

**CITY OF SANDY, OREGON  
PERSONAL SERVICES AGREEMENT**

THIS PERSONAL SERVICES AGREEMENT ("Agreement"), made and entered into this May 20, 2025, by and between the City of Sandy, an Oregon municipal corporation ("City") and RTW Management LLC ("Contractor").

**RECITALS**

**WHEREAS**, the City's fiscal year 2025 - 2027 budget provides for transit contracted services; and

The City of Sandy conducted a Request for Proposals (RFP) process and RTW Management LLC was properly selected as a result of this process.

**WHEREAS**, contract was awarded to Contractor by Sandy's City Council at their meeting on May 19, 2025; and

**WHEREAS**, City desires to retain Contractor to perform certain professional consulting services, as further identified in this Agreement. Contractor is willing to perform these services for and in connection with the City's transit operation services (the "Project"), subject to and in accordance with the terms and conditions contained in this Agreement.

Contract funding subject to local, State and Federal funding sources. State and Federal fund grant contracts this agreement is subject to are attached as Exhibit E and F.

**NOW THEREFORE**, in consideration of the promises and covenants contained herein, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

**AGREEMENT**

**1. Term.**

This Agreement shall run from July 1, 2025 through and including June 30, 2027 unless sooner terminated under the provisions of this Agreement and may be extended for additional like periods. All Services under this Agreement shall be completed prior to the expiration of this Agreement. This contract may be renewed for up to three (3) additional year terms, to be exercised by execution of a written amendment on terms and conditions approved by both parties.

**2. Contractor's Service.**

The scope of Contractor's services under this Agreement are set forth in Exhibit A (the "Services"). The Services will be completed expeditiously, in a timely manner, and in accordance

with the schedule identified in Exhibit B. All provisions and covenants contained in said exhibit are hereby incorporated by reference and shall become a part of this Agreement as if fully set forth. Any conflict between this Agreement and Contractor's proposal (if any) shall be resolved first in favor of this Agreement. Any conflict between this Agreement and Exhibits A or B shall be resolved first in favor of this written Agreement. Contractor will, in the rendering of its services to City, use its best efforts and due diligence and provide such personnel as are necessary to successfully provide the services covered under this Agreement. All Contractor personnel shall be properly trained and fully licensed to undertake any activities pursuant to this Agreement, and Contractor shall have all requisite permits, licenses and other authorizations necessary to provide the Services. Contractor acknowledges and agrees that City may cause or direct other persons or contractors to provide services for and on behalf of City that are the same or similar to the Services provided by Contractor under this Agreement. No information, news, or press releases related to the Project shall be made to representatives of newspapers, magazines, television and radio stations, or any other news medium without the prior written authorization of City's Project Manager.

### **3. Compensation.**

- 1. Agreement Sum.** As compensation for Contractor's timely performance of the Services in accordance with this Agreement, City shall pay Contractor a total sum not to exceed \$6,200,709 (the "Agreement Sum"), in accordance with the "Schedule of Rates" attached hereto as Exhibit C. City has also added funding in the amount of \$394,345 for minor unexpected expenses that may exceed the total of the Schedule of Rates in Exhibit C. Any expense included in the "Invoice" separate than the "Schedule of Rates" must be pre-approved in writing by the City. Contractor will submit monthly invoices to City concerning the Services performed by Contractor during the immediately preceding month (each an "Invoice"). Each Invoice will contain the following information: (a) a summary of the Services performed by Contractor (and by whom); (b) the number of hours (or fraction thereof) each person spent to perform the Services; (c) the applicable fee(s) for performing the Services; and (d) all other information reasonably requested by City. City will pay the undisputed amount due under each Invoice within thirty (30) days after City has reviewed and approved the Invoice. No compensation will be paid by City for any portion of the Services not performed. Any change to hours and/or routes shall be made in writing on terms mutually acceptable to the parties. If for any reason the Operations Manager, Road Supervisor, Maintenance Coordinator or Bus Washer positions designated in the contract are open or not permanently filled, with a qualified individual, for more than 90 days, a charge equal to the position's monthly salary and benefits as denoted in the contract may be immediately assessed by the City of Sandy, and collected through a reduction in payment owed the CONTRACTOR in the next invoice cycle, or as otherwise agreed to at the City of Sandy's discretion. Such fee may continue to be collected for each subsequent month in which the open position is left vacant. Payment shall not be considered acceptance or approval of any Services or waiver of any defects

therein. The Agreement Sum shall constitute full and complete payment for said Services and all expenditures which may be made and expenses incurred, except as otherwise expressly provided in this Agreement or agreed to by mutual written and duly signed agreement of City and Contractor. Notwithstanding the foregoing, the parties may not increase the Agreement Sum without prior written authorization of the City Manager. Failure of Contractor to secure authorization for extra work shall constitute a waiver of all right to adjustment in the Agreement Sum or Agreement time due to such unauthorized extra work and Contractor thereafter shall be entitled to no compensation whatsoever for the performance of such work.

- A. Certified Cost Records. The Contractor shall furnish certified cost records for all billings to substantiate all charges. For such purposes, the books of account of the Contractor shall be subject to audit by the City in accordance with the terms of this Agreement. The Contractor shall complete Services and cost records for all billings on such forms and in such manner as will be satisfactory to the City.
- B. Contractor Identification. Contractor shall furnish to City Contractor's employer identification number, as designated by the Internal Revenue Service or, if the Internal Revenue Service has designated no employer identification number, Contractor's Social Security number.

#### **4. Project Managers.**

City's Project Manager is Andi Howell. Contractor's Project Manager is George Goates. Each party shall give the other written notification of any change in their respective Project Manager.

#### **5. Duty to Inform.**

Contractor shall give prompt written notice to City's Project Manager if, at any time during the performance of this Agreement, Contractor becomes aware of actual or potential problems, faults or defects in the project, any nonconformity with the Agreement, or with any federal, state, or local law, rule or regulation, or has any objection to any decision or order made by City. Any delay or failure on the part of City to provide a written response to Contractor shall constitute neither agreement with nor acquiescence in Contractor's statement or claim and shall not constitute a waiver of any of City's rights.

#### **6. Contractor is Independent Contractor.**

Contractor is an independent contractor for all purposes and shall be entitled to no compensation other than the compensation expressly provided by this Agreement. Contractor hereby expressly acknowledges and agrees that as an independent contractor, Contractor is not entitled to indemnification by the City or the provision of a defense by the City under the terms of ORS 30.285. This acknowledgment by Contractor shall not affect his/her independent ability (or the ability of his/her insurer) to assert the monetary limitations found at ORS 30.270, the immunities listed at ORS 30.265, or other limitations affecting the assertion of any claim under the terms of the Oregon Tort Claims Act (ORS 30.260 to ORS30.300).

## **7. Work; Intellectual Property; Records.**

- A. Work is Property of City. All work, including but not limited to documents, drawings, papers, computer programs, and photographs, performed or produced by Contractor under this Agreement shall be the property of City. Contractor will defend all suits or claims for infringement of patent, trademark, and/or copyright for which Contractor is responsible (including, without limitation, any claims which may be brought against City), and Contractor will be liable to City for all losses arising therefrom, including costs, expenses, and attorney fees.
- B. Intellectual Property. The interest in any intellectual property, including but not limited to copyrights and patents of any type, arising from the performance of this Agreement and any generated work product shall vest in City. Contractor shall execute any assignment or other documents necessary to affect this section. Contractor may retain a nonexclusive right to use any intellectual property that is subject to this section. Contractor shall transfer to City any data or other tangible property generated by Contractor under this Agreement and necessary for the beneficial use of intellectual property covered by this section.
- C. Records. Contractor shall retain all books, documents, papers, and records that are directly pertinent to this Agreement for at least three (3) years after City makes final payment on this Agreement and all other pending matters are closed. Contractor shall allow City (or any of its authorized representatives) to audit, examine, copy, take excerpts from or transcribe any books, documents, papers, or records that are subject to the foregoing retention requirement.

## **8. Errors.**

Contractor shall perform such additional work as may be necessary to correct errors in the work required under this without undue delays and without additional cost.

## **9. Extra or Changes in Work.**

Only the City Manager or Project Manager may authorize extra (and/or change) work. Failure of Contractor to secure authorization for extra work shall constitute a waiver of all right to adjustment in the Agreement Sum or project schedule due to such unauthorized extra work and Contractor thereafter shall be entitled to no compensation whatsoever for the performance of such work.

