

July 2, 2025

Panida Theatre Board
Attn: Sean Behm
Director
300 North 1st Avenue
Sandpoint, Idaho 83864

RE: Panida Theatre Remodel Phase 1– Sandpoint, Idaho
Proposal for Professional Services

Mr. Behm:

KWR, LLC (KWR) is pleased to submit this proposal to Boden Architecture, PLLC (Boden / Architect) to provide electrical engineering for the Panida Theatre Phase 1 project located at 300 N 1st Avenue in Sandpoint, Idaho.

Project Scope

The project includes interior selective remodel of approximately (~) 300 square feet (SF) in the existing Panida Theatre to convert existing retail space into a new women's restroom. Electrical design will be limited to new lighting and associated controls, new convenience power for the restroom area, connections to new mechanical and owner furnished equipment, and branch circuit modifications and load calculations as required to support the remodel. Existing code deficiencies and/or maintenance issues will only be addressed if they are directly related to electrical provisions needed to support new work.

Itemized Services

1. Perform up to (1) site visit to the facility to observe and document existing electrical systems relevant to the remodel area.
2. Preparation of floor plans, diagrams and details of selective electrical demolition, appropriate for permit, bid, and construction.
3. Preparation of floor plans, diagrams and details of electrical power distribution systems, appropriate for permit, bid, and construction.
 - a. Design power distribution systems and branch circuitry.
 - b. Coordination with mechanical equipment connections.
 - c. Coordination with Owner-provided equipment information.
 - d. Load calculations, fault current calculations, voltage drop calculations, and other electrical calculations required for permit and construction.
4. Preparation of floor / ceiling plans, diagrams, and details of lighting and associated control systems appropriate for permit, bid and construction.
 - a. Preparation of lighting fixture schedule for general illumination. Fixture selections will be coordinated with the Architect and Owner during design.
 - b. Preparation of control device schedule and control diagram.
 - c. Sequence of operations for lighting control systems.
 - d. Preparation of photometric calculations as required to verify compliance with life safety codes, IESNA recommended practices, and the Owner's operational requirements.
 - e. Preparation of lighting and controls layouts.
 - f. Lighting systems will be designed in conformance with the requirements of the applicable energy code in terms of lighting power density and automatic lighting controls.
5. Preparation of floor plans, diagrams, and details of limited low voltage systems, suitable for permit and construction.
 - a. Telecommunications design is limited to providing raceway provisions for any owner furnished telecommunications devices. It is assumed that structured cabling and active network devices will be provided by the Owner or the Owner's vendor.
 - b. Fire alarm design will be limited to showing new devices as an extension of the existing system as required for permit and construction. A complete fire alarm upgrade is not included in this proposal.

6. Preparation of energy code compliance forms based on local jurisdictional requirements.
7. Attendance in up to (2) coordination meetings with the Architect, design team, and/or Owner via online virtual meeting platform or teleconference.
8. Preparation of technical specifications appropriate for permit, bidding, and construction. Specifications will be prepared in abbreviated format and included on the electrical constructions drawings.
9. Preparation of formal submittal to the appropriate Authority Having Jurisdiction. Basic services include:
 - a. Provide 100% Permit Documents.
 - b. Provide formal responses to AHJ comments.
 - c. Issue clarification documents as required to obtain a building permit.

Bidding and Construction Administration

Construction administration may be included on an hourly basis at our standard hourly rates. Services may include:

1. Review of pricing provided by bidding electrical subcontractors (if requested).
2. Response to contractor questions during bidding process.
3. Preparation of addenda and supplemental instruction during bidding.
4. Review of equipment substitution requests.
5. Review shop drawings and submittals during construction.
6. Response to requests for information (RFI) during construction.
7. Preparation of clarification documents as required.
8. Review of the contractor's monthly payment requests (if requested).
9. Develop change proposal documents.

Deliverables

1. 65% Construction Documents: submitted in electronic PDF format.
2. 95% Construction Documents: submitted in electronic PDF format.
3. 100% Construction Documents: submitted in electronic PDF format, sealed by a professional engineer licensed in the state of Idaho.
 - a. Energy Code Compliance Forms for Electrical and Lighting systems.

Schedule

1. Design will start immediately upon return of this signed agreement. Construction Documents are expected to be complete approximately 8 weeks after notice to proceed, or at the direction of the architect.
2. Final schedule to be determined during design. Schedule presented is an estimate for proposal purposes only. KWR has resources available to meet the project schedule.
3. The proposed schedule assumes that any review comments from the Architect and/or Owner on interim submittals will be returned to KWR within 5 working days after delivery of the submittal.

