



Legislation Text

File #: 16-0953, **Version:** 1

Resolution to Ratify, Appropriate Funds and Reimburse Resource Recovery Systems, Inc. for the City's Share of the Emergency Replacement of the City-Owned Material Recovery Facility's Baler (\$116,507.00) (8 Votes Required)

The attached resolution appropriates funds and reimburses Resource Recovery Systems Inc., for twenty percent of the cost of replacing the material recovery facility's baler. The baler is an essential piece of equipment necessary for recycles material processing. The cost of the replacement baler is \$582,535.00.00.

After several months of ongoing repairs, on Thursday, June 16, 2016, the baler located at the City-owned Material Recovery Facility suffered a catastrophic failure. Although repairs were made in an effort to keep the baler operational, it failed again early on June 22, 2016, and cannot be repaired. Replacement of the existing unit is necessary to continue processing recycle material. Because recycling operations are being adversely effected, staff sought and received an emergency purchase authorization from the City Administrator.

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 BT 200 has been selected as the unit to replace the existing baler. Funding for the City's agreed upon cost share is available in the Solid Waste Enterprise Fund Balance.

Prepared by: Christina Gomes, Solid Waste and Recycling Program Coordinator

Reviewed by: Craig Hupy, Public Services Administrator

Approved by: Tom Crawford, Interim City Administrator

Whereas, The existing baler at the materials recovery facility has suffered a catastrophic failure and is in need of replacement;

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

Whereas, Under these circumstances, the normal procurement process would not work to get a new baler in a timely fashion;

Whereas, Quotes for a baler replacement were sought by Resource Recovery Systems, Inc.;

Whereas, The City's operating contract with Resource Recovery Systems, Inc. provides for reimbursement of a share of capital expenditures that repair or replace worn equipment;

Whereas, The current funding mechanism established in the existing contract is insufficient to fund the necessary baler replacement;

Whereas, Resource Recovery Systems, Inc. complies with the City's non-discrimination and living wage ordinances;

Whereas, The City has agreed via the emergency purchase provision as authorized under Section 1:317 of the Ann Arbor City Code, to reimburse Resource Recovery Systems, LLC for twenty percent of the cost of the baler replacement, \$116,507.00, which is based on the existing pro-rata share of the contract reimbursement mechanism of the existing contract; and

Whereas, Funds are available in the Solid Waste Enterprise Fund balance to cover the cost of the City's contribution to the baler replacement;

RESOLVED, That City Council approve and appropriate the reimbursement of twenty percent of the final costs of a new baler, in the amount of \$116,507.00 to Resource Recovery Systems, Inc.; and

RESOLVED, That the City Administrator be authorized to take any other necessary administrative actions to implement this resolution, including the authorization of change orders.