its existing & new customers much faster than with the Design-Bid-Build method. Grant PUD does not have the resources to support the delivery of this project using Design-Bid-Build, and given the lack of resources, Grant PUD estimates that the project would not be delivered until 2024.

Access to electric power fuels economic growth in Grant PUD's service area. The sooner the need for new electrical infrastructure is addressed, the sooner economic growth can be assured to meet the needs of our customers, which will ultimately benefit the whole community of Grant County. As Grant PUD's experience with its successful first project demonstrates, DB will meet the required delivery schedules and capture the associated fiscal benefits for the public.

## 6. Public Body Qualifications

Please provide:

- A description of your organization's qualifications to use the DB contracting procedure.

Grant PUD has a long history of successful delivery of capital projects with an average annual capital budget of \$100M. In 2017 Grant PUD successfully completed its first DB Project, the Substation Reliability Project. The project included construction of seven electrical substations with the addition of one emergency substation rebuild for a total of eight sites. The project was featured in T&D World, an international utility publication as well as the regionally published Northwest Public Power Association (NWPPA) trade magazine. The published articles highlighted the benefits of DB in an industry that has primarily utilized the design-bid-build approach. The project also received a 2018 DBIA Design-Build Merit Award in the Civil-Infrastructure-Utility category.

At the end of the Substation Reliability Project Grant PUD hired David Gunderson and Rick Cherf from Washington State University to facilitate a formal lessons learned process. The Grant PUD project team is incorporating these lessons into its approach for the coming Load Growth Project. Many of the members of the original Substation Reliability Project team will be bringing their experience to the upcoming Load Growth Project.

Grant PUD's Load Growth Project support team currently includes Robynne Thaxton (formerly Parkinson) as legal advisor and Stanley Consultants to act as Owner's Representative for contract administration, project management, and technical oversight. Stanley Consultants has been in the electric utility industry for over 100 years with delivery of over 1,000 substation projects and 50,000 miles of transmission lines. They have assembled a seasoned team of experts to support this project.

Grant PUD has also retained several subject matter experts to consult on the project as needed. Scott Tomlinson with Vanir Construction Management is returning to act as a senior advisor. David Gunderson and Rick Cherf (WSU) are returning to provide high level guidance during the early structuring of the project based on their lessons learned findings from the first project.

- A project organizational chart, showing all existing or planned staff and consultant roles.

*Note: The organizational chart must show the level of involvement and main responsibilities anticipated for each position throughout the project (for example, full-time project manager). If acronyms are used, a key should be provided. (See Attachment C for an example.)*

### **See Attachment C: Load Growth Project Org Chart**

- Staff and consultant short biographies that demonstrate experience with DB contracting and projects (not complete résumés).

### **Robynne Thaxton (formerly Parkinson), JD, FDBIA: D-B Legal Counsel, Thaxton Parkinson PLLC**

Robynne is one of the leading experts in construction law and alternative procurement both in Washington State and on a national basis. She served on the National Design Build Institute of America Board of Directors from 2010 - 2016. In addition, she is a member of the DBIA National Education Committee and the former chair of the DBIA National Legal and Legislation Committee, where she continues to serve and is instrumental in drafting and revising the DBIA form Design-Build contracts and subcontracts. Robynne has been a designated Design-Build Professional since 2005 and is in the first class of Design-Build Designated Fellows. Robynne was named as a Washington Super Lawyer in 2010-2019 and is also a Fellow with the Construction Lawyers Society of America. Robynne is an instructor for the DBIA Contracts and Risk Management course as well as the Best Practices in Progressive Design-Build course. Robynne has assisted many public owners with their design-build projects. Recent representative projects include Seattle City Light's Boundary Dam re-wind and Cedar Falls substation projects, Western Washington University New Residence Hall and Consolidated Academic Support Services building, University of California San Diego Triton Pavilion, Los Angeles County Consolidated Correctional Facility project, Grant PUD's Substation Reliability Project, Port of Seattle's AUF Facility and Concourse D Hardstand projects, City of Richland's Firehouse and City Hall projects, and City of Portland's Portland Building project. Robynne has assisted both the Washington State Department of Enterprise Services and the University of California System in developing their form progressive design-build contracts.

### **Mike Muhlenhaupt, MSEE, PE, Stanley Consultants, Project Manager/Principal Electrical Engineer**

Mike has over 27 years of experience in leading and managing large and complex power delivery projects. Over the last ten years Mike has successfully managed over \$100 Million in both large and small Design Build electrical power substation and high voltage transmission line projects. Mike's responsibilities included managing the project's scope, schedule, budget, risk, quality, resources, and safety. Example projects include the Three Mile Knoll Substation (approximately \$50 million) and the Clover Substation (approximately \$42 million).

### **Chris Stoops, PMP, Stanley Consultants, Principal Project Controls**

Chris' scheduling experience includes power delivery and power generation projects. His responsibilities include developing and maintaining multiple schedules for various types of contracts. Estimating experience includes simple-cycle and combined-cycle power plants, commercial projects, educational facilities, and residential projects. As a field project engineer, Chris handles all project change orders, contracts, monthly pay requests, update of cost codes, and daily job reports. Computer skills include Primavera, MS Project, Expedition, MS Office.

### **Bill Crowell, PE, Stanley Consultants, Principal Electrical Engineer/Substation Department Manager**

Bill's professional experience includes 35 years' of electrical power engineering primarily with electric utilities and power station engineering and construction. He has worked for EPC firms designing and constructing combined-cycle power stations and substations including the Lake Side II Power Station in Vineyard, Utah, Fraser Cogeneration Project in Edmonton, Canada, Orange County Cogeneration Project in Bartow, Florida and the Pedricktown Cogeneration facility in Pedricktown, NJ. Experienced in all aspects of substation design up to 500 kV including physical layout, SCADA, Smart grid implementation, substation automation, protection and control, and high-voltage transmission line relaying. He has worked extensively with NERC requirements as they pertain to substation security. Proficient in the use of ASPEN, PSS/E, and PSLF electric system computer models. He has authored white papers on Reliability Based Transmission Planning and Statistical Methods used in Generation Production Planning. Experience also includes power plant design for both conventional and alternative energy facilities including hydroelectric, wind farms, combined-cycle plants, and wood-fired facilities.

**Matt Grylicki, PE, Stanley Consultants, Transmission Department Manager, Sr Transmission Engineer**

Matt has over 20 years of Transmission Line experience, ranging from design engineer and project engineer to project manager and program manager. He has worked on hundreds of miles of line, ranging from 69 kV thru 345 kV. As part of EPC/DB teams, he has worked as the project engineer/manager on 69/115/138/230/345 kV projects. Responsibilities included design team management, sub-consultant management (survey, geotech), environmental and ROW coordination, line routing studies, detailed design, line inspection, construction coordination and inspection. Also responsible for procurement support, including material specification, vendor calculation/drawing review, as well as vendor testing and QA/QC.

