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# CITY OF SACRAMENTO

**DIVISION OF WASTE REMOVAL**  
827 TENTH STREET  
SUITE 200  
SACRAMENTO, CALIF. 95814  
TELEPHONE (916) 449-5757

CITY MANAGER'S OFFICE  
**RECEIVED**  
MAR 13 1981

REGINALD YOUNG  
SUPERINTENDENT  
PAUL SMILANICH  
ASSISTANT SUPERINTENDENT

March 9, 1981

City Council  
Sacramento, California

Honorable Members in Session:

**SUBJECT:** Special Waste Collection Project - Automated Lift 90 Gallon Container Pilot Program

### SUMMARY

This report informs the City Council that City staff has evaluated informal bids for automated waste collection equipment from three companies: (1) Government Innovators, (2) The Heil Company, and (3) Wayne Engineering. Based on the aforementioned evaluations it is recommended that the City Council suspend competitive bidding for this project and authorize the City Manager to negotiate a contract with the Heil Company to obtain a lease purchase agreement for two (2) automatic lift refuse trucks and 2500 (90 gallon) waste containers.

### BACKGROUND INFORMATION

The City Council has given the Waste Removal Division permission to conduct experimental waste collection projects.

#### City Code Section 19.109(e) Special Projects

"The superintendent is authorized to establish and conduct special projects within the city for the purpose of developing and experimenting with new methods of collection. Such special permits shall only be conducted with a prior consensus of approval by the citizens in the areas in which such special projects are conducted. The rates to be applicable in special project areas shall be set by the Council."

The Waste Removal Division desires to conduct an experimental mechanical lift waste collection program for one year. The program as proposed would provide 2500 customers with 90 gallon wheeled waste storage containers. The customers would be requested to voluntarily consolidate their waste and roll the containers to within three (3) feet of the curb on collection day.

**APPROVED**  
BY THE CITY COUNCIL  
MAR 17 1981  
OFFICE OF THE CITY CLERK  
*referred to Bud/Fin Comm.*

**APPROVED**  
BY THE CITY COUNCIL  
MAR 24 1981  
OFFICE OF THE CITY CLERK

March 9, 1981

The containers would then be hoisted and dumped by a mechanical lift attachment on the truck. Thus only one person would be required to drive the truck and lift mechanism and citizens could place any material in the container that did not damage the truck or container, e.g. tile, fiber board, etc. could be placed in the containers.

City staff has reviewed and evaluated three bids from companies that would provide the requisite trucks and storage containers on either a purchase or lease to purchase agreement. In terms of absolute dollars to be paid out during a 60 month period, the Heil Company proposal is the most cost effective.

Proposal	Heil Company	Wayne Engineering	Rapid Rail System	
			Proposal 1	Proposal 2
Term	60 months	60 months	60 months	60 months
Type	Option to terminate or purchase	Option to terminate or purchase	Option to terminate or purchase	No option to terminate or purchase
Purchase Price	\$282,757	\$291,000	\$325,500	\$325,500
Sales Tax	16,965	17,460	19,500	19,500
Total Cost	<u>\$299,722</u>	<u>\$308,460</u>	<u>\$345,000</u>	<u>\$345,000</u>
Lease Deposit	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Residual Value	<u>-0-</u>	<u>\$ 1</u>	<u>-0-</u>	<u>-0-</u>
Monthly Payment	<u>\$ 6,623</u>	<u>\$ 6,640</u>	<u>\$ 9,143</u>	<u>\$ 7,676</u>
Financing Cost	<u>11.7%</u>	<u>10.96%</u>	<u>20.4%</u>	<u>12.1%</u>
Total Payments	<u>\$397,386</u>	<u>\$398,400</u>	<u>\$550,980</u>	<u>\$460,560</u>
Total Interest	<u>\$ 97,664</u>	<u>\$ 89,940</u>	<u>\$205,980</u>	<u>\$115,560</u>

If staff recommendation is approved the Heil Company can provide 600 containers for Franklin Villa Estates by April 1, 1981. The Waste Removal Division would like to coordinate neighborhood meetings with the City Council members to encourage the discretionary placement of the other containers. Exhibit I attached hereto includes a list of the areas suggested for placement of the remaining containers.

FISCAL DATA

The total cost of the proposed program is as follows:

<u>Function</u>	<u>Cost/Month</u>	<u>Cost/Month per Customer</u>
Equipment Lease	\$ 6,623	\$ 2.65
Equipment Maintenance (gas, oil, tires)	\$ 1,704	\$ .68
Employee Services		
a. Driver	\$ 2,060	\$ .82
b. Administration (50% Sr. Clerk)	\$ 841	\$ .34
Contingency	\$ 785	\$ .32
Totals	\$12,013	\$ 4.81

Hence the monthly cost of the pilot program (\$4.81) is less than the combined cost of collecting one 30 gallon can of garbage at curbside (\$3.60) plus the single family garden refuse Excise Tax (\$2.00) for a total cost of \$5.60. Therefore the 90 gallon container could be collected for the present one can curbside rate of \$3.60 plus the continued charge of the \$2.00 Garden Refuse "Excise Tax".

