



## Request for Quote – Yearly Financial Audit

**Bid Package: 2020 – 090**

### I. Overview

Golden Valley Electric Association (GVEA) is currently seeking the services of a qualified independent certified public accountant firm to provide financial audit and tax services for GVEA.

Please submit Electronic Version of your Quote to the contact listed below no later than 2 PM, Alaska Time on May 27, 2020. Any proposal received after the time specified may be promptly returned to the bidder unopened.

All responses to the RFP shall be submitted to:

Finance & Purchasing  
Attn: Ehren Schachle  
Contracting Specialist  
758 Illinois St.  
Fairbanks, AK 99701

Contact Information:

Purchasing: Ehren Schachle  
Contract Specialist  
(907) 458-5722 – Office

Project Manager: Sarah Villalon  
Controller  
(907) 458-5734 - Office

[EPSchachle@gvea.com](mailto:EPSchachle@gvea.com) [SJVillalon@gvea.com](mailto:SJVillalon@gvea.com)

Questions may be submitted via email to [EPSchachle@gvea.com](mailto:EPSchachle@gvea.com), up to 2 pm on, May 22, 2020. All questions will be answered by 3 pm on May 25, 2019. No further questions will be responded to after this date.

## II. Background and Purpose

GVEA is a generation, transmission and distribution cooperative (“GT&D”) with headquarters in Fairbanks, Alaska with roughly 280 employees. GVEA operates on a fiscal year ending December 31 and at year-end 2019, GVEA had annual revenues of \$240 million and total electric utility plant in service of \$1.1 billion. Total number of electric services in place at the end of 2019 was 44,796, with electric sales of 1.15 billion kilowatt-hours. GVEA owns and operates two coal-fired generation plants and six combustion turbines, with total capacity of 317 MW. GVEA also owns and operates a windfarm with the capacity of 25 MW and a solar array generating up to .5 MW. As of December 31, 2019, GVEA's system consisted of 3,261 miles of transmission and distribution line and 35 transmission and distribution substations located in the interior of Alaska. GVEA provides power service to 100,000 Interior residents in Fairbanks, Delta Junction, Nenana, Healy and Cantwell.

All financial and accounting records are maintained at the corporate headquarters. GVEA uses Oracle e-Business Suite as its Enterprise Resource System and a proprietary Customer Information System.

GVEA is obligated to report the resources and activities for amounts held in trust for the benefit of its membership. GVEA is obligated to report the resources and activities to the US Department of Treasury Internal Revenue Service (IRS), the US Department of Agriculture Rural Utility Service (RUS), the State of Alaska Regulatory Commission of Alaska (RCA) and various other lenders and advisory entities. GVEA is currently seeking the services of a qualified independent certified public accountant firm to provide audit services of these resources and activities for a period of four years with the option to extend for one additional year. The selected firm shall provide the required services to meet GVEA’s audit needs and in accordance with all local, state, and federal laws and regulations. Firm personnel must have experience and expertise in RUS Borrowers' accounting. Experience and expertise in RUS Borrowers' accounting are required in order to render an opinion on the Corporation's financial statements.

## III. Specifications and Requirements

### a. Auditing Standards to be followed:

- i. Auditing standards generally accepted in the United States of America, as promulgated by the American Institute of Certified Public Accountants (AICPA) or any successor body. Such standards must include specific requirements found in the AICPA audit guide, Audits of State and Local Governments.
- ii. Government Auditing Standards, issued by the Comptroller General of the United States.
- iii. The provisions of the Single Audit Act of 1996, as amended.
- iv. The provisions of the U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments and Non-Profit Organizations
- v. 7 CFR Part 1788, RUS Fidelity and Insurance Requirements, as applicable
- vi. 7 CFR Part 1773, Policy on Audits of RUS Borrowers, including belonging to and participating in an approved peer review program and the requirements of 7 CFR 3017

### b. Required Certification

- i. 7 CFR 3017, Debarment and Suspension Certification

### c. Work to be Performed

- i. The auditors will perform an examination of the GVEA’s basic financial statements and required supplementary information (RSI) in accordance with the auditing standards outlined in Section III(a) above, with the objective of expressing an opinion on the basic financial statements.
- ii. Audit Compliance Report – Cost Allocation Manual (if applicable)