Fees

We propose to provide the above services and deliverables as illustrated in the Fee Summary below:

Fee Summary:

Design / Construction Documents	\$5,000 – Hourly, Not to Exceed
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KWR Standard Hourly Billing Rates:

Principal Engineer	\$180 per hour
Senior Engineer	\$160 per hour
Engineer II	\$130 per hour
Engineer I	\$120 per hour
Senior Designer	\$120 per hour
Electrical Designer II	\$95 per hour
CAD/BIM Technician	\$85 per hour
Administrative	\$80 per hour

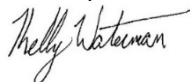
Agreement, Conditions, and Additional Services

The contractual arrangements for our services will be in general accordance with this proposal and KWR's standard short form agreement for professional services. Services will be provided using the industry standard of care. We will be happy to perform additional services outside of the scope of this proposal on an hourly basis in accordance with our standard hourly rates. Additional services may also be performed for a lump sum fee as defined in a new proposal or an amendment to this proposal. Our proposal is based on Construction Documents being completed by October of 2025. We have assumed the entire scope of design work, as outlined in this proposal, will be bid (or priced) as a single package and constructed under a single contract. We have assumed that any design/bid alternates affecting the electrical systems will not result in multiple designs for the same system. Multiple designs for the same system will be considered as additional services. Other foreseeable tasks that are excluded from this proposal are as follows:

- Additional travel requested outside of the Spokane metropolitan area
- Onsite standby power generation
- Site visits during construction in excess of those included in this proposal
- Constructability Review or Value Engineering
- Owner/Architect initiated Change Proposals / Orders
- Requested meetings in excess of those included in this proposal
- Complete design of specialized signaling systems (Security, AV, etc.)
- Construction administration services or bid support
- Design of Photovoltaic Systems or other onsite energy generation.

Project progress and time records are closed the end of each month and statements are sent out at the beginning of the following month. Payment is due within 30 days. This proposal is valid for 30 days after the date indicated on the heading. If you have any questions, comments, or concerns, please do not hesitate to contact me. If this proposal meets with your approval, please sign a copy of this letter and return it to our office. We appreciate the opportunity to provide you with this proposal and look forward to a successful project.

Sincerely,



Kelly Waterman, PE, LEED AP, MBA

Accepted for Panida Theatre Board

Date

**SHORT FORM OF AGREEMENT
BETWEEN OWNER AND ENGINEER
FOR PROFESSIONAL SERVICES**



SHORT FORM OF AGREEMENT BETWEEN OWNER AND ENGINEER FOR PROFESSIONAL SERVICES

This is an Agreement between the **Panida Theatre Board** (Owner) and **KWR, LLC** (Engineer / KWR). Owner's Project, of which Engineer's services under this Agreement are a part, is generally identified as **Panida Theatre Remodel Phase 1** (Project). Engineer's services under this Agreement (Services) are generally identified in the included 'Proposal for Professional Services' (Proposal), which is hereby incorporated into this Agreement for Professional Services.

Owner and Engineer further agree as follows:

1.01 Services of Engineer

- A. Engineer shall provide or furnish the Services set forth in this Agreement, and any Additional Services authorized by Owner and consented to by Engineer.

2.01 Owner's Responsibilities

- A. Owner shall provide Engineer with existing Project-related information and data in Owner's possession and needed by Engineer for performance of Engineer's Services. Owner will advise the Engineer of Project-related information and data known to Owner but not in Owner's possession. Engineer may use and rely upon Owner-furnished information and data in performing its Services, subject to any express limitations applicable to the furnished items.
 - 1. Following Engineer's assessment of initially-available Project information and data, and upon Engineer's request, Owner shall obtain, furnish, or otherwise make available (if necessary through retention of specialists or consultants) such additional Project-related information and data as is reasonably required to enable Engineer to complete its Services; or, with consent of Engineer, Owner may authorize the Engineer to obtain or provide all or part of such additional information and data as Additional Services.
- B. Owner shall provide necessary direction and make decisions, including prompt review of Engineer's submittals, and carry out its other responsibilities in a timely manner so as not to delay Engineer's performance. Owner shall give prompt notice to Engineer whenever Owner observes or otherwise becomes aware of (1) any relevant, material defect or nonconformance in Engineer's Services, or (2) any development that affects the scope or time of performance of Engineer's Services.

3.01 Schedule for Rendering Services

- A. Engineer shall complete its Services within the following specific time period: **As identified in the 'Proposal for Professional Services'**. If no specific time period is indicated, Engineer shall complete its Services within a reasonable period of time.
- B. If, through no fault of Engineer, such periods of time or dates are changed, or the orderly and continuous progress of Engineer's Services is impaired, or Engineer's Services are delayed or suspended, then the time for completion of Engineer's Services, and the rates and amounts of Engineer's compensation, shall be adjusted equitably.

