

Jefferson County  
Board of Commissioners  
Agenda Request

**To:** Board of Commissioners  
Philip Morley, County Administrator

**From:** Frank Gifford, Public Works Director *FG*

**Agenda Date:** February 6, 2012

**Subject:** Quilcene Compactor Box Haul

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**Statement of Issue:**

Public Works operates a solid waste collection facility in Quilcene using compactor boxes that must be hauled and emptied at the Transfer Station. This requires having a commercial "G" certificate hauler that is approved by the Washington Utilities and Transportation Commission. Murrey's Disposal Inc. is the only approved solid waste hauler in Eastern Jefferson County.

**Analysis/Strategic Goals/Pro's & Con's:**

This is a mission critical business function provided as a service to the public with no other alternative.

**Fiscal Impact/Cost Benefit Analysis:**

The service is provided on an as needed basis that is dependent on volume of solid waste business. The rates are unit price per the rate sheet attached to the contract.

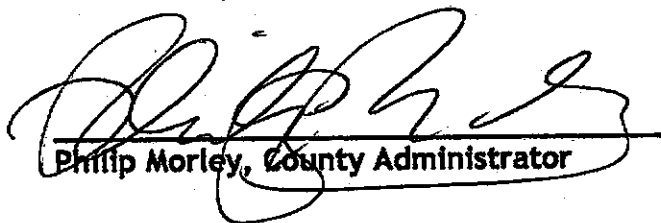
**Recommendation:**

Approve contract as submitted.

**Department Contact:**

Frank Gifford x175

**Reviewed By:**

  
Philip Morley, County Administrator

2/1/12  
Date

**CONTRACT**  
**JEFFERSON COUNTY, WASHINGTON**

THIS AGREEMENT, made and entered into this 6<sup>th</sup> day of February, 2012, between the COUNTY OF JEFFERSON, acting through the Jefferson County Commissioners and the Director of Public Works under and by virtue of Title 36, RCW, as amended (hereinafter called the "County"), and MURREY'S DISPOSAL COMPANY, INC., a Washington corporation, of Port Townsend, Washington (hereinafter called the "Contractor").

WITNESSETH:

That in consideration of the terms and conditions contained herein and attached and made a part of this Agreement, the parties hereto covenant and agree as follows:

1. The Contractor agrees to furnish all labor and equipment and do certain work, to-wit and that the Contractor will undertake and complete the following described work:

Contractor will transport the County's thirty (30) cubic yard compactors and thirty (30) cubic yard open top container from the Jefferson County Rural Drop Box Facility located at 295312 Highway 101 in Quilcene, WA, to the Jefferson County Solid Waste Disposal Facility at 325 Landfill Rd. in Port Townsend, WA.

The Contractor shall haul such containers on an as-needed basis when the County so requests, in writing. The Contractor shall have two (2) business days from notification to empty and return the containers to the Quilcene Rural Drop Box Facility.

All loads shall be tarped or otherwise securely covered unless otherwise agreed upon in writing by both parties prior to shipment.

Fees for this service, including mileage charges, are established by the Washington Utilities & Transportation Commission (the "WUTC"), and are as shown on Exhibit A, attached hereto and incorporated herein by reference. The fees for the services to be performed hereunder by the Contractor shall automatically be adjusted from time to time as such fees are adjusted by the WUTC and the parties shall periodically update Exhibit A to reflect such adjustments.

All permits and other fees associated with performance of the above work that are not set forth by the WUTC are the responsibility of the Contractor. The Contractor shall assume liability of the containers upon loading containers onto Contractor's equipment; provided, however, the Contractor shall have no obligation to collect, haul or dispose of any radioactive, volatile, corrosive, highly flammable, explosive, biomedical, infectious, biohazardous, toxic or hazardous material as defined by applicable federal, state or local laws or regulations ("Hazardous Waste"). Additionally, notwithstanding anything to the contrary contained herein, title to and liability for any Hazardous Waste shall remain with the generator of such waste. The Contractor shall notify the County as soon as practicable after its discovery of any Hazardous Waste. The County acknowledges and agrees that, except as provided for in the prior sentence, the Contractor shall have no responsibility, obligation or liability as it relates to Hazardous Waste.

Contractor will perform this service over the five (5) years of the contract in accordance with specifications stated above and the Standard Specifications of the Washington Department of Transportation, which are by this reference incorporated herein and made a part hereof. The Contractor shall perform any alteration in or addition to the work provided in this Agreement and every part thereof, provided that such alteration or addition is agreed to by the Contractor, in writing, and the Contractor is appropriately compensated for such additional work.

The Contractor shall complete the described work as follows: with a start date of February 6, 2012 and a completion date of February 6, 2017 and in accordance with the contract renewal terms set forth in Section 9 below.

The Contractor shall provide and bear the expense of all equipment, work and labor of any sort whatsoever that may be required for the transfer of materials and for constructing and completing the work provided for in this contract and every part thereof.

The Contractor shall bill the County for all services, whether regular or special. The Contractor shall provide itemized bills, showing charges for all classifications of service, including the charges for late payment, service fees, rentals, rebates, etc. Billings shall be made on a monthly basis for all services provided under this Agreement, and the County will remit payments within thirty (30) days after receiving each invoice. In the event an invoice becomes past due, the Contractor may provide the County with a written notice that services may be temporarily discontinued if said invoice is not paid within thirty (30) days of such written notice.

2. The County of Jefferson hereby promises and agrees with the Contractor to employ, and does employ the Contractor to furnish the goods and equipment described and to furnish the same according to the attached specifications and the terms and conditions herein contained, and hereby contracts to pay for the same according to the attached specifications and the schedule of unit or itemized prices hereto attached, at the time and in the manner and upon the condition provided for in this contract. The County further agrees to employ the Contractor to perform any alterations in or additions to the work provided for in this contract that may be ordered and to pay for the same under the terms of this contract and the attached specifications at the time and in the manner and upon the conditions provided for in this contract.

3. The Contractor for himself, and for his heirs, executor, administrators, successors, and assigns, does hereby agree to the full performance of all the covenants herein contained upon the part of the Contractor.

4. Prior to commencing work, the Contractor shall obtain at its own cost and expense the following insurance from companies licensed in the State with a Best's rating of no less than A: VII. The Contractor shall provide to the County Risk Manager certificates of insurance with original endorsements affecting insurance required by this clause prior to the commencement of work to be performed.

The insurance policies required hereunder shall provide that the County shall receive notification of the cancellation of any such policy, in accordance with the provisions of such policies.

If any of the insurance requirements are not complied with at the renewal date of the insurance policy, payments to the Contractor shall be withheld until all such requirements have been met, or at the option of the County, the County may pay the renewal premium and withhold such payments from the moneys due The Contractor.

All notices shall name the Contractor and identify the agreement by contract number or some other form of identification necessary to inform the County of the particular contract affected.

A. **Workers Compensation and Employers Liability Insurance.** The Contractor shall procure and maintain for the life of the contract, Workers Compensation Insurance, including Employers Liability Coverage, in accordance with the laws of the State of Washington.

B. **General Liability(1)** - with a minimum limit per occurrence of one million dollars (\$1,000,000) and an aggregate of not less than two million dollars (\$2,000,000) for bodily injury, death and property damage unless otherwise specified in the contract specifications. This insurance coverage shall contain no limitations on the scope of the protection provided and indicate on the certificate of insurance the following coverage:

1. Broad Form Property Damage with no employee exclusion;
2. Personal Injury Liability, including extended bodily injury;
3. Broad Form Contractual/Commercial Liability including completed operations (contractors only);
4. Premises - Operations Liability (M&C);
5. Independent Contractors and Subcontractors; and
6. Blanket Contractual Liability.

(1)Note: The County shall be named as an additional insured party under this policy.

C. Automobile (2) - with a minimum limit per occurrence of \$1,000,000 for bodily injury, death and property damage unless otherwise specified in the contract specifications. This insurance shall indicate on the certificate of insurance the following coverage:

1. Owned automobiles;
2. Hired automobiles; and,
3. Non-owned automobiles.

(2) Note: The County shall be named as an additional insured party under this policy.

Any deductibles or self-insured retention shall be declared to and approved by the County prior to the approval of the contract by the County. At the option of the County, the insurer shall reduce or eliminate deductibles or self-insured retention or The Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

The Contractor shall include all subcontractors as insured under its insurance policies or shall furnish separate certificates and endorsements for each subcontractor. All insurance provisions for subcontractors shall be subject to all of the requirements stated herein.

Failure of The Contractor to take out and/or maintain any required insurance shall not relieve The Contractor from any liability under the Agreement, nor shall the insurance requirements be construed to conflict with or otherwise limit the obligations concerning indemnification.

It is agreed by the parties that insurers shall have no right of recovery or subrogation against the County (including its employees and other agents and agencies), it being the intention of the parties that the insurance policies so affected shall protect both parties and be primary coverage for any and all losses covered by the above described insurance. It is further agreed by the parties that insurance companies issuing the policy or policies shall have no recourse against the County (including its employees and other agents and agencies) for payment of any premiums or for assessments under any form of policy. It is further agreed by the parties that any and all deductibles in the above described insurance policies shall be assumed by and be at the sole risk of The Contractor.

It is agreed by the parties that judgments for which the County may be liable, in excess of insured amounts provided herein, or any portion thereof, may be withheld from payment due, or to become due, to The Contractor until such time as The Contractor shall furnish additional security covering such judgment as may be determined by the County.

The County reserves the right to request additional insurance on an individual basis for extra hazardous contracts and specific service agreements.

5. The Contractor shall comply with all Federal, State, and local laws and ordinances applicable to the work to be done under this Agreement. This Agreement shall be interpreted and construed in accord with the laws of the State of Washington and venue shall be in Jefferson County, WA.

The Contractor shall indemnify and hold the County, and its officers, employees, and agents harmless from and shall process and defend at its own expense, including all costs, attorney fees and expenses relating thereto, all claims, demands, or suits at law or equity to the extent arising from the Contractor's negligence or breach of any of its obligations under this Agreement; provided, however, that nothing herein shall require the Contractor to indemnify the County against and hold harmless the County from claims, demands or suits to the extent arising out of the negligence or willful misconduct of the County, its officers, employees and agents or any other third party.

Claims against the County shall include, but not be limited to assertions that the use and transfer of any software, book, document, report, film, tape, or sound reproduction of material of any kind, delivered hereunder, constitutes an

infringement of any copyright, patent, trademark, trade name, or otherwise results in an unfair trade practice or an unlawful restraint of competition.

The Contractor specifically assumes potential liability for actions brought against the County by Contractor's employees, including all other persons engaged in the performance of any work or service required of the Contractor under this Agreement and, solely for the purpose of this indemnification and defense, the Contractor specifically waives any immunity under the state industrial insurance law, Title 51 R.C.W. The Contractor recognizes that this waiver was specifically entered into pursuant to provisions of R.C.W. 4.24.115 and was subject of mutual negotiation.

6. The Contractor's relation to the County shall be at all times as an independent Contractor, and nothing herein contained shall be construed to create a relationship of employer-employee or master-servant, and any and all employees of the Contractor or other persons engaged in the performance of any work or service required of the Contractor under this Agreement shall be considered employees of the Contractor only and any claims that may arise on behalf of or against said employees shall be the sole obligation and responsibility of the Contractor.

7. The Contractor shall not sublet or assign any of the services covered by this contract without the express written consent of the County or its authorized representative. Assignment does not include printing or other customary reimbursable expenses that may be provided in an agreement.

8. The Contractor shall provide a Contract Bond annually for the amount of the previous year total value of services rendered, as shown in Exhibit B. The Contract Bond shall run concurrently with the starting and ending dates of each year of the Agreement and there shall be no gap in coverage as one bond replaces another. The County shall receive the Contract Bond within the first two months of each annual cycle of the Agreement. A sample bond is shown in Exhibit C.

9. Work under this Agreement shall commence upon the first day of the month following the giving of written notice by the County to the Vendor to proceed. The length of the Agreement shall be for a minimum of one (1) year, automatically renewed annually for four (4) additional years with the cost established herein. The County reserves the option to negotiate another five (5) year Agreement based on the rates established by the WUTC. Cancellation of Agreement by either party shall be in writing at least ninety (90) days prior to the discontinuation of service.

10. Work shall be accomplished on an "on-call" basis and in alignment with the hours the facilities are open to the public; Monday through Saturday.

IN WITNESS WHEREOF, the Contractor has executed this instrument on the day and year first below written, and the Board of County Commissioners has caused this instrument to be executed by and in the name of said County of Jefferson the day and year first above written.

