



AGENDA MEMORANDUM

Action Item for the City Council Meeting September 3, 2024

DATE: September 3, 2024

TO: Peter Zaroni, City Manager

FROM: David Lehfeldt, Director of Solid Waste Operations
DavidL3@cctexas.com
(361) 826-1966

Josh Chronley, Assistant Director of Finance & Procurement
JoshC2@cctexas.com
(361) 826-3169

Refuse and Recycling Carts for Solid Waste Services

CAPTION:

Motion authorizing execution of a one-year cooperative purchase agreement with Rehrig Pacific Company, through the OMNIA Partners Cooperative, for \$675,324.00, to purchase refuse and recycling carts for the City's residential Curbside Collection by the Solid Waste Services Department, with FY 2025 funding from the General Fund, subject to budget approval.

SUMMARY:

This motion authorizes a one-year supply agreement with Rehrig Pacific to purchase 13,338 95-gallon carts, consisting of 9,126 brown refuse carts and 4,212 blue recycling carts for Solid Waste Services.

BACKGROUND AND FINDINGS:

Solid Waste Services provides curbside collection service to about 98,694 customers for garbage, recycling, heavy bush, and bulky items. Residential garbage and recycling are collected from 95-gallon carts using automated collection trucks. Due to the limited cart inventory storage capacity, the department requires incremental shipments of carts over a 12-month period to align with the demand for new and replacement carts. Carts that become damaged beyond repair are collected and recycled.

To be consistent with other major cities, Solid Waste Services issues brown carts instead of green carts for garbage collection. By replacing green carts with brown carts, the city will be better poised to adopt an organics collection program utilizing the industry standard green carts at a future date.

The blue recycle carts will have a detailed educational imprint on the lid informing residents what can be recycled in the Recycle Right Program.

Due to fluctuation in the cost of plastic resin, the purchase price for the carts decreased from \$55.00 per cart in 2023 to \$50.00 since the City's previous purchase in August 2023.

PROCUREMENT DETAIL:

This procurement is through the OMNIA Partners Cooperative Purchasing Program. Contracts awarded through the OMNIA Partners Cooperative Purchasing Program have been competitively procured, in compliance with Texas local and State procurement requirements.

The incumbent, Rehrig Pacific Company, currently supplies refuse and recycling carts for Solid Waste Services. The current agreement is for one year with a total of \$742,014.00. The new contract price would be 9.88% less totaling a decrease in price of \$66,690.00. The cooperative price comparison for like refuse and recycling carts and options through Equalis Group Cooperative is 8% higher.

Cooperative Price Comparison Refuse and Recycling Carts for Solid Waste				REHRIG PACIFIC COMPANY		DURAMAX HOLDINGS LLC dba OTTO ENVIRONMENTAL SYSTEMS	
				OMNIA #00254		EQUALIS #COG-2113B	
ITEM	DESCRIPTION	QTY	UNIT	UNIT PRICE	PRICE TOTAL	UNIT PRICE	PRICE TOTAL
1	95 Gallon Trash Cart - Lt Brown	9,126	EA	\$50.00	\$456,300.00	\$53.99	\$492,712.74
2	95 Gallon Recycle Cart - Blue	4,212	EA	\$50.00	\$210,600.00	\$53.99	\$227,405.88
3	In- Mold Label for Recycling Lids	4,212	EA	\$2.00	\$8,424.00	\$1.94	\$8,171.28
TOTALS					\$675,324.00		\$728,289.90

ALTERNATIVES:

The alternative to securing a supply agreement would be to purchase refuse and recycling carts on an as needed basis, which would be less efficient, more costly, and would have the potential to adversely impact customer service.

FISCAL IMPACT:

The fiscal impact for Solid Waste Services in FY 2025 is \$675,324.00 for this one-year supply agreement.

FUNDING DETAIL:

Fund: 1020 General Fund
 Organization/Activity: 12510 Refuse Collection
 Mission Element:
 Department: 31 Solid Waste Services
 Project # (CIP Only): N/A
 Account: 520130 Maintenance and Repairs
 Amount: \$456,300

Fund: 1020 General Fund
 Organization/Activity: 12512 Recycling Collection
 Mission Element:

Department:	31 Solid Waste Services
Project # (CIP Only):	N/A
Account:	520130 Maintenance and Repairs
Amount:	\$219,024

RECOMMENDATION:

Staff recommends approval of this motion authorizing the execution of a one-year supply agreement with Rehrig Pacific Company as presented.

LIST OF SUPPORTING DOCUMENTS:

Price Sheet
Supply Agreement