**Russ Seiler, PE, PMP, Grant PUD, Manager of Power Delivery Projects, Interim Project Manager**

Russ has 18 years of experience in engineering, design, construction, and project management including 8 years in the electric utility field. Russ served as the project manager on Grant PUD's recently completed DB project which included 8 substation sites. Russ joined the project team at the start of construction, successfully leading the team through final design, construction, testing and commissioning, and closeout. Russ lead the team by setting expectations for collaboration, transparency, continuous improvement, and safety. At the end of the project Russ coordinated a formal lessons learned process and shared the results with all project participants. As Manager of Power Delivery Projects Russ is leading a small team which is bringing a uniform, structured approach to all Power Delivery Projects. Based on lessons from their first DB experience the team is focusing on detailed up front planning, transparent communication, and respect for all parties.

**Chris Johnson, PE, Grant PUD, Substation Technical Lead**

Chris has 12 years of experience as an Electrical Engineer designing and constructing substations. His experience includes developing substation design requirements, developing substation design drawings and supporting calculations, equipment and materials acquisition, contract development and administration, and construction oversight of contractors and vendors. In addition, Chris is responsible for management of Grant PUD crews during construction and commissioning of projects and he facilitates the project close-out process. Chris will be the Technical Lead for the substation designs.

**Randall B. Kono, PE, Grant PUD, Electrical Engineer**

Randy Kono has nearly 23 years of experience in Electric Utility T&D design and construction, including 20 years as a transmission line designer and project manager. Between 2000 and 2019, he had direct design and project management responsibility for transmission, substation, and distribution projects with multiple project values exceeding \$1 million. Since 2008, as an Electrical Engineer at Grant PUD, Mr. Kono has overseen the successful design and construction of transmission projects with total costs in excess of \$80 million. His expertise includes transmission/substation/distribution engineering, contract negotiations, conflict resolution, and project management. Randy will provide technical oversight as required.

**Scott Tomlinson, CCM, Vanir Construction Management Inc., Executive Director**

Scott is a construction professional with over 35 years of experience in the industry, working on industrial, institutional, energy, transportation, wastewater, marine, and commercial projects for contractors and representing owners. With a solid background in construction law, expertise in project delivery, project/construction management, design oversight and field experience, he is highly qualified to assist clients in achieving their goals and mitigating risks on construction projects. During his career he has supported public agencies in Washington State with the development and/or refinement of front-end documents that address risks associated with complex construction projects.

Scott recently assisted Grant PUD on the Substation Reliability Project (Progressive Design-Build) from contract reviews, selection process, validation, GMP negotiations, and PM/CM assistance through final audit. He led Vanir's efforts to evaluate and comment on the design-build contract documents for the \$150 million Children's Family Justice Center Project for the King County Council and also assisted the City of Tacoma with negotiations with the developer under a lease lease/back alternative delivery approach for the Center for Urban Waters Project. Scott will assist Grant PUD on this project with contract reviews and refinement utilizing lessons learned from the Substation Reliability Project, selection process, validation, GMP negotiations, issue resolution, and PM/CM assistance through final audit.

- Provide the ***experience and role on previous DB projects*** delivered under RCW 39.10 or equivalent experience for each staff member or consultant in key positions on the proposed project. (See Attachment D for an example. The applicant shall use the abbreviations as identified in the example in the attachment.)

#### **See Attachment D: Team Experience and Role on Previous Projects**

- The qualifications of the existing or planned project manager and consultants.  
*Note: For design-build projects, you must have personnel who are independent of the design-build team, knowledgeable in the design-build process, and able to oversee and administer the contract.*

Grant PUD has put in place an experienced consultant team to support the PUD in delivering the Load Growth Project. Reference biographies above for Stanley Consultants team members as Owner's Engineer, Robynne Thaxton legal counsel, and Scott Tomlinson as senior project advisor. Also reference Attachment D for project specific experience and roles.

- If the project manager is interim until your organization has employed staff or hired a consultant as the project manager indicate whether sufficient funds are available for this purpose and how long it is anticipated the interim project manager will serve.

Russ Seiler was Grant PUD's project manager for its first DB project. As Manager of Power Delivery Projects he is temporarily serving as interim project manager for this proposed project. Grant PUD leadership has approved funding for a new full time permanent employee to act as the permanent project manager. The hiring process is under way with the final selection and onboarding process expected to be complete in approximately 6 weeks.

- A brief summary of the construction experience of your organization's project management team that is relevant to the project.

In the past 6 years, Grant PUD's engineering and project management team has successfully delivered 16 different Substation and transmission line projects. Russ, Chris, Randy, and the support staff in Power Delivery have deep experience in the planning, design, construction, and operation of electrical substations and transmission lines. This includes firsthand experience with the award winning delivery of one of the first DB projects by a Public Utility in Washington State in 2017, the \$40M Substation Reliability Project. Reference the individual biographies and project specific experience listed above for detailed information.



- A description of the controls your organization will have in place to ensure that the project is adequately managed.

Grant PUD and Stanley Consultants will implement project control procedures that address all aspects of the Project from pre-design through closeout. A Project Management Plan will be developed and implemented to define goals, the overall project management plan, authority, responsibility and communication protocols. Detailed project control procedures that address the RFQ and RFP solicitation, validation, design development and reviews, scheduling, cost control and quality assurance will be established. A Risk Register will also be developed to identify and mitigate risks throughout the Project.

Robynne Thaxton will work closely with Grant PUD and its legal counsel to ensure that RCW 39.10 requirements are followed including the governing processes for securing statements of qualifications and proposals. All public notices will have legal approval prior to publication. In addition, Robynne will be available to Grant PUD throughout the project to provide assistance and advice.

An initial project scope definition, basis of design, initial cost estimates, and project schedule will be developed in collaboration with Stanley Consultants and the Grant PUD project team. During the first phase of the project, Grant PUD and Stanley Consultants will implement design reviews, design logs and trend logs throughout the course of the engineering development to insure that the basis-of design and refinements during the validation period are secured. Grant PUD and Stanley Consultants will be the primary parties responsible for engineering reviews and quality assurance related to engineering development by the D-B Team. Field quality assurance will be a combined team effort with full time on site inspections provided by Grant PUD staff with oversight by Stanley Consultants. At the completion of the project, Grant PUD will arrange for a formal project close-out report, which will capture all pertinent project data and lessons learned.

- A brief description of your planned DB procurement process.

Grant PUD's approach will be fully compliant with RCW 39.10.330, including the newly revised statutory provisions. As with its award winning Substation Reliability Project, Grant PUD will select the Design-Builder using a progressive design-build approach which will be based largely on qualifications as outlined in RCW 39.10.330, including the "price-related factors" of the Design-Builder's overhead and profit Fee Percentage. With the PDB approach, Grant PUD will conduct a streamlined selection process in which there will be no design competition. Rather, Grant PUD will select the DB team that demonstrates that it will bring the best value to the project. The best value calculation will include the establishment of the design-builder's overhead and profit in the competitive selection environment. Grant PUD will enter into a two-phased contract with the selected design-builder. During Phase 1, the Design-Builder will work collaboratively with Grant PUD and develop a Basis of Design within the project budget and schedule constraints. The result will be a GMP Proposal that will establish the project scope, design standards, quality expectations, phasing approach and estimated cost. When Phase 1 is complete, Grant PUD will negotiate a maximum price and project schedule with the design-builder, based on proposals from the design-builder. Upon successful negotiation, Phase 2 of the contract will govern the completion of the design and construction.

