



REPORT TO COUNCIL

City of Sacramento

14

915 I Street, Sacramento, CA 95814-2604
www. CityofSacramento.org

Consent
October 17, 2006

Honorable Mayor and
Members of the City Council

Title: Award Contract for Purchase and Distribution of Refuse Containers

Location/Council District: All

Recommendation: Approve resolution awarding the contract for the purchase and distribution of refuse containers (bid # B061181018) to Toter, Incorporated, in an amount not to exceed \$2,119,743.03 per year, for a total not to exceed amount during the five year term of the contract of \$10,598,715.15.

Contact: Marty Strauss, Integrate Waste Planning Superintendent, 808-4934

Presenters: NA

Department: Utilities

Division: Solid Waste

Organization No: 3361

Description/Analysis

In order to provide the same quality service to existing customers and accommodate residential growth in the City, the Department of Utilities, Solid Waste Services, solicited bids for 32-, 64- and 96-gallon containers, for a total of no more than 40,000 containers per year for five years; a total of no more than 200,000 containers for five years. Of the 40,000 containers per year, 20,000 are for new containerized green waste service and the balance of the containers will be used for replacement and new service.

The bids received were reviewed for compliance with the bid specifications, and containers also were field-tested. The bids submitted by Toter Incorporated and Rehrig Pacific were the only bids responsive to the bid specifications, and out of these two responsive bids, Toter Incorporated was the lowest responsible bidder. For this reason, staff recommends that the City Council award a contract to Toter Incorporated, in an amount not to exceed \$2,119,743.03 per year, or a total of \$10,598,715.15 over the five-year term of the contract.

Issue: A five (5) year agreement to purchase and distribute refuse, recycling and green waste containers.

Policy Considerations: The purchase of the solid waste containers will support the City Council Policy of maintaining clean neighborhoods.

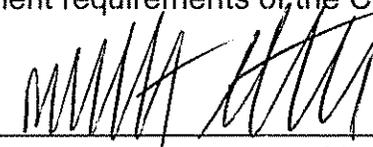
Environmental Considerations: The purchase of the solid waste containers is not a project for which environmental review is required under the California Environmental Quality Act (CEQA), pursuant to Section 15378(b)(2) of the CEQA Guidelines.

Committee/Commission Action: There was no committee or commission action.

Rationale for Recommendation: After reviewing the bids submitted for compliance with the bid specifications, and testing the containers to confirm compliance with the bid specifications, Toter Incorporated was found to be the lowest responsive and responsible bidder.

Financial Considerations: It is anticipated that the amount needed for (FY2006-07), a partial year, will be \$1.6 million. Sufficient funds are available in the Solid Waste Fund (fund 415) to purchase the containers as per the agreement.

Emerging Small Business Development (ESBD): The recommended contractor complies with the Emerging Small Business Development requirements of the City of Sacramento.

Respectfully Submitted by: 
Marty Strauss
Integrated Waste Planning Superintendent

Approved by: 
Gary A. Reents
Director, Department of Utilities

Recommendation Approved:

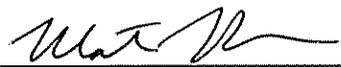

Ray Kerridge
City Manager

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BACKGROUND

The Department of Utilities, Solid Waste Services, projects the need for no more than 40,000 refuse, recycling and containerized green waste containers per year over the next five years; for a total of no more than 200,000 containers during the contract term. This is based on tracking the number of new housing starts of approximately 250-300 per month. This equals a total of 3000 to 3600 new residential service customers per year requiring a total of 9,000 to 10,800 containers per year. In addition to the new housing starts, approximately 10,000 replacement containers will be needed to replace broken containers now in use. The remaining 20,000 containers will be new containerized green waste containers for existing customers requesting to be switched from loose in the street to voluntary containerized green waste service.

In response to this need, the Department of Utilities, Solid Waste Services, solicited and received six bids to provide the above-described containers for a total of five years. The bids ranged from a low of \$1,891,422.00 to a high of \$2,144,948.95 per year. The bid specifications specified a maximum volume for each of the three different size containers to be provided (32, 64 and 96 gallons). These maximum volumes were specified because the volume directly relates to the Solid Waste Services rate structure.

