



Legislation Text

File #: 20-0673, **Version:** 1

Resolution to Provide Additional Funding for Recycle Ann Arbor's Municipal Resource Recovery Services (Curbside Recycling) and Appropriate Funds in the Amount of \$472,800.00 from the Solid Waste Fund balance. **(8 Votes Required)**

Attached for your review and action is a resolution to approve an increase to the purchase order for Recycle Ann Arbor's Municipal Resource Recovery Services (Curbside Recycling) and to appropriate a total of \$472,800.00 in funding from the Solid Waste Fund balance.

The Curbside Recycling contract with Recycle Ann Arbor (RAA), which serves single and multi-family units as well as some businesses, has experienced an additional monetary need for truck rental, maintenance and repair costs the City pays RAA to enable RAA to perform its collection operations. Due to the age and condition of the City-provided truck fleet RAA uses for its current operations, the City has experienced increased monthly costs as the fleet trucks age and their condition continues to deteriorate. The City has permanently taken out of service three vehicles, and with extensive repairs and preventative maintenance needed on the remaining fleet, the City had found it necessary to rent four to five vehicles every month at a cost of \$8,300.00 per vehicle, per month. The City is contractually obligated to provide RAA with ten vehicles, in addition to paying for all repairs and fuel.

For the Curbside Recycling contract, we estimated a cost increase of 3%, which was similar to previous years, but the average monthly increase is currently trending at 26% from FY19 expenses. We now estimate needing an additional \$157,600.00 per month for the remaining months of April, May and June of 2020, for a total of \$472,800.00.

Budget/Fiscal Impact: Funding is available in the Solid Waste Enterprise Fund balance.

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

Reviewed by: Molly Maciejewski, Public Works Unit Manager

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Tom Crawford, Interim City Administrator

Whereas, The City is contractually obligated to provide RAA with ten vehicles, in addition to paying for all repairs and fuel;

Whereas, The City has permanently taken three vehicles out of service that were used by RAA and the remaining vehicles are out of service more often due to needed repairs;

Whereas, increased funding is needed due to recycling curbside truck repair costs, and for truck rentals to satisfy the contractually obligated number of vehicles in the RAA agreement; and

Whereas, The City of Ann Arbor has funding available in the Solid Waste Fund balance;

RESOLVED, That City Council approve a purchase order increase of \$472,800.00 for a total FY20 purchase order amount of \$2,505,800.00 to Recycle Ann Arbor for Municipal Resource Recovery Services (Curbside Recycling);

RESOLVED, That City Council appropriate funding in the amount of \$472,800.00 from the Solid Waste Fund for FY20; and

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