



# Public Service Commission

## State of North Dakota

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### COMMISSIONERS

Brian Kroshus  
Julie Fedorchak  
Randy Christmann

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Bismarck, North Dakota 58505-0480  
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May 17, 2019

David Hessler  
Hessler Associates, Inc.  
1012 W Las Colinas Dr.  
St. George, UT 84790

Re: Case No. PU-19-28  
Ruso Wind Partners, L.L.C.  
Ruso Wind Project – Ward and McLean Counties  
Siting Application

Dear Mr. Hessler:

At its regular meeting on May 15, 2019, the North Dakota Public Service Commission approved a motion to execute a contract with Hessler Associates, Inc. for consulting services for the above referenced case.

A copy of the Commission motion and contract are enclosed.

Best Regards,

A handwritten signature in cursive script that reads "Patrick Fahn".

Patrick Fahn, Director  
Public Utilities Division

Enclosures

**APPROVED**

DATE MAY 15, 2019

STATE OF NORTH DAKOTA

  
PUBLIC SERVICE COMMISSION

**MOTION**

**May 15, 2019**



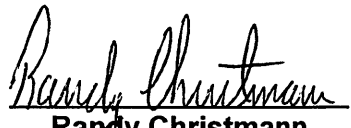
**Ruso Wind Partners, LLC  
Ruso Wind Project - Ward County  
Siting Application**

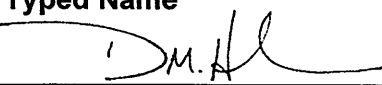
**Case No. PU-19-28**

I move the Commission execute Contract Number PU-819-19-EE with Hessler Associates, Inc for consulting services in Ruso Wind Partners, LLC, Ruso Wind Project, Ward County, Siting Application, Case No. PU-19-28.

JRL

**CONTRACT NUMBER PU-819-19-EE**

<b>Administrator:</b>	State of North Dakota Public Service Commission State Capitol - 12th Floor Bismarck, ND 58505-0480 (701) 328-2400	
<b>Date:</b>	05-15-2019	
		
<b>Julie Fedorchak</b> Commissioner	<b>Brian Kroshus</b> Chairman	<b>Randy Christmann</b> Commissioner

<b>Contractor</b>		
<i>Hessler Associates, Inc.</i>		
<b>Name</b>		
1012 W Las Colinas Dr.,	St. George, UT 84790	703 303-0341
<b>Address</b>	<b>City/State/Zip</b>	<b>Phone</b>
David Hessler		Principal
<b>Typed Name</b>		<b>Title</b>
		5/10/19
<b>Signature</b>		<b>Date</b>

<b>Agreement Information</b>	
Case No.	PU-19-028
Contract No.:	PU-819-19-EE
Start Date:	Upon execution
End Date:	12/31/2019
Program Title:	N/A
<b>Type of Contract:</b>	<input checked="" type="checkbox"/> Fixed Price <input type="checkbox"/> Cost Reimb. <input type="checkbox"/> Unit Price <input type="checkbox"/> Other

<b>Budget Information</b>	
Cost Center:	7800
Consulting Services:	
Optional on-site review:	N/A
Expenses:	\$2,700 plus \$500 for telephone appearance, or \$9,748 if in-person appearance required.
ID	Case No. PU-19-028
<b>Type of Contractor:</b>	<input type="checkbox"/> Individual <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Public Agency <input type="checkbox"/> Nonprofit Organization <input type="checkbox"/> Other

**PURCHASE OF SERVICE CONTRACT**

The parties to this contract are the State of North Dakota, acting through its North Dakota Public Service Commission, Public Utilities Division (STATE) and Hessler Associates, Inc., 1012 W Las Colinas Dr., St. George, UT 84790 (CONTRACTOR).

**1. SCOPE OF WORK**

CONTRACTOR, in exchange for the compensation paid by STATE under this Contract, agrees to provide the services enumerated below. CONTRACTOR shall be registered with the North Dakota Secretary of State and the North Dakota State Procurement Office prior to Contract execution.

