

City of Ann Arbor

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Legislation Text

File #: 14-0776, Version: 1

Resolution to Appropriate Funds and Reimburse Resource Recovery Systems for Capital Repair of Baler Infeed Conveyor at the Material Recovery Facility (\$39,480.04) **(8 Votes Required)**This request is for funding the replacement of the baler infeed conveyor at the MRF. This conveyor was last replaced in 2007, and was worn out. These conveyors typically last five to seven years. RRS contacted three companies for quotes on the belt, and received two quotes; RRS chose the lowest quote to provide for the belt. In addition to the belt that was purchased for \$29,305.00, RRS purchased several additional items that were needed in the repair, for a total of \$39,480.04 in expenses.

The City owns the materials recovery facility (MRF). The MRF is operated and maintained by Resource Recovery Systems (RRS) through a twenty-six year agreement with the City. A jointly funded MRF Capitalized Renewal and Replacement Account exists within the Solid Waste Enterprise Fund to fund capital renewals and replacements as needed. The attached resolution appropriates funds and reimburses RRS for the cost of repairs described below.

Funding for the baler infeed conveyor items is from the MRF Capitalized Renewal and Replacement account, which as of March 31, 2014 had a balance of \$251,629.37. The Replacement account is controlled by the City and is funded by ongoing contributions from both the City and RRS through a calculation method established in the contract. In FY13 the contributions to that account totaled \$175,008.00.

RRS received HR Contract Compliance approval on August 22, 2013 and Living Wage approval on April 14, 2014.

Prepared by: Tom McMurtrie, Solid Waste Coordinator

Reviewed by: Matthew J. Kulhanek, Fleet & Facility Manager

Craig Hupy, Public Services Area Administrator

Approved by: Steven D. Powers, City Administrator

Whereas, The City owns a materials recovery facility (MRF) that is operated by RRS LLC (An FCR division);

Whereas, RRS is in a twenty-six year operating agreement with the City to operate and maintain the MRF on behalf of the City;

Whereas, Repairs were completed on the MRF baler infeed conveyor totaling \$39,480.04;

Whereas, A jointly funded MRF Capitalized Renewal and Replacement Account exists within the Solid Waste Enterprise Fund to finance such expenditures;

Whereas, The operating contract agreement between the City and RRS provides for the reimbursement of expenditures made by RRS to be funded through the MRF Capitalized Renewal and Replacement Account to RRS for equipment repairs at the MRF;

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Whereas, The MRF Capitalized Renewal and Replacement Account, which had a balance of \$251,629.37 as of March 31, 2014, is adequate to fund this repair; and

Whereas, RRS received HR Contract Compliance approval on August 22, 2013 and Living Wage approval on April 14, 2014;

RESOLVED, That City Council approve the reimbursement to RRS of \$39,480.04 from the MRF Capitalized Renewal and Replacement Account for repair of the MRF baler infeed conveyor; and

RESOLVED, That City Council authorize the City Administrator to take any necessary administrative actions to implement this resolution.