4.01 Invoices and Payments

- A. Invoices: Engineer shall prepare invoices in accordance with its standard invoicing practices and submit the invoices to Owner on a monthly basis. Invoices are due and payable within 30 days of receipt.
- B. Payment: As compensation for Engineer providing or furnishing Services and Additional Services, Owner shall pay Engineer as set forth in this Paragraph 4.01, Invoices and Payments. If Owner disputes an invoice, either as to amount or entitlement, then Owner shall promptly advise Engineer in writing of the specific basis for doing so, may withhold only that portion so disputed, and must pay the undisputed portion.
- C. Failure to Pay: If Owner fails to make any payment due Engineer for Services, Additional Services, and expenses within 30 days after receipt of Engineer's invoice, then (1) the amounts due Engineer will be increased at the rate of 1.0% per month (or the maximum rate of interest permitted by law, if less) from said thirtieth day; (2) in addition Engineer may, after giving 7 days' written notice to Owner [Client], suspend Services under this Agreement until Engineer has been paid in full all amounts due for Services, Additional Services, expenses, and other related charges, and in such case Owner [Client] waives any and all claims against Engineer for any such suspension; and (3) if any payment due Engineer remains unpaid after 90 days, Engineer may terminate the Agreement for cause pursuant to Paragraph 5.01.A.2.
- D. Reimbursable Expenses: Engineer is entitled to reimbursement of expenses only if so indicated in Paragraph 4.01.E or 4.01.F. If so entitled, and unless expressly specified otherwise, the amounts payable to Engineer for reimbursement of expenses will be the Project-related internal expenses actually incurred or allocated by Engineer, plus all invoiced external expenses allocable to the Project, including Engineer's subcontractor and subconsultant charges, with the external expenses multiplied by a factor of **1.1 (10% markup)**.
- E. Basis of Payment
 - 1. Hourly Rates. Owner shall pay Engineer for Design/Construction Documents, Bidding, Construction Administration, and Closeout Services as follows:
 - a. An amount equal to the cumulative hours charged to the Project by Engineer's employees times standard hourly rates for each applicable billing class, plus reimbursement of expenses incurred in connection with providing the Design, Bidding, Construction Administration, and Closeout Services.
 - b. Engineer's Standard Hourly Rates are attached in the 'Proposal for Professional Services.'
 - c. The total compensation for Services is estimated to be \$5,000 not-to-exceed.
- F. Additional Services: For Additional Services, Owner shall pay Engineer an amount equal to the cumulative hours charged in providing the Additional Services by Engineer's employees, times standard hourly rates for each applicable billing class; plus reimbursement of expenses incurred in connection with providing the Additional Services. Engineer's standard hourly rates are defined in the Proposal for Professional Services.

5.01 Termination

A. Termination for Cause

1. Either party may terminate the Agreement for cause upon 30 days' written notice in the event of substantial failure by the other party to perform in accordance with the terms of the Agreement, through no fault of the terminating party.
 - a. Notwithstanding the foregoing, this Agreement will not terminate under Paragraph 5.01.A.1 if the party receiving such notice begins, within 7 days of receipt of such notice, to correct its substantial failure to perform and proceeds diligently to cure such failure within no more than 30 days of receipt thereof; provided, however, that if and to the extent such substantial failure cannot be reasonably cured within such 30-day period, and if such party has diligently attempted to cure the same and thereafter continues diligently to cure the same, then the cure period provided for herein will extend up to, but in no case more than, 60 days after the date of receipt of the notice.
2. In addition to its termination rights in Paragraph 5.01.A.1, Engineer may terminate this Agreement for cause upon 7 days' written notice (a) if Owner demands that Engineer furnish or perform services contrary to Engineer's responsibilities as a licensed professional, (b) if Engineer's services for the Project are delayed or suspended for more than 90 days for reasons beyond Engineer's control, (c) if payment due Engineer remains unpaid for 90 days, as set forth in Paragraph 4.01.C, or (d) as the result of the presence at the Site of undisclosed Constituents of Concern as set forth in Paragraph 6.01.I.
3. Engineer will have no liability to Owner on account of any termination by Engineer for cause.

B. Termination for Convenience: Owner may terminate this Agreement for convenience, effective upon Engineer's receipt of notice from Owner.

