



## Legislation Details (With Text)

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| <b>On agenda:</b>     | 8/7/2018   | <b>Final action:</b> |   |                       |  |
| <b>Title:</b>         | Discussion of issues relating to the bids for a one-year supply of garbage bags.   |                      |   |                       |  |
| <b>Sponsors:</b>      | Finance  |                      |   |                       |  |
| <b>Indexes:</b>       |  |                      |   |                       |  |
| <b>Code sections:</b> |  |                      |   |                       |  |
| <b>Attachments:</b>   | 1. Garbage Bags - Revised Specs 06.19.18, 2. Garbage Bags - Notice to Bidders 06.21.18, 3. Garbage Bags - Bid Tab 07.16.18 |                      |   |                       |  |

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Discussion of issues relating to the bids for a one-year supply of garbage bags.

### Summary:

The City advertised for and received seven (7) bids on May 29, 2018 for garbage bags to be purchased for FY 2018-2019. The bid specifications reflected “minimum requirements” for the garbage bags stating, “The plastic bags shall be a 40 gallon size, and a minimum 2 MIL gauge thickness with 0 tolerances. The preferred overall bag size is 40”x46”. The bags should have a flat seal bottom with bags connected together in a strip with perforated tear lines for easy separation. There shall be a 1 - 1 ½ inch core of plastic or cardboard included in the center of each roll. The bags shall be folded in half with the roll being 20 inches long.” Additionally, each roll should include “6” wire ties, one per bag.” A sample of six (6) bags meeting these specifications must be provided with the bid.

The low bidder was asked to send a sample box of bags. Their bags were slightly smaller than specified (39-5/8” x 45-3/4”) and the MLS tested on the bags ranged from 1.9-3 MLS gauge thickness. The current vendor had provided bags that are slightly larger than specified (40” x 46-3/4”), exceeding the minimum requirements, and slightly thicker with the MLS range from 2-4 MLS gauge thickness. The sample bags supplied by the low bidder appear to be thinner than the current bags. Ben Alexander, the Sanitation Supervisor, did a comparative test of the current bags and the sample bags from the low bidder commenting that “both bags did pretty good although the current bag did a lot better.” He indicated, “the current bag held up to about 45 lbs. before it ripped, the other bag failed after putting close to 40 lbs. of waste into it.” “Although it looks thinner, the proposed bag didn’t perform all that bad.”

Comparatively, the low bidder met the “preferred” overall bag size despite the fact the bag is shorter than 46” in length. Although the bags tested well for the expected limits, the bags did have the

appearance of being thinner than the current bags.

As stated under the General Conditions of Bidding, the City “reserves the right to accept or reject in whole or in part any bid submitted or to waive any informality in the best interest of the City” and the City “reserves the right to award the bid to the lowest responsible bidder...who provides [goods] at the best value for the City”, which may include quality and the extent to which the goods meet the City’s needs. After evaluating the bids received on May 29, 2018, including the sample bags provided by the bidders, the City determined it would be better to reject these bids and issue new bid specifications to clearly define the minimum bag size, increase the thickness requirement, limit the amount of recycled material used in the plastic, and add 40 pounds as a standard of measure all of which should ensure the best performance of the bags for the Deer Park residents. Note: bags would still need to be the 40-gallon size.

At the regular meeting on June 19, 2018, the City Council voted to reject the bids received on May 29, 2018 for a one-year supply of garbage bags and authorized staff to revise the bid specifications and advertise for and receive bids for a one-year supply of garbage bags based on the new bid specifications. These bids were opened on July 16, 2018 at 2:00 PM. At that time, the City received six (6) bids for garbage bags to be purchased for FY 2018-2019. A seventh bid was misaddressed and delivered to the Maintenance Facility on Luella rather than the City Secretary’s Office at City Hall. The package, which contained the sample bags and a sealed bid, was received and opened by someone in the Fleet Maintenance Department not realizing what it was, but the separate sealed envelope containing the bid was not opened. Once they determined what it was, the Fleet Maintenance Department forwarded the package to City Hall, but it was not received until 3:15 PM, which was after the 2:00 PM deadline for bids to be received and opened by the City Secretary. The bid tabulation is attached showing all bids received based on the new specifications, which included pricing options for various quantity levels and for 2, 3, and 4 MLS thickness.

The award for this bid will be considered during the regular City Council meeting to follow this workshop. The City recommends the purchase of a quantity of 18,000 rolls for the 2018-2019 fiscal year to accommodate existing and anticipated new accounts as well as additional sales of bags throughout the year.

The bid specifications state, “...the City shall have the right to reject any or all bids or award only that part of a bid that is most advantageous to the City of Deer Park.” Based on the bid tabulation and the City’s evaluation of the sample bags, it is the City’s recommendation to accept the bid from Houston Poly Bag for a quantity of 18,000 rolls at 2 MLS thickness at a unit price of \$8.67/roll for a total cost of \$156,060.

Ben Alexander performed a weight test on the sample bags from Houston Poly Bag and confirmed the bag, per the bid specifications, would support 40 pounds of garbage without failure. He loaded trash into the bag, including household trash, dirt, and yard clippings, and lifted the bag approximately every five pounds. He stated, “At 47 pounds the bag began to fail.” Tracy Peterson, Purchasing Coordinator, confirmed the bag measured the required minimum size of 40 inches in width and 46 inches in length (in fact, the sample bag is slightly larger than that minimum size). Fred Beck, Engineering Coordinator, verified the 2 MLS thickness on the sample bags from Houston Poly Bag.

Note: the City did not evaluate or consider the bid that was mislabeled and delivered to the wrong address and not received at the City Hall address until after the 2:00 PM deadline (note: this bidder was the low bidder on the original specifications, and that bid was addressed correctly). According to the “Notice to Bidders”, proposals “will be received at the office of the City Secretary, City Hall, 710 E.

San Augustine Street, Deer Park, Harris County, Texas, until 2:00 p.m. on Monday, July 16, 2018 at which time the bids are to be opened and publicly read in the Council Chambers (per Council Chambers clock).” The “Notice to Bidders” also states that the City “reserves the right to reject any and all bids or parts of bids, to waive any and all technicalities, and to accept any bid or part of bid which it deems advantageous to itself.” A copy of the “Notice to Bidders” is attached.

**Fiscal/Budgetary Impact:**

Garbage bags are budgeted in the Sanitation Department, Account No. 10-402-4309, Garbage Bags.

Discussion only during workshop.