## **10. Indemnity.**

Contractor acknowledges responsibility for any and all liability arising out of the performance of this Agreement and shall hold City, its officers, employees, elected and appointed officials, volunteers, and agents harmless from, indemnify, and defend City, its officers, employees and agents for any and all liability, settlements, loss, costs and expenses in connection with any action, suit, or claim resulting or allegedly resulting from (i) Contractor's acts, omissions, activities or services in the course of performing this Agreement; (ii) Contractor's failure to

pay any tax arising out of or resulting from performance of the Services; (iii) a claim made against the City in which the City's alleged liability results directly or indirectly, in whole or in part, from the quality of the professional services provided by Contractor, regardless of the type of claim made against the City in performance of this Agreement. Contractor's indemnification obligations provided in this Section will survive the termination of this Agreement. If any aspect of this indemnity shall be found to be illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this indemnification. Any work by Contractor that directly results in a design of a facility that is not readily accessible to and usable by individuals with disabilities, as defined by state and federal law, shall be considered a professionally negligent act, error or omission.

- 11. INSURANCE.** Contractor shall secure at its own expense and keep in effect during the term of the performance under this Contract the insurance required and minimum coverage indicated below. Contractor shall provide proof of said insurance and name the City as an additional insured on all required liability policies. Proof of insurance and notice of any material change should be submitted to the following address: City of Sandy Transit Department 16610 Champion Way Sandy, OR 97055 or ahowell@ci.sandy.or.us.

X Required - Workers Compensation: Contractor shall comply with the workers' compensation requirements in ORS 656.017, unless exempt under ORS 656.126.
X Required – Commercial General Liability: combined single limit, or the equivalent, of not less than \$5,000,000 per occurrence.
X Required – Professional Liability: combined single limit, or the equivalent, of not less than \$1,000,000 per occurrence, with an annual aggregate limit of \$2,000,000 for damages caused by error, omission or negligent acts.
X Required – Automobile Liability: combined single limit, or the equivalent, of not less than \$3,000,000 per occurrence for Bodily Injury and Property Damage.

This policy(s) shall be primary insurance as respects to the City. Any insurance or self-insurance maintained by the City shall be excess and shall not contribute to it. Any obligation that City agree to a waiver of subrogation is hereby stricken.

**12. Breach of Agreement.**

- A. Contractor shall remedy any breach of this Agreement within the shortest reasonable time after Contractor first has actual notice of the breach or City notifies Contractor of the breach, whichever is earlier. If Contractor fails to either remedy the breach or actively begin and maintain efforts satisfactory to the City to remedy the breach within ten (10) days of actual notice or the City's mailing, City may terminate that part of the Agreement affected thereby upon written notice to Contractor, may obtain substitute services in a reasonable manner, and recover from Contractor the amount by which the price for those substitute services exceeds the price for the same services under this Agreement.
- B. If the breach is material and Contractor fails to either remedy the breach or actively begin

and maintain efforts satisfactory to the City to remedy the breach within five (5) days of the City's notice City may then treat Contractor as being in default and pursue any remedy available for such default at law or in equity.

- C. Pending a decision to terminate all or part of this Agreement, City unilaterally may order Contractor to suspend all or part of the Services under this Agreement. If City suspends terminates all or part of the Agreement pursuant to this Section, Contractor shall be entitled to compensation only for Services rendered prior to the date of termination or suspension, but not for any Services rendered after City ordered termination or suspension of those Services. If City suspends certain Services under this Agreement and later orders Contractor to resume those Services, Contractor shall be entitled to reasonable damages actually incurred, if any, as a result of the suspension.
- D. To recover amounts due under this Section, City may withhold from any amounts owed by City to Contractor, including but not limited to, amounts owed under this or any other Agreement between Contractor and City.

### **13. Mediation; Trial Without A Jury.**

If either party has a claim or dispute in connection with this Agreement, it shall first attempt to resolve the dispute through mediation. The parties shall mutually select an acceptable mediator, shall equally share the applicable mediation fees, and shall mutually select an applicable mediation venue. If either party fails to proceed in good faith with the mediation, or the parties otherwise fail to resolve the claim via the mediation process, the claiming party may proceed with litigation. Any litigation arising under or as a result of this Agreement shall be tried to the court without a jury. Each party agrees to be responsible for payment of its own professional fees, including attorneys' fees, in both mediation and litigation.

