



**AGENDA ITEM REPORT**

**DATE:** November 2, 2021  
**DEPARTMENT:** Solid Waste  
**REQUESTER:** Douglass Whitehead  
**TITLE:** Increase Annual Spend Limit for Purchase of Recycling and Refuse Containers

**I. MOTION REQUESTED**

A) Approve annual spend limit increase of \$160,000 for Piggyback No. PB170554GWT, utilization of the City of Tucson, AZ Contract No. 171717-01 Refuse and Recycling Container Solutions and Related Products, Equipment and Services for purchase of recycling and waste containers from Toter, LLC, as approved in the department's annual adopted budget, for the remainder of the contract, including renewals, with a new annual spend increased to \$380,000 from \$215,000.

B) Grant the County Manager or designee the authority to execute all documents associated with the spend limit increase, as approved in the departments' annual adopted budgets, on behalf of the Board of County Commissioners.

**II. ITEM SUMMARY**

Allows Lee County Solid Waste to meet demand for recycling and waste containers from new customers by increasing FY22 purchases of containers sold by Toter, LLC from \$220,000 to \$380,000. Projected need is based on building permit activity and historical replacement rates.

**III. BACKGROUND AND IMPLICATIONS OF ACTION**

A) Board Action and Other History

On February 20, 2018, the Board of County Commissioners Awarded Piggyback No. PB170554GWT, utilization of the City of Tucson, AZ Contract No. 171717-01 Refuse and Recycling Container Solutions and Related Products, Equipment and Services for purchase of recycling and waste containers from Toter, LLC for an initial term of one year, February 1, 2019, and any renewals approved by the City of Tucson, in the amount of \$130,000 annually. On May 18, 2021, the Board of County Commissioners approved an allowable spend increase to \$215,000 annually. Each cart is \$53.93 as of October 1, 2021. Since the county has an estimated 177,000 existing residential containers, a 2% replacement rate is an additional \$191,000, totaling \$380,000. This replacement rate will accelerate as the average age of containers increases. The expected life of the container is 15 years, and the container fleet is nearing that age.

B) Policy Issues

Recycling carts are distributed to the public and businesses countywide. Due to increased growth within Lee County, the Solid Waste department is expected to exceed its annual spend limit to implement its Refuse and Recycling Container Solutions and Related Products, Equipment and Services purchases. Total expenditures for Toter, LLC to provide these goods and services during the most recent annual contract term were approximately \$215,000 through August 31, 2021 (contract term of 2/1/2021 – 1/31/2022) leaving a current deficit for allowable spend based on cart demand. Our FY22 Toter budget is \$240,000 - Estimated 6 loads of 800 containers. Price has escalated significantly in the past 12 months. Based on the most current order being delivered and billed in October, with orders every 2 months, our expense line will be approximately \$100,000 over budget.

Lee County Procurement Management reviewed the City of Tucson's contract dated February 2018 with an expected 13% savings over independent bidding. More than 100 agencies piggyback off this contract given its competitive pricing, which is adjusted quarterly based on cost of resin. Lee County began using Toter LLC containers given their durable construction and resistance to sun damage. The carts are provided with a 12-year warranty.

C) BoCC Goals

D) Analysis

E) Options

**IV. FINANCIAL INFORMATION**

A)	Current year dollar amount of item:	See Comments below.
B)	Is this item approved in the current budget?	Yes
C)	Is this a revenue or expense item?	Expense
D)	Is this Discretionary or Mandatory?	Discretionary
E)	Will this item impact future budgets?	No

	If yes, please include reasons in III(D) above.	
F)	Fund: 40100 Program: Solid Waste Recycling Project: NA Account Strings: OB5340640100.505280	
G)	Fund Type?	Enterprise
H)	Comments: Expenditures will be as needed and within the department's annual adopted budgets.	

**V. RECOMMENDATION**

Approve

**VI. TIMING/IMPLEMENTATION**

**VII. FOLLOW UP**

**ATTACHMENTS:**

Description	Upload Date	Type
<a href="#">Toter Piggyback - City of Tucson</a>	10/6/2021	Backup Material

**REVIEWERS:**

Department	Reviewer	Action	Date
Solid Waste	Tucker, Mary	Approved	10/22/2021 - 11:06 AM
Solid Waste	Whitehead, Douglass	Approved	10/22/2021 - 11:57 AM
Budget Services	Guttery, Angela	Approved	10/22/2021 - 2:25 PM
Budget Services	Winton, Peter	Approved	10/25/2021 - 8:47 AM
County Attorney	Jacob, Michael D.	Approved	10/25/2021 - 4:19 PM
County Manager	Salyer, Glen	Approved	10/26/2021 - 11:32 AM