- Verification that your organization has already developed (or provide your plan to develop) specific DB contract terms.

Robynne Thaxton has revised the previous contract used by Grant PUD to incorporate the lessons learned both from the Substation Reliability Project as well as the many other projects she has facilitated. She has provided a draft RFQ, RFP, and Contract that will fully meet the new statutory requirements. Consistent with previous projects, the contract terms will be typical for a progressive design-build approach and will provide Grant PUD with the flexibility to establish reasonable commercial terms and perform early construction work while managing the maximum cost of the

Project. As described above, during Phase 1, the design-builder will validate the information and the program provided by Grant PUD as well as perform site investigations. Prior to entering into Phase 2, the parties will enter into an amendment of the contract to establish the Maximum Price and Basis of Design Documents.

**7. Public Body (your organization) Construction History:**

Provide a matrix summary of your organization's construction activity for the past six years outlining project data in content and format per the attached sample provided: *(See Attachment E. The applicant shall use the abbreviations as identified in the example in the attachment.)*

- Project Number, Name, and Description
- Contracting method used
- Planned start and finish dates
- Actual start and finish dates
- Planned and actual budget amounts
- Reasons for budget or schedule overruns

**See Attachment E: Public Body Construction History**

**8. Preliminary Concepts, sketches or plans depicting the project**

To assist the PRC with understanding your proposed project, please provide a combination of up to six concepts, drawings, sketches, diagrams, or plan/section documents which best depict your project. In electronic submissions these documents must be provided in a PDF or JPEG format for easy distribution. Some examples are included in attachments E1 thru E6. At a minimum, please try to include the following:

- A overview site plan *(indicating existing structure and new structures)*
- Plan or section views which show existing vs. renovation plans particularly for areas that will remain occupied during construction.

*Note: applicant may utilize photos to further depict project issues during their presentation to the PRC*

**See Attachment F: Load Growth Project Preliminary Sketches and Plans**

**9. Resolution of Audit Findings On Previous Public Works Projects**

If your organization had audit findings on any project identified in your response to Question 7, please specify the project, briefly state those findings, and describe how your organization resolved them.

**N/A**

**10. Subcontractor Outreach**

Please describe your subcontractor outreach and how the public body will encourage small, women and minority-owned business participation.

Grant PUD does not currently have a subcontractor outreach plan. Grant PUD is aware of the requirements in RCW 39.10 regarding small, women and minority-owned businesses, and it will fully comply with the statute. In addition, progressive design-build is the best delivery method to encourage use of small, women, and minority owned businesses because the design-builder can package subcontracts to better suit smaller businesses and the selection of subcontractor and subconsultants is not limited by selection of the lowest bid, allowing more competition by small and other disadvantaged businesses.

**CAUTION TO APPLICANTS**

The definition of the project is at the applicant's discretion. The entire project, including all components, must meet the criteria of RCW 39.10.300 to be approved.

**SIGNATURE OF AUTHORIZED REPRESENTATIVE**

In submitting this application, you, as the authorized representative of your organization, understand that: (1) the PRC may request additional information about your organization, its construction history, and the proposed project; and (2) your organization is required to submit the information requested by the PRC. You agree to

submit this information in a timely manner and understand that failure to do so may delay action on your application.

PRC strongly encourages all project team members to read the Design-Build Best Practices Guidelines as developed by CPARB, and attend any relevant applicable training. If the PRC approves your request to use the DB contracting procedure, you also understand that: (1) your organization is required to participate in brief, state-sponsored surveys at the beginning and the end of your approved project; and (2) the data collected in these surveys will be used in a study by the state to evaluate the effectiveness of the DB process. You also agree that your organization will complete these surveys within the time required by CPARB.

I have carefully reviewed the information provided and attest that this is a complete, correct and true application.

Signature: 

Name: (please print) Russ Seiler (public body personnel)

Title: Manager of Power Delivery Projects

Date: 5/20/2019

Attachment A:

Not Used



**Attachment C:  
Load Growth Project Org Chart**

**ROBYNNE THAXTON, JD,  
FDBIA  
THAXTON PARKINSON, PLLC  
D-B Legal Counsel**

*10% Procurement, 5% Avg*

**SCOTT TOMLINSON, CCM  
VANIR Construction Management**

*5% Procurement, As Needed*

**GRANT COUNTY PUD**

**MITCH DELEBARRE  
Legal Counsel**

*<5%*

**JEFF GRIZZEL  
Managing Director  
Project Sponsor**

*5%*

**POWER DELIVERY  
ENGINEERING  
On Call**

*As Needed*

**RUSS SEILER, PE, PMP  
Manager of Power Delivery  
Projects**

*50% Throughout*

**TBD  
Project Manager  
(Russ Seiler Interim)**

*100% Once Filled*

**CHRIS JOHNSON, PE  
Substation Engineer**

*80% Throughout*

**RANDY KONO, PE  
Transmission Engineer**

*30% Design, 30% Const*

**SHEILA WALD  
Project Coordinator**

*75% Throughout*

**GREG CARDWELL  
Senior Project Manager,  
Construction Management**

*30% Design, 75% Const.*

**CONSTRUCTION AND  
MAINT.  
Construction Inspectors**

*10% Design, 100% Const*

**STANLEY CONSULTANTS**

**BRAD Chidester, PE  
Business Development  
Manager**

*5% As Needed*

**MIKE MUHLENHAUPT, PE  
Project Manager**

*25% to 100% As Needed*

**CHRIS STOOPS, PMP  
Project Controls Specialist**

*25% Average*

**BILL CROWELL, PE  
Principal Electrical Engineer**

*25% Average*

**MATT GRYLICKI, PE  
Senior Transmission Engineer**

*15% Average*

**Attachment D: Load Growth Project Team Experience and Role on Previous Projects**

PROJECT EXPERIENCE					Role During Project Phases		
Name	Summary of Experience	Project Names	Project Size	Project Type	Planning	Design	Construction
Mike Muhlenhaupt	Senior Project Manager with 27 Years of Utility Project Experience	Three Mile Knoll Substation	\$50M	D-B	Eng. PM	Eng. PM	Eng. PM
		Saratoga Substation	\$4M	D-B	Eng. PM	Eng. PM	Eng. PM
		Granger Substation	\$3M	D-B	Eng. PM	Eng. PM	Eng. PM
		St. George - Red Butte Transmission Line	\$18M	D-B	Eng. PM	Eng. PM	Eng. PM
		Clover Substation	\$42M	D-B	Eng. PM	Eng. PM	Eng. PM
		Cherokee County Substation	\$5.9M	D-B	Eng. PM	Eng. PM	Eng. PM
		Diamond Trail Substation	\$14.7M	D-B	Eng. PM	Eng. PM	Eng. PM
Bill Crowell	Substation Group Manager. Sr. Project Manager.	Lake Side II 345kV Substation	\$35M	D-B	Lead Elec Eng	Lead Elec Eng	Lead Elec Eng
		Fraser Cogeneration & Substation	\$70M	D-B	Lead Elec Eng	Lead Elec Eng	Lead Elec Eng
		Orange County Cogeneration	\$60M	D-B	Lead Elec Eng	Lead Elec Eng	Lead Elec Eng
		Pedricktown Cogeneration	\$60M	D-B	Lead Elec Eng	Lead Elec Eng	Lead Elec Eng
		Orrington 345kV Series Capacitor	\$15M	Self-performed	PM	PM	PM
Matt Grylicki	Manager. Sr. Project Manager.	Cedar Creek Transmission Line	\$20M	D-B	Eng. PM	Eng. PM	Eng. PM
		Route 66 Transmission Line	2.5M	D-B	Eng. PM	Eng. PM	Eng. PM
		Stephens Ranch Transmission Line	3M	D-B	Eng. PM	Eng. PM	Eng. PM
		High Plains Transmission Line	3.5M	D-B	Eng. PM	Eng. PM	Eng. PM
		Tri-County Transmission Line	2.5M	D-B	Eng. PM	Eng. PM	Eng. PM
		10 West T-Line	\$200M	D-B	Owners Eng.	Owners Eng.	Owners Eng.
		Lonestar CREZ Transmission Line	\$300M	D-B-B	Eng. PM	Eng. PM	Eng. PM
		Horse Hollow Gen-Tie	\$220M	D-B-B	Eng. PM	Eng. PM	Eng. PM
Chris Stoops	Sr. Project Controls Department Manager	CSU Nixon Dry Scrubber	\$120M	D-B-B	Owners Eng.	Owners Eng.	Owners Eng.
		Clover Substation	\$42M	D-B	Eng. PM	Eng. PM	Eng. PM
		345 kV Brookings County to Hampton Transmission Line	\$662M	D-B	Proj. Controls	Proj. Controls	Proj. Controls
		345 kV Center to Red River Valley Transmission Line	\$450M	D-B	Owners Eng.	Owners Eng.	Owners Eng.
		Diamond Trail Substation	\$14.7M	D-B	Proj. Controls	Proj. Controls	Proj. Controls
Russ Seiler	Project Manager and Engineer with 18 years of Experience	Randolph Rd Substation	\$5.2M	D-B-B	PMO Manager	PMO Manager	PMO Manager
		Mountain View Substation Phs 2	\$6M	D-B-B	PMO Manager	PMO Manager	PMO Manager
		Substation Reliability Project	\$40.0M	D-B		PM	PM
		NERC Mitigation Transmission	\$2.2M	D-B-B		PM	PM
		Microwave/Fiber Upgrade	\$40M	D-B-B	Eng	Eng	Eng

PROJECT EXPERIENCE					Role During Project Phases		
Name	Summary of Experience	Project Names	Project Size	Project Type	Planning	Design	Construction
Chris Johnson	Electrical Engineer with 12 years of Utility Design Experience	Mountain View Substation Phs 2	\$6M	D-B-B	PM/Eng	PM/Eng	PM/Eng
		Substation Reliability Project	\$40M	D-B	Eng	Eng	Eng
		Mountain View Substation Phs 1	\$9.9M	D-B-B	Eng	Eng	Eng
Randy Kono	Electrical Engineer with 23 Years Design and Project Management Experience	Rocky Ford - Dover 115kV Line	\$8.2M	D-B-B	PM	PM	PM
		Wheeler Rd 115kV Line	\$3.7M	D-B-B	PM	PM	PM
		Columbia-Rocky Ford 230kV Line	\$35.4M	D-B-B	PM	PM	PM
		Mountain View Tap 230kV Line	\$3.5M	D-B-B	PM	PM	PM
		Quincy Plains Tap 230kV Line	\$2.5M	D-B-B	PM	PM	PM
Robynne Thaxton Parkinson, DB Consultant	Design-Build consultant with over 20 years design-build experience.	University of California, San Diego Triton Pavilion Project	\$250M	Progressive DB	Consultant	As needed	As needed
		Western Washington University New Residence Hall Project	\$65 M	Progressive DB	Consultant	As needed	As needed
		WWU Academic Support Services Project	\$10 M	Progressive DB	Consultant	As needed	As needed
		Seattle City Light Cedar Falls project	\$13 million	DB	Consultant	As needed	As needed
		Seattle City Light Boundary Dam Re-wind project	\$40M	DB	Consultant	As needed	As needed
		Okanogan County PUD Enloe Dam Project	\$40M	Progressive DB	Consultant	As needed	As needed
		Seatac International Arrivals Facility	\$700M	Progressive DB	Consultant	As needed	As needed
		Seatac Auxiliary Utility Facility	\$28M	System Procurement	Consultant	As needed	As needed
		Seatac Concourse D Hardstand	\$30M	DB	Consultant	As needed	As needed
		City of Spokane Post Street Bridge	\$11M	Progressive DB	Consultant	As needed	As needed
		City of Spokane Riverfront Pavilion	\$19M	Progressive DB	Consultant	As needed	As needed
		Grant County PUD Substation Reliability Project	\$27M	Progressive DB	Consultant	As needed	As needed
		City of Richland Town Hall Project	\$12.5M	Progressive DB	Consultant	As needed	As needed
		City of Richland Fire Station \$74	\$3.2M	Progressive DB	Consultant	As needed	As needed
City of Spokane Re-fueling facility	\$14M	DB	Consultant	As needed	As needed		
City of Tacoma Cheney Stadium remodel	\$40M	DB	Consultant	As needed	As needed		
Los Angeles County Correctional Treatment Facility	\$1.2B	DB	Consultant	As needed	As needed		
City of Portland, Portland Building	\$100M	Progressive DB	Consultant	As needed	As needed		

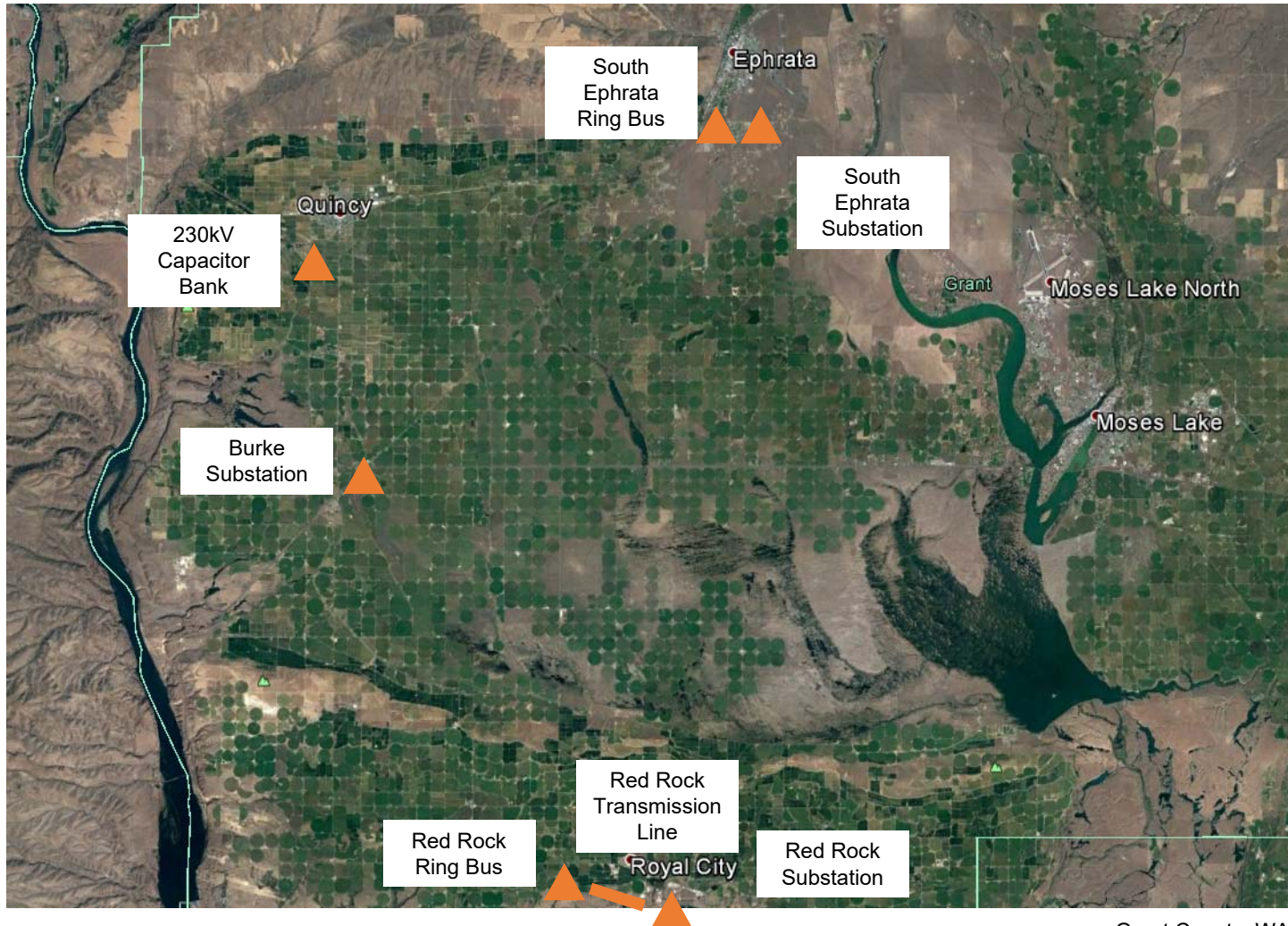


PROJECT EXPERIENCE					Role During Project Phases		
Name	Summary of Experience	Project Names	Project Size	Project Type	Planning	Design	Construction
Scott Tomlinson	Executive Director, Vanir Construction Management, Inc., Scott is a construction professional with over 35 years of experience	Boeing 40-51 Vertical Paint Booth Building	\$45M	D-B		PM/CM	PM/CM
		Children's Family Justice Center Project	\$150M	D-B	PD		
		Center for Urban Waters Project	\$35M	Lease Lease/Back	PD		
		Substation Reliability Project:	\$40M	D-B	PD	PD	PD

Attachment E: Load Growth Project Public Body Construction History

Project Number	Project Name	Project Description	Contracting Method	Planned Start	Planned Finish	Actual Start	Actual Finish	Planned Budget	Actuals	Comments
1	Substation Reliability Project	Build New or Rebuild Existing for 8 Substation Sites	D-B	Nov-15	Oct-17	Nov-15	Oct-17	\$ 38,791,710.29	\$ 40,026,609.29	See below for sites 1a through 1h.
1a	Central Ephrata	Emergency substation rebuild due to fire damage	D-B	Apr-17	Oct-17	Apr-17	Oct-17	\$ 4,633,759.44	\$ 4,391,305.44	Original budget had contingency for emergency
1b	Cloud View	New Substation	D-B	Nov-15	Jul-17	Nov-15	Sep-17	\$ 7,738,885.84	\$ 8,161,523.12	Increased site elevation and defective material
1c	Quincy Plains	New Substation	D-B	Nov-15	Jul-17	Nov-15	Jul-17	\$ 6,663,028.84	\$ 6,801,055.12	Unforeseen site conditions
1d	Coulee City	Complete Substation Rebuild	D-B	Nov-15	May-17	Nov-15	Jun-17	\$ 5,069,224.84	\$ 5,059,164.12	Schedule adjustment for winter weather
1e	Winchester	Complete Substation Rebuild	D-B	Nov-15	May-17	Nov-15	May-17	\$ 4,012,040.84	\$ 4,433,104.12	30 day schedule acceleration and transmission scope added
1f	Peninsula	Upgrade Existing Substation	D-B	Nov-15	Nov-16	Nov-15	Dec-16	\$ 2,102,254.84	\$ 2,194,328.12	Affected by Nelson road delay
1g	Babcock	Complete Substation Rebuild	D-B	Nov-15	Oct-16	Nov-15	Nov-16	\$ 5,046,786.84	\$ 5,149,180.12	Affected by Nelson road delay
1h	Nelson Road	Expand Existing Substation	D-B	Nov-15	Sep-16	Nov-15	Oct-16	\$ 3,525,728.84	\$ 3,836,949.12	Scope changes for test and commissioning
2	Mountain View Substation	Design and construction of new distribution substation	D-B-B	Jun-14	Dec-15	Jun-14	Sep-16	\$ 9,380,518.00	\$ 9,912,396.00	Changes in scope, Additional site work.
3	Rocky Ford - Dover	New 115kV Transmission Line	D-B-B	Jun-12	Dec-18	Jun-12	Dec-18	\$ 7,057,440.00	\$ 8,165,561.00	Permitting and Easement Delays. Higher than anticipated material costs.
4	Wheeler Rd Transmission Line	Rebuild existing 115kV transmission line	D-B-B	Jan-14	Jul-19	Jan-14	Ongoing	\$ 10,000,000.00	\$ 3,707,157.00	Scope Reduction - Split project into phases
5	COL-RF 230kV	Construct new 230kV Transmission Line	D-B-B	Jan-09	Dec-13	Jan-09	Apr-15	\$ 38,050,000.00	\$ 35,438,806.00	Under budget. Route determined final cost. Estimated Budget was average of 3 route alternatives. Public process for route selection and permitting delays.
6	Mountain View 230 Tap	230kV transmission Line	D-B-B	Jan-15	Dec-16	Jan-15	Nov-16	\$ 3,707,550.00	\$ 3,470,808.00	Under budget.
7	Quincy Plains Tap	New 230kV transmission line	D-B-B	Jul-15	Dec-17	Jul-15	Dec-17	\$ 2,720,000.00	\$ 2,535,790.00	Under budget.
8	West Quincy Substation	Addition of (2) Banks to an Existing (2) Bank Substation	D-B-B	Jul-13	Apr-14	Jul-13	Apr-14	\$ 6,500,000.00	\$ 4,810,000.00	Under budget. Original budget was overstated, low construction bids received
9	Warden Substation	Expand Existing Substation	D-B-B	Feb-13	May-13	Feb-13	Aug-13	\$ 3,140,000.00	\$ 3,110,000.00	Schedule slip due to other customer priority work. Customer already had interim service.
10	Randolph Substation	Added (1) Bank to Existing (1) Bank Substation	D-B-B	Jan-13	Mar-13	Jan-13	Jul-13	\$ 1,250,000.00	\$ 1,117,667.00	Undiscovered conditions required additional internal crew work scope after start of project.

