ORDINANCE NO. 1552

AN ORDINANCE AUTHORIZING THE CITY OF CANBY TO ENTER INTO A CONTRACT WITH HEARD FARMS FOR WASTEWATER SEWAGE SLUDGE REMOVAL; AND REPEALING ORDINANCE 1527

WHEREAS, the City of Canby requires the hauling of tonnage of wet sewage sludge as part of its wastewater treatment;

WHEREAS, the City of Canby desires to secure a cost-effective contract for this integral service;

WHEREAS, the Canby City Council is the local contract review board in accordance with Oregon Revised Statute (ORS) 279B.075 and is vested with procurement authority under ORS 279A.050; and

WHEREAS, the Canby City Council finds that Heard Farms is the sole source of this service based on the fact that the only other existing options are scarce and inefficient, namely, that Heard Farms is the only private, regulated facility in the State of Oregon that takes municipal sludge and treats to a Class B biosolid, while the remaining option is to expensively and inconveniently haul the sludge to a landfill in Wasco County.

THEREFORE, THE CITY OF CANBY, OREGON, ORDAINS AS FOLLOWS:

<u>Section 1.</u> The City Administrator is hereby authorized on behalf of the City to enter into a Personal Services Agreement with Heard Farms to haul sewage sludge for the City. A copy of the Personal Services Agreement is attached hereto as Exhibit "A."

Section 2. The effective date of this Ordinance shall be July 1, 2021.

SUBMITTED to the Canby City Council and read the first time at a regular meeting therefore on Wednesday, May 5, 2021 ordered posted as required by the Canby City Charter; and scheduled for second reading on Wednesday, May 19, 2021 commencing at the hour of 7:30 PM in the Council Chambers located at 222 NE 2nd Avenue, 1st Floor Canby, Oregon.

Melissa Bisset, CMC

City Recorder

PASSED on second and final reading by the Canby City Council at a regular meeting thereof on the 19th day of May 2021, by the following vote:

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| | The file |
| | Brian Hodson Mayor |
| | Mayor |

ATTEST:

Melissa Bisset, CMC

City Recorder

AFFIDAVIT OF POSTING

| STATE OF OREGON | u), | |
|----------------------------|------|-----|
| |) | • |
| County of Clackamas |) | ss: |
| |) | |
| CITY OF CANBY |) | |

I, Melissa Bisset, being first duly sworn, depose and say that I am the City Recorder for the City of Canby, Clackamas County, Oregon, a City duly incorporated under and by virtue of the laws of the State of Oregon.

That on the 5th day of May, 2021 the Council for said City of Canby held a Regular City Council Meeting, at which meeting Ordinance No. 1552 was read for the first time and passed by the vote of said Council and was then and there ordered posted in at least three (3) public and conspicuous places in said City for a period of five (5) days prior to the second reading and final vote on said Ordinance, as provided in Section 2 of Chapter 8 of the Charter of the City of Canby, and

Thereafter, on the 10th day of May, 2021, I personally posted said Ordinance in the following three (3) conspicuous places, all within the said City of Canby, to wit:

- 1. Canby Civic Building Front Doors
- 2. Canby Post Office

OFFICIAL STAMP
ERIN ELIZABETH BURCKHARD
NOTARY PUBLIC - OREGON
COMMISSION NO. 978242
COMMISSION EXPIRES SEPTEMBER 04, 2022

3. City of Canby Web Page

That since said posting on the date aforesaid, the said Ordinance will remain posted in the said three (3) public and conspicuous places continuously for the period of more than five (5) days and until the very 19th day of May, 2021.

Melissa Bisset, City Recorder

Subscribed and sworn to before me this 12/7)day of May, 2021

Notary Public for Oregon

My Commission Expires: June 19, 2023

PERSONAL SERVICES AGREEMENT

THIS AGREEMENT is between the CITY OF CANBY (City) and Heard Farms (Contractor).

- A. City requires services which Contractor is capable of providing, under terms and conditions hereinafter described.
- B. Contractor is able and prepared to provide such services as City requires, under those terms and conditions set forth.

The Parties Agree a Follows:

- 1. <u>Scope of Services</u>. Contractor's services under this Agreement are set forth in Exhibit "A", attached hereto.
- 2. <u>Contractor Identification</u>. Contractor shall furnish to City its employer identification number as designated by the Internal Revenue Service, or Contractor's Social Security Number, as City deems applicable. Contractor understands it is required to obtain a City of Canby Business License for conducting business in the City. Contractor agrees to obtain a Canby Business License prior to commencing work under this contract.