- iii. Reports on Single Audit Requirement for the State of Alaska or Federal grants (if applicable)
- iv. Tax advice and preparation for GVEA and its pension plans
- v. The auditors will issue a “management letter” that includes significant deficiencies and material weaknesses (as defined by the applicable auditing standards) that were identified during the audit. Management letters should be addressed to the GVEA Board of Directors and should include a follow-up on the prior year’s recommendations, if any.
- vi. Assembly of the Financial Statements and footnotes to include editing, printing, and an electronic copy.
- vii. The auditors are expected to keep GVEA informed of any new GAAP pronouncements, state or national developments affecting Utility and Co-Op finance, reporting standards and trends, including IRS Regulations and provide advice for extraordinary transactions. This shall include one formal updating session per fiscal year with selected members of the GVEA’s financial accounting staff. If there is a charge for this, the cost must be separately identified in the audit firm’s cost proposal.
- viii. The Engagement Partner may be expected to be present at the GVEA Board meetings when the annual reports and management letter are being presented. If there is a charge for this, the cost must be separately identified in the audit firm’s cost proposal.

#### **IV. Additional Information**

- a. The engagement will be for the period’s ending December 31, 2020, 2021, 2022 and 2024, subject to annual reaffirmation at the discretion of the Board of Directors. An optional one (1) year extension is possible.
- b. GVEA requires that either the independent partner or audit partner or in charge auditor individually or together have specific demonstrated experience and expertise in RUS auditing and accounting.
- c. GVEA expects that the Lead Partner, Audit Partner, and In-Charge Auditor will stick with this project through the duration of the project. A change in the person holding these positions is subject to review and approval by GVEA. Approval will not be unreasonably withheld but may be grounds for terminating the agreement early if the replacement is unsatisfactory in experience or personality to GVEA.
- d. The auditors are expected to be responsive to questions or requests made by the GVEA during the course of the contract period. An option for early termination of the contract may be exercised by the GVEA for persistent non-responsiveness by the audit firm to GVEA questions or requests or for failure to meet the deadlines established in the RFP.
- e. All working papers and reports must be retained, at the auditor’s expense, for a minimum of five (5) years, unless the firm is notified in writing by GVEA of the need to extend the retention period. Should standard retention periods required by any of the standards identified in Section III (a)(b) above be increased beyond five years, the increased retention period shall be followed. The auditor will be required to make working papers available, upon request by GVEA.
- f. The auditor shall respond to reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.
- g. The auditors shall be required to make an immediate written report of all irregularities and illegal acts or indicators of an illegal activity of which they become aware to the;
  - i. Chairman of the Finance Audit Committee of the Board of Directors,
  - ii. Chief Executive Officer,
  - iii. Chief Financial Officer,
  - iv. GVEA’s General Counsel.
- h. Should any firm submitting a proposal consider subcontracting portions of the engagement, that fact must be identified in the proposal along with the name of the proposed subcontractor. Following the

award of the audit contract, no additional subcontracting will be allowed without the prior written consent of GVEA's Chief Financial Officer.

- i. GVEA will provide internal staff to provide assistance in Fairbanks as specified by the external auditors. This will include but not be limited to:
  - i. Pro-forma work papers in formats agreed to by the external auditors.
  - ii. Financial data via electronic format or hard copy
  - iii. Secure work area for auditors.
  - iv. Tax work papers in formats agreed to by the external auditors.

## **V. Response Requirements**

- a. A brief description of the organization of your firm, giving emphasis to that portion of the firm that would serve GVEA
- b. Experience and qualifications of the personnel conducting this study, emphasizing experience with generation and transmission cooperatives.
- c. A representative listing of utility consulting services, including a representative listing of references
- d. Any potential conflicts of interest
- e. A thorough description of your work plan, including an estimate of the number of hours required for completing the project, identifying number of hours on-site, based on the specifications described in Section III (c) i-viii
- f. Availability to support results of study in meetings with or formal hearings before the RCA, and/or in meetings with RUS.
- g. A firm fixed price to perform the work as described in Section III (c) i-viii broken out by;
  - i. Audit
  - ii. Tax Preparation
  - iii. Materials
  - iv. Other
- h. A fee schedule, including a detailed breakdown of personnel, rates, support services, and expenses
- i. Estimated cost of presentation to Management and FAR Committee
- j. Any proposals which contain information that the bidder desires to keep confidential must have such information clearly identified, and a confidentiality agreement with GVEA will be required.

## **VI. Form of Contract**

Attached is a GVEA Services Agreement, which has been modified for use as the contract document for the engagement. Bidders must specify any exceptions to the Services Agreement form and return the document with their markups as part of their proposal to GVEA

## **VII. Evaluation of Response**

- a. No public opening of proposals will be held by GVEA.
- b. Purchasing shall first review submittals for initial decisions on responsiveness and responsibility. Those found responsive and responsible based on this initial review shall be advanced for further evaluation.
- c. GVEA reserves the right to accept or reject any or all proposals, to waive any formality, technicality, requirement or irregularity in the proposals received, and to request further information about any proposal.
- d. A committee of GVEA management will review and evaluate all accepted proposals, based on the criteria outlined in the Scope of Work and Contents of Proposal sections of this RFP, and any other relevant terms of the proposals received.

- e. GVEA shall not be obligated to accept the lowest price proposal but will make an award in the best interests of GVEA after all factors have been evaluated.
- f. The evaluation committee will evaluate all proposals received in accordance with the evaluation criteria set forth below.

1	Price	35
2	Proposed Teams Experience and Past Performance	35
3	Evaluation of Work Plan	30
	RFP Evaluation Total	100

- g. GVEA reserves the right to negotiate with bidders prior to any final evaluation of proposals.
- h. GVEA expects to select a proposal for the study on or before June 1, 2020, but bidders submitting proposals do so without recourse against GVEA for the rejection of any proposal or GVEA's failure to enter an agreement for the study for any reason.
- i. Bidders shall be solely responsible for their own costs of submitting a proposal and any participation in GVEA's evaluation process.

**VIII. Terms and Conditions**

- a. The Contract/Purchase Order formed as a result of the acceptance of the quote shall be deemed to comprise the entire agreement between the parties thereto, and the bidder shall not claim any modification thereof resulting from any representation or promise made at any time by any officer, agent or employee of the Owner, engineer or by any other person.
- b. All bids become the property of GVEA.
- c. This Solicitation does not commit GVEA to award a contract, to defray any costs incurred in the preparation of a quote under this Solicitation, or to procure or contract for work. No payment of any kind will be provided to the vendor responding to this Solicitation, or parties they represent, for obtaining any of the information solicited.
- d. By submission of a proposal, the Proposer acknowledges that it is aware of and understands all requirements, provisions, and conditions in and of this Solicitation and that its failure to become familiar with all the requirements, provisions, conditions, and information either in this Solicitation or disseminated either at a pre-proposal conference or by addendum issued prior to the proposal submission deadline, and all circumstances and conditions affecting performance of the services to be rendered by the successful Proposer will not relieve it from responsibility for all parts of its Proposal and, if selected for contract, its complete performance of the contract in compliance with its terms.
- e. Proposer acknowledges that GVEA has no responsibility for any conclusions or interpretations made by Proposer by information made available by GVEA.
- f. The Proposer cannot make use of any information obtained through this Solicitation for any activity outside the scope of this project. Proposer will utilize its "best efforts" to protect all information gathered and records developed during this Solicitation from examination by unauthorized agencies or persons. The Proposer shall securely retain all copies until the project is closed and all documents will be disposed of securely. No information, materials or any summary of these materials shall be released to any individual or organization (verbally or in writing) without prior written permission from GVEA. Any work involving information furnished under this Solicitation that is subcontracted will require the approval of GVEA. In the performance of the Solicitation, the Proposer agrees to comply with and assume responsibility for compliance by employees with the following requirements:
  - i. All work will be performed under the supervision of the Proposer's responsible employees.

- ii. Any information provided to the Proposer, in any format, will be used only to carry out the provisions of this Solicitation. This information will be treated as confidential and will not be made known in any manner to any person except as may be necessary for the performance of the Solicitation.
- iii. All information provided to the Proposer shall be accounted for upon receipt and properly stored before, during, and after processing. Also, all related output shall be given the same level of protection as required for the source material.