## Load Growth Project Area Map



Typical Grant PUD Substation



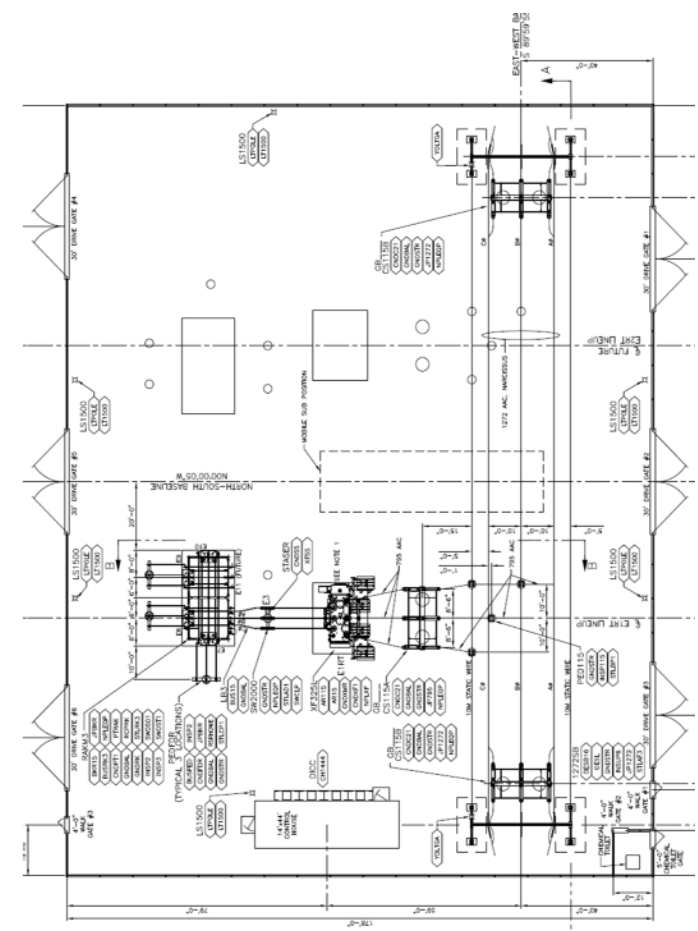
Substation Reliability Project, Cloud View Substation, Completed 2017

Red Rock Substation,  
Red Rock Ring Bus,  
Red Rock Transmission Line

**Scope**

Build a 230kV Substation Single line up with 41MVA transformer, including foundations for future expansion/2nd line up.

Not depicted: New 230kV Transmission Line to supply power to the new substation after public process to determine optimal route. New 230kV four position ring bus added to the existing Midway-Frenchmen Hills 230kV Transmission line and connecting new Transmission line to support future expansion in the Port of Royal City.

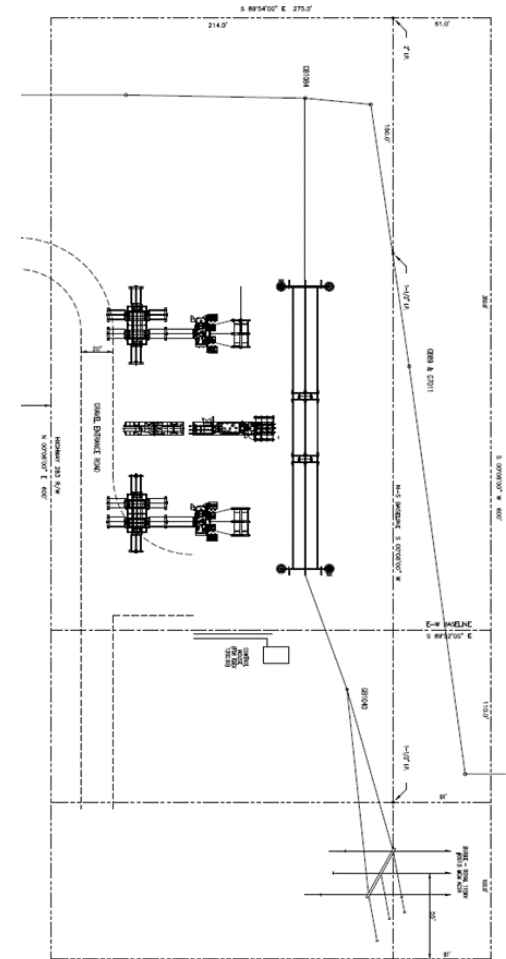
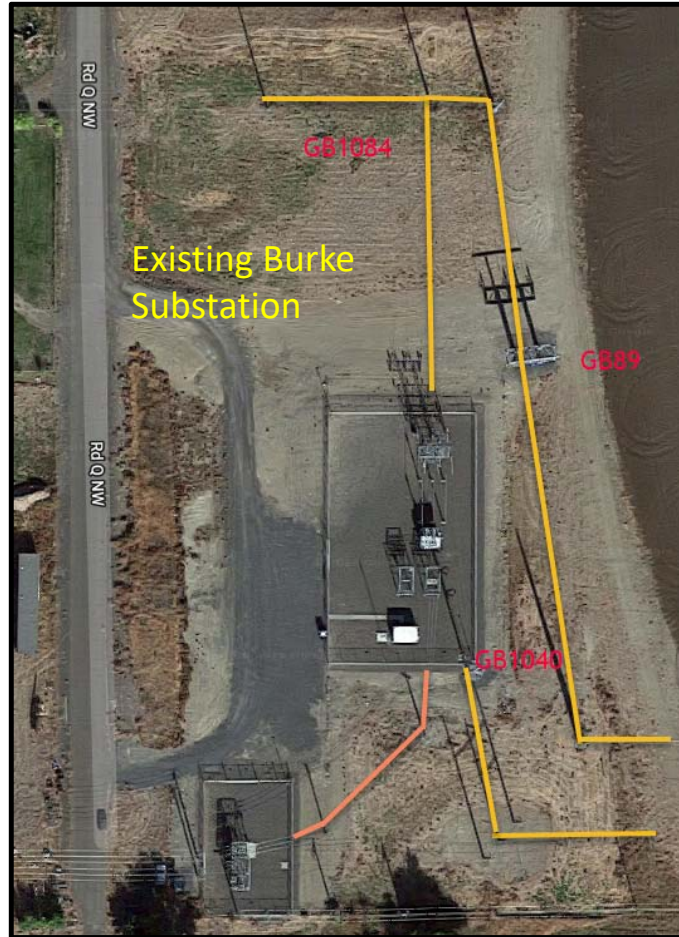


