| Council | Date: | August 9, 2010 |
|--|--------------------------|-------------------|
| Council Communication Office of the City Manager | Agenda Item No. | 36 |
| | Roll Call No. | <u>10-1294</u> |
| | Communication No. | <u>10-496</u> |
| | Submitted by: | William G. Stowe, |
| | | Assistant City |
| | | ManagerPublic |
| | | Works Director |

AGENDA HEADING:

Approving Exception to Procurement Ordinance Competitive Bidding Requirements for Good Cause and Procurement of Solid Waste Carts from Toter, Inc.

SYNOPSIS:

Metro Waste Authority (MWA) entered into an agreement with Toter, Inc. allowing all member communities, including the City of Des Moines, an opportunity to purchase carts from Toter at a reduced cost due to volume discounts. The Department of Public Works would like to purchase from this contract to obtain carts at a price of \$6.07 less than the purchase price under the City's current agreement with Toter, Inc. The current price for a cart is \$53.07; under the new agreement, the price per cart would be \$47.00. The Department would also like the Procurement Administrator to enter into a contract with Toter, Inc. to run until September 20, 2020, with annual increases limited to no greater than three percent.

FISCAL IMPACT:

Amount: Annual cost savings of \$45,525, reducing annual amount from \$398,025 to \$352,500.

<u>Funding Source:</u> 2010-2011 Operating Budget, Solid Waste Collection, Fund EN151, Org PWK100101, page 268; Curbside Recycling, Fund EN151, Org PWK100119, page 269.

ADDITIONAL INFORMATION:

In 2003, the Solid Waste Division implemented automated solid waste collection. The program involved the use of wheeled carts. In 2008, recycling was automated, also requiring the use of wheeled carts. Additionally, wheeled carts are used for yard debris on a subscription basis. Annually the Solid Waste Division purchases approximately 7,500 new carts for the refuse, recycling, and yard waste programs.

The MWA assists member communities with their trash, recycling, and yard debris programs. To reduce the cost of wheeled carts for member communities, the MWA entered into an agreement with Toter, Inc. and secured a lower price for all communities collectively than any one community could likely obtain individually.

The reduced price means a \$6.07 savings per wheeled cart for the City of Des Moines for an annual estimated savings of \$45,525.

PREVIOUS COUNCIL ACTION(S):

Date: August 25, 2008

Roll Call Number: 08-1547

<u>Action</u>: <u>Amending</u> principal amount of previously approved Supplement No. C-2 to Governmental Lease-Purchase Master Agreement with Delage Landen Public Finance LLC for purchase of recycling carts and automated recycling trucks from \$3,025,000 to \$2,632,129. Moved by Kiernan to adopt. Motion Carried 6-1.

Date: August 25, 2008

Roll Call Number: 08-1546

<u>Action</u>: <u>Procurement</u> of assembly and delivery services for Solid Waste collection carts. Moved by Kiernan to adopt. Motion Carried 6-1.

Date: August 25, 2008

Roll Call Number: 08-1545

<u>Action</u>: <u>Bid</u> from various companies for seven (7) refuse trucks to be used by the Solid Waste Division, \$1,449,087 (Eleven bids mailed, four received) and the sale of eleven (11) existing refuse trucks to Elliott Equipment Company, \$284,500. Moved by Kiernan to adopt. Motion Carried 6-1.

Date: August 25, 2008

Roll Call Number: 08-1544

<u>Action</u>: <u>Bid</u> from Big Truck Rental for five (5) side loading refuse collection trucks to be used by the Solid Waste Division, \$67,500. (Five bids mailed, one received). Moved by Kiernan to adopt. Motion Carried 6-1.

<u>Date</u>: July 28, 2008

Roll Call Number: 08-1350

<u>Action</u>: <u>On</u> Supplement No. C-2 to the Governmental Lease-Purchase Master Agreement with DeLage Landen Public Finance LLC, to acquire 5 recycling trucks and 40,000 recycling bins, not to exceed \$3,025,000. (<u>Council Communication No. 08-431</u>) Moved by Hensley to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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