



**Burlington Electric Department
Purchased Wood Agreement**

Contract #WTC10241

Date: June 27, 2023

This Agreement is between City of Burlington, acting by and through its Electric Department, hereinafter called BUYER, and **Ken Mitchell Trucking Inc of Morrisville, VT** hereinafter called SUPPLIER. It is understood by all parties that the SUPPLIER is an independent contractor and is neither an agent nor employee of the BUYER for any purpose whatsoever.

Quantities and Price:

It is mutually understood and agreed that the SUPPLIER will produce and deliver to the BUYER at the time and place(s) designated below, subject to the stipulations and conditions set forth below, the following products, for which the BUYER will pay the SUPPLIER at the following rates:

<u>Tonnage</u>	<u>Product</u>	<u>Rate</u>	<u>Delivery Point</u>
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See FY 24 Schedule attached hereto and incorporated herein.

Delivery and Specifications:

Harvesting and delivery will be conducted in accordance with provisions mandated by the Vermont Public Utility Commission, formerly known as the Vermont Service Board, and in accordance with all of the BUYER'S regulations and specifications which appear in the attached Appendix, which is incorporated herein by reference. Any material which fails to meet product specifications, may be rejected.

The BUYER reserves the right to pay a discounted price for deliveries which fail to comply with contract specifications to offset costs of additional handling, reprocessing or disposal.

Deliveries shall commence on **July 1, 2023** and continue through **June 30, 2024** unless the SUPPLIER is prevented from delivering, or the BUYER prevented from accepting because of strikes, lockouts, fire, flood, major mechanical breakdown of Buyer's McNeil generating facility which prevents full operation for periods in excess of 14 days in any 30 day period, or other factors beyond the control of the SUPPLIER or BUYER.

Expiration:

This Agreement shall be in effect until the agreed upon tonnage is produced and accepted by the BUYER or until this Agreement expires, whichever occurs first. Expiration of this Agreement terminates BUYER'S obligation to purchase and SUPPLIER'S obligation to produce and deliver the wood products covered by this Agreement. Payment will be made only for tonnage's accepted by the BUYER at the point(s) of delivery specified herein, up to the date of expiration.

This Agreement shall terminate on: June 30, 2024

Subcontracting:

The SUPPLIER shall be free to subcontract the production and delivery of products covered by this Agreement, however, all contractors and subcontractors shall be held responsible for meeting all terms and conditions of this Agreement.

Scale and Payments:

All products delivered and accepted under this Agreement shall be weighed on a scale provided by the BUYER or an Agent designated by the BUYER. The weight thereby determined shall be the basis of payment to the SELLER.

Compliance:

The SUPPLIER agrees that all products covered by this Agreement shall be produced and delivered in compliance with all applicable local, State and Federal laws and regulations, particularly applicable environmental laws and provisions/conditions of the McNeil Generating Station Certificate of Public Good, mandated by the Vermont Public Utility Commission.

Liability:

The SUPPLIER agrees to indemnify, save and hold BUYER, to the greatest extent permissible by law, harmless from and against (1) any and all mortgages, liens, encumbrances, claims or demands of title, of any and every kind, by any person, firm or corporation, upon or against any and all products produced hereunder, (2) any and all claims, demands, suits, actions, proceedings, judgements, decrees, orders and expenses (including and not limited to legal fees and expenses of any and all persons, firms and corporations (including but not limited to employees, agents, representatives or independent contractors of either party to the Agreement)), including any death or injury of any person or persons, of any loss, damage or destruction to any property, by reason of anything done or omitted to be done by the SUPPLIER or its agents, employees or independent contractors in connection with all or any part of the supplies or equipment used in its production, cutting, skidding, piling, loading, delivering, unloading or handling and (3) any loss, damages or destruction to property of the BUYER or Swanton Limestone Corp. caused directly or indirectly by any willful or negligent act or omission of the SUPPLIER or his employees, agents or independent contractors. The SUPPLIER agrees to maintain in effect during the term of this Agreement comprehensive general and vehicular liability insurance in an amount acceptable to the BUYER and provide BUYER with written proof of such insurance coverage.

Termination:

This Agreement may be terminated by either party at any time by giving sixty days' notice of such intention to terminate. If terminated, no payment will be made for any costs associated with overhead or profit, incidental or consequential damages. Payment will only be made for products which are accepted by the BUYER up to the date of termination.