Attachment F: Load Growth Project Preliminary Plans and Sketches

## Burke Substation

### Scope

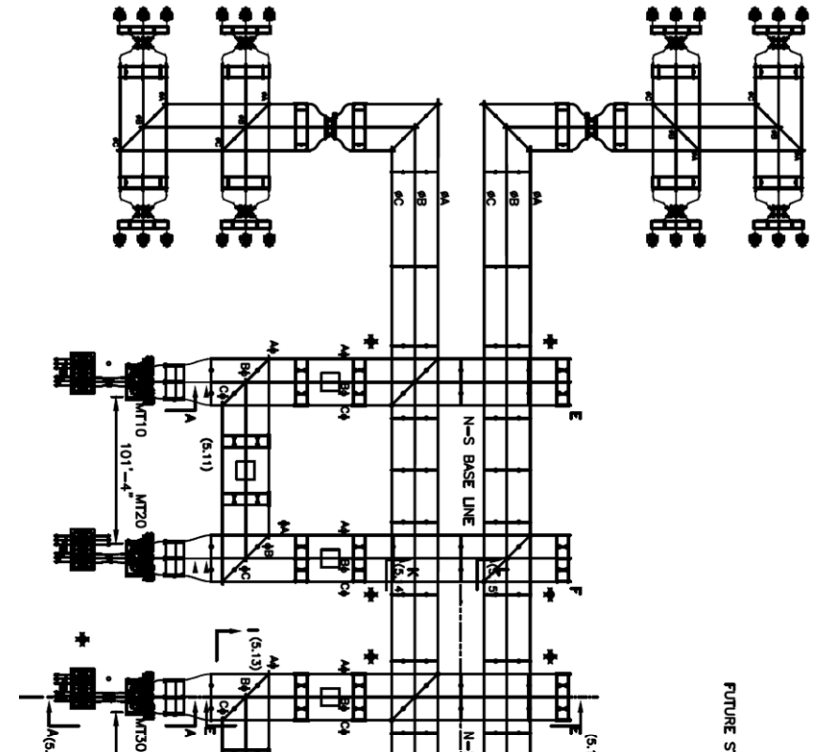
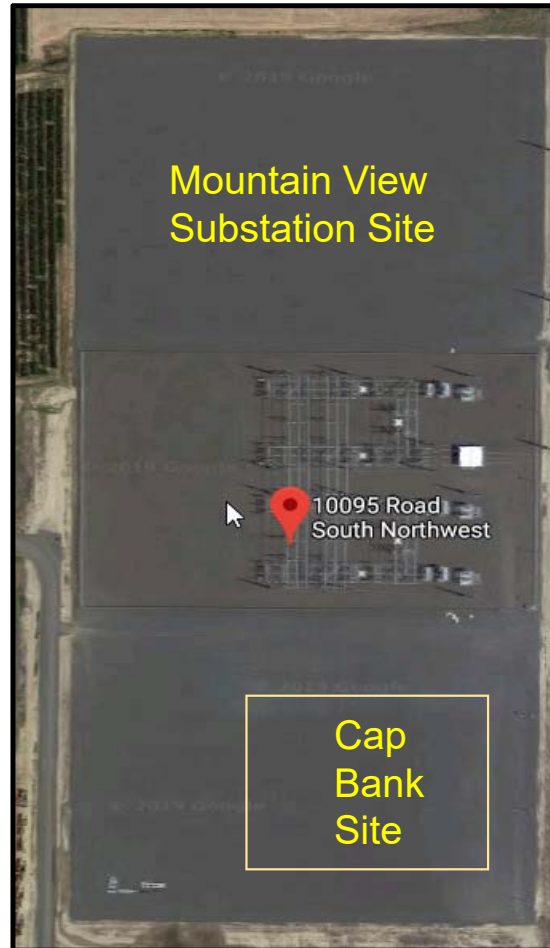
Remove the existing 1950's vintage substation and build new substation with increased capacity and enhanced reliability features to support agricultural and small commercial growth. New control building containing necessary protection, control and monitoring equipment. Expanded Substation yard with space to accommodate the new components and allow setup of a mobile transformer. In addition to rebuilding Burke substation, this project will develop and create a protective scheme by installing the necessary equipment that will allow the AL-FH 115 kV transmission line to automatically sectionalize and limit the number of customers without power for a disturbance.



## 230kV Capacitor Bank

### Scope

Add 230kV Capacitor Bank at Mountain View Substation to provide system voltage protection and enable additional load growth in the Quincy area.

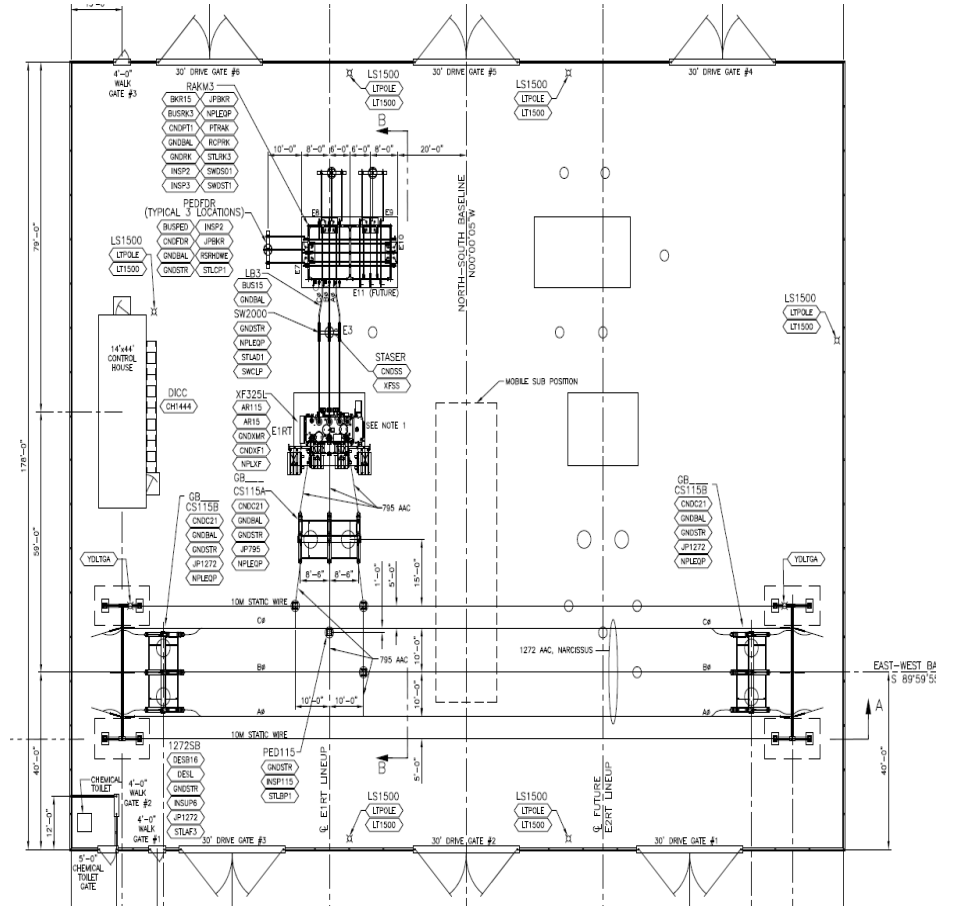
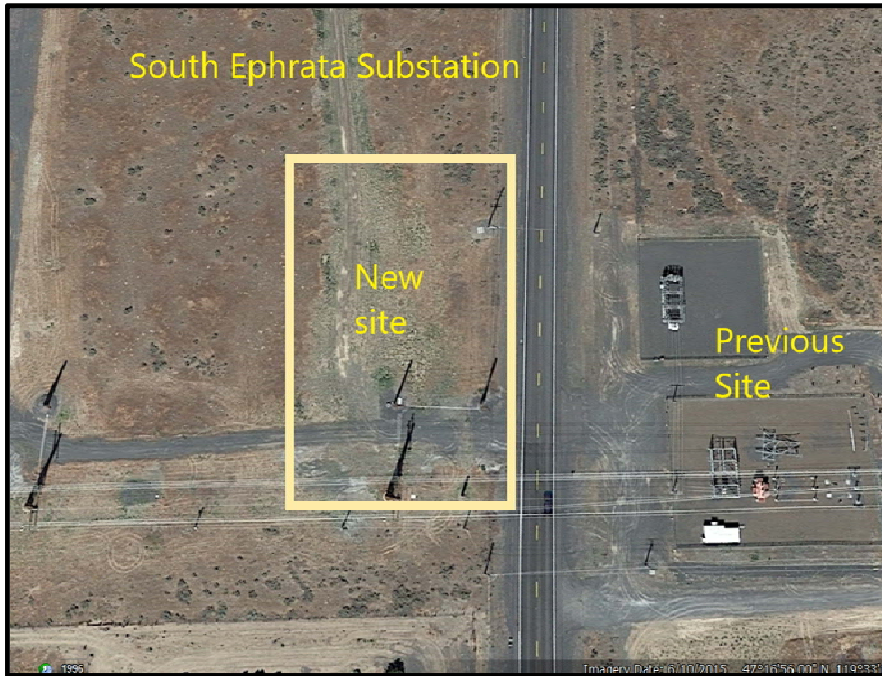


