



AGENDA ITEM EXECUTIVE SUMMARY

Agenda Item:	Consider Resolution Awarding Bid to Schweitzer Engineering Laboratories Engineering Services for Replacement Generator and Line Protection Relays and Engineering Support.		
Presenter & Title:	Aaron Holton – Superintendent of Electric Services		
Date:	July 17, 2023		
Please Check Appropriate Box:			
<input checked="" type="checkbox"/>	Committee of the Whole Meeting	<input type="checkbox"/>	Special Committee of the Whole Meeting
<input checked="" type="checkbox"/>	City Council Meeting	<input type="checkbox"/>	Special City Council Meeting
<input type="checkbox"/>	Public Hearing	<input type="checkbox"/>	Other -
Associated Strategic Plan Goal/Objective: EMS II			
Estimated Cost: \$ 176,034.00	Budgeted?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Other Funding? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<i>If "Other Funding," please explain how the item will be funded:</i>			
Executive Summary:			
Bids were advertised and opened on Monday, June 19, 2023 for replacement generator and line protection relays to be used at Geneva Generation Facility.			
	Relay Price	Engineering and Support	Total
Schweitzer Engineering Laboratories	\$89,424.00	\$86,610.00	\$176,034.00
SynchoGrid, LLC	No Bid	\$72,000.00	\$72,000.00
The SynchoGrid submission was for engineering services only.			
Attachments: <i>(please list)</i>			
<ul style="list-style-type: none"> • Memo from Superintendent Holton • Resolution • Schweitzer Engineering Laboratories Bid 			
Voting Requirements:			
<i>This motion requires a simple majority of votes for passage.</i>			
<i>The Mayor may vote on three occasions: (a) when the vote of the alderpersons has resulted in a tie; (b) when one half of the alderpersons elected have voted in favor of an ordinance, resolution, or motion even though there is no tie vote; or (c) when a vote greater than a majority of the corporate authorities is required by state statute or local ordinance to adopt an ordinance, resolution, or motion.</i>			
Recommendation / Suggested Action: <i>(how the item should be listed on agenda)</i>			
Recommend resolution Awarding Bid to Schweitzer Engineering Laboratories Engineering Services for Replacement Generator and Line Protection Relays and Engineering Support in the amount of \$176,034.00.			



PUBLIC WORKS DEPARTMENT
MEMORANDUM

July 3, 2023

Memo To: Mayor Burns and Committee of the Whole
From: Aaron Holton, Superintendent of Electrical Services
Re: Recommendation for the Relay Upgrades at Geneva Generation Facility and Engineering Support.

The Geneva Electric Division operates Geneva Generation Facility (GGF) as a peaking generator and the performance of the facility saves Geneva rate payers between \$1 million and \$3 million a year in capacity savings in PJM. The Geneva Generation Facility has been in continuous operation since the facility was commissioned in 2004.

The protective relays for the generators and the line connections are original to the plant, and have also been in service since the plant was commissioned. The GE SE type relays are no longer in production. Division staff does maintain a replacement unit each for both the generator and line relay, however any failure of an installed relay would leave Geneva without a spare.

In the past, relay upgrades included specifying and engineering replacement doors, new wiring, switches and relays, along with the associated labor to remove and install the doors. Staff has researched options for replacing the relays and found that Schweitzer Engineering Laboratories (SEL) has developed a replacement relay system that utilizes the current wiring but utilizing new modern relays. With this option the City can utilize our in house labor to remove and replace the existing relays, and avoid costs associated with the construction of doors and installations. Once the relays are replaced, engineering support will be required to develop protection files and assist with commissioning support for placing the relays in service.

A Bid was posted requesting quotes on replacement relays and engineering support for the conversion using the SEL relays. Two bids were received for the bid. SEL included the purchase of the relays along with engineering support and onsite support during commissioning if needed. SynchGrid only responded for the engineering support, and offers remote support for commissioning. Due to the an characteristics of GGF

on-site support is preferred due to the integration of the relays into the automation and remote cyber security obstacles.

Staff Recommendations;

After careful and thorough review of the bids for the material, the recommendation is to **award bid to Schweitzer Engineering Laboratories Engineering Services for replacement generator and line protection relays and engineering support in the amount of \$176,034.00.**

Cc: Stephanie Dawkins, City Administrator
Ben McCready, Asst. City Administrator
Rich Babica, Director of Public Works
Jennifer Hilkemann, Manager of Distribution Construction and Maintenance
Jose Ruiz, Manager of Electric Operations

RESOLUTION NO. 2023-76

**AWARDING BID TO SCHWEITZER ENGINEERING LABORATORIES
ENGINEERING SERVICES FOR REPLACEMENT GENERATOR
AND LINE PROTECTION RELAYS AND ENGINEERING SUPPORT
IN THE AMOUNT OF \$176,034.00**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GENEVA, KANE COUNTY, ILLINOIS, as follows:

SECTION 1: That the City Administrator is hereby authorized to award, on behalf of the City of Geneva, the Bid to Schweitzer Engineering Laboratories Engineering Services for Replacement Generator and Line Protection Relays and Engineering Support in the amount of \$176,034.00, in the form attached hereto.

SECTION 2: This Resolution shall become effective from and after its passage as in accordance with law.

PASSED by the City Council of the City of Geneva, Kane County, Illinois, this 17th day of July, 2023

AYES: __ NAYS: __ ABSENT: __ ABSTAINING: __ HOLDING OFFICE: __

Approved by me this 17th day of July, 2023.

Mayor

ATTEST:

City Clerk

CITY OF GENEVA ELECTRIC DEPARTMENT
1800 SOUTH STREET
GENEVA, IL 60134

SPECIFICATIONS AND CONTRACT DOCUMENTS 23-2
GE SR RELAY REPLACEMENTS
(Material Only)

Bid Opening: 10:00 A.M. MONDAY, June 19, 2023
Bid Deposit: NOT REQUIRED
Performance Bond: NOT REQUIRED
Specifications: Attached
Return Bids To: City Administrator
City of Geneva
22 South First Street
Geneva, IL 60134

Please Mark the Return Envelope and specify the:

1. Bid Opening Date & Time
2. Title of Job

For Additional Information regarding bid, contact:

Jose Ruiz
Manager of Electric Operations
City of Geneva Electric Department
1800 South Street
Geneva, IL 60134
630-232-1503

Please submit entire document in duplicate intact.

Friday, June 2, 2023

NOTICE

DUPLICATE sealed BIDS submitted in a sealed envelope with the words " GE SR RELAY REPLACEMENTS" marked on it, will be received by the City of Geneva , Illinois, until 10:00 A.M, , Monday, June 19, 2023, at the Office of the Administrator, City of Geneva, 22 South First Street, Geneva, Illinois, 60134.

This work shall be done in accordance with the specifications of the City of Geneva.

Contractors and Subcontractors shall pay not less than the prevailing Rate of Wages as found by the Department of Labor or as are determined by the Court of Appeal , Kane County, to all laborers, workman, and mechanics performing work under the Contract. A signed certification stating the above as well as the fact that the bidder is not barred from bidding as a result of a violation of either Section 33E-3 or 33E-4 of Chapter 720, Illinois Compiled Revised Statutes, [720 ILCS 5/33E-3 and 5/33E4 (2009)].