**Background Information**

The North Dakota Energy Conversion and Transmission Facility Act (North Dakota Century Code chapter 49-22) authorizes the STATE to determine that the location, construction, and operation of jurisdictional energy conversion and transmission facilities will produce minimal adverse effects on the environment and the welfare of the citizens of North Dakota. STATE reviews and evaluates permit or certificate applications to ensure that projects are constructed in compliance with the siting laws (North Dakota Century Code chapter 49-22), siting rules (North Dakota Administrative Code article 69-06), and applicable Commission Orders. The STATE is currently contracting for review and evaluation of the sound analysis filed by the applicant in the following case:

Case No. PU-19-28  
Ruso Wind Partners, LLC  
Ruso Wind Project – Ward and McLean Counties  
Siting Application

**Scope of Work**

CONTRACTOR shall review and evaluate the adequacy of the sound analysis used to address the Commission's avoidance area siting criteria that a wind energy conversion facility site must not include a geographic area where, due to operation of the facility, the sound levels within 100 feet of an inhabited residence or community building will exceed fifty dBA. CONTRACTOR shall consider and review, and comment on, any testimony relevant to sound levels filed by or on behalf of the Applicant.

CONTRACTOR shall submit the results of the review and evaluation as a written report or written testimony, as directed by the Commission. Contractor may need to appear, testify, and be subject to cross examination at the public hearing on this matter. Appearance may be in person or via telephone at the discretion of the Commission.

All reports and testimony must be approved and signed by the following lead Project Manager responsible for this project:

David M. Hessler  
Hessler Associates, Inc.  
1012 W Las Colinas Dr.  
St. George, UT 84790

The written negotiated proposal provided by CONTRACTOR is attached to and incorporated into this agreement.

## **2. COMPENSATION**

### **Contractual Amount**

STATE shall pay for the accepted services provided by CONTRACTOR under this Contract an amount not to exceed \$2,700 for preparation of report/testimony, \$3,200 if appearing via telephone or \$9,748 if an in-person appearance is required.

The Contractual Amount is firm for the duration of the Contract and constitutes the entire compensation due CONTRACTOR for performance of its obligations under this Contract, unless amended, regardless of this difficulty, materials, or equipment required, including fees, licenses, overhead, profit and all other direct and indirect costs incurred by CONTRACTOR, except as provided by an amendment to this Contract.

CONTRACTOR agrees to invoice STATE for amounts not to exceed \$2,700 for preparation of report/testimony, \$3,200 if appearing via telephone or \$9,748 if an in-person appearance is required

### **Payment**

1. Payment made in accordance with this Compensation section constitutes payment in full for the services and work performed and the deliverables and work(s) provided under this Contract and CONTRACTOR will not receive any additional compensation hereunder.
2. STATE will make every attempt to make payment under this Contract within thirty (30) calendar days after receipt of an approved invoice.
3. Payment of an invoice by STATE will not prejudice STATE's right to object to or question that or any other invoice or matter in relation to this contract. CONTRACTOR's invoice will be subject to reduction for amounts included in any invoice or payment made which are determined by STATE, on the basis of audits conducted in accordance with the terms of this Contract, not to constitute allowable costs. At STATE's sole discretion, all payments shall be subject to reduction for amounts equal to prior overpayments to CONTRACTOR.
4. For any amounts that are or will become due and payable to STATE by CONTRACTOR, STATE reserves the right to deduct the amount owed from the payments that are or will become due and payable to CONTRACTOR under this Contract.

### **Travel**

CONTRACTOR acknowledges travel costs are included in the Contractual Amount and may not invoice STATE for travel costs.

### **Prepayment**

STATE will not make any advance payments before full performance by CONTRACTOR under this Contract.

### **Payment of Taxes by STATE**

STATE is not responsible for and will not pay local, state, or federal taxes. STATE sales tax exemption number is E-2001, and certificates will be furnished upon request by the purchasing agency.

### **Taxpayer ID**

CONTRACTOR shall provide STATE with its federal employer ID number and North Dakota tax ID number upon request.

### **Purchasing Card**

STATE may make a payment using a government credit card. CONTRACTOR will accept a government credit card without passing the processing fees for the government credit card back to STATE.