FUTURE S

# South Ephrata Substation and Ring Bus

## Scope

Build new station with control house and accommodations for mobile substation.  
 Expand current transmission with a new 3 position Ring bus yard adjacent to Distribution Substation to provide improved reliability for all customers in the Ephrata and Quincy Area and support residential load growth



Attachment F: Load Growth Project Preliminary Plans and Sketches



State of Washington  
Capital Projects Advisory Review Board (CPARB)  
PROJECT REVIEW COMMITTEE (PRC)

**PROJECT SUMMARY**  
**Public Utility District No. 2 of Grant County, Washington (“Grant PUD”)**  
**Load Growth Project**

**Project Description**

In 2017 Grant PUD successfully completed its first award winning Design-Build (DB) project which included 8 substations. Because of its success with the first DB project, Grant PUD has developed a second project with a similar structure with some changes based on its extensive “lessons learned” evaluation that was performed both internally and with the assistance of Washington State University professors David Gunderson and Rick Cherf.

The goal of the proposed Load Growth Project is to once again safely provide expedited design and construction of new electrical infrastructure in Grant County, WA. The new infrastructure is required to support continued high demand for customer growth. This demand includes new businesses and existing businesses seeking to expand. The base scope for the project includes seven sites. Beyond the base scope, Grant PUD has seven alternate sites that may be candidates to include in the Load Growth Project. It is planned that a portion (approximately 2 to 4) of these alternate sites will be included in the project as commitments with Grant PUD’s customers become firm. Grant PUD will work with the design-builder to determine which of these alternate sites can be integrated effectively into the Load Growth Project based on resources, funding, and prioritization.

**Project Funding**

The total budget for the project base scope is \$42,611,000. The anticipated budget for alternate sites is an additional \$20,000,000. The results in a total project budget of \$62,611,000 which includes the statutorily required contingency.

Grant PUD’s project funding for the Load Growth Project is included in Grant PUD’s 10 year Financial Forecast and approved in the 10 year Capital Projects Plan. Preliminary Load Growth Project spending has been adopted in Grant PUD’s 2019 budget with amounts anticipated to be included in subsequent annual budgets for 2020, 2021, and 2022 based on project milestones, the financial forecast and the Capital Plan.

**Key Project Milestones**

3/29/2019	Owner’s Engineer (Owner’s Representative) Notice to Proceed
5/20/2019	PRC Application
6/27/2019	PRC Presentation
6/27/2019	Issue Design-Builder RFQ
8/8/2019	Issue Design-Builder RFP
11/13/2019	Design-Builder Notice to Proceed
4/30/2020	30% Design, Long Lead Material, and Guaranteed Maximum Price Negotiation
6/30/2022	Final Design and Construction Complete

## **Appropriate Use of Design-Build Delivery: Savings in Project Delivery Time**

Grant PUD's current resources limit its ability to design and construct new or modified substations to approximately two per year utilizing the traditional design-bid-build project delivery. This means that the earliest date the last of the substations for this project would be completed is some time in 2024

The DB team will be able to significantly compress the traditional project schedule by starting construction while the design is being completed. The construction schedule will also be compressed, in part, because the design-builder will be able to drive early equipment selection and procure long lead items while the design is still underway. Further, the design-builder will save time and promote efficiency by building a project schedule that integrates the work on different sites in a way that makes the best use of available labor.

## **Public Benefit**

Access to electric power fuels economic growth in Grant PUD's service area. The sooner the need for new power infrastructure is addressed, the sooner economic growth can be assured to meet the needs of our industrial customers, which will ultimately benefit the community of Grant County. As Grant PUD's experience with its successful first project demonstrates, DB will meet the required delivery schedules and capture the associated fiscal benefits for the public.

## **Public Body Qualifications**

Grant PUD has a long history of successful delivery of capital projects with an average annual capital budget of \$100M. In 2017 Grant PUD successfully completed its first DB Project, the Substation Reliability Project. The project included construction of seven electrical substations with the addition of one emergency substation rebuild for a total of eight sites. The project was featured in T&D World, an international utility publication as well as the regionally published Northwest Public Power Association (NWPPA) trade magazine. The published articles highlighted the benefits of DB in an industry that has primarily utilized the design-bid-build approach. The project also received a 2018 DBIA Design-Build Merit Award in the Civil-Infrastructure-Utility category.

At the end of the Substation Reliability Project Grant PUD hired David Gunderson and Rick Cherf from Washington State University to facilitate a formal lessons learned process. The Grant PUD project team is incorporating these lessons into its approach for the coming Load Growth Project. Many of the members of the original Substation Reliability Project team will be bringing their experience to the upcoming Load Growth Project.

## **Project Team**

Grant PUD's Load Growth Project team currently includes Grant PUD staff, Robynne Thaxton (formerly Parkinson) as legal advisor and Stanley Consultants as Owner's Representative for contract administration, project management, and technical oversight. Stanley has assembled a seasoned team of experts to support this project. Grant PUD has also retained several subject matter experts to consult on the project as needed. Scott Tomlinson with Vanir Construction Management is returning to act as a senior advisor. David Gunderson and Rick Cherf (WSU) are returning to provide high level guidance during the early structuring of the project based on their lessons learned findings from the first project.