The City reserves the right to defer acceptance of any proposal for a period not to exceed (60) days after the date bids are received.

The City of Geneva reserves the right to reject any or all bids and waive technicalities.

Bid packages can be obtained on the City's website at <https://www.geneva.il.us/bids.aspx> or by contacting Jose Ruiz, Manager of Electric Operations, City of Geneva, 1800 South Street, Geneva, IL 60134, or by calling 630-232-1503.

To be published in the Daily Herald on the following date:

Friday June 2, 2023

CITY OF GENEVA

BID PROPOSAL NO. 23-02

OPENING DATE: 06-19-2023

FOR: GE SR RELAY REPLACEMENTS

OPENING TIME: 10:00 AM

DEPARTMENT: PUBLIC WORKS

QUANTITIES

SPECIFIC QUANTITIES

~~ESTIMATED QUANTITIES~~

BID DEPOSIT REQUIREMENTS

NOT REQUIRED

~~CHECK OR BID BOND \$1000.00~~

PERFORMANCE BOND

NOT REQUIRED

~~TO BE SUBMITTED
IN AMOUNT OF
OF CONTRACT TOTAL~~

SAMPLES

NOT REQUIRED

~~TO BE SUBMITTED
WITH BID~~

DESCRIPTIVE LITERATURE & TECHNICAL DATA

NOT REQUIRED

TO BE SUBMITTED WITH BID

INSTRUCTIONS TO BIDDERS

Bids shall be submitted to the City Administrator, City of Geneva, 22 South First Street, Geneva, IL 60134.

Bids shall be in sealed envelopes clearly marked as to what the bid pertains to as well as time and date of bid opening. Return address should be on outside of bid envelope.

Bids shall be submitted in DUPLICATE to the City of Geneva.

Bids shall be received on or before the time specified at which time the bids will be publicly opened and read aloud at the office of the City Administrator. Bids received after the specified time and date will be returned to the bidder unopened.

BIDS SHALL BE SUBMITTED ON CITY OF GENEVA BID FORMS INCLUDED IN THE CONTRACT DOCUMENT (BID PACKAGE).

The manufacture or assembly of equipment shall be commenced within ten (10) calendar days after written notice to proceed and shall be completed within the time stated in the successful bidder's proposal.

The City reserves the right to consider such factors as time of completion or delivery, materials, method of construction, experience, and responsibility of the bidder and similar factors in determining which bid it deems to be in the City's best interest.

The City reserves the right to reject any or all of the bids, to waive informalities or technicalities in any bid and to accept the bid which it deems to be in the best interest of the City of Geneva.

A bid deposit will be required if indicated on the "NOTICE TO BIDDERS" form. Each bid MUST be accompanied by a Bid Bond signed by a surety company authorized to do business in Illinois, or by a cashier's check or certified check in the amount of \$1000.00. Any bid not accompanied by a required bid deposit may be rejected.

All bid deposits (except that of the lowest responsible bidder) will be returned after the lowest responsible bidder is determined by the City Council. The return of the bid deposit to the successful bidder or awardee will be contingent upon that bidder's execution of a written contract with the City.

Any bidder may withdraw his or her bid by letter or telegraphic request or, with proper identification, by personally securing the bid proposal at any time prior to the time fixed for opening of bids and provided that written confirmation of any telegraphic withdrawal over the signature of the Bidder is placed in the mail and postmarked prior to the time set for bid opening. Telephonic request to withdraw a bid will not be considered.

The City of Geneva is exempt from the Illinois Retailers Sales and Occupation Tax. An exemption certification will be furnished upon request.

Delivery of Goods F.O.B. Point- City of Geneva ELECTRIC UTILITY, 1800 South Street, Geneva, IL 60134 may be indicated in City's Purchase Order or Notice to Proceed. Should any goods be damaged during shipment, bidder shall repair or replace and damaged equipment or materials. Bidder shall negotiate on the City's behalf, at no cost to the City, with the carrier or other persons as required, to obtain compensation for such repair or replacement.

The City shall be notified 24 hours prior to any shipment of materials or equipment. Please call Jose Ruiz at (630) 232-1503 during the hours of 7:00 AM to 3:00 P.M.

All deliveries are to be made during City of Geneva Electric Utility business hours of 7:00 AM to 11:30 A.M. and 12:30 P.M. to 3:00 P.M.

Each bidder shall submit a lump sum price for material or equipment covered by the specifications, together with any prices for alternate materials or equipment or other prices or data listed in the Form of Proposal or as specified.

ESCALATION CLAUSES ARE NOT ACCEPTABLE.

The bidder may at his option, base quotes on furnishing substitutions that are equivalent of any item described, named, or specified, provided the selection meets the quality and are direct equals to the item specified. Burden of proof that proposed substitutions are equivalent, rests with the bidder.

Submit separate prices, alternate prices, or adjusted prices for materials or equipment as requested in the Form of Proposal. Bidders may in addition, submit prices for a combination of these separately priced schedules. If submitting combination quotes, bidders must submit separate schedule bids. Each schedule will be independent and subject to acceptance or rejection without alteration or qualification.

The City may award Purchase Order on basis of separate quotes or combination bids.

Prepare bids in duplicate on Form of Proposal included herewith, one copy submitted to the City, one copy to be retained by the bidder.

A legally authorized representative of bidder shall sign the bid.

Submit manufacturer's specifications and descriptive data on proposed materials.

All laborers, workers, mechanics, etc., employed in any public work under this contract shall be paid in accordance with the Prevailing Wage Rates approved by the City of Geneva, Kane County, as attached to the project specifications.

A statement certifying that the bidder is not barred from bidding on the Project Specifications as a result of a violation of either Section 33E-3 or 33E-4 of Chapter 720, Illinois Compiled Statutes [720 ILCS 5/33E-3 and 5/33E-4 (2009)]. The certificate form is attached to the Project Specifications.

Bidders must supply a self addressed, stamped envelope for bid results.

Absolutely no results will be given out over the telephone.

Questions regarding this Legal Notice, Instructions to Bidders, and Specifications should be directed to Jose Ruiz, Manager of Electric Operations, Geneva Electric Utility at (630) 232-1503.

