



Division of Public Works .
1000 South Houser St.
Muscatine, IA 52761

Recycling Center and Transfer Station

Phone (563) 263-9689

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MEMORANDUM

To: Mayor and City Council Members

Cc: Gregg Mandsager, City Administrator

From: Laura Liegois, Solid Waste Manager

Date: May 14, 2012

Re: Request to Approve Hauling Contract for the Transfer Station

Recycling Center
Transfer Station
Landfill Operations
Refuse Collection

Introduction:

The solid waste and leachate hauling current contract expires on June 30, 2012. The solid waste hauling is a part of the Transfer Station operation. The leachate hauling is part of the landfill operation. Both are in a combined contract with one hauler.

Background:

On April 10, 2012, the City of Muscatine received six bids for solid waste and leachate hauling.

| Company | Solid Waste Hauling (Per Load) | Leachate Hauling (Per Load) | Base Fuel Price Per Gallon |
|-----------------------------|--------------------------------|-----------------------------|----------------------------|
| A & J Transportation | \$135.00 | \$142.50 | \$3.47 |
| Braun's Excavating LLC | \$87.00 | \$125.00 | \$2.50 |
| Curry's Backhoe | \$140.00 | \$155.00 | \$2.50 |
| Daufeldt Transport | \$175.00 | \$200.00 | \$3.50 |
| Dick Doyle Excavating Inc. | \$162.00 | \$189.00 | \$3.80 |
| Tantara Transportation Corp | \$169.00 | \$175.00 | \$4.14 |

All bidders were required to submit their current fuel cost as a base for a fuel surcharge, along with a price per load for solid waste and leachate hauling. The fuel surcharge would begin after the gas price raises \$0.50 above the price given in the bid. The calculations for the fuel surcharge are based on per gallon, per trip from the Transfer Station to the Landfill.

Recommendation for approval of hauling contract:

Staff recommends that Braun's Excavating LLC, which will be utilizing the name of JJJ Hauling LLC, be awarded the contract for hauling. Staff reviewed and determined JJJ Hauling LLC is the lowest and responsible bidder to be awarded the contract. The solid waste and leachate hauling contract is from July 1, 2012 – June 30, 2017.

Attached is a copy of the contract for your review. If you have any questions in regards to the contract between the City and JJJ Hauling LLC, please let me know.

**City of Muscatine
Solid Waste and Leachate Hauling Contract**

THIS AGREEMENT made and entered into this 17th. day of May 2012, by and between JJJ Hauler LLC (“Hauler”) and the City of Muscatine, Iowa, 215 Sycamore Street, Muscatine, Iowa 52761 (“City”). The term of this Agreement is from July 1, 2012, through June 30, 2017.

WHEREAS, City desires to haul compacted solid waste from the Muscatine Solid Waste Transfer Station to the Muscatine County Landfill and leachate from the Muscatine County Landfill to the Muscatine Water Pollution Control Plant. Pursuant to this goal, the City issued a Request for Proposal to qualified parties to perform these services, a copy of which is attached and incorporated by reference, and

WHEREAS, Hauler, in response to the Request for Proposal, presented a Proposal for Solid Waste and Leachate Hauling to provide such contractual hauling services for the City, and

Now, THEREFORE, in consideration of the mutual promises of the parties, it is agreed as follows:

A. The City and Hauler have reached agreement as to the terms and conditions of the aforementioned services. The payment for services shall be based on a per-load cost—not the time spent traveling to and from the destination. For the purpose of the Agreement, a Solid Waste Hauling load shall be defined as tons of solid waste hauled per load and a Leachate Hauling load shall be defined as gallons hauled per load. Hauler has been awarded this Agreement based upon agreeing to provide services at the following rates:

Solid Waste Hauling: \$ 87.00 per load
Leachate Hauling: \$ 125.00 per load

B. Fuel Surcharge Rate: If the cost of fuel increases more than \$0.50 per gallon over \$ 2.50 per gallon, Hauler may submit receipts for reimbursement to the City for the amount in excess of \$(this should be the blank per-gallon amount plus the \$.50) per gallon. The cost of fuel, and any increases, is based upon the per gallon price set by Spratt Oil Sales, 2355 Sampson Street, Muscatine, Iowa 52761.

C. Payments shall be made by the City to Hauler within thirty (30) days after the end of the month for all loads completed during that month. Upon written request, the City will provide Hauler with a report of loads and copies of scale tickets supporting the monthly payment.

D. The City of Muscatine will:

1. Provide Hauler with the use of six (6) transfer trailers, which the City of Muscatine will maintain. The City will be responsible for delivery and pick up of the trailers for maintenance. The Hauler may provide such services if the City will pay the Hauler at its regular truck rate. The City will issue a purchase order for this service, outside of this contract.
2. Provide a truck scale and scale attendant to insure that the City's equipment is at an appropriate weight for the Department of Transportation ("DOT") standards.
3. Create printed tickets for each load hauled by Hauler to the Muscatine County Landfill.
4. Maintain a Leachate Disposal Agreement and hauling permit with the City of Muscatine's Water Pollution Control Plant.
5. Pay for the standard costs associated with testing the leachate from the Muscatine County Landfill.
6. Handle all maintenance of the leachate pumps used to perform the services under this Agreement.
7. Pay all tipping fees charged by the Muscatine County Landfill for Solid Waste delivered pursuant to this Agreement.

The City may, if space is available in the City's maintenance building, provide an area for Hauler's semi-tractors and tankers to be stored during winter months. This does not include an area for maintenance work.

E. The Hauler will:

1. Provide two (2) semi-tractors with drivers for solid waste hauling.
2. Provide one (1) semi-tractor with tanker for leachate hauling.
3. Provide trained staff acceptable to the City to operate the semi-tractors.
4. Provide on request of the City additional trucks and staff for hauling solid waste hauling, in the event it is necessary.
4. Make arrangements for replacement semi-tractors and/or staff in the event any of the primary-semi tractors and/or staff are unavailable.
5. Provide all maintenance, and maintenance areas, for the Hauler's semi-tractors and tanker. Hauler understands the City will not provide any service or maintenance area for the Hauler's semi-tractors or the tanker.

6. JJJ Hauling and the City agree to respond to requests for communication within forty-eight (48) hours of notice. JJJ Hauling and the Solid Waste Manager shall make sure each other has up to date contact information such as cell phone numbers, email addresses, *etc.* to allow the parties to contact each other twenty-four (24) hours a day seven (7) days a week in the event of an emergency. JJJ Hauling and the City agree to hold a face-to-face meeting between Jon Brauns and the Solid Waste Manager or Solid Waste Supervisor at least once per quarter.

F. Hours of operations may vary, due to holidays, weather conditions and Transfer Station or Landfill Operations. General information about the City of Muscatine Transfer Station and Muscatine County landfill shall be provided upon request and Hauler is expected to comply with the hours of operation set by the City.

G. Drivers for the Hauler (“Drivers”) shall be responsible for:

1. Upon request by the landfill operator or other agent of the City, Drivers will untarp the trailer before unloading waste at the landfill. After unloading at the landfill, Drivers must determine that there is no trash or foreign objects hanging, dangling, protruding, *etc.* from the trailer or semi-tractor. It is Driver’s responsibility to remove and dispose of any such items before leaving the landfill.
2. Notifying the Transfer Station Operator, Solid Waste Manager, or Supervisor when, for any reason, Drivers will be delayed and provide a reason for the delay. Drivers shall also notify the Transfer Station Operator when Drivers have entered the loading tunnel.
3. Drivers will be responsible for covering each load of waste before leaving the loading tunnel at the Muscatine Transfer Station. At the end of each working day, Drivers are to untarp the trailers.
4. Drivers shall to make every effort to work with the landfill contract operator and Solid Waste Manager to ensure the best possible working atmosphere for the City.
5. In the event that a specific Driver does not perform work duties in conformance with this Agreement, said Driver shall no longer be permitted to haul waste or leachate under this Agreement.

H. Liabilities of Hauling Solid Waste

1. The City agrees that the solid wastes to be hauled pursuant to this Agreement are all the solid waste generated at the Transfer Station, excluding hazardous materials excepting household quantities of such materials. Hazardous materials shall include, but not be limited to, materials, which are radioactive, volatile, highly flammable, explosive, toxic, or characterized as hazardous by any other governmental body. The City agrees to defend Hauler from liability resulting from the aforementioned hazardous materials prior to the time Hauler takes possession of said materials. Except for claims related to the failure of the City’s trailers, once Hauler takes possession, the City’s duty to defend Hauler is extinguished and title, risk of loss and all other incidents, rights and obligations of ownership to the solid wastes shall be transferred from the City to Hauler.

2. The City acknowledges that, if Hauler and its Drivers comply with City's instructions and procedures, Hauler shall not be liable for any damages to any pavement, parking lot, or driving surface at the Transfer Station resulting from the weight of Hauler vehicles.

I. Leachate Hauling:

A copy of the current leachate disposal agreement with WWTP shall be made available upon request. The following is the criteria for hauling of leachate to the City of Muscatine's Waste Water Treatment Plant ("WWTP"), 1202 Musser St. Muscatine, Iowa:

1. All loads of leachate shall be delivered during daylight hours.
2. The leachate in the tanker shall be weighed at the Muscatine Transfer Station.
3. The Bill of Lading paperwork will be ready prior to delivery.
4. A sample of each tanker load of leachate will be drawn and delivered to the WWTP staff before the load is discharged.
5. The tanker of leachate will be discharged in a timely manner.

