



Legislation Details (With Text)

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Title: Resolution to Appropriate Funds and Approve Purchase and Delivery of Compost Carts from Toter Inc. for \$386,470.00 (8 Votes Required)

Sponsors:

Indexes:

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Attachments: 1. Toter cart resolution - attachment - 6-7-10

Date	Ver.	Action By	Action	Result
6/7/2010	1	City Council	Approved	Pass

Resolution to Appropriate Funds and Approve Purchase and Delivery of Compost Carts from Toter Inc. for \$386,470.00 (8 Votes Required)

To help facilitate the transition to street leaves collected curbside this fall, staff is recommending selling home-delivered compost carts for \$25.00 each, similar to what was done when compost carts were first offered in 2008. During the initial compost cart sale in 2008 the City provided an a \$25.00 incentive to promote cart sales and approximately 10,000 carts were sold out of 27,000 curbside customers. At that time, there was a limit of one \$25.00 cart per household. Since that initial offer, carts have been available at the City’s purchase price of \$50.00. All households, even those who participated in the 2008 program, are eligible to purchase one \$25.00 cart under this new incentive.

The \$25.00 sale price is less than the City’s cost for the carts (\$50.02 for the largest cart). The primary reason for offering this price to residents is to encourage the use of carts. Residents using carts have reported great success in accommodating their needs for leaf removal by using their carts weekly during the fall season. From the City’s operating experience, use of carts has increased efficiencies for this yard waste service, as well as reduced work-related injuries and accidents.

Staff is proposing to take advance orders for these carts from June 8 to July 30, 2010. There will be a one-time delivery of carts to homes that will take place the last two weeks of September. The program will be promoted through the use of a direct mailing to single-family homes and duplexes, as well as through the use of press releases, internet, and targeted ads. Carts ordered or purchased after July 30 will be available for pick up at the \$50.00 price.

The carts will be offered in the same three sizes that are used for refuse and recycling carts. The \$25.00 price will apply to all three sizes, and includes delivery during this offering. The \$25.00 price will be limited to one cart per household, regardless of how many carts they have purchased in the past. Additional carts will be available for \$50.00 each, but will delivered if ordered during this offering.

Staff is recommending transitioning to Toter carts for the compost program. The existing compost carts, manufactured by Cascade Corporation, have experienced some issues with wheel breakage and slipping in the grip of the automated collection arm. Staff has had no such problems with the Toter carts, which are used in the refuse collection program. The Toter carts are produced through a process called rotational molding and have a rough outside surface, which makes them easier to pick up with the automated arms.

The Toter carts will be purchased through the National Intergovernmental Purchasing Alliance Company (National IPA). The National IPA contract is based on the City of Tucson, AZ. The City of Tucson has publicly solicited and awarded an agreement for Refuse Containers to Toter. This cooperative purchasing agreement (Contract #083008) is available to public agencies and non-profit entities nationwide. The National IPA price is the lowest price that Toter can offer per contract agreement.

Because Toter is the only major manufacturer of rotational molded carts, staff recommended not bidding the carts out and instead using the National IPA contract pricing. The National IPA has been used previously by the city's Procurement Unit as a way of obtaining competitive pricing.

In addition to the benefits mentioned above, using Toter for the recycling carts will also save the city money by reducing spare parts cost in using the same manufacturer as is currently used for the city's trash carts as well as the new recycle carts.

The attached spreadsheet (Toter Cart Resolution - Attachment) shows the cost breakdown and totals. The unit cost includes delivery to individual households. It is estimated that residents will order a total of 8,000 carts. The order total will be finalized on July 30th.

Funding for the cart purchase in the amount of \$386,470.00 is available in the Solid Waste Fund Balance.

Prepared by: Tom McMurtrie, Systems Planning Unit

Reviewed by: Sue F. McCormick, Public Services Administrator

Approved by: Roger W. Fraser, City Administrator

Whereas, Fall street leaf collection is being transitioned to curbside collection during Fy 2010;

Whereas, Compost carts are more convenient for residents and businesses than yard waste bags for placing large volumes of leaves at the curb for collection;

Whereas, Compost carts are more efficient to service in the field, particularly with the use of automated trucks;

Whereas, The use of compost carts will improve ergonomics for the solid waste workers, and reduce the likelihood of work-related injuries and accidents;

Whereas, Providing an incentive during the sale of compost carts in 2008 was an effective method of getting a large number of compost carts deployed;

Whereas, Compost carts are an optional container for residential compostable materials and paper yard waste bags and bundled brush will continue to be accepted from residents during the seasonal yard waste collection program;

Whereas, Funding for the \$386,470.00 cart purchase is available from the Solid Waste Fund Balance; and

Whereas, Toter received HR and Living Wage approval on March 18, 2010;

RESOLVED, That \$386,470.00 be appropriated from the Solid Waste Fund Balance for this purchase;

RESOLVED, That City Council approve a purchase order with Toter, Inc. in an amount not to exceed \$386,470.00 for the purchase of up to 8,000 compost carts;

RESOLVED, That the funds be to be available without regard to fiscal year;

RESOLVED, That compost carts shall be sold to residents for \$25.00 each until July 30, 2010, and that this price will include a one-time home delivery in early fall;

RESOLVED, That this price be limited to one cart per address, regardless of how many carts that address has purchased in the past, and that any additional carts purchased be priced at \$50.00 each;

RESOLVED, That funds from the sale of the carts be placed in the Solid Waste Enterprise Fund; and

RESOLVED, That the City Administrator be authorized to take the necessary administrative actions to implement this resolution.