



Folsom City Council Staff Report

MEETING DATE:	1/14/2025
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 11316- A Resolution Authorizing the City Manager to Execute an Agreement with Schaefer Plastics North America, LLC. for the Purchase of Residential Solid Waste Containers
FROM:	Public Works Department

RECOMMENDATION / CITY COUNCIL ACTION

The Public Works Department recommends that the City Council pass and adopt Resolution No. 11316 - A Resolution Authorizing the City Manager to Execute an Agreement with Schaefer Plastics North America, LLC. for the Purchase of Residential Solid Waste Containers.

BACKGROUND / ISSUE

The Waste and Recycling Division (Division) of the Public Works Department is responsible for providing timely collection of residential and commercial solid waste and recycling in the City of Folsom. The Division needs to purchase recycling, trash, and organics containers (cans) on a continuing basis to maintain a working inventory of seven different can types for curbside collection. Most cans purchased are used to replace damaged cans currently in service; however, some are used to provide additional service to existing customers and to provide cans to new homes. Prompt replacement of damaged cans and providing additional cans where needed enables the city to provide reliable and efficient service for the collection of the city's residential waste. In addition, properly functioning cans help prevent litter and protect material from water intrusion, which increases disposal costs and reduces the recyclability of some materials.

In Fiscal Year 2017-18, the City entered into an agreement with Schaefer Plastics North America, LLC. (Schaefer) for the purchase of curbside collection containers. Contracting with a single vendor has allowed the city to secure consistent pricing, quality, and appearance of

cans and provide a reliable source to meet the city's fluctuating inventory needs. The contract with Schaefer has expired and the Division is seeking a new agreement. Schaefer has proven to be a reliable partner and offers competitive pricing through a cooperative purchase agreement.

POLICY / RULE

In accordance with Section 2.36.080 of the Folsom Municipal Code, supplies, equipment, services, and construction with a value of \$75,049 or greater shall be approved by City Council.

Section 2.36.170 of the Folsom Municipal Code permits cooperative purchasing agreements for the procurement of any supplies, equipment, service, or construction with one or more public procurement units in accordance with an agreement entered into or between the participants.

ANALYSIS

Schaefer currently has a cooperative purchasing agreement, number RC01-21, with Houston-Galveston Area Council (H-GAC), a national cooperative purchasing entity of which the City of Folsom is a member. The city has purchased numerous items through H-GAC and will use this agreement for the purchase of cans. The pricing has been assessed to be fair, reasonable, and competitive.

Each year the Division projects the amount that will be needed for cans and includes this in the annual budget. For Fiscal Year 2024-25, the Division projected expenses of \$396,712 for the purchase of new collection containers. The annual not-to-exceeding amount in the Schaefer agreement will fluctuate year-by-year based on the approved fiscal year budget for can procurement. However, the per can price will be locked in for the full term of the agreement. The agreement will be for a term of five years with two optional one-year extensions.

A combination of funding sources is used to purchase cans. The largest portion is funded from monthly service fees and is used for existing service locations. The city also receives an annual grant from CalRecycle for beverage container recycling called the City/County Payment Program and these funds are currently used exclusively for the purchase of recycling cans. Cans for new homes are purchased from the Division's two impact fee accounts; one for Folsom Plan Area and one for development in all other areas of the city. The budget is allocated among these accounts based on projected needs in each category.

FINANCIAL IMPACT

The purchase of residential cans is included in the adopted Fiscal Year 2024-25 Operating Budget with a total budget of \$396,712 funded through the Solid Waste Operating Fund (Fund 540), Solid Waste Capital Fund (Fund 541), and Folsom Plan Area Solid Waste Capital Fund (Fund 544). Expenditures to date total \$146,830, with a remaining budget of \$249,882, which will be the not-to-exceed amount for the new agreement in Fiscal Year 2024-25.

In subsequent years of the contract, the funding needed for the purchase of residential cans will be projected annually and included in the Division budget. The contract amount will be adjusted annually to a not-to-exceed amount that is equal to the combined adopted departmental supplies budgets for the Solid Waste Collections Division, Solid Waste Grant, Solid Waste Capital, and Folsom Plan Area Solid Waste Capital.

ENVIRONMENTAL REVIEW

This action is exempt from environmental review under the California Environmental Quality Act (CEQA).

ATTACHMENT

Resolution No. 11316 – A Resolution Authorizing the City Manager to Execute an Agreement with Schaefer Plastics North America, LLC. for the Purchase of Residential Solid Waste Containers

Submitted,

Mark Rackovan, PUBLIC WORKS DIRECTOR

RESOLUTION NO. 11316

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN
AGREEMENT WITH SCHAEFER PLASTICS NORTH AMERICA, LLC. FOR THE
PURCHASE OF SOLID WASTE CONTAINERS**

WHEREAS, Waste and Recycling Division staff has identified the need to purchase solid waste containers to continue to conduct trash, organics, and recycling collections safely and efficiently; and

WHEREAS, this purchase is through the Houston-Galveston Area Council (H-GAC), which used its recognized cooperative purchasing agreement to award Schaefer Plastics North America, LLC.; and

WHEREAS, The agreement will be for a term of five years with two optional one-year extensions; and

WHEREAS, sufficient funds are available in the Fiscal Year 2024-25 Solid Waste Operating Fund (Fund 540) and Solid Waste Capital Funds (Funds 541 and 544); and

WHEREAS, staff reviewed the specifications from Schaefer Plastics North America, LLC. and determined that they meet the City Folsom's specifications for both the type of material used and the method of construction; and

WHEREAS, the agreement will be in a form acceptable to the City Attorney;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Folsom authorizes the City Manager to execute a contract with Schaefer Plastics North America, LLC. for the purchase of residential Solid Waste containers in an amount not-to-exceed \$249,882 in Fiscal Year 2024-2025 and an annual not-to-exceed amount equal to the adopted departmental supplies in the annual Solid Waste budget for subsequent years of the contract.

PASSED AND ADOPTED this 14th day of January 2025, by the following roll-call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

Sarah Aquino, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK

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and minimize paper use.*



CITY OF
FOLSOM
DISTINCTIVE BY NATURE