



AGENDA MEMORANDUM

Action Item for the City Council Meeting August 22, 2023

DATE: August 22, 2023
TO: Peter Zaroni, City Manager
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Refuse and Recycling Carts for Solid Waste Services

CAPTION:

Motion authorizing the execution of a one-year supply agreement with Rehrig Pacific Company, through the OMNIA Partners Cooperative, for \$742,014.00, to purchase refuse and recycling carts for the Solid Waste Department, with FY 2024 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 the Solid Waste Department.

BACKGROUND AND FINDINGS:

The Solid Waste Department provides curbside collection service to about 97,000 accounts for garbage, recycling, heavy bush, and bulky items. Residential garbage and recycling are currently 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.

To be consistent with other major cities, Solid Waste Services now 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. In addition, newly purchased recycling carts will be issued to residents with an in-mold label depicting items accepted by our recycling program.

Due to fluctuation in the cost of plastic resin, the purchase price for the carts went from \$61.84 per cart in 2021 to \$55.00 at the City's last purchase in August 2022. The current cost for this contract is approximately \$55.63 per cart.

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 for a total of \$833,330.16. The new contract price offers a decrease in price of 12.30%. The price comparison for like refuse and recycling carts and options through the H-GAC Cooperative was more than 8% (\$787,798.44 & \$806,718.90 vs \$742,014.00).

COOP Comparison Refuse and Recycling Carts for Solid Waste				REHRIG PACIFIC COMPANY		DURAMAX HOLDINGS LLC dba OTTO ENVIRONMENTAL SYSTEMS		SCHAEFER PLASTICS NORTH AMERICA, LLC	
				OMNIA #00254		HGAC #RC-0121		HGAC #RC-0121	
ITEM	DESCRIPTION	QTY	UNIT	UNIT PRICE	PRICE TOTAL	UNIT PRICE	PRICE TOTAL	UNIT PRICE	PRICE TOTAL
1	95 Gallon Trash Cart - Lt Brown	9,126	EA	\$55.00	\$501,930.00	\$57.40	\$523,832.40	\$58.32	\$532,229.88
2	95 Gallon Recycle Cart - Blue	4,212	EA	\$55.00	\$231,660.00	\$57.40	\$241,768.80	\$63.18	\$266,114.94
3	95 Gallon Recycle Cart - Blue	4,212	EA	\$2.00	\$8,424.00	\$5.27	\$22,197.24	\$1.99	\$8,374.08
TOTALS					\$742,014.00		\$787,798.44		\$806,718.90

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 2024 is \$742,014.00 from the General Fund 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 Repair
 Amount: \$501,930

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 Repair
Amount:	\$240,084

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