USE FORM OF PROPOSAL INCLUDED HEREIN

CERTIFICATION OF COMPLIANCE

The undersigned hereby certifies as follows:

1. That he has the authority and consent to make this certification on behalf of the bidder,
SEL Engineering Services, Inc
(Name of Company)
2. That he has knowledge of the City of Geneva Codes pertaining to the disqualification of certain bidders.
3. That he knows that the bidder listed above is not disqualified from bidding under the aforementioned sections.
4. That he has knowledge of the City of Geneva ordinances relating to Fair Employment Practices and knows and understands the contents thereof; he certifies hereby that it is the policy of the bidder to recruit, hire, train, upgrade, promote, and discipline its employees without regard to race, creed, color, religion, age, sex, or physical or mental impairment.
5. That said bidder is not barred from bidding on the aforementioned contract as a result of a violation of Sections 33E-3 or 33E-4 of Chapter 720, Illinois Compiled Statutes, [720 ILCS 5/33E-3 and 33E-4 (2009)].
6. That pursuant to Chapter 65, Section 11-42.1-1 [65ILCS 5/11-42.1-1] of the Illinois Revised Statutes, the bidder is not delinquent in the payment of any taxes administered by the Department of Revenue.
7. That the contractor (either as an individual or company agrees to provide a drug free workplace as provided for by the "30 ILCS 580/1 et. seq."
8. That all work under this contract shall comply with the Occupational Safety and Health Act (OSHA) of 1975 as amended, and all other Federal, State, or Local statutes, rules, or regulations including all City of Geneva Safety Procedures affecting the work done under the contract.
9. That all work done under this contract shall comply with the Prevailing Wage Rate Act of the State of Illinois [820 ILCS 130/1 et. seq.] County of Kane, Illinois in effect at the time the work is performed.

10. Contractor acknowledges that the Freedom of Information Act, 5 ILCS 140/1 et seq. (the "ACT") places an obligation on the City of Geneva to produce certain records that may be in possession of the Contractor. Contractor shall comply with the record retention and documentation requirements of the Local Records Retention Act, 50 ILCS 205/1 et seq. and the Act and shall maintain all records relating to this Agreement in compliance with the Local Records Retention Act (complying in all respects as if the Contractor was, in fact, the City). Upon notice from the City, Contractor shall review its records promptly and produce to the City within two business days of said notice from the City the required documents which are responsive to a request under the Act. If additional time is necessary to comply with the request, the Contractor may request the City to extend the time to do so, and the City will, if time and a basis for extension under the Act permits, consider such extensions. In the event Contractor fails to produce the requested records or fails to produce the requested records within the time period required above and the City is assessed a fine, fee or penalty for failure to timely comply with Act do to Contractor's actions, Contractor shall reimburse City for all fines, fee or penalties, including reasonable attorney's fees, paid by the City.

By submission of this bid, I certify that the bid has been arrived at independently and has been submitted without collusion between or among any vendor of materials, supplies, equipment, or services.

Peter B. Allen
Name of Corporation, Partnership, or Proprietor

340 Office Ct, Ste D
Address

Fairview Heights IL 62208
City State Zip _

(618) 606 0209
Telephone ____

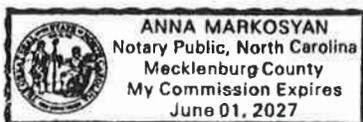
Regional Director *Peter Allen*
Authorized Signature/Title

SUBSCRIBED AND SWORN to before me

this 15th day of June, 20 23.

Anna Markosyan Notary Public

My commission expires: 06/01/2027



FORM OF PROPOSAL

Name of Bidder SEL Engineering Services, Inc _____

Address of Bidder 340 Office Ct, Ste D, Fairview Heights, IL 62208

Telephone No. of Bidder (618) 606 0209 _____

To: City Administrator

City of Geneva
22 South First Street
Geneva, IL 60134

The undersigned bidder, having examined the specifications of the following proposal, hereby proposes to provide the required labor, services, and materials described in this Form of Proposal, the Instruction to Bidders, and Specifications for the sum or sums stated hereinafter:

GE SR RELAY REPLACEMENTS SPECIFICATION

3 each SEL-751 P/N 751002B1B1B7085B300 and DRA Assembly
3 each SEL-751 P/N 751002B2A0X0X851D00 and DRA Assembly
6 each SEL-700 P/N 0700G12B1B0X7785A200 and DRA Assembly
1 lot PROGRAMMING AND COMMISSIONING SUPPORT

FURNISH AND DELIVER six (6) SEL_700G DRAs, six (6) SEL-751 DRAs, and one lot of relay settings calculations, logic, and relay setting files, and nine (9) per-diem days of on-site commissioning support. _____

AS SPECIFIED FOR THE SUM OF: 176,034.00 _____ (DOLLARS)

TO BE DELIVERED ON : _January 28 _____, 2024 _____.

Prices contained herein are firm through August 17, 2023 _____.

The undersigned bidder states that this proposal is made in conformity with the specifications and agrees that, in the event of any discrepancies between any conditions of this proposal and the specifications prepared by the City of Geneva, the provisions of the latter shall prevail.

The undersigned bidder certifies that this proposal is made in good faith, without collusion or connection with any other person or persons bidding for these services, labor and materials.

Signed by :

BIDDER: SEL Engineering Services, Inc

BY : Rajesh Arumugam _____

TITLE : Senior Engineering Manager I _____

GE SR RELAY REPLACEMENTS SPECIFICATION

PART 1- GENERAL

1.01.1 SCOPE

- A. This specification covers the design, manufacture, factory production testing programming and possible field service assistance during installation and commissioning of 6 SEL-751 and 6 SEL-700 for GE SR Relay replacement at the Geneva Generation Facility.

1.02 RELATED DOCUMENTS

- A. Drawings and general provisions of the Contract, including General and Supplementary Conditions and Division 1 Specification Sections, apply to this Section.

1.03 SUBMITTALS

- A. Submit shop drawings and product information in the quantities listed according to the Conditions of the Contract. All submittals shall be identified by purchaser name, purchaser location and purchaser's order number.
- B. Approval documents shall include:
1. Three-line diagrams
 2. Schematics
 3. Electrical bill of material
- C. Final documents shall include:
1. Documents listed in 1.3.B above
 2. Wiring diagrams
 3. Recommended spare parts list for start-up support
 4. Instruction manual
- D. Product data: Include features, characteristics and ratings of individual relays and other components.
- E. Shop drawings: Detail equipment assemblies and indicate dimensions, weights, method of field assembly, components and location and size of each field connection. Include the following:
1. Detailed wiring diagrams showing wiring for power, signal and control systems including differentiation between manufacturer-installed and field-installed wiring
 2. Factory acceptance test report if applicable.
 3. Detailed description of functionality describing the application, communication, and settings of the programmed relays.

1.04 QUALITY ASSURANCE

- A. **Manufacturer Qualifications:** The chosen manufacturer shall have at least 5 years experience in manufacturing solid dielectric type reclosers. The manufacturer of the switches shall be completely and solely responsible for the performance of the automated system.
- B. The relays will comply with requirements of the latest revisions of applicable industry standards, including:
1. IEEE C37.118
- C. The relay manufacturer shall be ISO 9001:2000 and ISO 14001:2004 certified.

1.05 DELIVERY, STORAGE, AND HANDLING

June 1, 2023

City of Geneva, IL

GE SR RELAY REPLACEMENTS

- A. Reclosers and controls shall be shipped preassembled at the factory. Field assembly shall be required with the provided Direct Replacement Assembly.

PART 2- PRODUCTS AND FUNCTION

2.01 MANUFACTURERS

- A. The SEL-700G, SEL-751 and the associated DRA manufactured by Schweitzer Engineering Laboratories or pre-approved equal. Approved manufacturers are as follows:
1. Schweitzer Engineering Laboratories
 2. -----

2.02 OPERATION

Monitoring of the circuit shall be accomplished using internal, multi-ratio current transformers. The unit shall be powered by a customer supplied 130 VDC source. An optional remote status feature shall provide the capability to remotely monitor the status of the power supply. Sequencing, tripping and overcurrent sensing shall be an automatic function of the electronic control. If a fault current is sensed on any phase, the recloser will trip all three phases.