J. Federal and State Laws:

Hauler will comply with all federal and state transportation rules and regulations, including but not limited to, random drug testing for its Drivers, and Hauler will secure and maintain current versions of all necessary licenses and permits.

K. Performance Clause:

1. The City has the right to discontinue services with Hauler if performance standards are not met. In such a case, the City will give Hauler a thirty (30) days' written notice identifying the unmet performance standards and/or violations of the Agreement. If the standards remain unmet and/or the violations have not been resolved at the end of the thirty (30) day period, the Agreement shall be terminated and Hauler agrees to be liable to the City for any costs incurred by the termination, including but not limited to: securing alternate hauling services, reasonable attorneys' fees and costs. However, Hauler shall not be liable for its failure to perform hereunder due to contingencies beyond its reasonable control, including but not limited to, weather, strikes, riots, fires, and acts of God.
2. The Hauler has the right to discontinue services with City if performance standards are not met. In such a case, the Hauler will give City a thirty (30) days' written notice identifying the unmet performance standards and/or violations of the Agreement. If the standards remain unmet and/or the violations have not been resolved at the end of the thirty (30) day period, the Agreement shall be terminated and City agrees to be liable to the Hauler for any costs incurred by the termination, including but not limited to reasonable attorneys' fees and costs. However, City

shall not be liable for its failure to perform hereunder due to contingencies beyond its reasonable control, including but not limited to, weather, strikes, riots, fires, and acts of God

L. Hauler agrees to indemnify and hold harmless the City, its employees, agents, and elected officials from all liability arising from the services performed by Hauler and its employees or agents under the terms of this Agreement, including but not limited to, court costs, attorneys fees, costs of defense, settlement and/or any judgment rendered. This indemnification and hold harmless provision shall not apply to any matter based on an intentional or negligent act of the Hauler, its officers, managers, members, employees, and/or agents.

1. The City agrees to indemnify and hold harmless the Hauler, its officers, managers, members, employees and agents from all liability arising from the Hauler's use of the equipment provided by the City, or services performed by the City and its employees or agents under the terms of this Agreement, including but not limited to, court cost, attorney fees, cost of defense, settlement and/or any judgment rendered; however, this indemnification and hold harmless provision shall not apply to any matter based on an intentional or negligent act of the Hauler, its officers, managers, members, employees and/or agents.

M. Insurance:

The Hauler shall at all times during this Agreement maintain in full force and effect employer's liability, workers' compensation, public liability and property damage insurance, including contractual liability coverage. All insurance shall be by insurers and for policy limits acceptable to the City before commencement of work hereunder and the Hauler agrees to furnish City with certificate of insurance or other evidence satisfactory to the City to the effect that such insurance has been procured and is in force. For purposes of this Agreement, the Hauler shall carry the following types of insurance in at least the limits specified below:

| Coverage | Limits of Liability |
|---------------------------|--|
| Worker's Compensation | Statutory |
| General Liability | \$500,000 |
| Bodily Injury Liability | \$1,000,000 each occurrence \$1,000,000 aggregate |
| Property Damage Liability | \$1,000,000 each occurrence \$1,000,000 aggregate |

The Hauler shall not be required to insure any City equipment.

N. Miscellaneous:

1. Delegation and Subcontracting: Hauler may not, without prior written consent of City, delegate or subcontract the performance of the work outlined in this Agreement.
2. Entire Agreement: This Agreement constitutes the entire Agreement between the parties with respect to the services and supersedes all prior negotiations, representations or agreements relating thereto, except to the extent they are

expressly incorporated herein. Unless otherwise provided herein, no amendments, changes, alterations or modifications of this Agreement shall be effective unless in writing signed by each of the parties.

3. **Independent Contractor Status:** Hauler, in performing the service, shall be deemed to be an independent contractor and not an agent, employee, partner, or joint venture of the City.
4. **Assignment:** Hauler may not assign this Agreement without the prior written consent of the City.
5. **Governing Law:** The validity, interpretation, and performance of this Agreement, and the legal relations of the parties, shall be governed by and construed in accordance with the laws of the State of Iowa and the parties hereby stipulate that the County of Muscatine, Iowa shall be the venue of any legal action.

In WITNESS WHEREOF the parties have executed this Agreement in duplicate on the date first written.

JJJ Hauler LLC

City of Muscatine, Iowa

Jon A. Brauns
Member- Manager

DeWayne Hopkins, Mayor

Attest:

Gregg Mandsager, City Administrator