## **3. TERM OF CONTRACT**

This Contract begins upon execution by both parties and ends on December 31, 2019.

### **No Automatic Renewal**

This Contract will not automatically renew.

### **Extension Option**

STATE reserves the right to extend the Contract up to three times for an additional period of time not to exceed 12 months per extension.

### **Renewal Option**

STATE may renew this Contract upon satisfactory completion of the initial Contract term. STATE reserves the right to execute up to three options to renew this Contract under the same terms and conditions for a period of twelve months each.

## **4. TIME IS OF THE ESSENCE**

CONTRACTOR hereby acknowledges that time is of the essence for performance under this Contract unless otherwise agreed to in writing by the parties.

## **5. TERMINATION OF CONTRACT**

### **Termination by Mutual Agreement**

This Contract may be terminated by mutual consent of both parties, executed in writing.

### **Termination without Cause**

STATE may terminate this Contract in whole or in part when it has determined that continuing the Contract is no longer necessary or would not produce beneficial results commensurate with the further expenditure of public funds.

### **Termination for Lack of Funding or Authority**

STATE by written notice to CONTRACTOR, may terminate the whole or any part of this Contract under any of the following conditions:

- 1) If funding from federal, state, or other sources is not obtained and continued at levels sufficient to allow for purchase of the services or supplies in the indicated quantities or term.
- 2) If federal or state laws or rules are modified or interpreted in a way that the services are no longer allowable or appropriate for purchase under this Contract or are no longer eligible for the funding proposed for payments authorized by this Contract.
- 3) If any license, permit, or certificate required by law or rule, or by the terms of this Contract, is for any reason denied, revoked, suspended, or not renewed.

Termination of this Contract under this subsection is without prejudice to any obligations or liabilities of either party already accrued prior to termination.

### **Termination for Cause**

STATE may terminate this Contract effective upon delivery of written notice to CONTRACTOR, or any later date stated in the notice:

- 1) If CONTRACTOR fails to provide services required by this Contract within the time specified or any extension agreed to by STATE; or
- 2) If CONTRACTOR fails to perform any of the other provisions of this Contract, or so fails to pursue the work as to endanger performance of this Contract in accordance with its terms.

The rights and remedies of STATE provided in this subsection are not exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

## **6. FORCE MAJEURE**

Neither party shall be held responsible for delay or default caused by fire, flood, riot, acts of God or war if the event is beyond the party's reasonable control and the affected party gives notice to the other party immediately upon occurrence of the event causing the delay or default or that is reasonably expected to cause a delay or default.

## **7. INDEMNITY**

CONTRACTOR agrees to defend, indemnify, and hold harmless the state of North Dakota, its agencies, officers and employees (STATE), from and against claims based on the vicarious liability of the STATE or its agents, but not against claims based on the

STATE's contributory negligence, comparative and/or contributory negligence or fault, sole negligence, or intentional misconduct. The legal defense provided by CONTRACTOR to the STATE under this provision shall be free of any conflicts of interest, even if retention of separate legal counsel for the STATE is necessary. An attorney appointed to represent the STATE shall first qualify as and be appointed by the North Dakota Attorney General as a Special Assistant Attorney General as required under North Dakota Century Code section 54-12-08. CONTRACTOR also agrees to defend, indemnify, and hold the STATE harmless for all costs, expenses, and attorneys' fees incurred if the STATE prevails in an action against CONTRACTOR in establishing and litigating the indemnification coverage provided herein. This obligation continues after the termination of this agreement.

## **8. INSURANCE**

CONTRACTOR shall secure and keep in force during the term of this agreement and CONTRACTOR shall require from all subcontractors, prior to commencement of an agreement between Contractor and the subcontractor, to secure and keep in force during the term of this agreement, from insurance companies, government self-insurance pools or government self-retention funds, authorized to do business in North Dakota, the following insurance coverages:

- 1) Commercial general liability, including premises or operations, Contractual, and products or completed operations coverages (if applicable), with minimum liability limits of \$250,000 per person and \$1,000,000 per occurrence.
- 2) Automobile liability, including Owned (if any), Hired, and Non-Owned automobiles, with minimum liability limits of \$250,000 per person and \$1,000,000 per occurrence.
- 3) Workers compensation coverage meeting all statutory requirements. The policy must provide coverage for all states of operation that apply to the performance of this Contract.
- 4) Employer's liability or "stop gap" insurance of not less than \$1,000,000 as an endorsement on the workers compensation or commercial general liability insurance.

The insurance coverages listed above must meet the following additional requirements:

- 1) Any deductible or self-insured retention amount or other similar obligation under the policies is the sole responsibility of CONTRACTOR. The amount of any deductible or self-retention is subject to approval by the STATE.
- 2) This insurance may be in policy or policies of insurance, primary and excess, including the so-called umbrella or catastrophe form and must be placed with insurers rated "A-" or better by A.M. Best Company, Inc., provided any excess policy follows form for coverage. Less than an "A-" rating must be approved by the STATE. The policies must be in form and terms approved by the STATE.
- 3) The duty to defend, indemnify, and hold harmless the STATE under this agreement is not limited by the insurance required in this agreement.

- 4) The State of North Dakota and its agencies, officers, and employees (STATE) shall be endorsed on the commercial general liability policy, including any excess policies (to the extent applicable), as additional insured. The STATE shall have all the benefits, rights and coverages of an additional insured under these policies that may not be limited to the minimum limits of insurance required by this agreement or by the Contractual indemnity obligations of CONTRACTOR.
- 5) The insurance required in this agreement, through a policy or endorsement, must include:
  - a) "Waiver of Subrogation" waiving any right to recovery the insurance company may have against the STATE;
  - b) a provision that CONTRACTOR'S insurance coverage is primary (i.e. pay first) as respects any insurance, self-insurance or self-retention maintained by the STATE and that any insurance, self-insurance or self-retention maintained by the STATE is in excess of the CONTRACTOR'S insurance and does not contribute with it;
  - c) cross liability/severability of interest for all policies and endorsements;
  - d) The legal defense provided to the STATE under the policy and any endorsements must be free of any conflicts of interest, even if retention of separate legal counsel for the STATE is necessary;
  - e) The insolvency or bankruptcy of the insured CONTRACTOR does not release the insurer from payment under the policy, even when such insolvency or bankruptcy prevents the insured CONTRACTOR from meeting the retention limit under the policy.
- 6) CONTRACTOR shall furnish a certificate of insurance to the undersigned STATE representative prior to commencement of this agreement. All endorsements must be provided as soon as practicable.
- 7) Failure to provide insurance as required in this agreement is a material breach of Contract entitling the STATE to terminate this agreement immediately.
- 8) CONTRACTOR shall provide at least 30-day notice of any cancellation or material change to these policies or endorsements.

## **9. WORKS FOR HIRE**

CONTRACTOR acknowledges that all work(s) under this Contract is "work(s) for hire" within the meaning of the United States Copyright Act (Title 17 United States Code) and hereby assigns to STATE all rights and interests CONTRACTOR may have in the work(s) it prepares under this Contract, including any right to derivative use of the work(s). All software and related materials developed by CONTRACTOR in performance of this Contract for STATE is the sole property of STATE, and CONTRACTOR hereby assigns and transfers all its right, title, and interest therein to STATE. CONTRACTOR shall execute all necessary documents to enable STATE to protect STATE's intellectual property rights under this section.

## **10. WORK PRODUCT**

All work product, equipment or materials created or purchased under this Contract belong to STATE and must be delivered to STATE at STATE'S request upon termination of this Contract.

## **11. NOTICE**

All notices or other communications required under this Contract must be given by registered or certified mail and are complete on the date mailed when addressed to the parties at the following addresses:

David M. Hessler  
Hessler Associates, Inc.  
1012 W Las Colinas Dr.  
St. George, UT 84790

Steve Kahl  
Interim Executive Secretary  
North Dakota Public Service Commission  
600 E Boulevard Ave., Dept. 408  
Bismarck, ND 58505-0480

Notice provided under this provision does not meet the notice requirements for monetary claims against the STATE found at North Dakota Century Code section 32-12.2-04.