2.03 MOUNTING

Each relay shall be mounted using an SEL DAR assembly allowing for the direct replacement of GE SR form factor. Minimal field modifications to the switch gear doors and field wiring will be allowed.

2.04 ELECTRONIC CONTROLS

- A. The microprocessor-based control shall provide a combination of functions including protection, monitoring, control and automation. Control self-checking functions shall be included. Specific operational and functional requirements are as follows.

SEL-751

1. Protection - The relay control the following protection elements.
 - a) Overcurrent
 - b) Over/Under Frequency
 - c) Harmonic Blocking
 - d) Breaker Monitoring
 - e) Breaker Failure
 - f) IEC Thermal Element
2. Human Machine Interface (HMI) - The relay control shall have the following HMI features:
 - a) Display
 - b) Programmable Pushbuttons with Two Tri-Color LEDs each
 - c) 8 Target Tri-Color LEDs (6 Programmable)
 - d) Operator Control Interface
 - e) User Configurable Labels
 - f) EIA-232 Port (Port F)

June 1, 2023

GE SR RELAY REPLACEMENTS

City of Geneva, IL

- g) Multi-Language Support
3. Hardware - The relay control shall have the following Hardware:
 - a) 3-Phase AC Current Inputs – Slot Z
 - b) Neutral AC Current Input – Slot Z
 - c) Digital Inputs (DI) – Slot A
 - d) Digital Outputs (DO) – Slot A
 - e) IRIG-B Time Code Input – Slot B
 4. Protocols - The relay control shall have the ability to communicate using the following protocols:
 - a) IEEE C37.118 Synchrophasors
 - b) Modbus RTU
 - c) SEL ASCII and Compressed ASCII
 - d) SEL Fast Meter, Fast Operate, Fast SER
 - e) SEL Fast Message
 - f) Ymodem File Transfer
 - g) SEL Mirrored Bits Communications
 - h) Event Messenger

SEL-700G

1. Protection - The relay control will have the following protection elements:
 - a) Thermal Elements
 - b) Overcurrent
 - c) Breaker Monitoring
 - d) Breaker Failure
2. Hardware - The relay control shall have the following Hardware
 - a) Digital Inputs (DI), Slot A
 - b) Digital Outputs (DO), Slot A
 - c) Multimode Fiber ST (Port 2), Slot B
 - d) IRIG-B Time-Code Input, Slot B
3. Human Machine Interface (HMI) - The relay control shall have the following HMI features

Display

 - a) 8 Programmable Pushbuttons with Two Tri-Color LEDs each
 - b) 8 Target Tri-Color LEDs (6 Programmable)
 - c) Operator-Control Interface
 - d) User-Configurable Labels
 - e) EIA-232 Port (Port F)
 - f) Multilanguage Support
4. Protocols - The relay control shall have the ability to communicate using the following protocols

June 1, 2023

GE SR RELAY REPLACEMENTS

City of Geneva, IL

- a) IEEE C37.118 Synchrophasors
- b) Modbus RTU
- c) SEL ASCII and Compressed ASCII
- d) SEL Fast Meter, Fast Operate, Fast SER
- e) SEL Fast Message
- f) Ymodem File Transfer
- g) SEL Mirrored Bits Communications
- h) Event Messenger

B. Nameplates, Ratings Labels, and Connection Diagrams

1. Each relay shall be provided with a nameplate indicating the manufacturer's name, catalog number, model number, date of manufacture, and serial number.

2.05 COMMUNICATION AND TRANSFER

A. Communication

- 1) The method of communication between the new relay controls and a SEL 3530 RTAC shall be IEC 61850 MMS GOOSE, DNP3/IP and SEL communication protocol. The medium for communication shall be CAT-5 network cable.

2.06 PROGRAMMING AND SUPPORT

A. Relay settings

1. Settings and protection schemes will be taken from existing GE SR relays.
2. Relays .rdb files will be provided for the respective relays, with correlating file names to the respective breaker cubical. This is to facilitate customer downloading protection files as needed
3. Support will be available via phone or other electronic means during commissioning and testing.

PART 3- EXECUTION**3.1 INSTALLATION**

- A. Not Applicable.

3.2 ADJUSTMENTS AND CLEANING

- A. Protective-relay settings: Set relays in accordance with the purchaser's historical relay settings and provide applicable .rdb files.

3.3 FACTORY ACCEPTANCE TESTING

- A. Standard pre-delivery QA is acceptable.

3.4 WARRANTY

- A. Equipment manufacturer shall warrant that all goods supplied are free of non-conformities in workmanship and materials for three years from date of purchase.

END OF SECTION



Proposal for City of Geneva, IL

GE SR Relays DRA Upgrade

SEL ES Project #: 031926.000.00 Rev.1 (Rev. 1)

Submitted: 16 June 2023

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All brand or product names appearing in this document are the trademark or registered trademark of their respective holders. No SEL trademarks may be used without written permission. SEL products appearing in this document may be covered by U.S. and Foreign patents.

SEL products referred to in the proposal are manufactured by Schweitzer Engineering Laboratories, Inc.

City of Geneva, IL Contact Information

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Superintendent of Electric Services
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Geneva, IL 60134
Office: +1.630.232.2503
Email: aholton@geneva.il.us

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Elk Grove Village, IL 60007
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Cell: +1.847.439.1512
Email: erik@astareg.com

Document Revision Table

Rev.	Issue Date	Notes
0	04/11/2023	Initial issue
1	06/14/2023	Changed quantities + added relay settings

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1 Scope of Services

SEL Engineering Services, Inc. (SEL ES) is providing this document in response to a DRA request for GE SR Relay replacements, dated 03 April 2023, by Erik Hanssen.

SEL direct-replacement assemblies (DRAs) are complete, preassembled retrofit kits—each designed to match the features, form-factor, and terminal block arrangement of a specific legacy relay. These assemblies combine field-proven SEL relays with specialized mounting plates, interposing terminal blocks, and other hardware to ensure quick and seamless upgrades. Each assembly is designed to fit the existing panel opening and mounting holes, minimizing the need for panel modifications. The terminal block arrangement and wiring designations closely match the prior installation, which dramatically reduces the impact on drawing sets, the likelihood of installation errors, and the time required for installation.

All SEL products are backed by a worldwide, ten-year warranty; no-charge diagnostic and repair services; and local technical support. In addition, SEL Engineering Services, Inc. (SEL ES) offers complete design, settings conversion, installation, and commissioning services—providing turnkey retrofit solutions.

