



**PURCHASING ITEM
FOR
COUNCIL AGENDA**

1. Agenda Item Number:

31

2. Council Meeting Date:

February 23, 2012

TO: MAYOR & COUNCIL

3. Date Prepared: February 6, 2012

THRU: CITY MANAGER

4. Requesting Department: Municipal Utilities

5. SUBJECT: Approval to utilize the National Intergovernmental Purchasing Alliance (National IPA) contract to purchase refuse and recycling containers, and parts for container repair from Toter, Incorporated in an amount not to exceed \$218,000.

6. RECOMMENDATION: Recommend approval to utilize the National IPA contract to purchase refuse and recycling containers, and parts for container repair from Toter, Incorporated in an amount not to exceed \$218,000.

7. HISTORICAL BACKGROUND/DISCUSSION: The City of Chandler has an ongoing need for approximately 4,000 refuse and recycling plastic rollout containers yearly. Containers are needed for new home construction and replacement containers no longer under warranty.

8. EVALUATION PROCESS: The recommended purchase was bid by the National IPA with City of Tucson as the lead agency. This national purchasing cooperative was approved for City use by Council January 7, 2008.

The City inquired with other Valley cities using Rehrig and Toter containers. Although Rehrig offers a lower cost per container, the container failure rate is greater. During FY10/11, the City spent over \$103,000 in repair/replacement costs to the Residential Collection Contractor. The failure rate with Toter containers was 24 percent and with Rehrig containers 74 percent for this past year.

When factoring in administrative time for warranty claims and contractor costs associated with repair and delivering replacement containers, there is a cost savings to the City to utilize the National IPA contract for Toter containers. Lastly, Solid Waste Services has limited space for storage of assembled containers. Toter containers assembled can be stacked inside one another to maximize storage.

9. FINANCIAL IMPLICATIONS:

Cost: \$218,000
Savings: NA
Long Term Cost: NA

<u>Account No.</u>	<u>Fund Name</u>	<u>Program Name</u>	<u>CIP Funded</u>	<u>Funds</u>
626.3700.5322.0000	Solid Waste Containers	Other Supplies	No	\$218,000

10. PROPOSED MOTION: Move to approve use of the National IPA contract to purchase refuse and recycling containers and parts for container repair from Toter, Incorporated in an amount not to exceed \$218,000.

APPROVALS

11. Requesting Department

Sheree Sepulveda, SWS Manager

13. Department Head

Dave Siegel, Municipal Utilities Director

12. Buyer/Contract Admin

Mike Mandt, Procurement Officer

14. City Manager

Rich Dlugas, City Manager