



## THE CITY OF KEY WEST

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**TO:** Jim Scholl, City Manager

**CC:** Greg Veliz, Assistant City Manager, Operations  
Sarah Spurlock, Assistant City Manager, Finance

**FROM:** John Paul Castro, Utilities Director

**DATE:** April 17, 2015

**SUBJECT:** **Purchase Approval for 11,664 Trash Carts (65-gallon) from Rehrig Pacific, in the amount of \$537,987.52, through Piggyback on the City of Deerfield Beach Contract #RFP No. 2011-12/18**

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**ACTION STATEMENT:**

This resolution will approve the purchase of 11,664 trash carts, size 65-gallon, manufactured by Rehrig Pacific Company, as a piggyback on the City of Deerfield Beach Contract RFP No. 2011-12/18, in the amount of \$537,987.52. No additional freight charges from Deerfield Beach to Key West will be incurred.

This procurement is authorized through City of Key West Code of Ordinances Sec. 2-797(3), exemption for formal competitive procurement, which allows a competitive bid solicited by another municipal, county, state or federal governmental agency to be utilized, provided terms and conditions of the original contract are extended to the city.

**STRATEGIC PLAN:**

Key West Strategic Plan 2011 Environment Goal #3 to provide for conservation and responsible consumption and disposal of all natural and manmade resources, with an objective of providing municipal services that are environmentally sensitive and promote attractive spaces, is ensured by the purchase and distribution of new trash carts for residents.

**BACKGROUND:**

Residential trash carts currently in use are up to 15 years old, and have exceeded their expected useful life. Injection molded carts typically have a 10 year service life. Existing trash carts should be replaced.

2015 Solid Waste Collection and Processing Services Contract requires the City of Key West to provide curbside pickup residential units with garbage cart and recycle cart. City will provide additional carts for standby inventory, to be distributed by Waste Management on a need basis.

Kessler Consulting, Inc., contracted for solid waste consulting services (Resolution No. 10-186), recommended the Rehrig Pacific Company carts, based on wall thickness, drop test results, cart tip and drop tests. Rehrig Pacific Company and Toter products passed all testing standards. A piggyback option on the Deerfield Beach contract was recommended.

MEMORANDUM

**PURPOSE & JUSTIFICATION:**

In accordance with the City of Deerfield Beach Contract RFP No. 2011-12/18 contract pricing list, unit costs are based on minimum order requirement. Freight is included on full truckload orders, but charged at actual costs for less than truckload orders. No additional freight charges from Deerfield Beach to Key West will be incurred, due to availability of carts from the Orlando facility

Further, Contract RFP No. 2011-12/18 Section 3.14 allows quarterly cost adjustment to base pricing for HDPE resin raw material, as published in the Chem Data Index (CDI). The most current contract addendum for quarterly pricing adjustment, dated February 24, 2015, agrees to a \$42.18 price of for each 65 gallon cart (full truck load).

The price per unit cart is reasonable, based on comparison with other competitively bid pricing for similar cart products listed in other municipal contracts, including Titusville, Clearwater, Miami, Palm Bay and Palm Beach Co. SWA.

The number of trash carts required for residential curbside pickup does not include residential units that use dumpster service. 11,138 total residential units receive curbside trash pickup. The nearest truckload minimum order will be 11,664 trash carts. 526 trash cart will be set aside as spare inventory, and stored at the Rockland Key Transfer Station.

Rehrig Pacific Company product is the only product that meets most of the specifications in the Contract to Provide Solid Waste Collection and Processing Services and Operation of the Transfer Station, approved by Resolution No. 14-134. (Refer to cart product comparison table.) The 65-gallon cart is the same model as the new recycling cart currently in use, resulting in a reduced spare parts inventory.

**OPTIONS:**

1. The City Commission could approve the purchase of 11,664 trash carts, size 65-gallon, manufactured by Rehrig Pacific Company, as a piggyback on the City of Deerfield Beach Contract RFP No. 2011-12/18, in the amount of \$537,987.52. Thereby fulfilling requirements of the 2015 Solid Waste Collection and Processing Services Contract, which requires the City of Key West to provide curbside pickup residential units with a garbage cart and a recycle cart.
2. The City Commission could opt to not purchase new trash carts, and continue to use the current trash carts owned by Waste Management.
3. The City Commission could opt to generate and issue a request for sealed bids to purchase trash carts. However, this option is not recommended due to cost and time factors associated with the invitation to bid process. Cost savings are achieved by piggybacking on the City of Deerfield Beach Contract RFP No. 2011-12/18.

**FINANCIAL IMPACT:**

Purchase of 11,664 trash carts, size 65-gallon, is an approved budget item under FY 2015 Solid Waste Fund. Cost for 11,664 trash carts, manufactured by Rehrig Pacific Company, as a piggyback on the City of Deerfield Beach Contract RFP No. 2011-12/18, will be \$537,987.52, which includes freight cost from Deerfield Beach to Key West, is less than the budgeted amount in account number 403-3408-534-64.

**RECOMMENDATION:**

City Staff recommends the City Commission select Option 1; approve the purchase of 11,664 trash carts, size 65 -gallon, through a piggyback on the City of Deerfield Beach Contract RFP No. 2011-12/18, in the amount of \$537,987.52.