

CITY OF HOUSTON



Executive Summary

Request for Proposals

Doc1326388520

**Waste Carts, Recycling Carts, Cart Parts, and Related
Products and Services
For
Solid Waste Management Department (SWMD)**

EXECUTIVE SUMMARY

RATIONALE FOR PROCUREMENT METHOD

Texas law does not require the City to conduct a procurement for professional services, such as product, software, and services; however, as best practice and to be compliant with 2 C.F.R. Part 200, the City conducted a Request for Proposals (RFP). 2 C.F.R. § 200.318(a) requires the City to “use its own documented procurement procedures which reflect applicable State, local, and tribal laws and regulations.” The RFP method selected here is consistent with City of Houston Code or Ordinances and Administrative Procedure (AP) 5-10. Section 15-47 the City Code of Ordinances reads:

- (a) Whenever the experience, qualifications, or overall quality is determined to have an impact on the success of the project, the CPO or authorized delegate may elect to utilize the RFP method in order to serve the best interests of the city.
- (b) The goal of the RFP method is to obtain the best value, highest qualified, or a value-added proposition at an affordable price to the city.
- (c) The CPO shall develop procedures for the use of the RFP method, specifying when its use is appropriate, and setting forth best practices and guidance to evaluation committee members.
- (d) Consulting services and professional services not covered by the Professional Services Procurement Act, Texas Government Code Chapter 2254, shall generally be procured using the RFP method.

Section 5.1.2 of AP 5-10 states: “Professional service providers other than architectural, engineering, or land surveying may be selected according to the criteria identified in the RFQ or may be selected through an RFP.” In accordance with the City Ordinance and AP 5-10, an RFP is an appropriate vehicle here and was selected because experience and qualifications have an impact on the provision of product, software, and services, the City also seeks to obtain a firm to provide services at an affordable price and provides the best value to the City. In addition, the procurement of professional services not governed by state law, such as product, software, and services shall be generally procured by RFP per Section 15-47(d) of the City Code.

PROCESS FOLLOWED

The Request for Proposals (RFP) for Waste Carts, Recycling Carts, Cart Parts, and Related Products and Services was posted on the Strategic Procurement Division’s (SPD’s) website on October 25, 2024, and advertised in the Houston Business Journal on October 25, 2024, and November 1, 2024. Four (4) responses to the RFP were received on January 2, 2025, from the following firms: Cascade Engineering, Inc., Duramax Holdings, LLC d/b/a Otto Environmental, Toter, LLC and Rehrig Pacific Company.

The Evaluation Committee (EC) evaluated the proposals received by the four (4) firms in response to the RFP in accordance with section 5.2 of the City’s Administrative Procedure 5-10, Requests for Proposals.

The EC consisted of three (3) voting members. One (1) of the members was from Solid Waste Management (SWMD) within the City of Houston, one (1) was from Tampa Bay Water in Clearwater, Florida, and one (1) was from the City of Pompano Beach in Pompano Beach, Florida. There were also two (2) non-voting members with GovMVMT. The SPD team leader was Jessica

Vargas. The EC convened on Thursday, May 22, 2025, to conduct the evaluation process and to provide their independent scores for each proposal using the evaluation criteria published in the RFP.

The evaluation was based on the following criteria:

5.1 Responsive (Pass/Fail)

A vendor that responds to all material requirements of any solicitation will be deemed responsive. The Proposal shall be responsive to all material requirements that will enable the evaluation committee to evaluate it in accordance with the evaluation criteria and make a recommendation to City officials.

5.2 Responsible (Pass/Fail)

A business entity or individual who has the integrity and reliability as well as the financial and technical capacity to perform the requirements of the solicitation and subsequent contract will be deemed responsible. This assessment will include a review of all references on any projects performed by a business entity or individual, whether provided by the business entity or individual or known by the City.

5.3 Financial Stability (Pass/Fail)

If Proposer is an entity that is required to prepare audited financial statements, Proposer shall submit an annual report that includes:

5.3.1 Last two years of audited accrual-basis financial statements, including an income statement, cash flow statement, and balance sheet.

