



# City Council Report

**Date:** March 6, 2023  
**To:** City Council  
**Through:** Michael Kennington, Deputy City Manager/Chief Financial Officer  
**From:** Edward Quedens, Business Services Director  
Kristy Garcia, Procurement Administrator  
**Subject:** Three-Year Term Contract with Two Years of Renewal Options for Residential Refuse and Recycling Containers for the Solid Waste Department (Citywide)

## Recommendation

Council is requested to approve the award as recommended.

The Solid Waste Department and Purchasing recommend awarding the contract to the lowest, responsive, and responsible bidders, Duramax Holdings, LLC dba Otto Environmental Systems; Schaefer Plastics North America, LLC; Rehrig Pacific Company; and Tank Holding Corp. dba Snyder Refuse; at \$1,640,000 annually for Mesa), based on estimated usage, with an annual increase allowance of up to 5% or the adjusted Producer Price Index.

## Background / Discussion

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

Mesa, as the lead agency, and twelve other municipalities (Avondale, Chandler, Flagstaff, Gilbert, Glendale, Goodyear, Peoria, Prescott, Queen Creek, Scottsdale, Surprise, and Tempe) partnered 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 allowed bidders to compete head-to-head in a dynamic live auction. Seven responses were received. Six vendors were qualified to submit bids, and these vendors were invited to participate in the reverse auction. One response was non-responsive. During the reverse auction that lasted 32 minutes, there were 119 bids placed including 49 during the extension period.

## Purchase Information

Action: Award  
Procurement Type: Request for Bids  
Contract Number: 2023125  
Local Consideration: Policy did not apply to this procurement method

Protests Received: None

Initial Contract Term: Three Years

Possible Renewals: Up to a maximum of two years subject to Administrative review and approval

Funding Source: Solid Waste Department operating budget

### **Bid Responses – December 19, 2022**

Cascade Engineering, Inc.  
Grand Rapids, MI

Duramax Holdings, LLC dba Otto Environmental Systems  
Charlotte, NC

Macro Plastics, Inc.  
Fairfield, CA

Rehrig Pacific Company  
Los Angeles, CA

Schaefer Plastics North America, LLC  
Charlotte, NC

Sierra Container Group  
Ocala, FL

Tank Holding Corp. dba Snyder Refuse  
Lincoln, NE

#### Non-Responsive:

Macro Plastics, Inc. - Fairfield, CA was deemed as non-susceptible to participate in the reverse auction, due to the submitted variance exceptions among the weight/thickness of the containers/lids.

#### No Bid response received from:

Toter LLC  
Kowalski Construction

### **Award Summary**

The City of Mesa is awarding all Lots (1, 2, and 3) to the two lowest-priced vendors, Otto Environmental Systems, and Schaefer Plastics North America, to ensure continuous supply and sufficient inventory levels for all the municipal partner agencies.

Rehrig Pacific is being awarded line items 16 and 17 from Lot 3 for use by the City of Prescott for Bear Resistant containers. Tank Holding Corp. dba Snyder Refuse Tank is being awarded line items 7 and 7a from Lot 4 for 300-gallon refuse containers and lids. Both Rehrig and Tank Holding were the only bidders for these items.