

ITEM #: 14
DATE: 02-14-23
DEPT: PW

COUNCIL ACTION FORM

SUBJECT: RESOURCE RECOVERY SECONDARY SHREDDER ROTOR REBUILD

BACKGROUND:

The Resource Recovery Plant contains an American Pulverizer 60x90 shredder, which was installed when the facility was built in 1975. This machine is vital to the operation at the Resource Recovery Plant as the secondary shredder. When the rotor for this shredder reached the end of its useful service life in 2014, the used heavy-duty rotor from the old primary shredder was installed, eliminating the cost of rebuilding or replacing the standard rotor at that time.

This rotor now has over 8 years of wear in the secondary shredder and is worn out, causing additional items to wear at a more frequent rate, thus it is at the point where it must be rebuilt or replaced. This rotor is a significant part of the machine and shredding process to reduce the size of waste material down to 3" for refuse derived fuel (RDF). **The rotor is provided only by the original equipment manufacturer, American Pulverizer Company, which is the single source supplier of this item to provide both a replacement-in-kind rotor or parts for rebuild.**

The rotor has been disassembled and inspected by American Pulverizer and verified that it can be rebuilt. The cost to rebuild the rotor, including parts, assembly, and balancing is \$116,969. The cost to replace-in-kind for a new rotor is \$225,000. Both have a lead time of 20 to 22 weeks. Funding is programmed in the FY 2023/24 Resource Recovery System Improvement program at \$60,000. Staff has identified additional savings in FY 2022/23 Resource Recovery System Improvements program of \$60,000, making \$120,000 available for this rebuild. Considering the lead time required once the order is placed, the parts would not be delivered and installed until FY 2023/24 has begun.

ALTERNATIVES:

1. Waive the Purchasing requirement for competitive bids, accept American Pulverizer Company as the single source supplier, and award a contract in the amount of \$116,969 to rebuild the secondary shredder rotor.
2. Waive the Purchasing requirement for competitive bids, accept American Pulverizer Company as the single source supplier, and award a contract in the amount of \$225,000 to replace the secondary shredder rotor.
3. Delay repairs to the shredder.

CITY MANAGER'S RECOMMENDED ACTION:

The secondary shredder is a critical piece of equipment in the Resource Recovery Plant operation. **Delaying the required rotor maintenance repairs or replacement could cause significant downtime at the plant.** This rotor can only be provided by the original equipment manufacturer. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No.1, as described above.