



Legislation Text

File #: 20-0770, **Version:** 1

Resolution to Authorize Contract Amendment Number 7 with Recycle Ann Arbor for Municipal Resource Recovery Services

Attached for your review and consideration is a resolution to approve and authorize Amendment Number 7 to the Municipal Resources Recovery Services contract with Recycle Ann Arbor (RAA).

On December 15, 2003 City Council approved a ten-year contract with RAA for collection of recyclable materials throughout the City by approving Resolution R-517-12-03. On March 15, 2010 this contract was extended for an additional five years until June 30, 2018 as part of Amendment 2 which was approved by Resolution R-10-071. On June 4, 2018 this contract was extended two additional years until June 30, 2020, by Resolution R-18-218. On June 3, 2019, the contract was extended through June 30, 2020 with a City option to extend through June 30, 2021 by Resolution R-19-256.

The City issued Invitation to Bid (ITB) #4623 for Residential Customer Recyclables Collections on April 6, 2020 to identify the best means of providing residential recycling collections in Ann Arbor, either by City resources or contracted services. This service will begin on July 1, 2021; therefore, the City is exercising the option to extend the existing recycling collections contract with RAA to June 30, 2021.

The current contract calls for the City to provide ten trucks for use by RAA, with seven of those trucks for collection routes and the other three being reserved in case the route trucks need to be repaired. RAA has modified their operations such that all ten trucks are used for daily collections. In order to provide ten operable trucks at all times, truck leasing has been required.

The current contract states the City will reimburse RAA for lease payments, with the term of any lease not to exceed 4 months. Amendment 7 changes the term of any truck lease to end no later than June 30, 2021 and updates the list of City trucks provided to RAA for recycling collection. Specifically, with Amendment 7, the City will provide 3 additional used trucks to RAA to reduce the number of leased trucks. Leasing at least one truck for the duration of the contract extension will still be required, as will leasing additional trucks if any of the City owned trucks become inoperable. The City anticipates saving \$12,000.00 in lease reimbursement costs from this change in lease term.

Budget/Fiscal Impact: Funding for these collection services is available in the approved FY21 Solid Waste operating budget.

Prepared by: Christina Gomes, Recycling and Solid Waste Program Coordinator
Molly Maciejewski, Public Works Manager

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Tom Crawford, Interim City Administrator

Whereas, On December 15, 2003 City Council approved a ten-year contract with RAA for collection of recyclable materials throughout the City by approving Resolution R-517-12-03. On March 15, 2010

this contract was extended for an additional five years until June 30, 2018 as part of Amendment Number 2 which was approved by Resolution R-10-071. On June 4, 2018 this contract was extended two additional years until June 30, 2020, by Resolution R-18-218. On June 3, 2019, the contract was extended through June 30, 2020 with a City option to extend through June 30, 2021 by Resolution R-19-256;

Whereas, The City intends to administratively exercise its option to extend the contract with Recycle Ann Arbor for one (1) additional year, ending on June 30, 2021;

Whereas, There is available funding for the extension of the contract with Recycle Ann Arbor through June 30, 2021;

Whereas, The Contract requires the City to provide RAA with collection trucks;

Whereas, In order to continue RAA's Municipal Resource Recovery Services operations it is necessary for RAA to lease collection trucks to supplement the current fleet provided by the City;

Whereas, The City has the availability to provide 3 used City trucks to RAA which will reduce the overall number of needed lease trucks; and

Whereas, Leasing trucks for a longer term can reduce lease reimbursement costs to the City;

RESOLVED, That City Council approve Amendment Number 7 to the contract with Recycle Ann Arbor for Municipal Resource Recovery Services amending Article B-6;

RESOLVED, That City Council approves providing Recycle Ann Arbor 3 used City trucks for use in connection with the contract to reduce the number of leased trucks needed;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute the Amendment 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 the necessary administrative actions to implement this resolution.