C. Payments Upon Termination: In the event of any termination under Paragraph 5.01, Engineer will be entitled to invoice Owner and to receive full payment for all services performed or furnished in accordance with this Agreement, and to reimbursement of expenses incurred through the effective date of termination. Upon making such payment, Owner will have the limited right to the use of all deliverable documents, whether completed or under preparation, subject to the provisions of Paragraph 6.01.F, at Owner's sole risk.

1. If Owner has terminated the Agreement for cause and disputes Engineer's entitlement to compensation for services and reimbursement of expenses, then Engineer's entitlement to payment and Owner's rights to the use of the deliverable documents will be resolved in accordance with the dispute resolution provisions of this Agreement or as otherwise agreed in writing.
2. If Owner has terminated the Agreement for convenience, or if Engineer has terminated the Agreement for cause, then Engineer will be entitled, in addition to the payments identified above, to invoice Owner and receive payment of a reasonable amount for services and expenses directly attributable to termination, both before and after the effective date of termination, such as reassignment of personnel, costs of terminating contracts with Engineer's subcontractors or subconsultants, and other related close-out costs, using methods and rates for Additional Services as set forth in Paragraph 4.01.F.

6.01 General Considerations

- A. The standard of care for all professional engineering and related services performed or furnished by Engineer under this Agreement will be the care and skill ordinarily used by members of the subject profession practicing under similar circumstances at the same time and in the same locality. Engineer makes no warranties, express or implied, under this Agreement or otherwise, in connection with any services performed or furnished by Engineer. Subject to the foregoing standard of care, Engineer may use or rely upon design elements and information ordinarily or customarily furnished by others, including, but not limited to, specialty contractors, manufacturers, suppliers, and the publishers of technical standards.
- B. Engineer shall not at any time supervise, direct, control, or have authority over any Constructor's work, nor will Engineer have authority over or be responsible for the means, methods, techniques, sequences, or procedures of construction selected or used by any Constructor, or the safety precautions and programs incident thereto, for security or safety at the Project site, nor for any failure of a Constructor to comply with laws and regulations applicable to that Constructor's furnishing and performing of its work. Engineer shall not be responsible for the acts or omissions of any Constructor.
- C. Engineer neither guarantees the performance of any Constructor nor assumes responsibility for any Constructor's failure to furnish and perform its work.
- D. Engineer's opinions of probable construction cost (if any) are to be made on the basis of Engineer's experience, qualifications, and general familiarity with the construction industry. However, because Engineer has no control over the cost of labor, materials, equipment, or services furnished by others, or over contractors' methods of determining prices, or over competitive bidding or market conditions, Engineer cannot and does not guarantee that proposals, bids, or actual construction cost will not vary from opinions of probable construction cost prepared by Engineer. If Owner requires greater assurance as to probable construction cost, then Owner agrees to obtain an independent cost estimate.
- E. Engineer shall not be responsible for any decision made regarding the construction contract requirements, or any application, interpretation, clarification, or modification of the construction contract documents, other than those made by Engineer.
- F. All documents prepared or furnished by Engineer are instruments of service, and Engineer retains an ownership and property interest (including the copyright and the right of reuse) in such documents, whether or not the Project is completed. Engineer grants to Owner a limited license to use the deliverable documents on the Project, extensions of the Project, and for related uses of the Owner, subject to receipt by Engineer of full payment due and owing for all Services and Additional Services relating to preparation of the deliverable documents, and subject to the following limitations:
 - 1. Owner acknowledges that such documents are not intended or represented to be suitable for use on the Project unless completed by Engineer, or for use or reuse by Owner or others on extensions of the Project, on any other project, or for any other use or purpose, without written verification or adaptation by Engineer;
 - 2. any such use or reuse, or any modification of the documents, without written verification, completion, or adaptation by Engineer, as appropriate for the specific

purpose intended, will be at Owner's sole risk and without liability or legal exposure to Engineer or to its officers, directors, members, partners, agents, employees, and subconsultants;