Executed by the Contractor 6 JAN, 2012

Contractor MURPHY DISPOSAL CO

By: Robert Nielsen III  
Robert A. Nielsen III

State of Washington, Contractor Registration Number

COUNTY OF JEFFERSON  
BOARD OF COMMISSIONERS

John Austin, Chair

Phil Johnson, Member

David W. Sullivan, Member

Approved as to form only this 27<sup>th</sup>  
day of DECEMBER, 2011

David Alamy  
Deputy Prosecuting Attorney

Frank Gifford  
Public Works Director

**CERTIFICATION REGARDING  
DEBARMENT, SUSPENSION, INELIGIBILITY, AND VOLUNTARY EXCLUSION**

The Contractor certifies to the best of its knowledge and belief, that it and its principals:

- (1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
- (2) Have not within a 3-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- (3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (2) of this certification; and
- (4) Have not within a 3-year period preceding this contract had one or more public transactions (Federal, State, or local) terminated for cause or default.

Where the Contractor is unable to certify to any of the statements in this certification, such Contractor shall attach an explanation.

Murphy's Disposal Company INC.

Name of Contractor

Kent Kovalevko District Manager

Name and Title of Authorized Representative

[Handwritten Signature]

Signature of Authorize Representative

I am unable to certify to the above statement. An explanation is attached.

**EXHIBIT A**

**WASHINGTON UTILITIES & TRANSPORTATION COMMISSION  
TARIFF No. 23 - Murrey's Disposal Co., Inc.**

**Rates in effect July 2011, to be used for the calculation of the Contract Bond**

<b>WUTC Tariff 23 Item #</b>	<b>Base Rate</b>	<b>Additional Mileage charge over 10 miles</b>	<b>Tarping Charge</b>	<b>Total cost per haul</b>
Item 275 – Drop Box Service – 30 Cubic yard – Compacted Material	\$206.25	\$53.62	N/A	\$259.87
Item 265 – Drop Box Service – 30 Cubic yard – Non- Compacted Material - Open Box not tarped	\$114.65	\$53.62		\$168.27
Item 265 – Drop Box Service – 30 Cubic yard – Non- Compacted Material - Open Box tarped	\$114.65	\$53.62	\$40.50	\$208.77



**EXHIBIT B**

**2010 Transport History at Current Rate  
to Determine First Year Bond Amount**

<b>Service Item</b>	<b>No. of Service Items</b>	<b>Approximate Value at current rate</b>
Transport Compacted Material	17	\$4,418
Transport Non-Compacted Material	4	\$673
Total tarping charges	4	\$162
<b>Totals</b>	<b>21</b>	<b>\$5,253</b>

Bond No. 41232092  
Premium \$ 150.00

**PERFORMANCE BOND**

KNOW ALL MEN BY THESE PRESENTS, that we, Murrey's Disposal Company, Inc., as Principal, and Platte River Insurance Company, a corporation duly organized under the laws of the state of Nebraska and licensed to do business in the State of Washington, as Surety, are held and firmly bound unto County of Jefferson (Obligee), in the penal sum of Five Thousand, Two Hundred Fifty-Three Dollars and 00/100 (\$5,253.00) Dollars, lawful money of the United States of America, for the payment of which sum, well and truly to be made, the Principal and Surety do bind themselves, their heirs, executors, administrators, and successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that whereas the above bounden Principal has entered into a certain written Contract with the above named Obligee for Solid Waste Hauling

and more fully described in said Contract, a copy of which is attached, which Agreement is made a part hereof and incorporated herein by reference, except that nothing said therein shall alter, enlarge, expand or otherwise modify the term of the bond as set out below.

NOW, THEREFORE, if Principal, its executors, administrators, successors and assigns shall promptly and faithfully perform the Contract, according to the terms, stipulations or conditions thereof, then this obligation shall become null and void, otherwise to remain in full force and effect. This bond is executed by the Surety and accepted by the Obligee subject to the following express condition:

Notwithstanding the provisions of the Contract, the term of this bond shall apply from February 1, 2012, until February 1, 2013, and may be extended by the Surety by Continuation Certificate. However, neither nonrenewal by the Surety, nor the failure or inability of the Principal to file a replacement bond in the event of nonrenewal, shall itself constitute a loss to the obligee recoverable under this bond or any renewal or continuation thereof. The liability of the Surety under this bond and all continuation certificates issued in connection therewith shall not be cumulative and shall in no event exceed the amount as set forth in this bond or in any additions, riders, or endorsements properly issued by the Surety as supplements thereto.