RECOMMENDATION

It is recommended that:

- (1) In the best interests of the City, the City Council suspend formal competitive bidding for the lease-purchase of two (2) mechanical lift refuse packers and 2500 waste containers (90 gallons each) and approve resolution to authorize the City Manager to execute the necessary contract with the Heil Company in a total amount of \$397,386 to be paid over 60 months.
- (2) Approve the attached resolution to amend resolution No. 80-427 relating to fees and charges.
- (3) Approve the payment of the lease purchase fee from the Waste Removal budget.

Respectfully submitted

*Reginald Young*  
Reginald Young  
Waste Removal Superintendent

Recommendation Approved

*Walter J. Slupe*  
Walter J. Slupe  
City Manager

March 17, 1981  
All Districts

AREA RECOMMENDED FOR PILOT  
90 GALLON CONTAINER PROGRAM

DISTRICT # 1

Northgate to Interstate 5  
West El Camino Ave to San Juan Road

DISTRICT # 2

Interstate 80 to Marysville Blvd.  
El Camino Avenue to Marconi/Arcade Blvd.

DISTRICT # 3

H-Street to Erlewine Circle  
Carlson/Moddison to River

DISTRICT # 4

Broadway to 11th Avenue  
Freeport Blvd/21st Street to Riverside Blvd.

DISTRICT # 5

Broadway to 14th Avenue  
Stockton Blvd. (to 99 Freeway)

DISTRICT # 6

- a) 65th Expressway to Power Inn Road  
53rd Avenue to Elder Creek Road
- b) Fruitridge Road to 14th Avenue  
60th Street to Stockton Blvd.

DISTRICT # 7

Freeport Blvd. to Land Park Drive  
Land Park Drive to 35th Avenue

DISTRICT # 8

- a) Franklin Villa Estates/Villa Towne Homes  
(From A Parkway/Morrison Creek to Brookfield Drive and  
from Franklin Blvd. to Morrison Creek)
- b) Amherst Street to Tamoshanter Way  
Florin Road to Meadowview Road
- c) Mack Road to Ehrhardt  
Franklin Blvd. to Bruceville Road

ORDINANCE NO.

FOURTH SERIES

AN ORDINANCE AMENDING CERTAIN SECTIONS OF CHAPTER  
19 OF THE CODE OF THE CITY OF SACRAMENTO

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO AS FOLLOWS:

Section 3.

Sec. 19.109 Same--Designated

(i) Monthly rates 90 gallon mechanical lift container

90 Gallon Mechanical Lift Container

1 can  
pickup  
once a  
week  
\$3.60

# RESOLUTION NO. 81-226

Adopted by The Sacramento City Council on date of  
March 10, 1981

RESOLUTION SUSPENDING FORMAL COMPETITIVE BIDDING  
FOR THE LEASE/PURCHASE OF TWO REFUSE PACKERS AND  
2500 WASTE STORAGE CONTAINERS

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO, TWO-THIRDS  
(2/3) OF ALL MEMBERS VOTING IN FAVOR THEREOF:

That pursuant to Section 57.401(c) of the Sacramento City  
Code, it has been determined to be in the best interests of the City  
to suspend formal competitive bidding for the lease purchase of two  
(2) refuse packers and 2500 waste storage containers and that the  
City Manager is hereby authorized to execute the necessary contracts  
with the Heil Company in a total amount of \$397,386.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

**APPROVED**  
BY THE CITY COUNCIL

MAR 24 1981

OFFICE OF THE  
CITY CLERK

**RESOLUTION NO.** 81-227

Adopted by The Sacramento City Council on date of

March 10, 1981

RESOLUTION AMENDING RESOLUTION NO. 80-427  
RELATING TO FEES & CHARGES FOR VARIOUS  
LICENSES, PERMITS, SERVICES & FACILITIES

Be it resolved by the Council of the City of Sacramento:

- SECTION 1) That Resolution 80-427 is hereby amended as set forth on Exhibit I, attached hereto and incorporated herein by reference, effective April 1, 1981.
- SECTION 2) That the City of Sacramento's fee and charge report page 100a be amended to reflect the added fee, adopted in Section II, subparagraph B - Garbage Collection Services.

