

**ORDINANCE NO. 1661**

**AN ORDINANCE AUTHORIZING THE INTERIM CITY ADMINISTRATOR TO AMEND THE PERSONAL SERVICES AGREEMENT WITH CURRAN-MCLEOD, INC. CONSULTING ENGINEERS FOR DESIGN AND CONSTRUCTION PHASE ENGINEERING SERVICES FOR THE EXTENSION OF WALNUT STREET TO HIGHWAY 99E.**

**WHEREAS**, the City of Canby on February 10, 2022, published a formal Request for Qualifications (RFQ) for professional services to complete the S. Walnut Street Extension to Highway 99E;

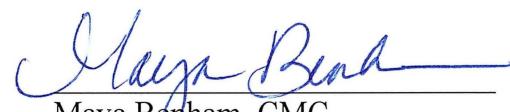
**WHEREAS**, a City review committee reviewed the qualifications submitted and recommended award of the engineering contract to Curran McLeod, Inc., Consulting Engineers, and executed a personal services agreement on June 7, 2022 (the “Agreement”); and

**WHEREAS**, the City and Curran-McLeod, Inc. desire to amend the Agreement to allow Curran-McLeod, Inc. to provide support services to the project through construction.

**NOW, THEREFORE, THE CITY OF CANBY, OREGON, ORDAINS AS FOLLOWS:**

**Section 1.** Council hereby authorizes and directs the City Administrator to execute Amendment No. 2 to the Personal Services Agreement, attached to this Ordinance as Exhibit A. Amendment No. 2 will increase the Agreement not-to-exceed amount by \$385,000.

**SUBMITTED** to the Canby City Council and read the first time at a regular meeting therefore on January 21, 2026, ordered posted as required by the Canby City Charter; and scheduled for second reading on February 4, 2026, commencing at the hour of 7:00 PM in the Council Chambers located at 222 NE 2<sup>nd</sup> Avenue, 1<sup>st</sup> Floor Canby, Oregon.

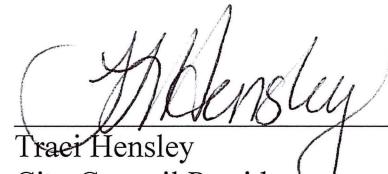


\_\_\_\_\_  
Maya Benham, CMC  
City Recorder

**PASSED** on second and final reading by the Canby City Council at a regular meeting thereof on the 4<sup>th</sup> day of February, 2026, by the following vote:

YEAS 6

NAYS 0

  
\_\_\_\_\_  
Traeli Hensley  
City Council President

ATTEST:

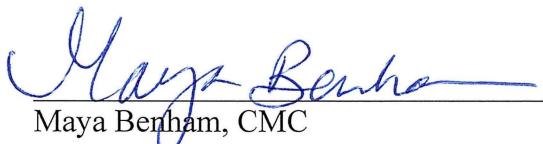
  
\_\_\_\_\_  
Maya Benham, CMC  
City Recorder

EXHIBIT A to Ordinance No. 1661

December 26, 2025

Mr. Randy Ealy, City Administrator  
City of Canby  
222 NE 2<sup>nd</sup> Avenue  
Canby, OR 97013

CURRAN-MCLEOD, INC.  
CONSULTING ENGINEERS

6655 S.W. HAMPTON STREET, SUITE 210  
PORTLAND, OREGON 97223

*Corrected  
Copy*

**RE: CITY OF CANBY  
WALNUT STREET EXTENSION PROJECT**

Dear Randy & Jerry:

We are finally moving ahead with the Walnut Street Extension project with the bid opening for Phase 2 scheduled for January 22, 2026. The final phase for the highway signalization is anticipated to be advertised for bids in early 2026. The total construction costs of all three phases will be approximately \$9.25 million with engineering and contingencies; the total project costs are estimated at approximately \$11 to \$12 million.

It has been nearly four years since we originally established an engineering budget for the project, which was amended once in September 2024 to its current total of \$765,000. Plans and specifications for all three phases of the work have been completed since early this year. However, a large part of the past two years has been spent maneuvering through unlimited administrative challenges which were not apparent in the initial project scope. As a result, we have currently expended all our budget.

With this letter we are requesting an increase in the engineering budget to provide support services through construction. Our services were secured through a competitive proposal, so negotiating budgets complies with the professional services procurement statutes in ORS 279C.

As we have discussed, there are three phases of the work:

**1. TEAKWOOD SANITARY SEWER PROJECT**

This work is currently under construction and awaiting final approval from the Union Pacific Railroad for the second bore. The highway bore and connecting pipe are complete and we have submitted all the information requested by the railroad for final approval. The most recent interaction with the railroad was this week when they notified us the shoring detail submitted by the contractor did not meet UPRR requirements. We had originally secured this permit in 2022 but the UPRR required we reapply this year after securing a contractor.

One issue with the railroad bore is the requirement for a continuous bore operation 24/7 until the bore is complete. The bore is estimated to take 24 to 30 hours, so 24/7 operation would violate the City's noise ordinance. We have requested the City approve a variance from the noise ordinance for the short duration of the bore, which is scheduled for Council review on January 7.

Mr. Randy Ealy  
December 26, 2024  
Page 2

## 2. WALNUT STREET EXTENSION

The Walnut Street plans have been essentially complete for many months and we are currently continuing to secure permit approvals. We were unable to secure DEQ or OHA approvals this year without a signed Land Use Compatibility Statement, which both the City and County refused to acknowledge. In November the City and County agreed to execute an IGA addressing Walnut Street and at that time the County sent an approved LUCS for submittal to DEQ and OHA. We have received the water system approvals, and anticipate receiving all remaining permits and approvals in the next few weeks.

