

ITEM #:	<u>19</u>
DATE:	<u>11-26-24</u>
DEPT:	<u>PW</u>

COUNCIL ACTION FORM

SUBJECT: **RESOURCE RECOVERY PRIMARY SHREDDER ROTOR REPLACEMENT**

BACKGROUND:

The Resource Recovery Plant uses a Komptech Terminator SEF shredder to shred municipal solid waste. The material is shredded when the hydraulically driven rotor spins against the shredder door, which has offset teeth. This shredder is vital to the operation of the Resource Recovery Plant.

The current shredder was installed in 2013. The original rotor for the Komptech was replaced in 2018 with over 10,000 hours, the second rotor was replaced in 2022 with over 20,000 hours on it, and the shredder now has 27,000 hours. The current rotor is showing significant damage and wear to the point of replacement.

The rotor is provided only by the original equipment manufacturer, Komptech, which is the single source supplier of this item and will provide a replacement-in-kind. Hennen Equipment, Inc. in Shakopee, MN is the factory authorized dealer for Komptech and will supply the replacement rotor. The cost of the rotor is \$74,107.50 with an estimated shipping cost of \$2,500, for a total cost of \$76,607.50. Funding is available in the FY 2024/25 Resource Recovery System Improvement Program.

ALTERNATIVES:

1. Waive the Purchasing requirement for competitive bids and award a single source contract to Hennen Equipment, Inc. (Komptech USA) in the amount of \$76, 607.50 to replace the primary shredder rotor.
2. Do not award a contract and delay repairs to the shredder.

CITY MANAGER'S RECOMMENDED ACTION:

This rotor is an integral part of the primary shredder, which is an essential piece of equipment in operating the Resource Recovery Plant. The rotor requires routine replacement, and there is only one supplier that can provide replacement-in-kind. While the City is exploring the future of processing garbage at the Resource Recovery Plant, any action to shift away from the status quo will take two years or more to accomplish. In the meantime, the reliability of the Plant needs to be maintained. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as noted above.