Upon receipt of the bids, Solid Waste Services, with the assistance of Procurement, reviewed the bids for compliance with the bid specifications described in Bid # B061181018. In addition to reviewing the bids for compliance with the written specifications, Solid Waste Services confirmed through field tests (Attachment 3 of this report) that the containers proposed met the bid specifications and were compatible with the solid waste equipment used to collect the containers. Finally, Solid Waste Services contacted other jurisdictions using similar or the same containers to discuss how the container performed in the field and how it compared to other containers the jurisdictions may have used in the past and/or is using today.

The bid analysis showed that only two of the bids received were responsive to the bid specifications. They were Toter Incorporated and Rehrig Pacific. Three of the vendors' bids were found to be non-responsive because one or more of the container sizes submitted exceeded the maximum volume(s) allowed in the bid specifications. These were Cascade, Otto and Schafer. Environmental Services was non-responsive because it only bid on distribution of the containers once they are delivered to the City by the successful bidder. A summary of the bid analysis is found in Attachment 2 of this report.

Out of the two responsive bids, Toter Incorporated was the lowest responsible bidder. For this reason, staff recommends that the City Council award a contract to Toter Incorporated, in an amount not to exceed \$2,119,743.03 per year, or a total of \$10,598,715.15 over the five-year term of the contract.

Summary of Bids Received

	TOTAL BID	VOLUME	PERCENT DIFFERENCE IN VOLUME	COST	PERCENT DIFFERENCE COST WITH LOWEST BID
CASCADE					
32		35.64	11%	\$31.50	
64		63.84	-0.25%	\$38.00	
96		94.75	-1.30%	\$41.25	
	\$1,891,422.00				
OTTO					
32		32.5	1.50%	\$30.45	-3%
64		69.9	9.20%	\$38.15	0
96		95.6	-1.58%	\$45.41	9.20%
	\$2,014,577.70				
SCHAFER					
32		38.2	13.75% to 19.6%	\$31.96	1.04%
64		65	-0.11%	\$38.41	1.07%
96		104.6	8.90%	\$46.40	11.10%
	\$2,058,205.67				
REHRIG PACIFIC					
32		35.2	10%	\$34.14	7.80%
64		67.2	5%	\$41.46	8.35%
96		95.00	0%	\$47.20	12.70%
	\$2,144,948.95				
TOTER					
32		31.61	-1.78%	\$35.16	11.50%
64		64.4	0	\$42.34	10.30%
96		96.36	0.30%	\$47.33	12.80%
	\$2,119,743.03				

**ENVIRONMENTAL
SERVICES**

Distribution Only, no containers

Life Cycle Sources:

City of Manteca, Modesto
Lodi Milpitas
Fresno Elk Grove

Bold indicates found non-responsive to bid.

Maximum Container by Volume Per Specifications

Specification	Max Volume
32 Gallon	35.2 Gallon
64 Gallon	67.84 Gallon
96 Gallon	101.76 Gallon

