



Legislation Details (With Text)

File #:	ID 21-252	Version:	1	Name:	
Type:	Action Item	Status:		Agenda Ready	
File created:	2/1/2021	In control:		City Council	
On agenda:	3/4/2021	Final action:			
Title:	Approve a one year extension through January 31, 2022, for the purchase and delivery of refuse and recycling containers utilizing a cooperative purchase agreement through the City of Tucson, Arizona, with an option for the Director to extend the purchase contract for one additional year through January 31, 2023, not to exceed \$1,232,800				
Sponsors:	Department of Public Utilities				
Indexes:					
Code sections:					
Attachments:	1. Attachment 1 - Original Cooperative Purchase Agreement.pdf, 2. Attachment 2 - City of Tucson Contract Amendment.pdf				

Date	Ver.	Action By	Action	Result
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REPORT TO THE CITY COUNCIL

March 4, 2021

FROM: MICHAEL CARBAJAL, Director
Department of Public Utilities

BY: JERRY L. SCHUBER SR., Assistant Director
Department of Public Utilities - Solid Waste Management Division

SUBJECT

Approve a one year extension through January 31, 2022, for the purchase and delivery of refuse and recycling containers utilizing a cooperative purchase agreement through the City of Tucson, Arizona, with an option for the Director to extend the purchase contract for one additional year through January 31, 2023, not to exceed \$1,232,800

RECOMMENDATION

Staff recommends City Council approve a one year extension through January 31, 2022, for the purchase and delivery of refuse and recycling containers utilizing a cooperative purchase agreement through the City of Tucson, Arizona (Tucson), with an option for the Director to extend the purchase contract for one additional year through January 31, 2023, not to exceed \$1,232,800; and authorize

the Director of Public Utilities or designee to execute the one year extension and any subsequent extensions.

EXECUTIVE SUMMARY

The Department of Public Utilities, Solid Waste Management Division (SWMD) seeks to purchase refuse and recycling containers (containers) necessary to support new growth and replacement to residential customers. Staff recommends a one year extension, with option to extend an additional year, not to exceed \$1,232,800 to allow the City to continue the purchase of containers at the best possible value via a cooperative purchase agreement based on a prior competitive bid contract between Tucson and supplier, Toters, LLC., (Supplier). Approval of the extension will allow for cost effective purchase and timely delivery of trash and recycling containers for the continued collection of municipal solid waste, recycling, and green waste materials to ensure the health and safety of the community.

BACKGROUND

The SWMD is responsible for the collection of municipal solid waste, recyclables, green waste, and operation clean-up for 112,200 residential customers. The SWMD also has oversight of litter collection, and FresGo customer responses for 103 square miles within the Fresno city limits. These collection activities produce approximately 4,600 tons of material each week.

The City of Fresno (City) requires residential containers for all City residents to use for the removal and disposal of solid waste, green waste and recyclables. Residential customers have three 96-gallon containers as a basic level of service. A residential customer will have one container for trash (gray), one for recyclables (blue), and one for green waste (green). An optional 64-gallon container is offered for trash (gray). Currently, there are over 339,500 containers in use within the City. On average, SWMD purchases over 11,000 containers annually but is currently experiencing an increase due to the ongoing COVID-19 pandemic. Of this amount, approximately 39 percent is to support growth, and 61 percent is for container replacements and to establish an inventory stock for field repairs. Thus, the acquisition of containers on a continual basis is necessary to keep up with the growth of the City and for the replacement of stolen or damaged containers for residential customers.

On December 5, 2019, Council approved a cooperative purchase agreement using Tucson's contract (RFP#171717) for the purchase and delivery of refuse and recycling containers in the amount not to exceed \$991,800 through January 31, 2021. With this timeline due to expire, Tucson recently exercised an option to renew its contract for an additional year; February 1, 2021 through January 31, 2022; with one additional year renewal option through January 31, 2023. To conform with this timeline, the SWMD recommends that City Council approve the one year renewal option for the period February 1, 2021 through January 31, 2022 and authorize the Director of Public Utilities to exercise a subsequent one year extension for period February 1, 2022 through January 31, 2023; in the amount not exceed \$1,232,800. The increased purchase amount is due to an increase in services needed for residential customers as more people are working from home due to the ongoing COVID-19 pandemic. Residential tonnage has risen which corresponds with reductions in business tonnage whose employees are teleworking. This shift has resulted in a higher number of requests for new and replacement containers.

The benefit of using a cooperative purchase agreement through Tucson is that it provides the City the best value for its customers. Tucson, by partnering with National Intergovernmental Purchasing

Alliance Company (National IPA), allows the contract to be made available to other public agencies, including state and local governmental entities through National IPA's cooperative purchasing program. Under National IPA's cooperative agreement, the Supplier commits the not-to-exceed pricing provided under the Tucson contract. Pricing is its lowest available to Public Agencies nationwide and further commits that if a Participating Public Agency is eligible for lower pricing through a national, state, regional or local or cooperative contract, the Supplier will match such lower pricing to the Participating Public Agency under the Tucson contract. The buying power generated through combined effort from other agencies creates aggregate purchasing volumes, achieving cost effective pricing and offering the best value for its customers.

The City Attorney has reviewed and approved the purchasing agreement as to form.

ENVIRONMENTAL FINDING

By the definition provided in the California Environmental Quality Act (CEQA) Guidelines Section 15378, the award of this contract does not qualify as a "project" as defined by CEQA.

LOCAL PREFERENCE

Local preference was not implemented. This is an extension of an existing agreement.

FISCAL IMPACT

No General Funds will be used to purchase this item. The purchase of refuse and recycling containers is funded through the Solid Waste Enterprise Fund. Funding for container purchases during Fiscal Year 2021 is included in the adopted Fiscal Year 2021 budget. Future container purchases will be included in the Fiscal Year 2022 and Fiscal Year 2023 budgets.

Attachments:

Attachment 1 - Original Cooperative Purchase Agreement

Attachment 2 - City of Tucson Contract Amendment