\_\_\_\_\_  
MAYOR

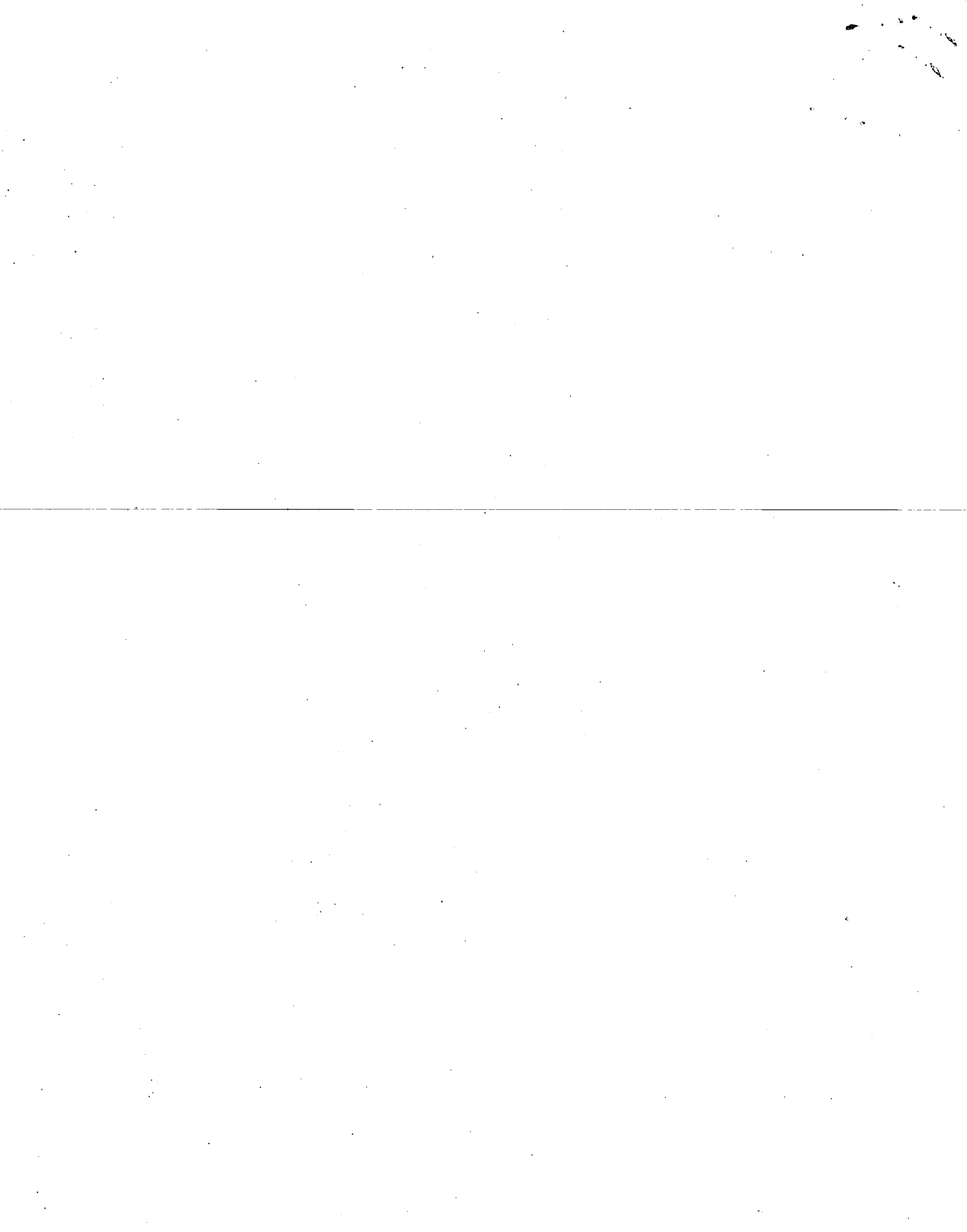
ATTEST:

\_\_\_\_\_  
CITY CLERK

**APPROVED**  
BY THE CITY COUNCIL

MAR 24 1981

OFFICE OF THE  
CITY CLERK







# CITY OF SACRAMENTO

## OFFICE OF THE CITY CLERK

915 I STREET  
CITY HALL ROOM 203

SACRAMENTO, CALIFORNIA 95814  
TELEPHONE (916) 449-5426

LORRAINE MAGANA  
CITY CLERK

March 25, 1981

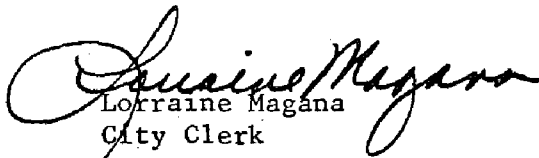
Heil Equipment Company  
8540 Thys Court  
Sacramento, CA 95828

Gentlemen:

On March 24, 1981, the City Council accepted your bid in the amount of \$397,386.00, for two (2) refuse packers and 2500 waste storage containers (90 gallons), for use of the Waste Removal Division.

The City Engineer will contact you concerning the necessary bond and contract.

Sincerely,

  
Lorraine Magana  
City Clerk

LM:sj  
cc: Engineer  
Waste Removal