Witnesses:

_____ 

SUPPLIER: Ken Mitchell Trucking

By:  _____

_____ 

BUYER: Burlington Electric Department

By:  _____

FY24 Purchase Schedule

Burlington Electric will purchase from Ken Mitchell Trucking Inc under the following schedule:

Month	Base Tons	Base Price/ton	Seasonal Tons	Seasonal Price/ton
July 2022	2,000			
August	2,000			
September	2,000			
October	2,500			
November	2,000			
December			2,500	
January 2023			2,500	
February			2,500	
March			2,000	
April	1,500			
May	1,500			
June	2,000			

Base tons will be monitored on a rolling three-month average for the purpose of informing future contract tonnage offerings. Rolling three-month delivery averages less than the base load tonnage shown above could reduce the amount of future wood contract volumes. Suppliers may request data on their three-month rolling average deliveries as desired to monitor compliance with scheduled deliveries. Not less than 50% of the base should be delivered each month to keep on production targets.

Maximum base deliveries may exceed the tonnage shown above by up to 10%, without prior approval of Buyer. With consultation and approval from the Chief Forester, dependent on inventory numbers, base numbers may exceed this limit in a given month.

Your default delivery location is the Swanton Yard. Upon consultation and approval of the Chief Forester and if space allows, wood harvested south of Burlington may be delivered to the McNeil Station.

**Appendix to
Purchased Wood Agreements
Whole Tree Chips**

Specifications:

All chips delivered under this agreement shall be of a nominal size of 1 inch by 1 inch. Twigs and oversize chips shall not exceed 5 inches in any dimension. Chips shall not be abnormally wet, dirty, decayed or otherwise in poor condition. Loads of chips which in the opinion of the Buyer, fail to meet these Specifications will not be accepted. Unaccepted loads will not be purchased.

Delivery:

All chips delivered under this agreement are to be delivered in trucks with a wheelbase which can fit on a 60 foot scale platform in a single weighing. The maximum trailer length which will be dumped at McNeil Station is 48 feet. The maximum trailer length which will be dumped at Swanton yard is 48 feet. Self-unloading trailers of any length are acceptable at either location. Any trucks deemed unsafe by the Buyer will not be allowed to deliver. Deliveries shall be subject to the following provisions ordered by the Vermont Public Service Board:

1. No fuel trucks may enter or utilize the five corners intersection in Essex Junction, VT between the hours of 7:00 and 8:30 AM and 4:00 and 5:30 PM Mondays through Fridays inclusive, holidays accepted.
2. No fuel trucks may enter or utilize streets or highways within the cities of Burlington or Winooski on Sundays or before 6:30 AM or after 9:30 PM on any other day. Loads that originate south of Burlington shall be delivered via Burlington Truck Routes, not through Winooski.
3. No fuel shall be off-loaded at the McNeil Generating Station from any truck on Sundays or before 7:00 AM or after 9:00 PM on any other day.
4. The Seller will adhere to the recommendations of the Vermont Department of Fish and Wildlife regarding cutting near deer yards, wetlands and habitats of Endangered Species.
5. The Seller will comply with all applicable environmental protection standards established under State or Federal law.
6. The Seller will limit clearcutting to 25 acres or less except in cases of genuine land use conversion.
7. The Seller will comply with all terms and conditions of the Burlington Electric Whole Tree Harvesting Guidelines, receipt of which is hereby acknowledged.

June '14

FY 24 Pricing Table

Woods chip prices will be set monthly based on the table below.

The first Tuesday of each month the website www.eia.gov/petroleum/gasdiesel will be checked for the New England diesel price.

As an example, a price of \$4.11 is in the range of \$4.00-\$4.50 which sets the monthly price at \$29.36 for Zone 1 (0-60 miles) and \$31.19 for Zone 2 (60+ miles). In order to qualify for Zone 2 directions to the logging site must be verified.

The woods chip price may drop if the New England price falls or may increase if the price rises to the next slot.

Diesel \$/Gallon	Zone 1	Zone 2
\$3-\$3.50	\$27.64	\$29.02
\$3.50-\$4	\$28.50	\$30.10
\$4-\$4.50	\$29.36	\$31.19
\$4.50-\$5	\$30.21	\$32.27
\$5-\$5.50	\$31.07	\$33.36
\$5.50-\$6	\$31.93	\$34.45
\$6-\$6.50	\$32.78	\$35.53
\$6.50-\$7	\$33.64	\$36.62
\$7-\$7.50	\$34.50	\$37.70
\$7.50-\$8	\$35.36	\$38.79