

# Council Business Meeting

September 3, 2019

<b>Agenda Item</b>	Approval of Special Procurement – Purchase of Reusable “To-Go” Containers	
<b>From</b>	Adam Hanks	Assistant City Administrator
<b>Contact</b>	Adam.hanks@ashland.or.us	

## **SUMMARY**

This special procurement approval permits a direct award purchase of reusable food containers for a pilot program called “Rogue To Go”. This program and purchase is funded through an Oregon Department of Environmental Quality Grant (ODEQ) award and will be utilized by five participating local businesses to implement a reusable to go box system with an objective of reducing and ultimately eliminating single use to-go containers from participating restaurants.

The specific containers have been selected by the Waste Prevention Sub-committee of the Conservation Commission working directly with the participating businesses to ensure appropriate durability, cost, waste reduction ethics, ability to properly clean and maintain, and are manufactured in the USA.

## **POLICIES, PLANS & GOALS SUPPORTED**

Value Service Tier 1: Higher Priority  
Address Climate Change

## **PREVIOUS COUNCIL ACTION**

None

## **BACKGROUND AND ADDITIONAL INFORMATION**

“Rogue To Go” is a pilot program to demonstrate the potential for reusable take-out containers to reduce solid waste in Ashland. The next step for this pilot program is to purchase containers and tokens for this program.

A quote for these items (attachment 1) totals \$9,233 (\$8,603 for containers and tokens + \$630 for shipping). The ODEQ grant will reimburse the City of Ashland for \$9,100 of this expense (\$8,500 for containers + \$600 for tokens) with the remaining \$133 either being expensed from the marketing and outreach budget or absorbed by already appropriated fund for Conservation Programs depending on the final cost of marketing and outreach efforts associated with this pilot program. The City of Ashland staff is acting as the Program Administrator for the ODEQ grant. Five local businesses are anticipated to participate in the pilot program, which is scheduled to start in September 2019.

Staff and Conservation Commissioners have completed numerous tasks in preparation for this pilot, including:

- Outreach to potential participants;
- Research and design of program;
- Research and selection of containers;
- Development of a participant agreement;
- Drafted copy for marketing materials and website;
- Purchased URL for program; and
- Engaged services of designer to develop collateral.

The Conservation Commission and Waste Prevention Sub-committee consulted with participating businesses to compare and evaluate containers for use in the pilot program. OZZI brand containers were selected as the

preferred product for this pilot project as they best meet the requirements of our participant businesses for durability, cost, waste reduction ethics, and are manufactured in the USA. The pilot program will require an initial purchase of 1,500 OZZI boxes, 500 OZZI cups, and 2,000 branded tokens.

A special procurement sourcing method is used for the purpose of seeking an exemption from the competitive bid process, custom designing a contracting approach, or the direct selection or award of a public contract or for a series of contracts. The Special Procurement Approval Request Form with written findings (attachment 2) is included for your review and consideration.

The City Council, acting as the Local Contract Review Board, may approve this request for a special procurement if it is determined, based on written findings, that the special procurement will be unlikely to encourage favoritism in the awarding of public contracts or to substantially diminish competition for public contracts, and result in substantial cost savings or substantially promote the public interest in a manner that could not be realized by complying with the requirements that are applicable in ORS 279B.055, 279B.060, 279B.065, or 279B.070.

**FISCAL IMPACTS**

**PROJECT BUDGET – “Rogue To Go”**

	<b>Grant Amount</b>	<b>Match Amount</b>	<b>Total</b>
<b>Services and Supplies</b>			
Reusable/durable take out containers	\$8,500	\$0	\$8,500
Program-specific tokens	\$600	\$0	\$600
Marketing and outreach materials	\$600	\$0	\$600
<b>TOTAL</b>	<b>\$9,700</b>		<b>\$9,700</b>

**STAFF RECOMMENDATION**

Staff recommends City Council, acting as the Local Contract Review Board, approve this special procurement.

**ACTIONS, OPTIONS & POTENTIAL MOTIONS**

- 1) I move to approve the special procurement for the purchase of “Rogue to Go” reusable containers utilizing funds from the DEQ grant award.
- 2) I move that staff solicit bids in accordance with the procurement requirements set forth in AMC 2.50.

**ATTACHMENTS**

Attachment 1: Container and Token Quote from OZZI

Attachment 2: Form #9, Special Procurement, Request for Approval (Written Findings)



# Quote

Date	Estimate #
8/7/2019	2019-154

**AGreenOzzi, LLC**

**P.O. Box 747**

**East Greenwich, RI 02818**

**"Changing the world from disposable  
to reusable one meal at a time."**

**Phone: 855-GRN-OZZI (855-476-6994)**

**Website: agreenozzi.com**

Customer
City of Ashland 20 East Main Street Ashland, OR 97520

Terms
Due on receipt

Description	Qty	Price	Total
O2GO 6x9 Single Entree Container, Case of 50	30	205.00	6,150.00
OZZI Hot & Cold Drink Cup, Case of 50	10	199.50	1,995.00
Customized OZZI Tokens per 1,000	2	229.00	458.00
Shipping and Handling		630.00	630.00
Please contact Sue Mariani at 401-744-5213 or smariani@agreenozzi.com with any questions.		<b>Total</b>	<b>\$9,233.00</b>

**SPECIAL PROCUREMENT  
REQUEST FOR APPROVAL**

**To:** City Council, Local Contract Review Board  
**From:** Adam Hanks, Assistant City Administrator  
**Date:** September 3, 2019  
**Subject:** REQUEST FOR APPROVAL OF A SPECIAL PROCUREMENT

In accordance with ORS279B.085, this request for approval of a Special Procurement is being presented to the City Council for approval. This written request for approval describes the proposed contracting procedure and the goods or services or the class of goods or services to be acquired through the special procurement and the circumstances that justify the use of a special procurement under the standards set forth ORS 279B.085(4).

