

## **draft replacement resolution of CA-7 (12-2-2019)**

Whereas, The City of Ann Arbor has contracted for processing of the City's recyclable materials since 1993;

Whereas, Initially these services were provided through a long-term contract to design, construct and operate a Materials Recovery Facility (MRF) for the City;

Whereas, In July 2016 the City took the MRF offline as a processing facility because of safety concerns due to the condition of the equipment;

Whereas, The contracted services have since that time been to receive recyclable materials at the City's MRF structure, transload the recyclables to an offsite MRF for processing and subsequent marketing to end markets;

Whereas, The existing contract for these services will expire June 30, 2020;

Whereas, In addition to the need to replace the existing contract when it expires the City desires to again process recyclable materials at the City's MRF;

Whereas, The City issued Request for Proposals (RFP) #19-28 seeking proposals from interested parties to propose work plans and cost proposals for two options: Option 1 - to receive recyclable materials at the City's MRF, transload the recyclables to an offsite MRF for processing and subsequent marketing to end markets; Option 2 - Equip and modify (as needed) the City's MRF to receive, process and market all recyclable materials at the City's MRF;

Whereas, The proposal to transload recyclables to a Lansing facility will result in 2.5 truckloads daily of materials making a 140-mile round-trip journey to a facility in Lansing, for a total of approximately 91,000 vehicle miles travelled annually;

Whereas, The President of the Michigan Recycling Coalition Kerrin O'Brien stated "there has been a serious shortage of Material Recovery Facility capacity in southeast Michigan, and this has in part led to Michigan's underperformance in material recovery;

Whereas, Recycle Ann Arbor presented the only bid to re-energize the Ann Arbor Material Recovery Facility (MRF);

Whereas, Rebuilding the Ann Arbor MRF restores a \$6 million publicly-owned community asset with no up-front capital costs to the City;

Whereas, Rebuilding the Ann Arbor MRF will create approximately 20 local jobs paying living wages, health and vacation benefits;

Whereas, Recycle Ann Arbor has 40 years of nationally-recognized recycling experience and has been a partner to the City since the City began curbside recycling;

Whereas, RAA has the staffing with the necessary experience to oversee the rehabilitation and operation of the MRF and operates a construction materials MRF in Scio Township;

RESOLVED, Council directs, authorizes, and supports the City Administrator in negotiating an agreement with Recycle Ann Arbor to rebuild and operate the Ann Arbor MRF for an initial period of ten (10). This agreement will a base period of five (5) years with annual renewals to be executed upon mutual agreement of the parties. The contract will include requirements that RAA submit timely and detailed reports as required to assess performance and that the City will receive a host municipality fee for all non-City materials processed and that the City will receive the best terms offered to any other entity processing materials through the MRF;

RESOLVED, The City Administrator will report to Council on any budgetary changes required to implement this agreement prior to its execution and will include any rate or budgetary adjustments required in the FY21 budget submittal; and

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute said agreement, after approval as to form by the City Attorney and approval as to substance by the City Administrator; and