



## Legislation Text

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**File #:** 16-1105, **Version:** 2

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Resolution to Approve a Services Agreement with Waste Management of Michigan, Inc. for Short-Term Operation of Ann Arbor Material Recovery Facility (MRF) and Waste Transfer Station (Estimated at \$588,734.00)

The attached resolution approves a services agreement with Waste Management of Michigan, Inc. (WMM) to provide short-term operation services at the City's Material Recovery Facility (MRF) and Waste Transfer Station.

On August 4, 2016, City Council approved Resolution R-16-311 which ratified an emergency purchase order to WMM for a six-week period following the termination of the contract with the previous on-site operator of the City owned Material Recovery Facility on July 7, 2016, which ended their services on July 11, 2016. The City has undertaken an RFP (request for proposal) process to select a contractor to perform interim operations of the MRF and Transfer Station until the City completes a thorough and well-defined process to procure a long-term, multi-year operator for these essential City services. The duration of this RFP process is such that the emergency purchase order term and funding will expire before the interim contractor begins operating at the MRF and Transfer Station. It is anticipated that the interim operating contractor for the MRF and Waste Transfer Station may not be in place until January, 2017. As a result, in order to continue providing uninterrupted solid waste and recycling services for the community, it is necessary to enter into this short-term agreement with WMM to provide these services until the interim contractor can begin operating the MRF and Transfer Station.

Due to the inability to determine the actual end of the need for these short-term operating services and the unknown quantity of recyclable and solid waste materials that will need to be handled during this period, this contract cannot have a maximum, not-to-exceed total value. WMM will be compensated based on the unit prices contained in the contract for those materials delivered by the City or its contractors. Based on the quantities handled during the first three weeks of the emergency operations of the MRF and Transfer Station, it is estimated that \$588,734.00 will be utilized for these short-term operations, with \$91,542.00 of this amount being for the processing of recyclable material and \$497,192.00 for the operation of the Transfer Station.

Waste Management complies with the City's conflict of interest, non-discrimination and living wage ordinances.

### Budget/Fiscal Impact

Funding for these services is available in the approved FY17 Solid Waste Operation and Maintenance Budget.

### Sustainability Framework

The work under this contract is essential to supporting the Responsible Resource Use goal of the City's Sustainability Framework.

Prepared by: Cresson S. Slotten, P.E., Manager, Systems Planning Unit

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Howard S. Lazarus, City Administrator

Whereas, Effective July 11, 2016, the City terminated the operating contract for the City-owned Material Recovery Facility/Transfer Station;

Whereas, Recycling processing is a component of the Solid Waste Resource Plan and is a valued service of the community;

Whereas, Solid Waste disposal decisions have a significant impact on sustainability and climate change;

Whereas, The Solid Waste Resource Plan identifies ways for the community to move towards the zero waste goal that was adopted by the City's Environmental Commission in 2007;

Whereas, The guiding principles for Ann Arbor's solid waste program focus on providing services that are cost-efficient, customer-friendly, and environmentally responsible;

Whereas, Short-term operation services are necessary to continue uninterrupted recycling and solid waste services the citizens of Ann Arbor desire and expect during the process to procure an interim contractor operator for these key City facilities;

Whereas, Funding for recycling processing services and transfer station operations is available in the FY 17 approved operation and maintenance budget of the Solid Waste Fund; and

Whereas, Waste Management of Michigan, Inc. complies with the City's Non-Discrimination and Living Wage Ordinances;

RESOLVED, That City Council approves a Contract with Waste Management of Michigan, Inc. for Short-Term Operation of the City's Waste Transfer Station and recycling processing;

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

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