**IX. List of Attachments**

- a. Service Contract – Attachment A
- b. Insurance Requirements – Attachment B

# Attachment A

## Professional Services Contract

This Agreement (“Agreement”) is effective on the 15th day, April, 2020 between Golden Valley Electric Association, an Alaska Corporation (“GVEA”) and XXXXXXXXXXX (“Company”). Together known as “the Parties”. WHEREAS, GVEA has a need for Professional Services (accounting, consulting, engineering, contracting, or other technical services) to perform its duties (hereafter referred to as “Services”) and responsibilities in its business operations, and WHEREAS, Company is willing to supply such Services (accounting, consulting, engineering, contracting, or other technical services) to GVEA on the terms and conditions as set forth below:

NOW, THEREFORE, for and in consideration of the promises and the mutual covenants of the parties herein exchanged and other good and valuable consideration, the sufficiency and adequacy of which is acknowledged, it is hereby agreed as follows:

**1.0 - Services and Rates.** COMPANY will commence the Services as specified in GVEA’s RFP #2020-XXX, Attachment A, and COMPANY’s response dated May XX, 2020(hereafter referred to as “Proposal”), Attachment B, and will proceed with such Services in a diligent professional manner, to completion. Company’s rates and fees are outlined in the aforementioned Proposal.

**2.0 Force Majeure** - The Company will not be responsible for delays caused by factors beyond Company’s control which could not readily have been foreseen by the Company. Company shall not be liable for delay or default under this Agreement caused by acts of God, or other events beyond the control of such party. Such acts or events shall include storms, floods, fires, epidemics, war, riots, strikes, lockouts or other labor disputes, and acts of the federal, state, or local government, their agencies, or officials. Such events shall be deemed to have altered the Services contracted for under this Agreement and the Proposal, and the Company shall meet and confer with GVEA on an equitable cost adjustment.

**3.0 - Performance of Services.** Company shall perform the Services as an independent contractor, and shall have responsibility for, and control over, the details of and means for performance of the Services described in the Proposal. The Company is not an agent of GVEA when performing the Services unless agreed to by GVEA in writing and only to the extent expressly agreed to by GVEA.

**4.0 - Warranty.** Services provided by the Company will be performed, findings obtained, and recommendations prepared in accordance with generally accepted accounting, engineering and scientific principles, practices, and their professional and expert understanding of current regulations. Company shall deliver the work product as specified in the Proposal in a manner that meets the industry’s general understanding of regulatory compliance but offers no warranty that the Regulator will interpret the Regulations in the same manner.

**5.0 - Reliance.** The Company is entitled to rely on all information or data furnished or to be furnished by GVEA. GVEA agrees to defend and indemnify the Company, its officers, agents and employees from any and all claims of any kind arising out of or relating to any claims caused by or contributed to by any gross errors, omissions, and negligence in the information provided by GVEA. GVEA is entitled to rely on all information or data furnished or to be furnished by the Company. The Company agrees to defend and indemnify GVEA, its officers, agents and employees from any and all claims of any kind arising out of or relating to any claims caused by or contributed to by any gross errors, omissions, and negligence in the information provided by Company. GVEA is responsible for reviewing and verifying the accuracy and completeness of all deliverables within 60 calendar days of delivery. Errors made by the Company that are identified by GVEA within the first 60 days following delivery will be corrected at no charge to GVEA. The Company requires GVEA acceptance of deliverables within 60 days of delivery and assumes GVEA acceptance after 60 days.

**6.0 - Ownership.** All materials resulting from the execution of this Agreement and the Proposal, including deliverables, reports, memos, technical documents, procedures, calculations, maps, photographs, drawing, databases and other electronic files, notes, samples, specimens and any other pertinent data, shall be owned by GVEA. The Company shall have the right to retain and use copies or duplicates of all materials and shall be required to treat such copies or duplicates as confidential information.

**7.0 - Indemnification.** The Parties agree to indemnify and hold each other (including but not limited to its directors, officers, shareholders, and employees) harmless from any claims, loss, injury, damage, fines, causes of action, attorney's fees, costs and litigation expenses ("claims") asserted against or incurred by the Indemnitee by any person or proximately caused by, in whole or in part, the Indemnitor's negligence or intentional misconduct.