Service Description	Price (USD)
Item 1 - Supply of Equipment SEL ES will provide: <ul style="list-style-type: none">- Six (6) GE 489 Direct Replacement Assembly (7250-000XX) fitted with SEL-700G Generator Protection Relay MOT: 0700G12B1B0X7785A200.- Three (3) GE 750 Direct Replacement Assembly (7250-000XX) fitted with SEL-751 Feeder Protection Relay MOT: 751002B1B1B7085B300.- Three (3) GE 750 Direct Replacement Assembly (7250-000XX) fitted with SEL-751 Feeder Protection Relay MOT: 751002B2A0X0X851D00	\$89,424.00
Item 2 (Optional) – Relay Settings Services – Fixed Fee SEL ES will provide settings calculation documentation, logic diagrams, and relay settings files (.rdb) for the following relay as part of this project. <ul style="list-style-type: none">- Six (6) SEL-700G DRA Generator Protection Relay- Six (6) SEL-751 DRA Feeder Protection Relay See Section 1.1.1 Equipment for relay specifications.	\$53,910.00
Item 3 (Optional) – On-site Commissioning – Per Diem SEL ES will provide one (1) engineer over three (3) mobilizations on a Per-Diem basis for on-site commissioning/start-up support.	\$32,700.00
Total	\$176,034.00

All quoted prices are exclusive of any sales, value-added, or similar taxes, which will be added, if applicable, at the statutory rate(s) at the time of invoicing.

1.1 Deliverables to Customer

1.1.1 Equipment

SEL ES will provide the following equipment to City of Geneva, IL (“Customer”):

- Six (6) DRA Assembly with SEL-700G Relays (0700G12B1B0X7785A200)
- Six (6) DRA Assembly with SEL-751 Relays (751002B1B1B7085B300)

1.1.2 Documentation

SEL ES will provide the following documentation to the Customer:

- Standard drawings for the DRA, which consist of one (1) conversion schematic and one (1) conversion wiring diagram for each direct assembly.
- Optional Item - Relay settings, calculation documentation, logic diagrams, and relay settings files (.rdb) – same for all six (6) SEL-700G DRA relays derived from the existing relay settings.
- Optional Item - Relay settings, calculation documentation, logic diagrams, and relay settings files (.rdb) - same for all six (6) SEL-751 DRA relays derived from the existing relay settings.

1.2 Deliverables to SEL ES

The Customer will provide the following items to SEL ES:

- An approved set of existing overall and relaying drawings for the application and relevant standards.
- Photo documentation and Customer confirmation of existing physical constraints to accommodate the DRA.
- All existing settings for the generator and feeder protection relays.
- All name plates for generators
- Existing coordination studies for the SEL-751A
- Any information required for the successful completion of the optional item (relay settings).

1.3 Change in Scope

In the event of a change in scope, the contract amount and schedule shall be equitably adjusted. The party identifying a potential change in scope will request the change of scope to the other in writing (fax, email, or letter). SEL ES will identify any budget or schedule impact and submit it for approval. SEL ES will proceed with the work as soon as SEL ES receives written approval, in accordance with established contract provisions.

2 Payment and Work Schedule

2.1 Purchase Order Instructions

We request that the Customer consider the following when issuing a Purchase Order (P.O.). This will ensure that SEL ES, Inc. is able to accept the P.O. and the project team is able to provide a timely commitment to the project schedule:

Purchase Order must be made out to SEL Engineering Services, Inc. SEL Engineering Services, Inc. represents the services and solutions provider division of Schweitzer Engineering Laboratories, Inc. (SEL).

- Purchase Order must reference SEL standard Terms and Conditions (T&Cs), or previously agreed contract T&Cs.
- Purchase amount must be for full amount of proposed project plus any selected options.
- Purchase Order can be issued to the contact(s) listed in the SEL ES Contact Information section in this proposal.

2.2 Payment Milestones

Milestone Activity	Price (USD)
1. Acceptance of Purchase Order	\$50,000.00
2. Issue of Settings (if Optional Item chosen)	\$53,910.00
3. Shipment of Equipment	\$49,424.00
4. On-site commissioning support (if Optional Item chosen)	\$32,700.00
Total	\$176,034.00

All quoted prices are exclusive of any sales, value-added, or similar taxes, which will be added, if applicable, at the statutory rate(s) at the time of invoicing.

Unless indicated otherwise in this proposal, the price does not include the cost of any payment, performance, and/or warranty security instrument.

This proposal is valid for 60 days. SEL ES reserves the right to withdraw this offer if mutually accepted credit terms cannot be agreed upon.

2.3 Payment and Credit Terms

If your company does not have established credit terms sufficient to cover this purchase, SEL ES reserves the right to require any of the following: credit information, prepayment, letter of credit, or progress payments prior to acceptance.

Work cannot be initiated until adequate credit terms have been established.

Payment Terms: Net 30 days after date of invoice.

2.4 Schedule

SEL ES will furnish a schedule for engineering, drawings for approval, manufacture, test, and shipment within one week after receipt of a purchase order and agreed upon terms.

Failure to supply requested information in a timely manner will affect the schedule and will subject the Customer to additional charges as set forth in Section 2.1. If a project is delayed or suspended, the revised project schedule will be based on present workload and staff availability.

Proposed schedules are based on present workloads and, if applicable, material and equipment deliveries. The schedule may change depending upon the start date and the impact of work that may be awarded to SEL ES between the date of this proposal and the date of the award.

Schedule is subject to acceptable payment and credit terms.

The schedule will be equitably adjusted in the event of changes in scope or in the event of delays attributable to the Customer or Customer's separate contractors, unforeseen conditions, or causes beyond the control of SEL ES.

2.5 Work Suspension

2.5.1 Demobilization and Remobilization

In the event that a delay involves a demobilization and remobilization, whether the same is due to a Customer request, a lack of information, Customer has been unresponsive for 30 days, or otherwise, SEL ES will charge and the Customer agrees to pay the greater of \$1,000 or 5% of the contract value to demobilize from the Project.

After the Project has been demobilized, SEL ES will charge and the Customer agrees to pay 2% of the contract value to remobilize the project per Customer directive and per a mutually approved schedule. If a project is remobilized, the revised project schedule will be based on present workload and staff availability.

2.5.2 Suspension of Work

Any Project delayed or demobilized beyond a reasonable period (as determined in SEL's sole discretion and including, but not limited to, the Customer being unresponsive for 30 days or the project being suspended for a period of 180 days or more) shall be treated as terminated by Customer and Customer shall be responsible for payment of all outstanding invoices, any actual costs incurred up to the date of termination, and a 20% cancellation fee on the remaining unbilled balance.

3 Clarifications and Exceptions

SEL ES developed the scope of work, schedule, and price based on the information provided to us as listed in this proposal. Should additional or changed work be required, including such work resulting from unusual conditions or for any other reasons that are not evident from the information provided, changes to the price or schedule may result.

SEL ES will assign a project manager to the project. The project manager will oversee and maintain the schedule within SEL ES. The project manager will also be the point of contact with the Customer in order to maintain a smooth flow of information.

For safety reasons, SEL ES service personnel will not plan to work more than 10 hours per day. Should job requirements dictate work hours in excess of 10 hours per day, SEL ES and the Customer must review the requirements and agree on an appropriate plan that addresses safety concerns and the reasonableness of the hardship that the excessive hours place on SEL ES personnel.

