



City Council Report

Date: January 8, 2018
To: City Council
Through: Michael Kennington, Chief Financial Officer
From: Edward Quedens, Business Services Director
Matt Bauer, Procurement Administrator
Subject: Three-Year Term Contract for Residential Refuse and Recycling Containers for the Environmental Management and Sustainability Department **(Citywide)**

Recommendation

Council is requested to approve the award as recommended.

The Environmental Management and Sustainability Department and Purchasing recommend awarding the contract to the lowest, responsive and responsible bidders: Otto Environmental Systems (AZ), LLC (Primary); Schaefer Systems International, Inc. (Secondary); cumulatively not to exceed at \$1,300,000.00 annually, based on estimated usage.

Rotational Molding, Inc. is a third vendor award for the 300-gallon containers to be used by the municipal partner agencies.

Background

This contract provides a supply of 35-gallon, 65-gallon, and 95-gallon plastic refuse and recycling containers for residential and commercial use on a as needed basis.

Mesa, as the lead agency along with ten other municipalities (City of Avondale, Town of Gilbert, City of Glendale, City of Goodyear, City of Peoria, City of Prescott, Town of Queen Creek, City of Scottsdale, City of Surprise and City of Tempe) agreed to partner and issued a Request for Bid (RFB). The RFB solicitation required vendors to competitively bid items through a two-phase Reverse Auction. Potential bidders who successfully passed Phase 1 (Experience and Qualifications) were invited to participate in Phase 2, a live reverse auction event.

The reverse auction allows bidders to compete head to head in a dynamic live auction. Six vendors were qualified to submit bids; and all vendors were invited to participate in the reverse auction. During the reverse auction that lasted 65-minutes, there were 368 bids placed including 278 during the extension period. The City realized a total price reduction of approximately \$68,000 annually from the previous contracted rate.

The City is awarding a Primary and a Secondary vendor to ensure continuous supply and sufficient inventory levels for all the municipal partner agencies.

Purchase Information

Action: Award

Procurement Type: Request for Bids

Contract Number: 2018048

Contracting Agency/Contract Number: N/A

Local Consideration: Policy did not apply to this procurement method

Protests Received: None

Initial Contract Term: Three years

Possible Renewals: Two, one-year renewals subject to future Council consideration

Funding Source: The purchase is funded in the Environmental Management and

Sustainability Department operating budget through Enterprise Fund – Solid Waste Sub Fund

November 9, 2017 Responses

Cascade Engineering, Inc. - Grand Rapids, MI

IPL Inc. - Forsyth, GA

Otto Environmental Systems (AZ), LLC - Charlotte, NC

Rehrig Pacific Company - Los Angeles, CA

Rotational Molding, Inc. - Gardena, CA

Schaefer Systems International, Inc. - Charlotte, NC

AWARD RECOMMENDATION

Otto Environmental Systems (AZ), LLC - Charlotte, NC (Primary)

Schaefer Systems International, Inc. - Charlotte, NC (Secondary)

Residential Refuse and Recycling Containers per Contract No. 2018048;
Exhibits – Scope of Work, Technical Specifications, Pricing and Mesa Standard
Terms and Conditions; Solicitation including any addenda; and Contractor
Response

Mesa's Annual Contract Amount: \$1,300,000.00

(cumulatively not to exceed)

Rotational Molding, Inc. - Gardena, CA

This third vendor award is for 300-gallon containers to be used by the municipal
partner agencies.