



## Legislation Text

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**File #:** 17-2105, **Version:** 1

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### Resolution to Approve a Services Agreement with Speed Tech Equipment for MRF Horizontal Conveyor Repair and Preventative Maintenance and Appropriate Funds (\$60,281.00) **(8 Votes Required)**

Attached for your consideration is a resolution to approve a services agreement with Speed Tech Equipment for repair and preventative maintenance of the horizontal conveyor at the Ann Arbor Materials Recovery Facility (MRF) and to appropriate the FY 18 necessary funding.

On August 8, 2017 at the Ann Arbor MRF there was a fire on the horizontal feed conveyor of unknown origin. Subsequently, there were several unanticipated work items/expenditures in association with the conveyor, including: fire alarm and electrical work; cleaning and removal of accumulated material; and baler feed conveyor cleaning and inspection. After the cleaning and inspection, it was determined that the conveyor belt was not repairable and there was associated damage to the support structure of the conveyor that would need to be performed in order to operate the conveyor.

The City's current MRF contract operator, Recycle Ann Arbor's (RAA's) original Loose Loading proposal doesn't utilize the baler and conveyor, but their "Hybrid Method" of processing recyclables includes the baling of commercial high content OCC (cardboard) recyclables and shipping them to a separate, local processor. Due to the high percentage of high quality OCC material and the shorter shipping distance, there is more financial advantage to the City to have RAA utilize their Hybrid Method rather than their original Loose Loading method. Staff has performed an analysis that indicates repairing and maintaining the conveyor has an estimated 16-17 month payback compared to paying for the current Loose Loading Method.

The City contacted ten conveyor repair companies for quotes for the repair and maintenance of the horizontal feed conveyor. The City received one response for the request for quotes from Speed Tech Equipment a division of Speed Wrench. Speed Tech's repair quote was \$52,881.27. In addition, preventative maintenance of the MRF conveyors is recommended at an estimated annual cost of \$11,800.00 including an estimate for parts and labor. The estimated remaining annual maintenance costs for FY 18 total \$7,400.00 and FY 19 estimated annual costs total \$11,800.00.

Speed Tech Equipment complies with the City's conflict of interest, non-discrimination and living wage ordinances.

#### Budget/Fiscal Impact

Funding for the repair and FY 18 preventative maintenance is available in the current Solid Waste Fund fund balance. Funding for subsequent years, will be included in the annual Operation and Maintenance Budgets for Solid Waste Fund, if so approved.

#### Sustainability Framework

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

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

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Howard S. Lazarus, City Administrator

Whereas, The MRF Conveyor is a need of the operations of the Materials Recovery Facility (MRF) for operation of the baler;

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

Whereas, The MRF Conveyor is necessary to continue baling commercial high-content OCC recyclables which is more economically advantageous than full loose loading by the City's MRF contract operator, Recycle Ann Arbor;

Whereas, Speed Tech Equipment a division of Speed Wrench was selected to repair and perform preventative maintenance for the City's MRF conveyor;

Whereas, These services will be provided for a period of up to eighteen months;

Whereas, Funding for the FY 18 services is available in the current Solid Waste Fund fund balance and the FY 19 Operation and Maintenance budget of the Solid Waste Fund, upon approval; and

Whereas, Speed Tech Equipment a division of Speed Wrench complies with the City's non-discrimination and living wage ordinances;

RESOLVED, That City Council approves a purchase order with Speed Tech Equipment a division of Speed Wrench, for repair and preventative maintenance of the MRF horizontal conveyor estimated at \$60,281.00 for FY18 and \$11,800.00 for FY19;

RESOLVED, That \$60,281.00 be appropriated from the Solid Waste Fund fund balance for the FY 18 services;

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

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