3.1 Clarifications

- Assemblies supplied as part of this proposal are standard SEL design. Special customizations or deviations from the standard assembly including relay MOT may be subject to additional cost.
- No coordination studies included. SEL ES will use existing setpoints to set the SEL-751 relays.
- Proposal does not include full-fledged P&C design and drafting. SEL ES will provide standard drawings as part of DRA equipment.
- It is assumed that the SEL-700G relays and the SEL-751 relays will be set the same. SEL ES will charge additional if the generators (for the SEL-700G relays) are different.
- Installation and point-to-point tests are not included in the on-site portion of this proposal.

3.2 Cybersecurity – Project Passwords

To maintain security during the processes of engineering, fabrication, factory tests, shipment, delivery, onsite testing, and commissioning, the electronic devices in this system are assigned project passwords. They are specific to this project and are controlled at SEL ES on a strict need-to-know basis.

As part of the final deliverables from SEL ES, the Customer will receive documentation identifying the project passwords in each of the delivered products. SEL ES recommends that the Customer change the project passwords to Customer-defined passwords upon receipt of their products.

SEL ES policy is to change passwords; however, SEL ES will follow the Customer policy regarding passwords as advised.

4 SEL ES Safety

4.1 Safety

SEL ES project procedures are designed to highlight human performance improvement (HPI) error precursors and implement tools to place barriers against hazards encountered in engineering work and in the field. HPI tools that are built into the daily work of SEL ES engineers include, but are not limited to:

- Peer-check requirements
- Questioning attitude
- Stop work
- Policy adherence
- Effective communication strategies
- Documentation of good catches and near misses
- Participation in surveys and questionnaires to obtain feedback

A dedicated change manager leads the team through cause analysis to address issues.

The safety program is comprised of four mandatory parts, as described in the following subsections.

4.1.1 SQEW Training

Employees shall complete SEL Qualified Electrical Worker (SQEW) training to work in the field. The two-day course is comprised of section competencies measured through quizzes. The second day, employees collaborate, respond to real-life scenarios encountered in the field, and teach the class their evaluation. SQEW training covers:

- National Fire Protection Association (NFPA) 70E®
- Shock and arc-flash hazards and approach boundaries
- Risk assessment
- HPI tools and applications
- Personal protective equipment (PPE), in accordance with the Occupational Safety and Health Administration (OSHA) and NFPA 70E
- Substation equipment, entry, and protocols
- Step and touch potential
- Control of hazardous energy (lockout/tagout)
- Electrically safe work conditions
- Situational awareness

- Project Safety Plan
- Daily Tailboard
- Energized Electrical Work Permit
- Stop Work Procedure
- Other electrical safety topics

4.1.2 Commissioning Qualification

SEL ES employees are required to successfully complete a three-tiered qualification program. The employee shall understand and demonstrate knowledge in each competency in the qualification document through questions, simulation, and hands-on performance.

4.1.3 SEL Field Safety Manual Training

The scope includes all SEL employees who visit customers' sites to perform work in which the job may expose them to physical, mechanical, electrical, chemical, or radiological hazards. SEL ES complies with all local, state, and federal laws, as well as with other regulations relative to the methods of performing work. The contents meet or exceed the requirements of OSHA regulations and NFPA 70E.

4.1.4 Event Reporting and Investigation

SEL ES has a robust event reporting and investigation program to collect safety data from employees when hazards or potential hazards are encountered while working. The goal is to proactively educate employees, create awareness, and put barriers against hazards in place to improve safety performance. A communication program provides information to employees regarding the good catch/near miss and allows discussion as to why they are important to safety performance.

5 Project Quality Plan

SEL maintains a documented quality system that meets the requirements of ISO 9001.

SEL ES strives to design, develop, and deliver dependable, quality solutions that exceed Customer expectations by applying the example SEL ES Project Procedure illustrated in Figure 1. The procedure and subordinate work instructions encompass a sequential, phase-gate design process that is tailored to the specific scope of the project. The primary goal is to design in quality from the beginning of the project. Time spent early on to ensure that customer project requirements and the design basis are correct saves time and effort in later phases for the customer, the project team, and others involved.

The SEL ES Project Procedure for a typical project has phases for planning, definition, development, testing/validation, commissioning, and close out. Detailed design reviews of requirements and deliverables by competent technical reviewers from SEL ES authorized reviewer lists ensure the quality of deliverables. Testing and validation processes prove the performance of the solution for the customer's application.

The customer has an important role in the process. Throughout the project, SEL ES will communicate project status and provide opportunities to define requirements, review deliverables, and provide feedback on SEL ES performance. Additionally, when customers define hold/witness points or approval requirements, SEL ES will include the requirements in its detailed project plans to guarantee compliance.

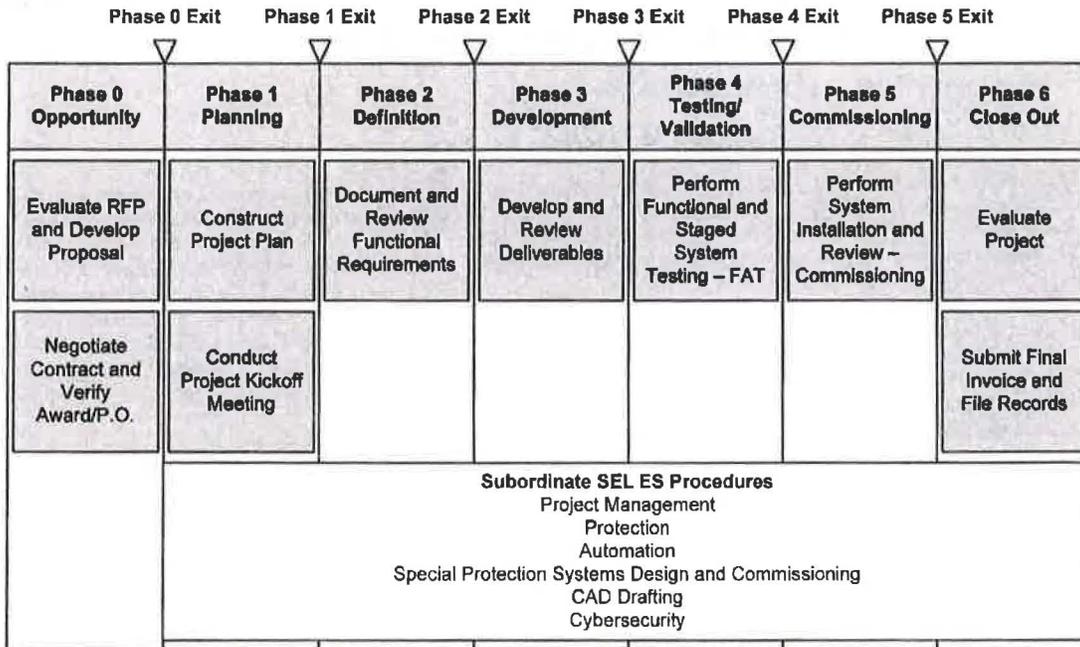


Figure 1: Example SEL ES Project Procedure Diagram

6 SEL ES Terms and Conditions

To accept this proposal and attached terms, please return this sheet, signed and dated. All purchase orders shall be issued to **SEL Engineering Services, Inc.**