- 1. **Requesting Department Name:** Administration
- 2. **Department Contact Name:** Adam Hanks
- 3. **Type of Request:**     Class Special Procurement                       Contract-specific Special Procurement
- 4. **Time Period Requested:** From September 2019                      To: October 2019
- 5. **Total Estimated Cost:** \$9,233
- 6. **Short title of the Procurement:** Purchase of Reusable "Rogue To-Go" Containers for pilot program

**Supplies and/or Services or class of Supplies and/or Services to be acquired:**  
1,500 6 x 9 single entrée containers, 500 hot and cold drink cups, and 2,000 customized tracking tokens

**7. Background and Proposed Contracting Procedure:** Provide a description of what has been done in the past and the proposed procedure. The Agency may, but is not required to, also include the following types of documents: Notice/Advertising, Solicitation(s), Bid/Proposal Forms(s), Contract Form(s), and any other documents or forms to be used in the proposed contracting procedure. Attach additional sheets as needed.

**Background:** The Conservation Commission's Waste Prevention Sub-committee has worked with participating businesses to select the brand of containers based on durability, cost, waste reduction ethics, ability to properly clean and maintain, and are manufactured in the USA.

**Proposed procedure:** Staff is requesting a sole source procurement for this purchase. As stated in the Background above the Conservation Commission along with participating businesses have reviewed and selected the brand of containers based on durability, cost, waste reduction ethics, ability to properly clean and maintain, and are manufactured in the USA.

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**8. Justification for use of Special Procurement:** Describe the circumstances that justify the use of a Special Procurement. Attach relevant documentation.

In order to effectively operate the pilot program, the business participants needed to be involved in selecting a container that met their operating and regulatory requirements, along with being cost effective in terms of staying within the grant funding limitations. This necessitated reviewing a number of products with a selection criteria not solely based on price.

**9. Findings to Satisfy the Required Standards:** This proposed special procurement:

\_\_\_\_\_ (a) will be unlikely to encourage favoritism in the awarding of public contracts or to substantially diminish competition for public contracts because:

As a pilot program, one of the elements of the implementation is to see what products, systems, outreach, etc. work and are able to be expanded in scale and become a permanent ongoing program. It is quite possible that this product doesn't perform as anticipated which would lead to a different selection process and criteria priority in future procurement efforts. Another potential is that other program factors cause the program to cease to exist after the initial grant funding due to other factors beyond the container which would end the pilot with no future orders of this particular product

\_\_\_\_\_  
(Please provide specific information that demonstrates how the proposed Special Procurement meets this requirement.); **and**

\_\_\_\_\_ (b)(i) will result in substantial cost savings to the contracting agency or to the public because:

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\_\_\_\_\_  
(Please provide the total estimate cost savings to be gained and the rationale for determining the cost savings); **or**

\_\_\_\_\_ (b)(ii) will otherwise substantially promote the public interest in a manner that could not practicably be realized by complying with the requirements of ORS 279B.055, 279B.060, 279B.065, or 279B.070, or any rules adopted thereunder because:

The product selected will benefit the public interest by being tested in an actual field application, which may lead to further reductions in waste and potentially then allow staff to utilize a more standard procurement process in the future as the exact desirable/required products specifications will be known.

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\_\_\_\_\_  
(Please provide specific information that demonstrates how the proposed Special Procurement meets this requirement.)

## **Public Notice:**

Pursuant to ORS 279B.085(5) and OAR 137-047-0285(2), a Contracting Agency shall give public notice of the Contract Review Authority's approval of a Special Procurement in the same manner as a public notice of competitive sealed Bids under ORS 279B.055(4) and OAR 137-047-0300. The public notice shall describe the Goods or Services or class of Goods or Services to be acquired through the Special Procurement and shall give such public notice of the approval of a Special Procurement at least seven (7) Days before Award of the Contract.

After the Special Procurement has been approved by the City Council, the following public notice will be posted on the City's website to allow for the seven (7) day protest period.

Date Public Notice first appeared on [www.ashland.or.us](http://www.ashland.or.us) – *September 4, 2019*

### **PUBLIC NOTICE**

#### **Approval of a Special Procurement**

**First date of publication:** *September 4, 2019*

A request for approval of a Special Procurement was presented to and approved by the City Council, acting as the Local Contract Review Board, on *September 3, 2019*

*This special procurement was processed to request approval for direct award purchase of reusable containers for take-out food at a select number of restaurants participating in the "Rogue to Go" pilot program. The container has been reviewed and selected based on a variety of requirements of the participating businesses that includes wash ability, durability, visibility and cost rather than cost alone.*

It has been determined based on written findings that the Special Procurement will be unlikely to encourage favoritism in the awarding of public contracts or to substantially diminish competition for public contracts, and result in substantial cost savings or substantially promote the public interest in a manner that could not be realized by complying with the requirements that are applicable in ORS 279B.055, 279B.060, 279B.065, or 279B.070.

An affected person may protest the request for approval of a Special Procurement in accordance with ORS 279B.400 and OAR 137-047-0300. A written protest shall be delivered to the following address: City of Ashland, Adam Hanks, 20 East Main St, Ashland OR 975250. The seven (7) protest period will expire at 5:00pm on *September 11, 2019*

This public notice is being published on the City's Internet World Wide Web site at least seven days prior to the award of a public contract resulting from this request for approval of a Special Procurement.