

Legislation title: Amendment to contract # 3100149 – Biosolids Use Services to extend for an additional five years for \$3,250,000.

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Purpose of proposed legislation and background information:

Discuss why the legislation is being proposed and any important background information.

- Describe the impact of this action on the overall program or project. This amendment allows for the extension of contract # 31000149 for Biosolids Use Services.
If needed, provide information to more fully explain the purpose of the legislation. The City of Portland posted RFP # 109947 for Biosolids Use on January 22, 2009. The RFP provided for the option to renew the contract for an additional five (5) years with a total contractual period of not more than ten (10) years. The aim of the RFP was to examine ways to strengthen, enhance, and diversify the City's existing land application program and explore opportunities for cost savings and reductions in diesel fuel consumption. Madison Biosolids, Inc. was named the successful offeror with a proposal to land apply biosolids in the Wasco area of Sherman County, OR (contract # 31000149). This contract has resulted in an approximate annual cost savings of \$280,000/yr (based on a net savings of \$11/wet ton and 25,500 wet tons of biosolids applied). It has reduced transportation distance by approximately 54,000 road miles per year and reduced diesel fuel consumption by approximately 17,000 gallons per year. It has also provided Oregon farmers with a valuable soil amendment and fertility source that reduces greenhouse gas emissions through replacement of commercial fertilizers made with fossil fuels.
- If there's been previous Council action directly related to this legislation, describe, e.g. "This is the 4th contract amendment". This is the fifth contract amendment. All previous amendments have been for pricing adjustments based on changes to the Consumer Price Index. Council Ordinance No. 182828, May 27, 2009, approving the contract, allowed an initial five (5) year term with the option to add an additional five (5) year term.
- Indicate if the proposed legislation supports or changes specific City policies. No changes.

Financial and budgetary impacts:

Discuss the impacts of the legislation relating to all of the following if relevant:

- Long-term financial impacts for the City, e.g. ongoing debt payments, purchase of property requiring operations and maintenance, ratification of labor contract, etc. Continued savings of approximately \$280,000/yr.
- Budget impacts – does the action amend the budget; describe any changes to appropriations. No impact to the budget. Cost savings have already been recognized in the current approved budget.
- Change in expenses – does the legislation authorize additional spending on a new or existing project or program include if funds have been budgeted for the intended use. No.
- If the expense is a "project estimate", identify the level of confidence. Not a capital project. N/A.
- Change in current and future revenues, including dollar amounts and funding sources. None.
- Current and future staffing levels – does the legislation create, eliminate or re-classify positions now or in the future? How much staff time will this legislation require (even if covered by an existing position)? What are the demographic impacts of changes in staffing? No changes.
- Financial agreements – does the legislation result in a new or modified financial obligation or benefit, including IAs, IGAs, MOUs, grants, contracts or contract amendments. Results in amendment to contract # 3100149.

Community impacts and community involvement:

Discuss the impacts of the legislation relating to all of the following if relevant. Describe who is impacted, how they are impacted, how any negative impacts have been addressed, and how the benefits are distributed.

Describe how public involvement and input shaped the bureau's recommended action.

- Different communities of people (age-specific, cultural, physical ability, ethnic, racial, religious, language, low-income, under-served populations, etc.).
- Geographic area, neighborhoods.
- Businesses (small, large, specific types); institutions; interest-based organizations.
- City livability (contributes to a prosperous, educated, healthy, equitable Portland).
- Summarize significant objections/concerns and support/agreement.
- Describe how the bureau responded to or incorporated concerns into the proposed legislation.
- Indicate who/which groups will be testifying (if known).

There is a formal public involvement process for all biosolids programs in the state of Oregon. All biosolids management and land application plans in the state of Oregon are subject to public participation via Oregon Administrative Rule Chapter 340 Division 50. This requires public notice by Oregon DEQ during the National Pollutant Discharge Elimination System (NPDES) permit issuance or renewal process. Opportunity for public review and comment is provided for during this process (last public comment period for the City's biosolids management plan was in 2011). Public notification (i.e., neighbor notification by mail or door-to-door visits) by the permittee is also required when land application sites are proposed for use. Additionally, the City provides notification letters to adjoining neighbors prior to land application activities every year. Public participation and public notice for the Sherman County biosolids land application program have been completed by the City of Portland according to these regulatory requirements.

Budgetary Impact Worksheet

187003

Does this action change appropriations?

- ☐ YES: Please complete the information below.
☒ NO: Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount