

City of Ann Arbor

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Legislation Text

File #: 16-1395, Version: 1

Resolution to Appropriate and Reimburse Resource Recovery Systems for the Balance of the Replacement of the City-Owned Material Recovery Facility Baler \$426,328.00 **(8 Votes Required)** The attached resolution appropriates funds and reimburses Resource Recovery Systems, Inc. for the balance of the replacement costs of the material recovery facility's baler, an essential piece of equipment necessary for recycle material processing.

On July 7, 2016 City Council approved the appropriation and reimbursement of twenty-percent of the baler costs (\$116,507.00) via Resolution R-16-272. Subsequent to that action, the contract with the on-site operator, Resource Recovery Systems, was terminated, effective July 11, 2016.

The City desires to utilize the baler for continuing recycle processing and needs to reimburse Resource Recovery Systems for the total cost of the equipment, \$542,835.00. The notice of termination was sent late in the afternoon on July 7, 2016, which was too late to make changes to Resolution R-16-272. Although not incorporated into the text of Resolution R-16-272, the emergency authorization attached to the agenda item included notice from Resource Recovery Systems, Inc., that it expected the City to cover the balance of the purchase price on a pro rata basis when its operating contract with the City terminated. Because of the short time between the purchase of the balance of the purchase price.

To purchase the baler, Resource Recovery Systems, Inc. sought quotes for the baler replacement, with availability being a critical component of a replacement selection. The IPS/Harris TR-1388 B-200S Two-ram Baler was selected as the unit to replace the previous non-operational baler. The new baler is operational and is currently in use at the facility.

Budget/Fiscal Impact

Funding for the baler is available in the Solid Waste Enterprise Fund Balance.

Resource Recovery Systems complies with the requirements of the City's Non-discrimination Ordinance.

Prepared by: Marti Praschan, Financial Manager

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Howard S. Lazarus, City Administrator

Whereas, The baler is an essential piece of equipment necessary for recycle material processing;

Whereas, Resource Recovery Systems, sought quotes and procured an IPS/Harris TR-1388B-200 Two-ram baler;

Whereas, City Council previously approved the appropriation and reimbursement of twenty-percent of the baler replacement costs, \$116,507.00;

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Whereas, Effective subsequent to that action, the operating contract with the on-site operator, Resource Recovery Systems, was terminated;

Whereas, The City wishes to utilize the new baler for ongoing recycling operations; and

Whereas, Funds are available in the Solid Waste Enterprise Fund Balance to cover the entire cost of the baler;

RESOLVED, City Council approve and appropriate the remainder of the reimbursement costs of the new baler in the amount of \$426,328.00 to Resource Recovery Systems, Inc.; and

RESOLVED, That the City Administrator be authorized to take any other necessary administrative actions to implement this resolution.