City of Geneva, IL ("Customer")

SEL Engineering Services, Inc. ("SEL ES")

1800 South St.

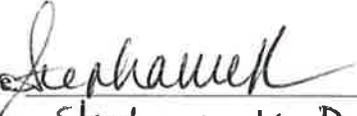
340 Office Court, Suite D

Geneva, IL 60134

Fairview Heights, IL 62208

USA

USA

Signature: 

Signature: 

Print Name: Stephanie K. Dawkins

Print Name: Peter Allen

Title: City Administrator

Title: Engineering Director

Date: July 31, 2023

Date: August 2, 2023

Contract Information (to be completed by client):

Contract Amount: \$ \$ 176,031.00

Client PO/

Reference/Contract#: 2024-00000071

Ship To Address: 1800 South St. Geneva IL 60134

Bill To Street Address: same as above

Bill To Email Address: aholtom@geneva.il.us

1. Applicable Terms and Conditions. These terms and conditions ("Terms") and the SEL Proposal constitute the entire agreement between Customer and SEL Engineering Services, Inc. ("SEL") with respect to the Project. "Project" means the project described in the attached Proposal. These Terms supersede any prior or contemporaneous, verbal or written, agreements, negotiations, commitments, representations, or correspondence between the parties, including any terms and conditions on any purchase order form. All sales are expressly limited to these Terms and are conditional on Customer's assent to these Terms. SEL hereby expressly rejects any representation, express or implied warranty, course of performance or dealing, trade usage or any different or additional terms and conditions not set forth herein unless expressly agreed to in writing and signed by an authorized officer of SEL. Any Schweitzer Engineering Laboratories, Inc. ("SEL, Inc.") products purchased in conjunction with the Project shall be subject to the then-current SEL, Inc. product sales terms, which are available at SEL's website at www.selinc.com/termsandconditions/unitedstates and incorporated herein by reference. Training provided by SEL University is governed by the SEL University Terms and Conditions posted on SEL's website at www.selinc.com/termsandconditions/seluniversity/.

2. SEL Responsibilities. SEL shall furnish the necessary engineers and technicians to provide the engineering services set forth in the Scope of Services. The professional obligations of SEL's design professionals shall be undertaken and performed in the interest and on behalf of SEL in accordance with applicable laws and regulations governing such design professionals and generally accepted engineering practices prevailing in the jurisdiction where the Project is located. Nothing contained in these Terms shall create any professional obligation or contractual relationship between the individual professionals and Customer. SEL shall assist Customer in obtaining any necessary approvals of professionally-sealed drawings, and shall assist Customer in obtaining necessary approvals from governmental authorities having jurisdiction over the Project.

3. Customer Responsibilities. Customer shall provide SEL with full information regarding the requirements for the Project, and SEL shall be entitled to rely on such information. Any tests, data of any kind or reports of Customer's other consultants or independent contractors shall be furnished with reasonable promptness and SEL shall be entitled to rely upon their sufficiency, accuracy, and completeness without further inquiry. Customer shall provide all information requested by SEL relating to the Project expeditiously and shall render decisions pertaining thereto in order to avoid delay in the orderly progress of the design and construction of the Project. Failure to comply with this requirement may result in additional costs and delays, which shall be Customer's sole responsibility. Customer will ensure that SEL's personnel or representatives are provided a safe and secure work environment at all times while they are on site to enable work to be carried out. SEL may, in addition to other rights or remedies available to it, evacuate some or all of its personnel from the site, suspend performance, and/or remotely perform or supervise work. Any such occurrence shall be considered an excusable event. Customer shall reasonably assist in any such evacuation.

4. Changes and Delays. Changes in scope or modification of Services will result in the contract amount and schedule being equitably adjusted. SEL is not obligated to proceed with any change until both parties agree upon such change in writing. SEL shall be entitled to an equitable adjustment in the

price and schedule in the event of any changes in the law or engineering standards impacting SEL's obligations or performance under this Agreement. Any order delayed at Customer's request shall be subject to the prices and Terms in effect at the time of release of such delay. Any such order delayed beyond a reasonable period (as determined in SEL's sole discretion) shall be treated as a Customer termination, and Customer shall be responsible for payment of all outstanding invoices, any actual costs incurred up to the date of termination and a 20% cancellation fee on the remaining unbilled balance. When Products are ready for shipment and shipment cannot be made due to Customer's request, SEL shall submit an invoice for such Products payable upon receipt thereof and shall store such Products on Customer's behalf. In such event, risk of loss shall pass to Customer upon moving such Products to storage, and all expenses incurred by SEL in connection with such storage, including without limitation demurrage, cost of preparation for storage, storage charges, insurance (if SEL chooses, at its sole discretion, to purchase such insurance) and handling charges, shall be payable by Customer upon submission of invoices by SEL.

5. Prices, Taxes and Payment Terms. Customer must meet the then-current SEL credit requirements to purchase on credit. Customer shall pay SEL in accordance with the agreed upon Proposal. Payments terms are net thirty (30) days from date of invoice if credit is approved. All invoices shall be deemed accurate unless Customer advises SEL in writing of an error within 10 days following receipt. If Customer advises SEL of an error, (i) any amounts corrected by SEL shall be paid within 14 days of correction or within 30 days of the original invoice date, whichever is later, and (ii) all other amounts shall be paid by Customer by the original due date. If Customer requires SEL to use a specific system or tool to process regular business transactions (e.g. invoices, shipment notifications, purchase orders), SEL may charge Customer for any transaction, setup or subscription fees charged to use the system or tool. SEL may suspend work or cancel any outstanding order if Customer fails to make a payment when due and until such payment is made and may impose a late charge of 1.5% per month or the highest applicable rate allowed by law on all amounts not paid when due. SEL shall not be liable for any liquidated damages if SEL suspends work due to the Customer's late payment or credit issues. If an order is cancelled because of credit issues or late payments, SEL shall be entitled to receive payment of all outstanding invoices, any actual costs incurred to date, and a 20% cancellation fee on the remaining unbilled balance ("Cancellation Charges"). Prices are exclusive of any taxes. If Customer claims a tax or other exemption or direct payment permit, Customer will provide a valid exemption certificate or permit prior to invoicing and will indemnify, defend and hold SEL harmless from any taxes, costs and penalties arising from the same. If Buyer does not provide a valid exemption certification or permit prior to invoicing, Buyer shall be responsible for paying or seeking reimbursement for the taxes invoiced. Any payment made by Customer may be applied to amounts due before being applied to current orders, at SEL's sole discretion. Notwithstanding the foregoing, Customer's failure to pay amounts due shall be deemed a material breach of these Terms, and any acceptance by SEL of late payments shall not be deemed a waiver of such breach. To the extent allowed by law, SEL shall be entitled to recover all costs incurred in collecting amounts due from Customer, including without limitation legal fees and other costs (including without limitation disbursements).

