

Memo

To: City Council

From: Bryan Myrkle, Community Development Director

Date: November 4, 2020

Re: Downtown Waste Receptacles

As you know from previous reports to the Council, the waste receptacles purchased earlier this year for downtown have many damaged components.

While I have characterized this in the past as shipping damage, that makes it sound like an issue with the freight carrier, when the problem originated in the factory or warehouse with their packing methods. In short, the components were stacked on pallets in such a way that they could not bear the weight of the components stacked on top of them.

I have pursued multiple avenues of recourse with the vendor, including both a return of all of the receptacles for refund, a return of just the damaged panels for replacement, and also a warranty claim (product has a 15-year warranty). Because they have a regional outlet in Ohio, I have also invited them to Charlotte to inspect the shipment first hand. The vendor now has rejected all of these options for resolution.

To justify the denial, the vendor is relying on its purchasing policy that all claims of damage must be made within 48 hours of receipt of product. The shipment was inspected upon delivery, and obvious, minor damage of one component was documented and corrected by the vendor at that time.

However, as you may remember, we received these items during a period of reduced staffing and capacity due to COVID-19, and it was several weeks before DPW could begin assembling them. It was not clear until they were being assembled that many of the side panels were bent and nearly unusable.

It is obvious that this bending is due to careless packaging by the vendor, and the issue was raised with them immediately upon discovery. Their contention, however, is that because the receptacles were in our possession for several weeks, it is just as likely that we damaged them ourselves, which of course is not the case.

While the vendor did encourage me to make the warranty claim, and I thought they were serious about honoring it, they recently rejected it outright and are requiring another payment of more than \$5,500 to replace the parts. As the total purchase price of these receptacles was a bit more than \$13,000, the cost of the replacement parts is a good indicator of the extent of the problem.

We do not believe this is a reasonable response on the part of the vendor, and City Attorney Hitch is now communicating with them in hopes of securing a different resolution.

In the meantime, we are exploring local options for re-bending these side panels back to a point where they are usable, rather than simply buying new ones. We would prefer to work with someone locally to fix these if that is possible, rather than reward the vendor for its poor practices and unwillingness to stand behind their work.