

SUBJECT: INFORMING THE ASSEMBLY OF AN AGREEMENT BETWEEN THE MATANUSKA-SUSITNA BOROUGH AND SUSITNA ORGANICS, LLC TO ALLOW SUSITNA ORGANICS TO COLLECT AND TRANSPORT ORGANIC LAWN AND YARD LITTER AS WELL AS PICK UP WOOD CHIPS FROM THE CENTRAL LANDFILL AND BIG LAKE TRANSFER STATION.



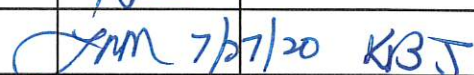
AGENDA OF: August 4, 2020

ASSEMBLY ACTION:

MANAGER RECOMMENDATION: For information only.

APPROVED BY GEORGE HAYS, ACTING BOROUGH MANAGER:



Route To:	Department/Individual	Initials	Remarks
	Originator	Macey "Butch" Shapiro <small>Digitally signed by Macey "Butch" Shapiro Date: 2020.07.21 13:08:57 -0800</small>	
	Public Works Director	Terry Dolan <small>Digitally signed by Terry Dolan Date: 2020.07.21 13:15:29 -0800</small>	7/21/2020
	Finance Director		
	Borough Attorney		
	Borough Clerk		

ATTACHMENT(S): Solid Waste Site Management Agreement between MSB & Susitna Organics, LLC (7 pp)

SUMMARY STATEMENT: The Public Works Department Solid Waste Division is attempting to minimize costs affiliated with storing waste in the landfill. Diverting waste from the landfill means there is less waste to be stored and therefore less cost to the Borough.

Susitna Organics, LLC will provide bins for collecting uncontaminated organic lawn and yard litter at the Central Landfill and Big Lake Transfer Station, and transport the organic lawn and yard litter collected as well as pick up wood chips on Borough property and provide a space for the Borough to drop off wood chips on Susitna Organics, LLC's property.

This agreement has no financial obligations attached to it. Neither

party expects compensation for the performance of this Agreement or related activities associated with it. The agreement is mutually beneficial as the Solid Waste Division needs to find a place to put the large volumes of organic materials coming in and Susitna Organics can use this material to make their compost.

The purpose of this legislation is to inform the Assembly that the Borough Manager will be asked to sign a Site Management Agreement with Susitna Organics, LLC for the purposes stated in this memo.



Matanuska-Susitna Borough

Public Works Department

Solid Waste Division

350 East Dahlia Avenue

Palmer, Alaska 99645-6488

PHONE (907) 861-7606 FAX (907) 861-7609

E-MAIL: macey.shapiro@matsugov.us

CENTRAL LANDFILL, SOLID WASTE PERMIT NO. SW1A007-20

SOLID WASTE SITE MANAGEMENT AGREEMENT Between

Susitna Organics, LLC

Mailing address:

PO Box 520244

Big Lake, Alaska 99652

AND

Matanuska-Susitna Borough

Whereas, the Borough is attempting to minimize costs affiliated with storing waste in the landfill;

Whereas, diverting waste from the landfill means there is less waste to be stored and therefore less cost to the Borough;

Whereas, Susitna Organics, LLC is interested in compostable waste.

The purpose of this agreement (hereinafter "Agreement") is to establish terms and conditions whereby Susitna Organics, LLC shall provide bins for collecting uncontaminated organic lawn and yard litter at the Central Landfill and Big Lake Transfer Station (hereinafter "BLTS"), and transport the organic lawn and yard litter they collect as well as pick up wood chips on Borough property and provide a space for the Borough to drop off wood chips on Susitna Organics, LLC's property.

The Parties to this Agreement are Susitna Organics, LLC (hereinafter "Susitna Organics") and the Matanuska-Susitna Borough (hereinafter the "Borough") (collectively, the "Parties").

Susitna Organics agrees to the following obligations:

1. At the Central Landfill and BLTS:
 - a. To pick up wood chips from the Borough as desired and available.
 - b. To provide at the Borough's Central Landfill and the BLTS one (1), 8 x

Providing Outstanding Borough Services to the Matanuska-Susitna Community.

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16 bin at each location for the collection of uncontaminated organic lawn and yard litter from May 15 (or earliest convenience) through August 31, 2021.

