



THE CITY OF KEY WEST

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TO: James Scholl, City Manager

FROM: John Paul Castro, Utilities Director

CC: Greg Veliz, Assistant City Manager
Sarah Spurlock, Assistant City Manager

DATE: January 19, 2016

SUBJECT: **Approving the Purchase of 11,856 Residential 96 Gallon Trash Carts from Toter, LLC. in the Amount of \$586,279.20 with a Contract Duration of One Year.**

ACTION STATEMENT:

This resolution will allow for the City to purchase individual truckloads of trash carts for residential use, as required by the solid waste contract with Waste Management. They will be purchased from Toter, LLC on a one year contract.

This resolution will authorize the total purchase of 11,856 Toter trash carts over a 12 month period, purchasing 1-2 truckloads at a time. The reason staff does not recommend purchasing the full quantity at once is to avoid mass delivery and storage problems associated with the delivery of large quantities. The quote includes a fixed cart and shipping cost for the duration of the contract.

BACKGROUND:

In 2014 the city advertised an Invitation to Bid (ITB) for solid waste and recycling collection and hauling services. The commission approved WMI's proposal for those services via resolution 14-134. WMI agrees to deliver all residential trash carts for the City at no additional cost as outlined in Amendment 2 of the contract.

The residential trash carts currently in use in the City are owned by Waste Management. Many of these are more than 10 years old, in disrepair and have exceeded their expected lifespan. The decision was made to have The City purchase replacement carts with Waste Management being responsible for maintaining the inventory. This allows The City to maintain consistent service if we were to change service providers in the future. It also makes The City less dependent on the service provider to maintain proper inventory levels.

PURPOSE & JUSTIFICATION:

According to the Solid Waste contract with Waste Management:

"8.1.1 The City shall provide each curbside Residential Unit with a Garbage Cart and a Recycling Cart. The contractor will accept delivery, assemble, and deliver new carts to

MEMORANDUM

Residents. Thereafter, the City will provide the Contractor with the remaining inventory of City-owned Carts for storage and future use and distribution.”

Staff sent requests for quotes to 3 companies that make carts built for residential use and hydraulic tipping build specifications: Toter, LLC, OTTO Environmental Systems, and Rehrig Pacific. Because of their durability, and the recommendation of the contractor, City Staff is recommending purchase of Toter, LLC carts. Sole Source ordinance will be used for procurement from a brand name determination. Attached are quotes from all 3 cart manufacturers.

Of the three manufacturers Toter is the only one that uses rotational molding technology which allows for more uniform wall thicknesses and stronger corners (the same process used by Yeti, K2, Engel, and Pelican coolers for extreme durability). Toter is also the only cart made with Medium-Density Polyethylene (MDPE) which has a higher stress cracking resistance and is less sensitive than carts made with High-Density Polyethylene (HDPE). For these reasons staff believes Toter carts to be the most durable and cost effective choice. In 2014 Monroe County also chose Toter for residential recycle carts which comes with a 12 year unprorated warranty.

In testing conducted by Burlington NC and Highpoint, NC, only Otto carts failed drop testing as well as testing done with tipping mechanisms as they have thinner walls than both Rehrig and Toter. Otto carts are not recommended despite their lower costs.

The agreement will be executed pursuant to City Code 2-797 (1) Sole Source by utilizing City Code 2-844, Brand Name determination for the purchase of Toter carts chosen by their unique construction process, use of medium density polyethylene (durability), and assembled nesting.

The contract will be for 12 months with a fixed price of \$28,080.00 per full truck of 624 carts and freight per full truck of \$2,776.80 for 19 truckloads totaling 11,856 carts.

OPTIONS:

1. The City Commission can elect to approve staff’s recommendation to purchase Toter 96 gallon carts for City residents with a 12 month contract with delivery by WMI for \$586,279.20
2. The City Commission can elect to direct staff to advertise a formal bid for trash carts.

FINANCIAL IMPACT:

The budget for trash carts in account 403-3408-534-6400 for FY16 is \$600,000.00

RECOMMENDATION:

City Staff recommends the City Commission select Option 1; The City Commission approve staff’s recommendation for 96 gallon Toter Carts to be ordered and delivered over a one year period in an amount not to exceed \$586,279.20.