### **14. Termination for Convenience.**

The City may terminate all or part of this Agreement at any time for its own convenience by written notice to Contractor. Upon termination under this Section, Contractor shall be entitled to compensation for all Services rendered prior to actual notice of the termination or the receipt of the City's written notice of termination, whichever is earlier.

### **15. Payment of Claims by the City.**

If Contractor fails, neglects, or refuses to make prompt payment of any claim for labor or services furnished to Contractor or a subcontractor by any person in connection with this Agreement as the claim becomes due, the City may pay the claim to the person furnishing the labor or services and charge the amount of the payment against funds due or to become due to Contractor pursuant to this Agreement. The City's payment of a claim under this Section shall not relieve Contractor or Contractor's surety, if any, from responsibility for those claims.

### **16. Public Contracting Requirements.**

- A. Overtime. Any person employed on work under this Agreement, other than a person subject to being excluded from the payment of overtime pursuant to either ORS 653.010 to 653.261

or 29 USC §201 to 209, shall be paid at least time and a half for all overtime worked in excess of 40 hours in any one week.

- B. Payment for Labor or Material. Contractor shall make payment promptly, as due, to all persons supplying to Contract labor or material for the performance of the work provided for in this Agreement. (ORS 279B.220)
- C. Contributions to the Industrial Accident Fund. Contractor shall pay all contributions or amounts due the Industrial Accident Fund from Contractor incurred in the performance of this Agreement, and shall ensure that all subcontractors pay those amounts due from the subcontractors. (ORS 279B.220)
- D. Liens and Claims. Contractor shall not permit any lien or claim to be filed or prosecuted against the state or a county, school district, municipality, municipal corporation or subdivision thereof, on account of any labor or material furnished. (ORS 279B.220)
- E. Income Tax Withholding. Contractor shall pay to the Oregon Department of Revenue all sums withheld from employees pursuant to ORS 316.167. (ORS 279B.220)
- F. Hours of Labor. Contractor shall pay employees for overtime work performed under the terms of this Agreement in accordance with ORS 653.010 to ORS 653.261 and the Fair labor standards Act of 1938. (29 USC §§ 201 *et. seq.*)
- G. Workers' Compensation. Contractor is a subject employer that will comply with ORS 656.017. Contractor warrants that all persons engaged in contract work and subject to the Oregon Workers' Compensation law are covered by a workers' compensation plan or insurance policy that fully complies with Oregon law. Contractor shall indemnify City for any liability incurred by City as a result of Contractor's breach of the warranty under this Paragraph. (ORS 279B.230)
- H. Medical Care for Employees. Contractor shall promptly, as due, make payment of all sums to any person, co-partnership, association or corporation, furnishing medical, surgical and/or hospital care incident to the sickness or injury of Contractor's employee(s), all sums which Contractor agrees to pay for such services and all monies and sums which Contractor collected or deducted from the wages of employees pursuant to any law, contract or contract for the purpose of providing or paying for such service. (ORS 279B.230)
- I. Non-Discrimination. Contractor agrees to comply with all applicable requirements of federal and state civil rights and rehabilitation statutes, rules, and regulations. Contractor also shall comply with the Americans with Disabilities Act of 1990, ORS 659A.142, and all regulations and administrative rules established pursuant to those laws.
- J. Lawn or Landscaping. If the Services or Project under this Agreement contemplate lawn

or landscape maintenance, Contractor shall salvage, recycle, compost or mulch yard waste material at an approved site, if feasible and cost-effective. (ORS 278B.225)

- K. Foreign Contractor. If Contractor is not domiciled in or registered to do business in the state of Oregon, Contractor shall promptly provide to the Oregon Department of Revenue and the Secretary of State Corporation Division all information required by those agencies relative to this Agreement. Contractor shall demonstrate its legal capacity to perform these services in the state of Oregon prior to entering into this Agreement.
- L. Federal Environmental Laws. Contractor shall comply with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15).
- M. Tax Law Compliance. Contractor (to the best of Contractor knowledge, after due inquiry), for a period of no fewer than six calendar years (or since the firm's inception if less than that) preceding the effective date of this Agreement, faithfully has complied with:
- 1) All tax laws of this state, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318;
  - 2) Any tax provisions imposed by a political subdivision of this state that applied to Contractor, to Contractor's property, operations, receipts, or income, or to Contractor's performance of or compensation for any work performed by Contractor;
  - 3) Any tax provisions imposed by a political subdivision of this state that applied to Contractor, or to goods, services, or property, whether tangible or intangible, provided by Contractor; and
  - 4) Any rules, regulations, charter provisions, or ordinances that implemented or enforced any of the foregoing tax laws or provisions.
- N. The City certifies that sufficient funds are available and authorized for expenditure to finance costs of this Agreement.