**8.0 - Insurance.** Throughout the term of this Agreement and any extensions thereof, Company shall maintain insurance in accordance with the requirements set forth in Attachment C. Company shall deliver to GVEA a certificate of insurance evidencing that all such insurance coverages are in full force and effect before the start of work. If Company's insurance shall expire or terminate during this Agreement, Company shall deliver a new certificate of insurance evidencing the new policies of insurance not less than ten (10) days before the new policies go into effect. Neither the delivery to GVEA of any certificates of insurance, nor any failure on the part of GVEA to discover and notify Company of any errors or omissions in certificates of insurance, nor the rejection or failure to reject any certificates of insurance that do not conform to the requirements described in Attachment C, and which are a part of the Agreement, shall be construed to imply an acceptance by GVEA of such certificates of insurance or the coverages/endorsements reflected therein, nor a waiver by GVEA of the coverage/endorsement requirements contained herein. Review by GVEA of any certificates of insurance shall not relieve Company from any obligation to secure the insurance coverages and endorsements required herein, and nothing herein shall operate to shift responsibility for insurance coverages from Company to GVEA. Nothing in the insurance provisions of this Agreement, including the coverage limits set forth in Attachment C, shall be deemed to limit the liability of Company.

**9.0 - Solicitation.** During the execution of and for twelve (12) months after completion of the Proposal, the Parties agree that it will not directly or indirectly recruit, solicit, or induce, or attempt to recruit, solicit or induce, any employee without first obtaining written authorization from the other Party.

**10.0 - Termination.** GVEA may terminate this Agreement at any time upon ten (10) calendar days prior written notice to the other. Unless termination is for cause, the Company will be compensated for Services performed under this Agreement to the date of termination; GVEA will be entitled to the return of any compensation paid towards a deliverable but not yet delivered.

**11.0 - Safety & Security.** As appropriate for Services conducted at a GVEA facility, GVEA shall provide proper safety orientations, training, and a required Personal Protective Equipment list to the Company and its employees. The Companies employees will follow the safety program as briefed by GVEA. GVEA shall implement and maintain proper security and safety for Company employees, as appropriate.

**12.0 - Public Statements.** Parties agree that neither shall make public statements about the involvement of the other in this Agreement or the Proposal without seeking the approval of the other.

**13.0 - Confidential Information.** Confidential Information. Except as otherwise provided in this Agreement, "Confidential Information" shall mean technical and business-related information, whether such information is written, verbal, or contained in any other form. In consideration of the disclosure of Confidential Information, Receiving Party agrees to keep all Confidential Information strictly confidential and shall not sell, trade, publish, or otherwise disseminate it to any



third party, in any manner, including by photocopy or other reproduction, without the prior written consent of Delivering Party. Receiving Party shall take all reasonable precautions to prevent disclosure of the Confidential Information to any third party. Receiving Party shall limit access to the Confidential Information to employees, consultants, agents, and representatives who have a need to know the Confidential Information for the express limited purposes of this Agreement, and shall require each of those employees, consultants, agents, and representatives to agree and comply with the terms of this Agreement.

**14.0 - Payment.** GVEA shall pay to the Company's invoices within 30 calendar days of receipt of an invoice. Invoicing will occur as laid out in the Company's Proposal.

**15.0 - Compliance.** The Parties shall comply with the United States Export Administration laws and regulations and all other applicable local, state and federal laws.

**16.0 - Successor and Assigns.** The terms of this Agreement shall be extended to Company's and GVEA's parent(s), subsidiaries, or other affiliated entities. Beneficiaries of the rights granted, and duties owed to Company and GVEA include such parent(s), affiliates, and subsidiaries. This contract shall not be assigned by Company or GVEA without the permission of the other Party.

**17.0 - Applicable Law/Jurisdiction.** This Agreement shall be governed by and interpreted in accordance with the law of the State of Alaska and shall be adjudicated in its Fourth Judicial District at Fairbanks.

**18.0 - Agreement.** This Agreement reflects the entire agreement between the parties with respect to its subject matter and superseded all other representations and understandings, either express or implied, written, or oral, between the Parties. No modification of this Agreement shall be of any force or effect unless it (1) is in writing, (2) reflects the effective date of the modification, (3) is signed by both Parties, and (4) expressly indicates that it modifies this Agreement.

