



## **MEMORANDUM**

### **REGULAR CITY COUNCIL MEETING**

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**TO: City Council**

**FROM: Rich LaBombard, City Manager**

**DATE: February 21, 2023**

**SUBJECT: 200 Blue Star Fence – Fence Consultants of West Michigan**

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With the demolition and remediation project at 200 Blue Star, the City had established a budget of \$20,000 for fencing from Fence Consultants necessary to limit entry into the site. We understand from our environmental consultant that the process to work through the grant requirements and cleanup activities will take several more years to accomplish. It is anticipated to take at least one year of working with the Environmental Protection Agency to approve the Clean Up Work Plan.

The monthly cost to rent the fencing is \$744 per month. The City currently owes \$7,440 for ten months of rental including the month of February. Reviewing rental invoices from the fence contractor resulted in City staff asking the rental company if purchase over renting was an option with the hope that there would be a potential savings over the duration of the project. Continuing to rent the panels over the course of three years will cost the City \$26,784. Fence Consultants has indicated that the material could be sold to the City for a cost of \$14,458.40. As a result, purchasing the fencing would yield a savings of \$4,885.60. (\$7,440 balance + \$14,458.40 purchase = \$21,898.40 total)

While the City has no long-term use for the fencing, there is a potential to resell the fence panels at the end of the project to recoup some of the purchase costs.

Funds for this activity are available in the Brownfield Redevelopment Authority Expenditures Fund for Blight Removal - 243-000-802.243.

No legal review is required for this activity.

**I recommend City Council consider purchasing the fence panels located at 200 Blue Star Highway from Fence Consultants of West Michigan located in Grand Rapids, Michigan for \$14,458.40.**