We have advertised the Walnut Street Extension plans and have scheduled the bid opening for January 22, and submittal at the February 4<sup>th</sup> Council meeting.

## 3. ODOT HIGHWAY 99E SIGNALIZATION

DKS Associates have been working with ODOT for nearly two years providing requested plan changes. Currently we are awaiting approval of our fifth submittal in response to the over 200 comments in the four ODOT reviews that have occurred in the past two years. Once we have ODOT's approval, this plan set is ready to apply for final permits and solicit bids.

ODOT has modified the design many times over the past two years to require additional improvements and reports. Since execution of our engineering contract, ODOT has required widening the Highway road and right of way to provide a right turn lane, widening Walnut Street to provide dual left turn lanes, required a clean fill study on the highway widening section, and most recently required we present plans to the ODOT Mobility Advisory Board for another approval to construct what ODOT engineers have already directed us to do. We anticipate all approvals will be in place by early January for bids to be received in February.

The most recent construction estimates include:

Teakwood Sewer (as-bid)	\$ 850,000
Walnut St (Estimate)	6,850,000
ODOT Signal (Estimate)	1,500,000
Canby Utility Power (Estimate)	<u>550,000</u>
<b>March 2025 Total</b>	<b>\$9,750,000</b>

Mr. Randy Ealy  
December 26, 2024  
Page 3

We have consistently underestimated the work scope and engineering time required for this project. To be more in line with industry standards, the engineering budget should be 12 – 15% of the project cost, or \$1.2 to \$1.4 million. Our budget at \$765,000 is less than 8% of the construction costs.

The work tasks required to complete this work to solicit bids and administer all three phases of construction include:

Bid Solicitation and Award (2)	\$ 20,000
Construction Surveys	65,000
DKS Signal Coordination	75,000
Construction Inspection	140,000
Contract Administration	60,000
As-Builts & Survey Monumentation	<u>25,000</u>
<b>TOTAL \$ 385,000</b>	

We are asking to establish a bid and construction phase budget of \$385,000 for our project team, which is approximately 4% of the construction costs. All efforts in the bid and construction phase of the work are billed on a time and material basis as needed.

Our firm has always worked to support the City of Canby and keep our engineering costs low. Our personal services agreement was executed in June of 2022 and has long since exceeded the anticipated performance period. Attached is an amendment to our Personal Services Agreement with our current standard hourly rate schedule for your review and approval. Please let me know if you have questions or concerns.

Very truly yours,

**CURRAN-MCLEOD, INC.**

  
Curt J. McLeod, P.E.

Enclosure:    Amendment No. 2 to the Personal Services Agreement  
                  With Current Standard Hourly Rate Schedule

**CITY OF CANBY**  
**WALNUT STREET EXTENSION AND**  
**HIGHWAY 99E SIGNALIZATION**

**AMENDMENT No. 2 TO THE PERSONAL SERVICES AGREEMENT**

The Personal Services Agreement approved on June 7, 2022, between the CITY OF CANBY and CURRAN-MCLEOD, INC., Consulting Engineers shall be amended per the correspondence dated December 18, 2025, as follows:

Section 3, Compensation, Item A. shall be increased by \$385,000 to a total not-to-exceed price of \$1,150,000 without prior written approval from the City, to be billed on a time and material basis.

IN WITNESS WHEREOF, the parties hereto have executed or caused to be executed by their duly authorized officials, this AMENDMENT NO. 2 to the PERSONAL SERVICES AGREEMENT on the respective dates indicated below.

**OWNER:**  
**CITY OF CANBY**

SIGNATURE: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

**ENGINEER:**  
**CURRAN-MCLEOD, INC.**

SIGNATURE:   
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

NAME: Curt McLeod, PE

TITLE: Principal

DATE: 12-26-25

# **STANDARD HOURLY RATES**

---

**Effective January 1, 2026**

Senior Principal Engineer	\$ 200.00
Principal Engineer	190.00
Project Engineer/Manager	175.00
Design Engineer/Sr. Design Tech	145.00
Design Technician/Inspector	115.00
Graphics Technician	110.00
Word Processing	90.00
Sub-Consultants	At Cost

# **REIMBURSABLE EXPENSES**

---

CURRAN-MCLEOD, INC. does not routinely invoice any reimbursable expenses. Auto expenses, meals, travel, lodging, communication, publishing, and miscellaneous operating costs are all included in our established hourly rates and project budgets.

## **AFFIDAVIT OF POSTING**

STATE OF OREGON )  
County of Clackamas ) ss:  
CITY OF CANBY )

I, Maya Benham, being first duly sworn, depose and say that I am the City Recorder for the City of Canby, Clackamas County, Oregon, a City duly incorporated under and by virtue of the laws of the State of Oregon.

That on the 21st day of January, 2026, the Council for said City of Canby held a Regular City Council Meeting, at which meeting Ordinance No. 1661 was read for the first time and passed by the vote of said Council and then and there ordered posted in at least three (3) public and conspicuous places in said City for a period of five (5) days prior to the second reading and final vote on said Ordinance, as provided in Section 2 of Chapter 8 of the Charter of the City of Canby, and

Thereafter, on the 22<sup>nd</sup> day of January, 2026, I posted said Ordinance in the following three (3) conspicuous places, all within the said City of Canby, to wit:

1. Canby Civic Building
2. Canby Post Office
3. City of Canby Web Page

That since said posting on the date aforesaid, the said Ordinance will remain posted in the said three (3) public and very conspicuous places for the period of more than five (5) days and until the very 4<sup>th</sup> day of February, 2026.

Maya Benham  
Maya Benham, CMC  
City Recorder

Subscribed and sworn to before me this 22<sup>nd</sup> day of January, 2026.