## **17. Law of Oregon.**

The Agreement shall be governed by the laws of the State of Oregon. Venue shall be in Clackamas County, Oregon.

## **18. Successors and Assignments.**

Both City and Contractor bind themselves and any partner, successor, executor, administrator, or assign to this Agreement. Neither City nor Contractor shall assign or transfer their interest or obligation hereunder in this Agreement without the written consent of the other party. Contractor must seek and obtain City's written consent before subcontracting any part of the

work required of Contractor under this Agreement. Any assignment, transfer, or subcontract attempted in violation of this Section shall be void.

## **19. Modification.**

Any modification of the provisions of this Agreement shall be reduced to writing and signed by authorized agents of City and Contractor.

## **1. EMPLOYEE RETENTION**

Contractor acknowledges and agrees that an equally significant reason the City is entering into this Contract is because of the employee retention methods set forth. For current full time City of Sandy operations employees who are retained through good faith efforts, RTW Management LLC will honor participation in a benefit package as explained in Exhibit B, pay the employee's current wage as listed in Appendix A of Exhibit A and provide a \$400 monthly bonus where indicated necessary throughout their employment with RTW Management LLC. Exhibit D includes an updated wage scale for drivers, dispatchers, road supervisor and utility worker. Part time employees will be retained at their current wage, seniority and vacation levels.

## **20. No Waiver of Legal Rights.**

A waiver by a party of any breach by the other shall not be deemed to be a waiver of any subsequent breach.

## **21. Method and Place of Giving Notice, Submitting Bills and Making Payments.**

All notices, bills and payments shall be made in writing and may be given by personal delivery, mail, or by fax. Notice, bills, payments, and other information shall also be made via email to the parties listed in the address block below. Payments may be made by personal delivery, mail, or electronic transfer. The following addresses shall be used to transmit notices, bills, payments, and other information:

**CITY OF SANDY**  
**Andi Howell**  
Transit Director  
Email: ahowell@ci.sandy.or.us  
CC: mrustam@ci.sandy.or.us  
Phone: 503.235.6780  
Address: 16610 Champion Way  
Sandy, Or 97055

**Contractor**  
**George Goates**  
President  
Email: ggoates@RTWManagement Inc.  
Phone: 801.819.3691  
Address: 1495 E. 3300 S.  
Salt Lake City, UT 84106

When notices are so mailed, they shall be deemed given upon deposit in the United States mail, postage prepaid, or when so faxed, shall be deemed given upon successful fax. In all other

instances, notices, bills and payments shall be deemed given at the time of actual delivery. Changes may be made in the names and addresses of the person to whom notices, bills and payments are to be given by giving written notice pursuant to this Section.

**22. Conflict Between Terms.**

It is further expressly agreed by and between the parties hereto that should there be any conflict between the terms of this instrument in the proposal of the Agreement, this instrument shall control and nothing herein shall be considered as an acceptance of the said terms of said proposal conflicting herewith.

**23. Severability.**

If any provision or portion of this Agreement is held to be unenforceable or invalid by any court of competent jurisdiction, the validity of the remaining terms and provisions shall not be affected to the extent that it did not materially affect the intent of the parties when they entered into the Agreement.

**24. Integration; Counterparts; Electronic Signatures.**

This Agreement contains the entire agreement between the parties and supersedes all prior written or oral discussions or agreements regarding the same subject. The Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original and such counterparts shall together constitute but one and the same Agreement. Any party shall be entitled to sign and transmit electronic signatures to this Agreement (whether by facsimile, .pdf, or electronic mail transmission), and any such signature shall be binding on the party whose name is contained therein. Any party providing an electronic signature to this Agreement agrees to promptly execute and deliver to the other parties, upon request, an original signed Agreement.

*[Signatures are on the following page.]*

**IN WITNESS WHEREOF**, City has caused this Agreement to be executed by its duly authorized undersigned officer and Contractor has executed this Agreement on the date hereinabove first written.

<hr/> City of Sandy [Name], [Title]	<hr/> [Contractor Business Name] [Authorized signer's name], [Title]
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