## **12. CONFIDENTIALITY**

CONTRACTOR shall not use or disclose any information it receives from STATE under this Contract that STATE has previously identified as confidential or exempt from mandatory public disclosure except as necessary to carry out the purposes of this Contract or as authorized in advance by STATE. STATE shall not disclose any information it receives from CONTRACTOR that CONTRACTOR has previously identified as confidential and that STATE determines in its sole discretion is protected from mandatory public disclosure under a specific exception to the North Dakota open records law, North Dakota Century Code chapter 44-04. The duty of STATE and CONTRACTOR to maintain confidentiality of information under this section continues beyond the term of this Contract.

## **13. COMPLIANCE WITH PUBLIC RECORDS LAW**

CONTRACTOR understands that, except for disclosures prohibited in this Contract, STATE shall disclose to the public upon request any records it receives from CONTRACTOR. CONTRACTOR further understands that any records that are obtained or generated by CONTRACTOR under this Contract, except for records that are confidential under this Contract, may, under certain circumstances, be open to the public upon request under the North Dakota open records law. CONTRACTOR agrees to contact STATE immediately upon receiving a request for information under the open records law and to comply with STATE'S instructions on how to respond to the request.

#### **14. INDEPENDENT ENTITY**

CONTRACTOR is an independent entity under this Contract and is not a STATE employee for any purpose, including the application of the Social Security Act, the Fair Labor Standards Act, the Federal Insurance Contribution Act, the North Dakota Unemployment Compensation Law and the North Dakota Workforce Safety and Insurance Act. CONTRACTOR retains sole and absolute discretion in the manner and means of carrying out CONTRACTOR'S activities and responsibilities under this Contract, except to the extent specified in this Contract.

#### **15. ASSIGNMENT AND SUBCONTRACTS**

CONTRACTOR may not assign or otherwise transfer or delegate any right or duty without STATE'S express written consent. However, CONTRACTOR may enter into subcontracts provided that any subcontract acknowledges the binding nature of this Contract and incorporates this Contract, including any attachments. CONTRACTOR is solely responsible for the performance of any subcontractor. CONTRACTOR does not have authority to Contract for or incur obligations on behalf of STATE.

#### **16. SPOILIATION – NOTICE OF POTENTIAL CLAIMS**

CONTRACTOR shall promptly notify STATE of all potential claims that arise or result from this Contract. CONTRACTOR shall also take all reasonable steps to preserve all physical evidence and information that may be relevant to the circumstances surrounding a potential claim, while maintaining public safety, and grants to STATE the opportunity to review and inspect the evidence, including the scene of an accident.

#### **17. MERGER AND MODIFICATION**

This Contract, including the following documents, constitutes the entire agreement between the parties. There are no understandings, agreements, or representations, oral or written, not specified within this Contract. This Contract may not be modified, supplemented or amended, in any manner, except by written agreement signed by both parties.

Notwithstanding anything herein to the contrary, in the event of any inconsistency or conflict among the documents making up this Contract, the documents shall control in this order of precedence:

- a. The terms of this Contract as may be amended;
- b. CONTRACTOR'S written negotiated proposal dated 3/11/2019.
- c. All terms and conditions contained in any end user agreements (e.g. automated click-throughs, shrink wrap, or bonus wrap) are specifically excluded and null and void, and may not alter the terms of this Contract.

#### **18. SEVERABILITY**

If any term of this Contract is declared by a court having jurisdiction to be illegal or unenforceable, the validity of the remaining terms is unaffected, and, if possible, the

rights and obligations of the parties are to be construed and enforced as if the Contract did not contain that term.

#### **19. APPLICABLE LAW AND VENUE**

This Contract is governed by and construed in accordance with the laws of the STATE. Any action to enforce this Contract must be adjudicated exclusively in the State District Court of Burleigh County, North Dakota. Each party consents to the exclusive jurisdiction of such court and waives any claim of lack of jurisdiction or forum non conveniens.

