



# City of Norman, OK

Municipal Building Council  
Chambers  
201 West Gray Street  
Norman, OK 73069

## Text File

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### Title

CONSIDERATION OF THE NORMAN MUNICIPAL AUTHORITY'S APPROVAL OF REQUEST FOR PROPOSAL NO. RFP-1213-84 FOR THE PURCHASE OF 95-GALLON RECYCLING CARTS FOR THE SANITATION DEPARTMENT FROM REHRIG PACIFIC COMPANY IN THE AMOUNT OF \$1,584,748.48 AND BUDGET APPROPRIATION.

### Body

**BACKGROUND:** The Norman Municipal Authority (NMA) authorized a change in our curbside recycling service to serve the citizens of Norman in a more cost effective manner. The change involved the use of every other week (EOW) single stream collection of recyclables in 95-gallon recycling carts in lieu of the current system of weekly curbside collection of recyclables in 18-gallon bins.

On March 26, 2013, the NMA approved Contract K-1213-180 with Allied Waste Systems, Inc. (Allied) for EOW single stream curbside collection of recyclables for a 5-year term beginning Monday, August 5, 2013. Materials to be recycled under this contract include the items our customers are now able to recycle as well as cardboard, cereal and cracker type boxes, paper milk cartons and plastic bags.

Under the contract with Allied, the NMA is responsible for the purchase and distribution of recycling carts for residential curbside recycling service. A blue-colored, wheeled, lidded, 95-gallon recycling cart will be provided to all residential customers for collection of recyclable materials. The current trash service and yard waste service will not change. NMA currently uses polycarts manufactured by Rehrig Pacific Company for regular residential trash service. Rehrig provides the green polycarts to NMA under Bid No. 1213-04 for a price of \$45.40 per polycart. This price is good through August 11, 2012.

**DISCUSSION:** RFP No. 1213-84 was electronically mailed to four cart manufacturing firms on April 18, 2013 and three (3) manufacturer's submitted proposals on April 26, 2013. The RFP included a price for the manufacture, assembly, and distribution of the polycarts. Additionally, the RFP requested a price for tracking software so Staff can more easily ascertain the location of its polycart inventory once distributed. Those submitting proposals were Rehrig Pacific, Dallas Texas; Schaffer Systems, Charlotte, North Carolina; and Otto Environmental Systems, Charlotte, North Carolina.

Staff evaluated the proposals based on compliance with the RFP and technical specifications, experience, proposed schedule for completion, and bid price. Based on these criteria, staff selected Rehrig Pacific Company (Rehrig) as submitting the best proposal in the amount of \$1,639,658.48. The proposal from Otto Environmental Systems had a slightly lower cost (\$1,601,719.80 as corrected) but was not selected due to past durability issues with carts purchased from Otto and staff's desire to standardize, if reasonably possible, on the Rehrig cart. The remaining proposal from Schaefer Systems International had a cost of \$1,784,565.00.

After selection of the Rehrig proposal, Staff was able to negotiate a revised cost that utilizes the cart unit price of \$42.40 per cart provided under Bid No. 1213-04 with Rehrig. The modified bid will total \$1,584,748.48 as shown on the attached bid tabulation. The modified Rehrig proposal includes purchase and delivery of 32,000 recycling carts and assembly and distribution of approximately 30,100 carts to our residential customers. It also includes the purchase of cart distribution and maintenance tracking software. The estimated contract amount is based on the unit prices bid for the various cart work tasks; the final contract amount may vary based on the quantities of work actually completed. Delivery of recycling carts to our customers is expected to begin in mid-June and be completed by July 24, 2013.

The recycling carts provided under this contract are compatible with the collection vehicles to be utilized by Allied Waste Systems, Inc.

Staff will be submitting an agenda item for consideration by the Norman Municipal Authority (NMA) and City Council on a future agenda for the issuance of Revenue Bonds to finance the purchase of the recycling carts over their expected useful life. However, in order to get the carts ordered, delivered, and in place by August 5, 2013, it is necessary to appropriate funds for the purchase from the Sanitation Fund Balance to be reimbursed after the Revenue Bonds have been issued.

**RECOMMENDATION:** Staff recommends approval of the purchase of 32,000 95-gallon recycling carts under RFP-1213-84, as modified, from Rehrig Pacific Company in the amount of \$1,584,748.48. Funds for this purchase are to be appropriated from the Sanitation Fund Balance (033-0000-253.00-00) into Refuse Receptacles (033-5561-432.51-08).