



City Council Report

Date: November 6, 2017
To: City Council
Through: Mike Kennington, Chief Financial Officer
From: Edward Quedens, MPA, C.P.M., CPPO, Business Services Director
Matt Bauer, MBA, CPPO, CPPB, CPSM, Purchasing Administrator
Subject: Dollar-Limit Increase to the Term Contract for Residential Refuse and Recycling Containers for the Environmental Management and Sustainability Department **(Citywide)**

Purpose and Recommendation

Council is requested to approve a Dollar Limit Increase to the Term Contract for Residential Refuse and Recycling Containers as recommended.

The Environmental Management and Sustainability Department, and Purchasing recommend authorizing the dollar limit increase of \$260,000.00 with Rehrig Pacific Company, increasing the annual contract from \$1,068,077.59 to \$1,328,077.59, based on estimated requirements.

Background / Discussion

This contract provides a supply of 35-gallon, 65-gallon, and 95-gallon plastic refuse and recycling containers for residential use.

Over the last year, Environmental Management and Sustainability has incurred an overall increase in the number of barrels sets in the field. These barrel sets are a combination of new home barrel sets, change in size of container and additional service requests. There has also been an increase in the number of damaged barrels in the field that are no longer under warranty that require replacement – the City uses new barrels to replace out of warranty damaged barrels. In addition to barrel sets and replacements from customer calls, the City is also taking a proactive approach identifying barrels in need of replacement. The increase of \$260,000.00 is for the increased barrel usage to serve the community at our current service level through the end of this contract term, 1/31/2018.

Alternatives

Council may choose not to authorize the dollar limit increase.

Fiscal Impact

The annual contract amount is available in the Environmental Management and Sustainability Department operating budget through the Enterprise Fund, Solid Waste Management Sub Fund.

Coordinated With

Environmental Management and Sustainability - Solid Waste Management, and Purchasing

PURCHASING INFORMATION

Action: Dollar Limit Increase Authorization

Procurement Type: Request for Proposals

Solicitation Number: 2012217

Initial Approval: 11/19/2012

Initial Contract Term: 2/1/2013 through 1/31/2016

Renewal Approval: 2/8/2016 for one-year period through 1/31/2017. 1/9/2017 for the second and final one-year period through 1/31/2018

DOLLAR LIMIT INCREASE RECOMMENDATION

Rehrig Pacific Company

Los Angeles, CA

Description	
Refuse/Recycling Containers per Contract No. 2012217, Terms and Conditions, Specifications and Pricing as offered	
Renewal Authorization 1/9/2017 and Current Limit	\$1,068,077.59
This Increase Request 11/6/2017	\$260,000.00
New Annual Contract Amount (Year 5)	<u>\$1,328,077.59</u>