



City of Killeen

Legislation Text

File #: RS-23-166, Version: 1

Consider a memorandum/resolution authorizing the Solid Waste Division to purchase containers for the City of Killeen's solid waste collection system and container replacement program, in an amount not to exceed \$604,123.

DATE: **October 17, 2023**

TO: **Kent Cagle, City Manager**

FROM: **Jeffery Reynolds, Executive Director of Public Works**

SUBJECT: **FY 2024 Solid Waste Container Purchase**

BACKGROUND AND FINDINGS:

The City of Killeen's municipal solid waste systems, both residential and commercial, are container dependent. Citizens are issued a 96-gallon rollout container and pay a monthly disposal fee based on the number of containers issued. Commercial businesses are issued containers of various types and sizes depending on their need, and pay fees established by Division 6, Chapter 24 of the City of Killeen Code of Ordinances.

Solid Waste is required to maintain an inventory of containers to accommodate the normal growth of the city and replace lost or damaged containers for both, residential and commercial customers. On September 12, 2023, Council approved the budget for FY 2024, which includes year two (2) of a container replacement program for residential and commercial customers. This replacement program will allow Solid Waste the ability to replace 2,515 damaged residential containers and 68 damaged commercial containers throughout the city. The funds are allocated within the solid waste budget Replacement Carts/Dumpster line item for each section.

| Account Name/Description | Account/Line item | Budget Amount |
|---|--------------------------|----------------------|
| Replacement Carts/Dumpsters | 540-3460-439.46-73 | \$285,020 |
| *Includes \$177,000 for Residential Replacement Program | | |
| New Carts/Dumpsters | 540-3460-439.46-74 | \$72,013 |
| Replacement Carts/Dumpsters | 540-3465-439.46-73 | \$183,820 |
| *Includes \$104,250 for Commercial Replacement Program | | |
| New Carts/Dumpsters | 540-3465-439.46-74 | \$63,270 |

Containers are available for purchase through cooperatives such as Sourcewell. The supplier for all residential containers in the City's inventory has historically been the manufacturer Toter, LLC. Residential containers are quoted and purchased through Toter, LLC, Sourcewell contract no. 041521-TOT. The continued purchase of containers from Toter, LLC for resupply of the inventory has four distinct advantages:

- The purchase of rollout containers that are compatible with the City's current rate structure is

- necessary as the rate structure is based on the size/volume of containers;
- The continued standardization of the City's container and parts inventory decreases administration costs and funds required for replacement parts, such as lids, wheels, and mounting hardware;
 - A delivery time of 6-8 weeks after placing the order provides for just-in-time inventory; and
 - There are no additional setup costs for the City logo, serial numbers, and hot stamped instructions for the user.

Purchases for commercial containers, such as metal dumpsters and roll-offs, are completed through the Sourcewell cooperative utilizing Wastequip Sourcewell contract no. 040621-WQI and Box Gang Manufacturing, LLC, Sourcewell contract no. 040621-BXG. Purchases are made in truckload quantities, which provide the best unit price. Prices are subject to change due to fluctuating costs for steel and fuel.

THE ALTERNATIVES CONSIDERED:

1. Do not authorize the purchase of residential and commercial containers, which would cause a shortage in replacement carts and dumpsters.
2. Authorize the purchase of residential and commercial containers, allowing Solid Waste to stock the containers needed to provide service to customers.

Which alternative is recommended? Why?

Alternative two is recommended to meet the department's mission and allow Solid Waste to continue providing the containers necessary to serve our customers.

CONFORMITY TO CITY POLICY:

Purchases for containers, metal dumpsters, and roll-out containers are historically completed through a purchasing cooperative. Purchases made through a cooperative contract are exempt from the competitive bidding process as stated in Texas Local Government Code section 271.102, subchapter F; a local government that purchases goods or services under this subchapter satisfies any state law requiring the local government to seek competitive bids for the purchase of the goods or services.

FINANCIAL IMPACT:

What is the amount of the expenditure in the current fiscal year? For future years?

Funds are allocated in the FY 2024 Solid Waste annual budget in the amount of \$604,123 for the purchase of residential and commercial containers.

Is this a one-time or recurring expenditure?

Recurring

Is this expenditure budgeted?

Yes, funds are available in the following Solid Waste Fund accounts:

| Account Name/Description | Account/Line item | Amount |
|--------------------------|-------------------|--------|
|--------------------------|-------------------|--------|

| | | |
|-----------------------------|--------------------|-----------|
| Replacement Carts/Dumpsters | 540-3460-439.46-73 | \$285,020 |
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If not, where will the money come from?

N/A

Is there a sufficient amount in the budgeted line-item for this expenditure?

Yes

RECOMMENDATION:

City Council authorize the City Manager or his designee to procure residential solid waste containers from Toter LLC and commercial containers from Wastequip and Box Gang Manufacturing, LLC utilizing Sourcewell cooperative contracts in an amount not to exceed \$604,123.

DEPARTMENTAL CLEARANCES:

Public Works
Finance
City Attorney

ATTACHED SUPPORTING DOCUMENTS:

Quote
Certificate of Interested Parties
Contract Verification