



City Council Report

Date: January 10, 2022
To: City Council
Through: Michael Kennington, Deputy City Manager/Chief Financial Officer
From: Edward Quedens, Business Services Director
Kristy Garcia, Procurement Administrator
Subject: One-Year Renewal to the Term Contract for Residential Refuse and Recycling Containers for the Environmental Management and Sustainability Department **(Citywide)**

Recommendation

Council is requested to approve the contract renewal as recommended.

The Environmental Management and Sustainability Department and Purchasing recommend authorizing the renewal with Otto Environmental Systems North America, Inc.; Schaefer Systems International, Inc.; and Tank Holding Corporation at \$1,640,000 annually, with an annual increase allowance of up to 5% or the adjusted Consumer Price Index.

Background / Discussion

This contract supplies 35-gallon, 65-gallon, and 95-gallon plastic refuse and recycling containers for residential and commercial use on an as-needed basis. This contract ensures Solid Waste has a supply of containers to meet the requirements of the City's refuse and recycling container inventory.

The City has been satisfied with the quality, customer service, and delivery of Otto Environmental and Schaefer Systems performance. Though Tank Holding Corporation is not used by the City, Mesa is the lead agency of this cooperative contract and the City of Tempe utilizes this vendor.

All three vendors have agreed to renew with increased pricing within the Producer Price Index, due to the current volatility of the market for plastics and resin. This contract continues to be advantageous to the City and it is in the City's best interest to renew the contract.

Purchase Information

Action: Renewal (2nd of 2 possible)
Procurement Type: Request for Bids
Contract Number: 2018048
Council Renewal Award Date: 12/1/2020
Funding Source: Environmental Management and Sustainability Department operating budget through Enterprise Fund – Solid Waste Sub Fund