



Office of the City Manager

CONSENT CALENDAR
February 12, 2008

To: Honorable Mayor and Members of the City Council
From: Phil Kamlarz, City Manager
Submitted by: Claudette Ford, Director, Public Works
Subject: Increase Expenditure Authorization for Refuse and Recycling Carts

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to increase the authorized amount from \$400,000 to \$485,000 for the purchase of curbside refuse and recycling carts from Otto Industries and Rehrig Pacific Company in Fiscal Years 2005 through 2008.

FISCAL IMPACTS OF RECOMMENDATION

Resolution No. 62,793–N.S. authorized expenditures of \$400,000 in Fiscal Years 2005-2008 for the purchase of curbside refuse and recycling carts. Council is requested to increase the total authorized expenditures to \$485,000 for an additional 2,000 carts. 10,100 carts have already been purchased under these two purchase orders.

Funds are available in the following Refuse Fund (820) and Recycling Grant Fund (647):

820 5602 432.71-10	\$ 26,178
820 5603 432.71-10	26,178
820 5608 432.71-10	26,178
647 5608 432.71-10	<u>6,466</u>
Total	\$ 85,000

CURRENT SITUATION AND ITS EFFECTS

The current purchase orders for the two firms extend through the end of 2008, but the authorized funds are exhausted. An additional 2,000 carts are needed in FY 2008 to replace old and obsolete carts, and to accommodate customers who want to change their cart sizes due to increased participation in recycling programs. In addition, the per cart cost has increased due to the rise in the cost of raw material (primarily petroleum products) used to make these plastic carts. A new RFP will be prepared for purchase of more carts in FY 2009.

BACKGROUND

On January 25, 2005, Council passed Resolution No. 62,793-N.S. authorizing the City Manager to accept bids from Otto Industries for 32-gallon carts, and from Rehrig Pacific Company for 13-, 20-, 64- and 96-gallon curbside carts, for a total amount not to exceed \$400,000 for both purchase orders for Fiscal Years 2005 through 2008.

The City provides various sizes of curbside carts to Berkeley residents and businesses for collection of refuse, recycling and compostable waste. Carts need ongoing replacement due to normal wear and tear, damage and theft.

Additional new refuse carts are needed to accommodate customers who are reducing their refuse service due to their increased participation in new residential food waste and other recycling programs. In addition, many carts now in service are up to 22 years old, and depend on obsolete collection technology. They are not compatible with many of the Division's new trucks and tippers. An estimated 2,000 carts will be needed before the end of FY 2008.

RATIONALE FOR RECOMMENDATION

New carts are needed to serve refuse and recycling customers, and to support activities toward the City's waste reduction goals. Funds are available in the FY 2008 budget.

ALTERNATIVE ACTIONS CONSIDERED

None

CONTACT PERSON

Peter Holtzclaw, Manager, Solid Waste and Recycling Division, Public Works, 981-6359.

Attachments:

1: Resolution

RESOLUTION NO. ##,###-N.S.

INCREASE EXPENDITURE AUTHORIZATION FOR REFUSE AND RECYCLING
CARTS FROM OTTO INDUSTRIES AND REHRIG PACIFIC COMPANY IN
FISCALYEARS 2005 THROUGH 2008.

WHEREAS, the City of Berkeley provides various sizes of curbside carts for collection of refuse, recycling and compostable discards from Berkeley residents and businesses; and

WHEREAS, the City has purchase orders with Rehrig Pacific Company and Otto Industries to supply carts in FY 2005 through FY 2008; and

WHEREAS, the cost per cart has increased due to an increase in cost of raw materials; and

WHEREAS, the original authorization not to exceed \$400,000 has been spent and an addition \$85,000 is required to fulfill the needs of customers; and

WHEREAS, additional carts are needed in FY 2008 to replace old and obsolete carts, and to accommodate customers' requests for reduced refuse and increased recycling service levels; and

WHEREAS, funds are available in the FY 2008 budget in the Refuse Fund (820) and in recycling grant funds (646 and 647).as follows:

820 5602 432.71-10	\$ 26,178
820 5603 432.71-10	26,178
820 5608 432.71-10	26,178
647 5608 432.71-10	<u>6,466</u>
Total	\$ 85,000

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Berkeley authorizes the City Manger to increase the authorized amount for purchase of curbside refuse and recycling carts from Otto Industries and Rehrig Pacific Company from \$400,000 to \$485,000 for Fiscal Years 2005 through 2008.