6. Intellectual Property. SEL retains all its intellectual property rights. All documents, designs, drawings, plans, specifications, and other work product (collectively "Work Product") prepared by SEL in performing the Project shall not be deemed "works made for hire" for Customer. To the extent that any such Work Product prepared by SEL while performing the Project is integrated into the Project, SEL hereby grants Customer a perpetual, worldwide, non-exclusive, non-transferable, personal, revocable, limited license to use, copy and modify such Work Product for internal business purposes only. SEL's Work Product and/or designs for other projects shall not be used for any purpose except the applicable Project without first obtaining SEL's written consent. Customer agrees to indemnify, defend and hold harmless SEL and all related parties from and against any unauthorized use or reuse of Work Product furnished by SEL, and any changes made by Customer or others relating to design documents produced by SEL.

7. Use of Confidential Information. In the performance of the Project and/or these Terms, a party may receive documents, materials, data and other confidential information of the other party or its affiliates. The receiving party shall use confidential information solely in performance of the Project and any resulting business transaction between the parties. The receiving party shall use at least the same degree of care (and, in any event, not less than a reasonable degree of care) in protecting the disclosing party's confidential information as it exercises in protecting its own similar confidential information. Confidential information shall be subject to these Terms for three (3) years following receipt of such confidential information. Confidentiality obligations shall survive the termination of these Terms.

8. Warranties and Limitation of Liability. SEL shall perform the Project in a manner consistent with the degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances. SEL shall reperform (or, at SEL's option, pay a third party to reperform) any defective services at no cost upon receipt of notice detailing the defect(s) within one (1) year of performance of the original services. TO THE MAXIMUM EXTENT PERMITTED BY LAW, THIS WARRANTY SHALL BE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, WHETHER STATUTORY, EXPRESS, VERBAL, OR IMPLIED (INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE AND WARRANTIES ARISING FROM COURSE OF DEALING OR PERFORMANCE OR USAGE OF TRADE). In no event, whether as a result of breach of contract, indemnity, warranty, tort (including negligence), strict liability or otherwise, shall SEL liability to Customer or its insurers for any (i) loss or damage exceed the contract price or (ii) if Customer places multiple order(s) under the contract, the price of each particular order for all claims arising from or related to that order, and any liability shall terminate at a reasonable time, not to exceed one (1) year, after provision of services. No claim, regardless of form, arising from these Terms may be brought more than one (1) year from the date such claim accrues. Claims against SEL are hereby agreed to have accrued not later than the completion of the Project, notwithstanding any laws to the contrary. In no event, whether as a result of breach of contract, indemnity, warranty, tort (including negligence), strict liability or otherwise, shall SEL be liable for any special, incidental, consequential or punitive damages, including without limitation any loss of profit or revenues, loss of use of associated equipment, damage to associated equipment, cost of capital, cost of substitute products, facilities, services or replacement power, downtime costs or claims of Customer's customers for such damages. Customer shall indemnify, defend and hold harmless SEL and all related parties from and against any claims, demands, causes of action, losses, costs and expenses, including without limitation legal fees and other costs, arising directly or indirectly from, as a result of or in connection with the acts or omissions of Customer, its officers, employees, agents or representatives, relating to the Project and/or these Terms, including without limitation any defect or failure or alleged defect or failure in or of any Customer product or operation. Remedies are limited to those set forth in these Terms.

9. Termination. Customer may terminate these Terms upon ten (10) business days written notice to SEL in the event the Project is abandoned or otherwise terminated prior to completion. If such termination occurs, Customer shall pay SEL for Cancellation Charges. Customer may terminate the Project if SEL defaults or persistently fails or neglects to perform services in accordance with these Terms. However, such termination is permitted only

if Customer provides written notice setting forth the default and SEL fails to begin to correct the default within ten (10) business days after receipt of such notice.

10. Dispute Resolution. The laws of the State of Washington, United States of America, excluding conflict of laws principles, shall govern these Terms. Any controversy or claim arising out of or relating to these Terms or the breach thereof shall be settled by binding arbitration administered by the American Arbitration Association in accordance with the Procedures for Large, Complex Commercial Disputes under the Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The place of arbitration shall be Seattle, Washington, United States or another location agreed upon by the parties. The language of the arbitration shall be English. The prevailing party to any dispute shall be entitled to recover legal fees and other costs (including without limitation disbursements, collection costs and the allocated cost of in-house counsel).

11. Insurance. SEL shall maintain for its protection the following insurance coverage: (i) Worker's Compensation, Employer's Liability and other statutory insurance required by law with respect to work related injuries or disease of employees of SEL in such form(s) and amount(s) as required by applicable laws; (ii) Automobile Liability insurance with a combined single limit of \$1,000,000 per occurrence; and (iii) Commercial General Liability or Public Liability insurance for bodily injury and property damage with a combined single limit of \$2,000,000 per occurrence, \$4,000,000 annual aggregate. Upon request, SEL will provide a certificate of insurance reflecting such coverage.

12. Export. Customer acknowledges that all commodities, software, or technology (collectively "Items") provided by SEL are subject to US export jurisdiction and agrees to comply with all applicable import and export laws, rules, and regulations regarding the transfer of any such Items, including but not limited to, the US Export Administration Regulations 15 C.F.R. Parts 730-774. Customer shall obtain prior authorization from the U.S. Department of Commerce or any other applicable government entities prior to the export, re-export, transfer, diversion, or disclosure any Items provided hereunder, or any direct product thereof, to any destination, end-use or end-user which is restricted or prohibited by US or other applicable laws. Customer also agrees to comply with US anti-boycott laws and regulations when exporting Items.

13. Miscellaneous. Any notice pursuant to these Terms shall be deemed given when sent by registered mail, certified mail (return receipt requested), or overnight delivery to an authorized officer at the address listed on the SEL sales order acknowledgment or, if no such address is provided, at the registered headquarters of the other party, or when faxed to 1-509-336-7920 or emailed to legal@selinc.com (receipt confirmed). All rights and duties hereunder shall be for the sole and exclusive benefit of Customer and SEL and not for the benefit of any other party. The assignment or transfer by Customer of any rights or duties hereunder without prior written consent of an authorized officer of SEL shall not relieve Customer of any obligations to SEL. SEL may perform its obligations hereunder personally or through one or more of its affiliates, although SEL shall nonetheless be solely responsible for the performance of its affiliates. SEL may assign or novate its rights and obligations under the Contract, in whole or in part, to any of its affiliates or may assign accounts receivable to any party without Customer's consent. Customer agrees to execute any documents necessary to complete Seller's assignment or novation. SEL may subcontract portions of the work so long as SEL remains responsible for the work. Customer shall notify SEL immediately upon any change in ownership of more than fifty percent (50%) of Customer's voting rights or of any controlling interest in Customer. No failure or delay by either party in exercising any right or remedy, or insisting upon strict compliance by the other party with any obligation in these Terms, shall constitute a waiver of any right thereafter to demand exact compliance with these Terms. The invalidity, in whole or in part, of any provision in these Terms shall not affect the remainder of such provision or any other provision and, where possible, shall be replaced by a valid provision that effects as close as possible the intent of the invalid provision. No party shall be liable for failure to perform or delay in performance of any obligation under these Terms (except payments of amounts already due and owing) where such failure or delay results from any events beyond its reasonable control.