ITEM#	7
DATE:	07-29-08

COUNCIL ACTION FORM

SUBJECT: PRIMARY SHREDDER ROTOR

BACKGROUND:

The Resource Recovery Plant utilizes a hammer mill (shredder) to shred municipal solid waste. A new style, heavy duty rotor has been in use in the primary shredder at the plant for four years. Recently, one of the hammers on a shaft on the rotor broke, fracturing a spider inside the shredder, and damaged the rotor. Continued use of the heavy duty rotor could result in substantial downtime for the plant should the rotor fail. Rather than continue use of this rotor, staff has opted to replace the rotor with the old style spare rotor stored on-site while the heavy duty rotor is repaired.

Staff has received a quote from American Pulverizer Company, the manufacturer of the shredder, for necessary repairs to return the machine to prime working condition. American Pulverizer Company is the sole source provider for this rotor and there are no other manufacturers of the assembly. The quote, in the amount of \$69,504, includes incoming freight, tear down and inspection, parts and labor, rework or rebuild, reassembly and balancing. Funding will come from \$96,600 savings experienced on the reject disposal contract in the 2007/08 operating budget.

ALTERNATIVES:

- 1. Authorize staff to enter into a sole-source contract for rotor assembly repair from American Pulverizer Company for the quoted amount of \$69,504.
- 2. Reject the contract.

MANAGER'S RECOMMENDED ACTION:

Prolonged use of the old-style spare rotor is inadvisable due to extensive wear. The City's *Purchasing Policies* allow for sole-source solicitations when there is only one product or provider available.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby authorizing staff to enter into a sole-source contract for rotor assembly repair from American Pulverizer Company for the quoted amount of \$69,504.

CAF APPROVAL	
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