#### **20. ALTERNATIVE DISPUTE RESOLUTION – JURY TRIAL**

STATE does not agree to any form of binding arbitration, mediation, or other forms of mandatory alternative dispute resolution. The parties have the right to enforce their rights and remedies in judicial proceedings. STATE does not waive any right to a jury trial.

#### **21. ATTORNEY FEES**

In the event a lawsuit is instituted by STATE to obtain performance due under this Contract, and STATE is the prevailing party, CONTRACTOR shall, except when prohibited by North Dakota Century Code section 28-26-04, pay STATE'S reasonable attorney fees and costs in connection with the lawsuit.

#### **22. NONDISCRIMINATION AND COMPLIANCE WITH LAWS**

CONTRACTOR agrees to comply with all laws, rules, and policies, including those relating to nondiscrimination, accessibility and civil rights. CONTRACTOR agrees to timely file all required reports, make required payroll deductions, and timely pay all taxes and premiums owed, including sales and use taxes and unemployment compensation and workers' compensation premiums. CONTRACTOR shall have and keep current at all times during the term of this Contract all licenses and permits required by law.

#### **23. STATE AUDIT**

All records, regardless of physical form, and the accounting practices and procedures of CONTRACTOR relevant to this Contract are subject to examination by the North Dakota State Auditor, the Auditor's designee, or Federal auditors. CONTRACTOR shall maintain all such records for at least three years following completion of this Contract and be able to provide them at any reasonable time. STATE, State Auditor, or Auditor's designee shall provide reasonable notice.



**Hessler Associates, Inc.**  
 WORLDWIDE CONSULTING IN ENGINEERING ACOUSTICS

1012 W Las Colinas Dr.  
 St. George, UT 84790  
 703-303-0341  
 www.hesslernoise.com

**COST ESTIMATE**

Project Name: **Ruso Wind Project, Case No. PU-19-028**  
 Proposed Task: **Evaluation of the Application Sound Study - Testify by Phone**  
 Location: **Ward County, ND**  
 Client: **North Dakota Public Service Commission**  
 Orig. Issue Date: **3/11/2019**  
 Reference: **C-031119-1-0**  
 Revision:  
 Revision Date:

**Manpower Costs**

Task	Hours	Rate	Amount
Review noise aspects of the application and all related documents. Prepare written testimony discussing the merits/deficiencies of the application noise section. Discuss with Staff and revise as necessary. 1.5 days Principal	12	\$225.00	\$2,700.00
Testify by phone (2/25) 2.0 hrs Principal	2.0	\$250.00	\$500.00

Total Manpower: **\$3,200.00**

**Estimated Expenses**

*Reimbursable at actual incurred cost without mark-up.*

Item	Amount
N/A	

Total Estimated Expenses: **\$0.00**

**Total Estimated Project Cost: \$3,200.00**



**COST ESTIMATE**

Project Name: **Ruso Wind Project, Case No. PU-19-028**  
 Proposed Task: **Evaluation of the Application Sound Study - Testify in Person**  
 Location: **Ward County, ND**  
 Client: **North Dakota Public Service Commission**  
 Orig. Issue Date: **3/11/2019**  
 Reference: **C-031119-2-0**  
 Revision:  
 Revision Date:

**Manpower Costs**

Task	Hours	Rate	Amount
Review noise aspects of the application and all related documents. Prepare written testimony discussing the merits/deficiencies of the application noise section. Discuss with Staff and revise as necessary. 1.5 days Principal	12	\$225.00	\$2,700.00
Travel to/from Bismarck, ND to testify at public hearing. 2.0 days Principal (Travel)	16	\$225.00	\$3,600.00
1.0 day Principal (Attend hearing, Testimony)	8	\$250.00	\$2,000.00

Total Manpower: **\$8,300.00**

**Estimated Expenses**

*Reimbursable at actual incurred cost without mark-up.*

Item	Amount
1 RT Econ Air St. George, UT to Minot, ND	\$638.00
2 NT Hotel	\$340.00
Rental Car and Gas	\$350.00
Meals and Incidentals	\$120.00

Total Estimated Expenses: **\$1,448.00**

**Total Estimated Project Cost: \$9,748.00**