3. Compensation:

- A. City agrees to pay Contractor according to the proposed rate schedule submitted with the Contractor's proposal. See Exhibit "A" attached hereto.
- B. City agrees to pay Contractor within 30 days after receipt of Contractor's itemized statement reporting completed work. Amounts disputed by the City may be withheld pending settlement.
- C. City certifies that sufficient funds are available and authorized for expenditure to finance costs of the Agreement.

4. <u>Contractor is Independent Contractor.</u>

- A. Contractor's services shall be provided under the general supervision of the City Administrator. Contractor shall be an independent contractor for all purposes and shall be entitled to no compensation other than the compensation provided for under Paragraph #3 of this Agreement.
- B. Contractor certifies that it is either a carrier-insured employer or a self-insured employer as provided in Chapter 656 of the Oregon Revised Statutes.

- C. Contractor hereby represents that no employee of the City, or any partnership or corporation in which a City Employee has an interest, will or has received any remuneration of any description from Contractor, either directly or indirectly, in connection with the letting or performance of this contract, except as specifically declared in writing.
- 5. Subcontractors and Assignment. Contractor shall neither subcontract any of the work, nor assign any rights acquired hereunder, without obtaining prior written approval from City. City, by this Agreement, incurs no liability to third persons for payment of any compensation provided herein to Contractor. Any subcontract between Contractor and subcontractor shall require the subcontractor to comply with all terms and conditions this agreement as well as applicable OSHA regulations and requirements.
- 6. Work is Property of City. All work performed by Contractor under this Agreement shall be the property of the City. City agrees that the Contractor may use its work in other assignments if all City of Canby data and references are removed.
- 7. Term.
 - A. This Agreement may be terminated by:
 - 1. Mutual written consent of the parties.
 - 2. Either party, upon thirty (30) days written notice to the other, delivered by certified mail or in person.
 - 3. City, effective upon deliver of written notice to Contractor by certified mail, or in person, under any of the following:
 - a. If Contractor fails to provide services called for by this Agreement within the time specified or any extension thereof.
 - b. If Contractor fails to abide by the terms of this Agreement.
 - c. If services are no longer required.
- 8. <u>Professional Standards</u>. Contractor shall be responsible to the level of competency presently maintained by others practicing the same type of work in City's community, for the professional and technical soundness, accuracy and adequacy of all work and materials furnished under this authorization.

By entering into this agreement, contractor represents and warranties that they have complied with the tax laws of the State of Oregon and the City of Canby. Further, for the duration of this contract, Contractor promises to continue to comply with said State and local tax laws. Any failure to comply with tax laws

will be considered a default of this contract and could result in the immediate termination of this agreement and/or other sought damages or other such relief under applicable law.

- 9. <u>Insurance</u>. Insurance shall be maintained by the Contractor with the following limits:
 - A. For Comprehensive General Liability Insurance, Contractor shall provide a Certificate of Insurance naming the City of Canby as an additional named insured showing policy limits of not less than \$1,000,000 Combined Single Limit for Bodily Injury/Property Damage on an occurrence basis.
 - B. For Automobile Insurance, Contractor shall provide a Certificate of Insurance naming the City of Canby as an additional named insured showing policy limits of not less than \$1,000,000 Combined Single Limit for Bodily Injury/Property Damage on an occurrence basis for any vehicle used for City business or use otherwise related to this contract.
 - C. For Professional Liability—errors and omissions—a \$1,000,000 Combined Single Limit for Bodily Injury/Property Damage limit. (**Required for Architects, Appraisers, Attorneys, Consultants, Engineers, Planners, Programmers, etc.).** For purposes of professional liability, Contractor shall provide proof of a Certificate of Insurance naming the City of Canby as a Certificate Holder.
 - D. For Worker's Compensation, Contractor shall provide a Certificate of Insurance naming the City of Canby as a Certificate Holder showing Worker's Compensation Insurance with statutory limits of coverage.

Procuring of such required insurance at the above-stated levels shall not be construed to limit the Contractor's liability hereunder. Notwithstanding said insurance, Contractor shall be obligated for the total amount of any damage, injury, loss, or related costs caused by or related to Contractor's negligence or neglect connected with this Agreement.

