



Legislation Text

File #: 13-1396, **Version:** 2

Resolution to Reimburse Resource Recovery Systems for Capital Repair of Baler at the Material Recovery Facility (\$62,613.77) and Appropriate Funds **(8 Votes Required)**

The City owns a materials recovery facility (MRF) that is operated by Resource Recovery Systems (RRS), which is in a twenty-six year agreement with the city to operate and maintain the MRF on behalf of the City. The agreement expires in 2021. A jointly funded MRF Capitalized Renewal and Replacement Account exist within the Solid Waste Enterprise Fund to finance capital renewals and replacements as needed. The attached resolution appropriates funds and reimburses RRS for the cost of repairs described below.

This request is for funding the replacement of a gather cylinder and ejector cylinder on the MRF baler. These were replaced due to the finding of metal shavings in the baler oil tank. The metal shavings indicated that the cylinder seals needed replacing.

Funding for this item will be provided through the MRF Capitalized Renewal and Replacement Account, which as of June 30, 2013 had a balance of \$327,178.19. The Replacement Account is controlled by the City and is funded by way of ongoing contributions from both the city and RRS through a calculation method established in the contract. This account is held as a reservation in the Solid Waste Fund's fund balance. 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 19, 2013.

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;

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 gather cylinder and ejector cylinder totaling \$62,613.77;

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;

Whereas, The MRF Capitalized Renewal and Replacement Account, which had a balance of

\$327,178.19 as of June 30, 2013, is adequate to this repair; and

Whereas, RRS received HR Contract Compliance approval on August 22, 2013 and Living Wage approval on April 19, 2013.

RESOLVED, That City Council authorize the appropriation of \$62,613.77 from the MRF Capitalized Renewal and Replacement Account of the Solid Waste Fund for the replacement of a MRF baler gather cylinder and ejector cylinder;

RESOLVED, That City Council approve the reimbursement to RRS of \$62,613.77 for replacement of a MRF baler gather cylinder and ejector cylinder; and

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