Attachment 3

Field Tests

		Capacity	Height	Width	Depth	Seal Overlap	Open/ Rotate 270d	Attach Method	Lid Wall Thickness	Handle	Wheels- Plastic	Axel Assembly
Cascade	32-Gallon	35.64	37	17	19.5	C	C	C	0.121	C	8"	C
	64 Gallon	63.84	39.5	21.75	23	C	C	C	0.169	C	10"	C
	96 Gallon	94.75	42.75	27.5	31.75	C	C	C	0.151	C	10"	C
Otto	32-Gallon	32.5	38.5	16.75	16.5	C	C	C	0.164	C	8"	C
	64 Gallon	69.9	41	27	27.5	C	C	C	0.117	C	12"	C
	96 Gallon	95.6	46.5	23.75	27.75	C	C	C	0.153	C	12"	C
Schaefer	32-Gallon	38.2	38.5	19	16.5	C	C	C	0.15	C	8"	C
	64 Gallon	65	43.5	24	21	C	C	C	0.145	C	10"	C
	96 Gallon	104.6	47.5	25.75	26	C	C	C	0.139	C	12"	C
Rehrig	32-Gallon	35.2	39	17.75	18	C	C	C	0.152	C	8"	C
	64 Gallon	67.2	42	24.5	23	C	C	C	0.16	C	10"	C
	96 Gallon	95	46	26	29	C	C	C	0.165	C	10"	C
Toter	32-Gallon	31.61	38.5	18	18.5	C	C	C	0.11	C	10"	C
	64 Gallon	64.4	41.5	21.75	25	C	C	C	0.11	C	10"	C
	96 Gallon	96.36	43	27.5	28.75	C	C	C	0.11	C	10"	C
Roto	32-Gallon											
	64 Gallon											
	96 Gallon	43	26.75	31.5		C	C	C	0.173	C	10"	?
Unknown	32-Gallon	35.86	34	19.25	19.5	C	C	C		C	C	
	64 Gallon		41	25.25	24.5	C	C	C		C	C	
	96 Gallon		45	28.25	30	C	C	C		C	C	

RESOLUTION NO.

Adopted by the Sacramento City Council

AWARDING CONTRACT FOR PURCHASE AND DISTRIBUTION OF REFUSE CONTAINERS TO TOTER INCORPORATED

BACKGROUND

- A. The Department of Utilities, Solid Waste Services, has a requirement for the purchase and distribution of refuse containers.
- B. Solid Waste Services projects the need for up to 40,000 containers annually over the next five years.
- C. The City issued a request for bids for the purchase and distribution of these containers (Bid # B061181018) over the next five years, and received a total of six bids. The bid results were as follows:

Container Size and Type	Cascade	Otto	Rehrig Pacific	Schafer	Toter	Environmental Services
Recycling						
96	\$41.25	\$45.41	\$47.50	\$46.40	\$47.33	
64	\$38.00	\$38.15	\$41.46	\$38.41	\$42.34	
32	\$31.50	\$30.45	\$34.14	\$31.96	\$35.16	
Refuse						
96	\$41.25	\$45.41	\$47.20	\$46.40	\$47.33	
64	\$38.00	\$38.15	\$41.26	\$38.41	\$42.34	
32	\$31.50	\$30.45	\$34.14	\$31.96	\$35.16	
Green Waste	\$41.25	\$45.41	\$47.20	\$46.40	\$47.33	
Replacement Lids	\$11.20	\$8.50	\$9.00	\$12.00	\$12.00	
Distribution	\$3.50	\$2.99	\$4.00	\$2.99	\$3.00	
European						\$2.99
Rotational						\$3.45
Total	\$1,891,422.00	\$2,014,577.70	\$2,144,948.95	\$2,058,205.67	\$2,119,743.03	\$119,600.00 E \$138,000.00 R

The "Total" bid prices shown above represent the annual cost for 40,000 containers.

- E. Solid Waste Services reviewed all bids for compliance with the specifications described in the bid and field -tested the various containers to verify the accuracy of the bid information.
- F. The bid specifications specified a maximum volume for each of the three different size containers to be provided (32, 64 and 96 gallons). These maximum volumes

were specified because the volume directly relates to the Solid Waste Services rate structure.

- G. The three lowest bids, submitted by Otto, Schafer and Cascade, were non-responsive to the bid specifications due to the fact that one or more of the three different size containers in each bid exceeded the maximum container volume specified in the bid specifications. The bid submitted by Environmental Services was non-responsive because Environmental Services only submitted a bid to distribute the containers.
- H. The bids submitted by Toter Incorporated and Rehrig Pacific were the only bids responsive to the bid specifications, and out of these two responsive bids, Toter Incorporated was the lowest responsible bidder.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- 1. The bids submitted by Otto, Schafer, Cascade and Environmental Services are rejected as non-responsive to the bid specifications.
- 2. The contract for the purchase and distribution of refuse containers (Bid # B061181018) is awarded to Toter, Incorporated, for an amount not to exceed \$2,119,743.03 per year, for a total not to exceed amount during the five year term of the contract of \$10,598,715.15.