- c. To maintain the appearance of the bins during their use, and conduct any repairs as needed.
 - d. To provide signage to advise the users of the Central Landfill and BLTS what material may be placed in the provided bins.
 - e. To inspect and test the materials it collects from its bins prior to collecting or using them for their intended purpose.
 - f. To transport the collected material away from the Central Landfill and BLTS.
 - g. To prevent the provided bins from spilling the materials collected in them, including inspecting the bins as often as necessary, repairing the bins if necessary, and timely responding to transport the material when contacted by the Borough if the bins become too full. Susitna Organics may contact Char Avril, Unit Supervisor – Transfer Stations at 861-7602 regarding pickup.
2. At Susitna Organics:
 - a. To provide an area on Susitna Organic's property for the Borough to dump wood chips in the event that the Borough chooses to transport, and Susitna Organics requests, 40-yard container loads of wood chips in amounts specifically requested by Susitna Organics free of charge.
 3. To inform the Borough Solid Waste Division of any managerial changes to its company.
 4. To not assign any of its rights or delegate any of its duties under this Agreement.
 5. To acquire and maintain in good standing all permits, licenses, and other entitlements necessary to the performance under this Agreement.
 6. To follow all local, state, and federal laws.
 7. To *defend, indemnify, save, and **hold harmless*** the Borough, its elected and appointed officials, officers, agents, employees, and volunteers from any and all claims, demands, suits, or liability of any nature, kind, or character, including costs, expenses, and attorney's fees, including any claims of negligence. Susitna Organics shall be responsible under this provision for any and all legal actions or claims of any character, resulting from injuries, death, economic loss, damages, violations of statutes, ordinances, or other laws, rules or regulations, contractual claims, environmental contamination or pollution, or any other kind of loss, tangible or intangible, sustained by any person, or property arising from Susitna Organics' actions or failure to act in any manner relating to this Agreement.

8. **To voluntarily release, forever discharge, and agree to hold harmless the Borough from any and all damages relating to any material placed in the bins at the Central Landfill or BLTS and for any and all damage to the bins. Susitna Organics expressly recognizes the Borough has not agreed to restrict or inspect the materials placed in Susitna Organics' bins or otherwise ensure the contents of such materials being placed in the bins or that the condition of the bins themselves are adequate for their intended purpose.**

9. Insurance Requirements. It is specifically agreed between the Parties executing this Agreement that it is not intended by any of the provisions of the Agreement to create in the public or any member thereof a third-party benefit hereunder, or to authorize anyone not a party to this Agreement to maintain a suit for personal injuries or property damage pursuant to the terms or provisions of this Agreement.

It is highly recommended that Susitna Organics confer with its respective insurance companies or brokers to determine if its insurance program complies with the Borough's insurance requirements.

Prior to execution of this Agreement, Susitna Organics shall procure and maintain the insurance as outlined in Attachment A and name the Borough as an additional insured.

In exchange for the obligations above, the Borough agrees to the following obligations:

1. To provide a location at the Central Landfill and BLTS for the placement of the above described bins. The Borough will provide two level areas 24 feet wide by 75 feet deep for Susitna Organics to position their truck and trailer to drop empty bins and recover the full bins.
2. To contact Susitna Organics if the Borough observes the bins Susitna Organics provided are full, overflowing, or otherwise in need of attention.
3. To load Susitna Organics' trucks with wood chips, twigs branches and/or grass, in volumes as requested by Susitna Organics and agreed upon between the two Parties.

Both Parties agree:

4. Neither party expects compensation for the performance of this Agreement or related activities associated with it.
5. This Agreement is effective upon signature of both Parties and for a duration

of one year. Any and all modifications to its terms must be in writing.

6. This Agreement may be terminated for any reason whatsoever, including no reason at all, with thirty (30) days' notice.
7. This Agreement may be terminated for cause with fourteen (14) days' notice, upon a failure to cure.
8. Any dispute will be determined by the laws of the State of Alaska, and any civil action shall be filed in a court in Palmer, Alaska.

Signed: _____



Randall Souhrada
Susitna Organics, LLC
PO Box 520244
Big Lake, Alaska 99652

Dated: _____

7/17/20

Signed: _____

George Hays
Acting Borough Manager
Matanuska-Susitna Borough
350 E. Dahlia Ave.
Palmer, Alaska 99645

Dated: _____

Attachment A

The Contractor shall procure and maintain the following insurance:

A. Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. Insurance Services office form number CG 0001 (Current Edition) covering Commercial General Liability.
2. Insurance Services office form number CA 0001 (Current Edition) covering Automobile Liability, symbol 1 "any auto."
3. Worker's Compensation insurance as required by the State of Alaska and Employers Liability Insurance.

B. Minimum Limits of Insurance

Contractor shall maintain limits no less than:

1. General Liability:

\$500,000 combined single limit per occurrence for bodily injury, property damage, personal injury and advertising injury. The general aggregate limit shall be \$500,000. The general aggregate limits shall apply separately to each project.

If the general liability insurance is written on a claims made form, the Contractor shall provide insurance for a period of two years after final payment of this agreement. The policy(s) shall evidence a retroactive date, no later than the beginning of this Agreement.

2. Auto Liability:

\$1,000,000 combined single limit per accident for bodily injury and property damage.

3. Worker's Compensation and Employers Liability:

Worker's Compensation shall be statutory as required by the State of Alaska. Employers liability shall be endorsed to the following minimum limits:

Bodily injury by Accident - \$100,000 each accident
Bodily injury by Disease - \$100,000 each employee
Bodily injury by Disease - \$500,000 policy limit

4. Excess Liability:

In order to meet the required minimum limits of insurance, it is permissible for the Contractor to combine an excess liability or umbrella policy with the general liability, auto liability or employers liability. In the instance where the Contractor purchases an excess liability or umbrella policy, the occurrence limit and the aggregate limit may be of the same amount.

C. Deductibles and Self-Insured Retention

Prior to the Agreement commencing, any deductible or self-insured retention must be declared and approved by the Borough. The Contractor may be requested to demonstrate how the deductible or self-insured retention will be funded in the event of a claim. At the option of the Borough, the Contractor shall reduce or eliminate such deductibles or self-insured retention as respects the Borough, its officers, officials, employees and volunteers; or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

D. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

1. General Liability, Automobile Liability

- a. The Borough, its Administrator, officers, officials, employees and/or volunteers are to be covered as additional insureds as respects: liability arising out of activities performed by, or on behalf of, the Contractor; products and completed operations of the Contractor premises owned, occupied or used by the Contractor or automobiles owned, leased, hired or borrowed by the Contractor. The coverage shall contain no special limitation on the scope of protection afforded to the Borough, its Administrator, officers, officials, employees and/or volunteers.
- b. The Contractor's insurance coverage shall be primary insurance as respects the Borough, its Administrator, officers, officials, employees and/or volunteers. Any insurance or self-insurance maintained by the Borough, its Administrator, officers, officials, employees and/or volunteers shall be excess of the Contractor's insurance and shall not contribute to it.
- c. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

2. Worker's Compensation and Employer's Liability

The insurer shall agree to waive all rights of subrogation against the Borough, its Administrator, officers, officials, employees and volunteers for losses arising from work performed by the Contractor or any subcontractor for the Borough.

3. All Insurance

Each insurance policy required by this Agreement shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage, or in limits, except for 30 days prior written notice for nonpayment of premium or fraud on the part of the Contractor or 60 days prior written notice for any other reason by certified mail, return receipt requested, has been given to the Borough. Such notice shall be mailed by the Contractor to the attention of the Borough's Purchasing Officer.

E. Acceptability of Insurers

Insurance is to be placed with insurers with a Best's rating of no less than A-VII.

F. Verification of Coverage

Contractor shall furnish the Borough with certificates of insurance and with certified copies of all endorsements effecting coverage required by this clause. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates are to be on forms acceptable to the Borough. All certificates are to be received and approved by the Borough before the Agreement commences. The Borough reserves the right to require complete, certified copies of all required insurance policies, at any time.

G. Subcontractors

Contractor shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverage for subcontractors shall be subject to all requirements stated herein.

H. Lapse in Insurance Coverage

A lapse in insurance coverage is a material breach of this contract which shall result in immediate termination of the contract.