**19.0 -Legal Notices.** Any legal notice required or permitted by this Agreement or given in connection with it shall be in writing and shall be given to the appropriate Party by personal delivery, certified mail, or other recognized delivery service that confirms delivery. Initial notification can be made by confirmed email and accepted upon receipt of the mailed copy. All notices required, permitted, or desired to be given hereunder shall be deemed duly given and effective (i) when received after being sent by confirmed facsimile transmission or delivered by hand or (ii) five (5) days after being deposited with the United States Postal Service, properly addressed, sent by registered or certified mail, return receipt requested, postage prepaid. Any Party may change its address for the purpose of this Paragraph by giving written notice of such change to the other Parties in the manner provided in this Paragraph.

Legal notices to GVEA shall be sent to:

Ehren Schachle  
Copy to GVEA General Counsel  
Golden Valley Electric Association  
758 Illinois Street  
PO Box 71249  
Fairbanks, AK 99701  
E-mail: EPSchachle@gvea.com

Legal notices to the Company shall be sent to:

**20.0 – Counterparts.** This Agreement may be executed in several counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

**21.0 – Representations.** GVEA and COMPANY are validly existing entities in good standing under the laws of the state of Alaska or the state in which their company is domiciled, and each Party represents that it has all necessary corporate power and authority to execute, deliver and perform its obligations under this Agreement and to consummate the transactions contemplated hereby. The Parties' execution, delivery, and performance of their obligations under this Agreement and consummation of the transactions contemplated hereby have been duly authorized by all necessary corporation action of each individual Party.

**22.0 - Partial Invalidity.** If any provision of this Agreement is declared invalid or unenforceable for any reason by any court of competent jurisdiction, such provision shall be deleted and shall not invalidate any other provision contained herein unless and to the extent the judgment of the court contains a specific ruling that the fundamental purposes of this Agreement are thereby materially impaired.

IN WITNESS WHEREOF, the Parties, each in consideration of the mutual covenants contained herein, and for other good and valuable consideration, intending to be legally bound, have caused this Agreement to be executed by their duly authorized representatives as of the Effective Date first above-written; provided, however, that this Agreement shall not become effective as to either Party until executed by both Parties.

# Attachment B

## Insurance Requirements

During the term of Services discussed in this Agreement, the Company shall comply with the insurance provisions set forth below.

The insurance specified below shall be maintained by the Company, at its expense, and certificates thereof shall be presented to GVEA in form and content satisfactory to GVEA prior to the commencement of performing the Services. The insurance is as follows:

- a. Workers' Compensation will maintain no less than the Statutory Limits as required by the State of Alaska or the state in which the corporation is domiciled; and one million dollars (\$1,000,000.00) of coverage in Employer Liability
- b. Commercial Liability/Excess, on an occurrence form for (i) bodily injury and (ii) property damage with limits of at least one million (\$1,000,000.00) combined single limit each occurrence. Including but not limited to comprehensive form, premises – operation, explosion, collapse, underground hazard, products/completed operations hazard, blanket contractual coverage (including coverage for the indemnity provided under this Agreement), broad form property damage, independent vendors, personal injury (employee exclusion deleted);
- c. Comprehensive Automobile Liability, comprehensive form covering owned, hired and non-owned vehicles and sudden and accidental pollution coverage with limits of at least one million dollars (\$1,000,000.00) each occurrence;
- d. Professional Liability (Errors and Omissions Liability), The policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Services of this contract. \$500,000 each claim/\$1,000,000 Annual Aggregate. In the event that the professional liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.
- e. Umbrella Policy, can be of any amount and combined with Commercial Liability to reach the required one million (\$1,000,000) in coverage.

The insurance specified in b thru e shall include the following:

- i. Endorsements adding GVEA as named insured;
- ii. Statement of subrogation; and,
- iii. Be primary, non-contributory

GVEA shall have no liability or other obligation for any of the insurance, endorsements or other protection required hereunder, including premiums and other charges. The insurance provisions specified herein shall apply to any contractors retained by the Company, and Company shall require that such insurance is maintained by all of its contractors