



**TO:** Board of Contracts and Awards  
**FROM:** Michael P. Slevin III, P.E., Director, Environmental Services  
 Gary Kato, Division Manager, Solid Waste Management  
**COPY:** City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator, Senior Buyer Kimberly Ward, and Lyle Hauenstein, Solid Waste Collection Supervisor  
**SUBJECT:** Purchase Metal Solid Waste and Recycle Containers  
 Request for Bids Specification No. ES17-0020F – May 9, 2017  
**DATE:** April 20, 2017

*jp for MPS*

**SUMMARY:**

The Environmental Services Department, Solid Waste Management Division, recommends a contract be awarded to the sole bidder Capital Industries, Inc., Seattle, WA, in the amount of \$827,795, plus applicable sales tax, on an as-needed basis for an initial two-year term, with the option to renew for three additional one-year terms, for a projected contract total of \$2,483,071, budgeted from the ES Solid Waste Fund 4200, to purchase metal solid waste and recycle containers.

**STRATEGIC POLICY PRIORITY:**

- Strengthen and support a safe city with healthy residents.
- Assure outstanding stewardship of the natural and built environment.
- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

This contract will allow the City to continue to provide sustainable and cost-effective recycle and solid waste collection services that help protect the environment, recover value from Tacoma’s waste streams, and enhance the quality of life for Tacoma’s citizens and ratepayers.

**BACKGROUND:**

ISSUE: Solid Waste Management (SWM) utilizes these containers for collection of recyclables and solid waste materials from both residential and commercial customers in the City of Tacoma. The Recycle Center also utilizes the drop-off containers for the collection of recyclables. The front-load metal solid waste and recycle containers will allow SWM to expand the collection of commingled and cardboard recycle programs as well as replace aging containers and replenish existing stock.

The existing contract for solid waste metal containers expired in May 2016. These containers are necessary to provide continued solid waste and recycle collection services. Over time these containers become damaged from collection equipment, weather, vandalism, customer accidents, and need to be replaced.

ALTERNATIVES: Alternatives include not providing metal solid waste and recycle containers to customers for collection. Customers could provide their own metal solid waste and recycle containers; however, the cost to customers is significant and could deter proper disposal of solid waste and recycle waste materials. This would not align with Environmental Services’ Strategic Plan to deliver superior customer service and optimize the environmental benefit recovered from Tacoma’s waste streams to ensure long-term health for our community.



COMPETITIVE SOLICITATION: Request for Bids Specification No. ES17-0020F was opened Thursday, March 23, 2017. Eight companies were invited to bid in addition to normal advertising of the project. One submittal was received.

Bid results for front-load metal solid waste and recycle containers (2, 3, 4, 6, and 8-cubic yard), drop-off metal solid waste and recycle containers (10, 15, 20, 25, 30, and 40-cubic yard) and rear-load metal recycle containers (2-cubic yard):

<u>Respondent</u>	<u>Location (city and state)</u>	<u>Submittal Amount</u>
<b>Capital Industries, Inc.</b>	<b>Seattle, WA</b>	<b>\$827,795</b>

Pre-bid Estimate: \$836,703

The recommended award is 1 percent below the pre-bid estimate.

CONTRACT HISTORY: New contract.

SUSTAINABILITY: Capital Industries, Inc. incorporates sustainability factors into their business practices. Some of the factors include their solvent recycling program approved by Washington State Department of Ecology and Puget Sound Clean Air approval for cutting and paint operations. Capital Industries, Inc. also captures all pollutant dust created in metal cutting process and all metal scraps are recycled.

SBE/LEAP COMPLIANCE: Not applicable.

**RECOMMENDATION:**

The Environmental Services Department, Solid Waste Management Division, recommends a contract be awarded to the sole bidder Capital Industries, Inc., Seattle, WA, in the amount of \$827,795, plus applicable sales tax, on an as-needed basis for an initial two-year term, with the option to renew for three additional one-year terms, for a projected contract total of \$2,483,071, budgeted from the ES Solid Waste Fund 4200, to purchase metal solid waste and recycle containers.

**FISCAL IMPACT:**

**EXPENDITURES:**

FUND NUMBER & FUND NAME	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4200 – ES Solid Waste Fund	ENV-00116-04-03	5645530	\$2,483,071
<b>TOTAL</b>			<b>\$2,483,071</b>

**REVENUES:**

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4200 – ES Solid Waste Fund	512000	Various	\$2,483,071
<b>TOTAL</b>			<b>\$2,483,071</b>

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$797,287**

**ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes**