

Agenda Report

DATE: JUNE 5, 2000

TO: CITY COUNCIL

FROM: CITY MANAGER

SUBJECT: INCREASE CONTRACT WITH TOTER INC. BY \$300,000 FOR PURCHASE OF AUTOMATED REFUSE AND RECYCLING CONTAINERS

RECOMMENDATION

It is recommended that City Council authorize the City Manager to amend contract number 16,756-1 with Toter, Inc. for the purchase of 60 and 100 gallon automated refuse and recycling containers to increase the not to exceed amount by \$300,000 from \$1.55 million to \$1.85 million.

BACKGROUND

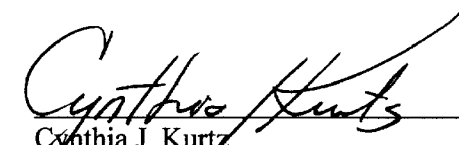
On May 10, 1999, City Council approved the new Pay-As-You-Throw refuse and recycling program to encourage residents to increase recycling at the curb. Staff increased an existing contract for 60 and 100 gallon automated refuse and recycling containers to \$1.55 million in order to purchase the required containers. This was an error. The contract should have been increased by \$1.55 million to \$1.85 million to purchase the estimated 41,556 containers required. The \$1.85 million was appropriated as part of the \$4.9 million bond for implementation of the new program.

A two-year contract with Toter Inc. was approved in September, 1998, allowing for two additional one-year renewals. In September, 1999, following City Council approval of the Pay-As-You-Throw program, the contract was increased from \$212,000 to \$1.55 million for the purchase of 60 and 100 gallon containers. Staff is now recommending that the contract be increased by \$300,000 to \$1.85 million. The initial two-year term of the contract expires on September 29, 2000.


FISCAL IMPACT

Equipment lease financing was approved by City Council on October 25, 1999 in the amount of \$2.1 million to provide funding for all of the required refuse containers for the Pay-As-You-Throw program. The initial contracts totaled \$1.8 million -- \$1.55 million for 60 and 100 gallon containers and \$250,000 for 32 gallon containers. The increase recommended in this report will expend the remaining \$300,000 of approved funding and bring the total to \$2.1 million. This contract amendment does not affect the number of total containers, nor will it result in an excess of unused containers at the end of the program. Sufficient funds for this project are available in the Refuse Fund, Budget Account #764120 Residential Solid Waste Operations.

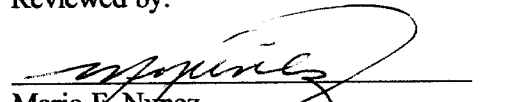
Respectfully submitted,


Cynthia J. Kurtz
City Manager


Prepared by:


Sheri Stevenson
Management Analyst III

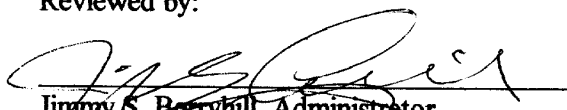
Reviewed by:


Mario F. Nunez,
Integrated Waste Mngmnt. Superintendent

Approved by:


Ora Lampman, Interim Director
Public Works and Transportation Department

Reviewed by:


Jimmy S. Berryhill, Administrator
Street Maint. & Integrated Waste Mngmnt.