- 10. <u>Legal Expense</u>. In the event legal action is brought by City or Contractor against the other to enforce any of the obligations hereunder or arising out of any dispute concerning the terms and conditions hereby created, the losing party shall pay the prevailing party such reasonable amounts for attorneys fees, costs, and expenses as may be set by the court both at trial and all appeals there from.
- 11. <u>Modifications</u>. Any modification of the provisions of this Agreement shall be in writing and signed by the parties.
- 12. <u>Notices</u>. Any notice, bills, invoices, reports, or other documents required by this Agreement shall be sent by the parties by United States mail, postage paid, electronically,

faxed, or personally delivered to the address below. All notices shall be in writing and shall be effective when delivered. If mailed, notices shall be deemed effective forty-eight (48) hours after mailing unless sooner received.

- 13. <u>Entire Agreement</u>. This Agreement contains the entire understanding of the parties regarding the subject matter of this Agreement and supersedes all prior and contemporaneous negotiations and agreements, whether written or oral, between the parties with respect to the subject matter of this Agreement.
- 14. <u>Savings Clause</u>. Should any provision of this Agreement be found to be in conflict with any federal or Oregon state law, or final controlling decision of any Court of competent jurisdiction, or ruling or decision of any controlling administrative agency, all other provisions of this Agreement shall remain in full force and effect.

CITY: Scott Archer, City Administrator

City of Canby PO Box 930 Canby, OR 97013

CONTRACTOR: Richard Heard

Heard Farms, Inc. 578 Rogers Road Roseburg, OR 97471

Please submit invoices to: Attn: Accounts Payable

City of Canby PO Box 930 Canby, OR 97013 ap@canbyoregon.gov

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly appointed officers.

| CONTRACTOR: | CITY OF CANBY |
|--|--|
| By: | By: |
| Date: | Date: 6.8.21 |
| Subcontractors will be usedYes attached to this Agreement) | No (If Yes, please complete List of Subcontractors |
| Approved as to Form: | |
| / N/S | 11/6/15 |
| Joseph Lindsay, City Attorney | |

LIST OF SUBCONTRACTORS

As per Section 5 of the Personal Services Agreement, the following businesses will be subcontractors. Subcontractors are required to have a City of Canby Business License prior to commencing work under this contract.

| Name of Business | Address | Phone | CCB# |
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| The City houses are all a | alaana liada daanka aa daa daa | | |
| The City hereby approves the | above listed subcontractors. | | |
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| | | | |
| City of Canby | Date | | |

EXHIBIT "A"

Memorandum of Agreed Terms for Personal Services Agreement between City of Canby, Oregon (City) and Heard Farms, Inc. for Sewage Sludge Pickup and Disposal

In addition to the terms agreed upon in the signed Personal Services Agreement, the City of Canby, Oregon (City) and Heard Farms, Inc. agree to the following:

- 1. Heard Farms will pick up and dispose of sewage sludge from the City of Canby Wastewater Treatment Plant located at 1480 NE Territorial Road in Canby, Oregon, at a price of \$74.50 per ton the first year, \$76 per ton the second year and \$78 per ton the third year.
- 2. In the second and third year of the agreement Heard Farms may request to open the contract and bargain a shared cost in fuel based on the previous year's increase.
 - A. The increase in Diesel fuel will be based on Oregon's average from July to June and must exceed a 50% increase before requesting to bargain a shared cost on the percent increase.
 - 3. The Personal Services Agreement shall be effective from July 1, 2021 through June *30*, 2024.
- 4. Sewage sludge is not required to meet the Class B standard in order for Heard Farms to haul and dispose of. The sewage sludge shall be in the range of 5 to 9 on the pH scale. Any testing of the sewage sludge for disposal purposes will be the responsibility of Heard Farms and will be done at the Heard Farms facility. The City is not responsible for this testing at all.
- 5. Containers and/or trailers will be hauled off by Heard Farms within 24 hours of the load being ready.
- 6. The City does not guarantee a specific amount of sewage sludge each month, but parties assume that amounts should be fairly consistent from month to month.
- 7. The City continues to reserve the right to haul off or have any excess sludge removed that Heard Farms cannot pick up and dispose of in a timely manner (by the end of each work week). The goal is to not store any sewage sludge.
- 8. Ownership of the sewage sludge transfers to Heard Farms upon pick-up by Heard Farms.
- 9. Heard Farms must have their own spill management, notification and cleanup plan.