

Agenda Report



MEETING DATE: Tuesday, October 22, 2024

TO: City Council

FROM: PUBLIC WORKS & UTILITIES DIRECTOR LINDBERG
SOLID WASTE DIVISION MANAGER SMITH

SUBJECT: SOLE SOURCE PURCHASE OF REFUSE AND RECYCLE ROLL-
OUT CARTS FROM OTTO ENVIRONMENTAL SOLUTIONS FOR
\$163,260

RECOMMENDED ACTION:

Adopt a resolution authorizing \$163,260 for the purchase of Solid Waste Refuse and Recycle Roll-Out Carts from Otto Environmental Solutions.

BACKGROUND:

Select a single vendor to replace dilapidated residential refuse and recycling carts, fulfill new cart orders, maintain cart uniformity, and stock parts for repairs saving costs and allowing timely repairs.

DISCUSSION:

The Solid Waste Division is responsible for servicing residential materials, such as garbage, recycling, and organics, maintaining, replacing, and delivering new cart requests. To maintain rollout cart uniformity, the Division uses Otto Environmental as the sole source vendor.

Otto Environmental Systems produces a high quality and durable product at fair market value. Currently about 65% of our residential carts are from Otto Environmental Systems, spare parts like lids, wheels and axels fit exclusively on Otto brand carts.

This equipment purchase is exempt from the City's formal competitive bidding requirements for purchases exceeding \$100,000 under Article 4 of Chapter 5 (Purchasing Procedures) of Title 3 (Finance) of the Watsonville Municipal Code. The specific exemption is subdivision (c) of Section 3-5.210 "equipment, supplies or nonprofessional services are unique, available only from one (1) source, or sought to match existing equipment or supplies already in use (also known as a sole source purchase)" and also under subdivision d) "Equipment, supplies or nonprofessional services have been uniformly adopted or otherwise standardized in the City. In this case, evidence for the

standardization shall be documented and maintained as a public record and approved by the Purchasing Officer before the purchase and then at least once every five (5) years.”

STRATEGIC PLAN:

The project consists of the following Strategic Plan goal:
02 – Infrastructure & Environment

FINANCIAL IMPACT:

Funds for this purchase will be paid out of the Solid Waste Fund in the budget account 0740-570-7559. There are sufficient funds in this account.

ALTERNATIVE ACTION:

The Council could choose not to authorize the purchase, in which case staff requests additional direction.

ATTACHMENTS AND/OR REFERENCES (If any):

- 1) Quote – Refuse and Recycle Roll-Out Carts – Otto Environmental Solutions