3. Owner shall indemnify and hold harmless Engineer and its officers, directors, members, partners, agents, employees, and subconsultants from all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from any use, reuse, or modification of the documents without written verification, completion, or adaptation by Engineer; and
 4. such limited license to Owner shall not create any rights in third parties.
- G. Owner and Engineer agree to transmit, and accept, Project-related correspondence, documents, text, data, drawings, information, and graphics, in electronic media or digital format, either directly, or through access to a secure Project website, in accordance with a mutually agreeable protocol.
 - H. Waiver of Damages; Limitation of Liability: To the fullest extent permitted by law, Owner and Engineer (1) waive against each other, and the other's officers, directors, members, partners, agents, employees, subconsultants, and insurers, any and all claims for or entitlement to special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to this Agreement or the Project, from any cause or causes, and (2) agree that Engineer's total liability to Owner under this Agreement shall be limited to \$50,000 or the total amount of compensation received by Engineer, whichever is greater.
 - I. The parties acknowledge that Engineer's Services do not include any services related to unknown or undisclosed Constituents of Concern. If Engineer or any other party encounters, uncovers, or reveals an unknown or undisclosed Constituent of Concern, then Engineer may, at its option and without liability for consequential or any other damages, suspend performance of Services on the portion of the Project affected thereby until such portion of the Project is no longer affected, or terminate this Agreement for cause if it is not practical to continue providing Services.
 - J. Owner and Engineer agree to negotiate each dispute between them in good faith during the 30 days after notice of dispute. If negotiations are unsuccessful in resolving the dispute, then the dispute will be mediated. If mediation is unsuccessful, then the parties may exercise their rights at law.
 - K. This Agreement is to be governed by the laws of the state of Washington.
 - L. Engineer's Services do not include: (1) serving as a "municipal advisor" for purposes of the registration requirements of Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (2010) or the municipal advisor registration rules issued by the Securities and Exchange Commission; (2) advising Owner, or any municipal entity or other person or entity, regarding municipal financial products or the issuance of municipal securities, including advice with respect to the structure, timing, terms, or other similar matters concerning such products or issuances; (3) providing surety bonding or insurance-related advice, recommendations, counseling, or research, or enforcement of construction insurance or surety bonding requirements; or (4) providing legal advice or representation.

7.01 Definitions

- A. Constructor—Any person or entity (not including the Engineer, its employees, agents, representatives, subcontractors, and subconsultants), performing or supporting construction activities relating to the Project, including but not limited to contractors, subcontractors, suppliers, Owner's work forces, utility companies, construction managers, testing firms, shippers, and truckers, and the employees, agents, and representatives of any or all of them.
- B. Constituent of Concern—Asbestos, petroleum, radioactive material, polychlorinated biphenyls (PCBs), lead based paint (as defined by the HUD/EPA standard), hazardous waste, and any substance, product, waste, or other material of any nature whatsoever that is or becomes listed, regulated, or addressed pursuant to laws and regulations regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic, or dangerous waste, substance, or material.

8.01 Successors, Assigns, and Beneficiaries

- A. Successors and Assigns
 - 1. Owner and Engineer are hereby bound and the successors, executors, administrators, and legal representatives of Owner and Engineer (and to the extent permitted by Paragraph 8.01.A.2 the assigns of Owner and Engineer) are hereby bound to the other party to this Agreement and to the successors, executors, administrators, and legal representatives (and said assigns) of such other party, in respect of all covenants, agreements, and obligations of this Agreement.
 - 2. Neither Owner nor Engineer may assign, sublet, or transfer any rights under or interest (including, but without limitation, money that is due or may become due) in this Agreement without the written consent of the other party, except to the extent that any assignment, subletting, or transfer is mandated by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.
- B. Beneficiaries: Unless expressly provided otherwise, nothing in this Agreement shall be construed to create, impose, or give rise to any duty owed by Owner or Engineer to any Constructor, other third-party individual or entity, or to any surety for or employee of any of them. All duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of Owner and Engineer and not for the benefit of any other party.

9.01 Total Agreement

- A. This Agreement (including the Proposal / Agreement for Services, and any expressly incorporated attachments), constitutes the entire agreement between Owner and Engineer and supersedes all prior written or oral understandings. This Agreement may only be amended, supplemented, modified, or canceled by a duly executed written instrument.

Attachments: Proposal for Professional Services (also referred to as the Proposal)

This Agreement's Effective Date is **July 2, 2025**

Owner:

Panida Theatre Board

(name of organization)

By:

(authorized individual's signature)

Date:

(date signed)

Name:

(typed or printed)

Title:

(typed or printed)

Address for giving notices:

Designated Representative:

Name:

(typed or printed)

Title:

(typed or printed)

Address:

Phone:

Email:

Engineer:

KWR, LLC

(name of organization)

By:

(authorized individual's signature)

Date:

(date signed)

Name:

Kelly Waterman, PE

(typed or printed)

Title:

Principal, Managing Member

(typed or printed)

Address for giving notices:

KWR, LLC

5915 S Regal St, STE 201

Spokane, Washington 99223

Designated Representative:

Name:

Kelly Waterman, PE

(typed or printed)

Title:

Principal, Managing Member

(typed or printed)

Address:

KWR, LLC

5915 S Regal St, STE 201

Spokane, Washington 99223

Phone:

509-473-9218

Email:

kelly@kwrllc.com