Sealed with our seals and dated this 6th day of January, 2012.

Principal: Murrey's Disposal Company, Inc.

By: [Signature]

Katrina Murphy  
(Witness)

Surety: Platte River Insurance Company

By: [Signature]  
David W. Giese, Attorney-In-Fact

\_\_\_\_\_  
(Attest)



**ACKNOWLEDGMENT**

State of California  
County of Sacramento

On January 9, 2012 before me, Susan Fournier, Notary Public  
(insert name and title of the officer)

personally appeared David W. Garese  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/~~she~~/they executed the same in  
his/~~her~~/their authorized capacity(ies), and that by his/~~her~~/their signature(s) on the instrument the  
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing  
paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Handwritten Signature] (Seal)



PLATTE RIVER INSURANCE COMPANY  
POWER OF ATTORNEY

41232092

KNOW ALL MEN BY THESE PRESENTS, That the PLATTE RIVER INSURANCE COMPANY, a corporation of the State of Nebraska, having its principal offices in the City of Middleton, Wisconsin, does make, constitute and appoint

DAVID W GARESE, AUDREY C SKEEN, SARAH COLLINS, SUSAN G FOURNIER

its true and lawful Attorney(s)-in-fact, to make, execute, seal and deliver for and on its behalf, as surety, and as its act and deed, any and all bonds, undertakings and contracts of suretyship, provided that no bond or undertaking or contract of suretyship executed under this authority shall exceed in amount the sum of

ALL WRITTEN INSTRUMENTS IN AN AMOUNT NOT TO EXCEED: \$2,500,000.00

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of PLATTE RIVER INSURANCE COMPANY at a meeting duly called and held on the 8th day of January, 2002.

"RESOLVED, that the President, and Vice-President, the Secretary or Treasurer, acting individually or otherwise, be and they hereby are granted the power and authorization to appoint by a Power of Attorney for the purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, one or more vice-presidents, assistant secretaries and attorney(s)-in-fact, each appointee to have the powers and duties usual to such offices to the business of the Corporation; the signature of such officers and the seal of the Corporation may be affixed to such power of attorney or to any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Corporation in the future with respect to any bond or undertaking or other writing obligatory in the nature thereof to which it is attached. Any such appointment may be revoked, for cause, or without cause, by any of said officers, at any time."

IN WITNESS WHEREOF, the PLATTE RIVER INSURANCE COMPANY has caused these presents to be signed by its officer undersigned and its corporate seal to be hereto affixed duly attested, this 1st day of January, 2007.

Attest:

PLATTE RIVER INSURANCE COMPANY

*David F. Pauly*  
David F. Pauly  
Chairman & CEO



*James J. McIntyre*  
James J. McIntyre  
President

STATE OF WISCONSIN } s.s.  
COUNTY OF DANE

On the 1st day of January, 2007 before me personally came James J. McIntyre, to me known, who being by me duly sworn, did depose and say: that he resides in the County of Dane, State of Wisconsin; that he is President of PLATTE RIVER INSURANCE COMPANY, the corporation described in and which executed the above instrument; that he knows the seal of the said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation and that he signed his name thereto by like order.



*Daniel W. Krueger*  
Daniel W. Krueger  
Notary Public, Dane Co., WI  
My Commission Is Permanent

STATE OF WISCONSIN } s.s.  
COUNTY OF DANE

I, the undersigned, duly elected to the office stated below, now the incumbent in PLATTE RIVER INSURANCE COMPANY, a Nebraska Corporation, authorized to make this certificate, DO HEREBY CERTIFY that the foregoing attached Power of Attorney remains in full force and has not been revoked, and furthermore, that the Resolution of the Board of Directors, set forth in the Power of Attorney is now in force.

Signed and sealed at the City of Middleton, State of Wisconsin this 9TH day of JANUARY, 2012



*Alan S. Ogilvie*  
Alan S. Ogilvie  
Secretary

THIS DOCUMENT IS NOT VALID UNLESS PRINTED ON GREEN SHADED BACKGROUND WITH A RED SERIAL NUMBER IN THE UPPER RIGHT HAND CORNER. IF YOU HAVE ANY QUESTIONS CONCERNING THE AUTHENTICITY OF THIS DOCUMENT CALL 800-475-4450