5.3.2 If applicable, last two years of consolidated statements for any holding companies or affiliates.

5.3.3 An audited or un-audited accrual-basis financial statement of the most recent quarter of operation; and

5.3.4 A full disclosure of any events, liabilities, or contingent liabilities that could affect Proposer's financial ability to perform this contract.

If Proposer is a privately-owned entity or sole proprietorship for which audited financial statements are not required, Proposer shall submit an annual report that includes:

5.3.5 Last two years of un-audited accrual-basis financial statements, including an income statement, cash flow statement, and balance sheet.

5.3.6 An audited or un-audited accrual-basis financial statement of the most recent quarter of operation; and

5.3.7 A full disclosure of any events, liabilities, or contingent liabilities that could affect Proposer's financial ability to perform this contract.

OR

5.3.8 Other financial information sufficient for the City, in its sole judgement, to determine if Proposer is financially solvent or adequately capitalized.

5.4 Technical Competence Requirements (70 points)

The Proposal shall be evaluated based on the extent to which the proposed solution meet the needs of the City including but not limited to the desired features, training program, and ease of use, as expressed in this RFP.

5.4.1 Proposer's profile, relevant experience, and qualifications, and past performance – 20 Points

5.4.2 Product Options/Variety/Availability and Service Capability (Scope of Service requirements) – 20 Points

5.4.3 National Program Consideration: GovMVMT Minimum Requirements - All information required in Attachment A: Questionnaire for National Consideration and Exhibit B: Supplier Response and any other requirements within Part 3 - Scope of Work – 30 Points

5.5 PRICING PROPOSAL (30 POINTS)

Proposer(s) shall complete and submit Attachment E – Pricing Proposal.

5.6 LOCAL PREFERENCE POINTS

To be eligible for the preference, a company must be designated as a City Business (CB) or Local Business (LB) under the Hire Houston First Program prior to submittal of proposal. Proposers must provide Declaration of Hire Houston First Designation with proposal submission. Note: At the conclusion of scoring Proposals, preference points shall be distributed in the following manner:

- 5 Points: For Proposer firm designated as a Hire Houston First “City Business” (CB);
- 3 Points: For Proposer firm designated as a Hire Houston First “Local Business” (LB);
- 0 Points: For proposer firm not designated as either a “City Business” (CB) or a “Local Business” (LB).

SUMMARY OF FINDINGS

At the conclusion of the initial evaluation meeting that was held on Thursday, May 22, 2025, the committee determined that Duramax Holdings and Rehrig Pacific met the technical competence requirements. These two firms were selected to participate in oral presentations: Duramax Holdings dba Otto Environmental (61) and Rehrig Pacific (63).

Proposer	Score - (Technical Only)	Average - (Technical Only)
Duramax Holdings dba Otto	183	61
Rehrig Pacific	174	58

Oral presentations concluded on Tuesday June 10, 2025. During these presentations, firms gave an overview of their proposals and answered questions.

Following the oral presentations and subsequent Evaluation Committee (EC) discussions, the technical scores resulted in the following scores: Duramax Holdings dba Otto Environmental (64) and Rehrig Pacific (63). In discussions with SPD Management and at the request of the client department, it was determined that a Best and Final Offer (BAFO) would be requested from Duramax Holdings dba Otto Environmental and Rehrig Pacific.

Proposer	Score - (Technical Only)	Average - (Technical Only)	HHF Points	Final - Average
Duramax Holdings dba Otto	193	64	0	64
Rehrig Pacific	174	58	5	63

The BAFO letters were issued on Thursday, July 10, 2025, with a deadline of Thursday, July 17, 2025. At the conclusion of the BAFO review and discussions, final scores including both the technical competence requirements and price, resulted in the following scores: Duramax Holdings dba Otto Environmental (64), and Rehrig Pacific (93).

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Proposer	Score - (Technical Only)	Average - (Technical Only)	HHF Points	Final - Average	BAFO Score	Final Score
Duramax Holdings dba Otto	193	64	0	64	0	64
Rehrig Pacific	174	58	5	63	30	93

Duramax Holdings dba Otto Environmental was awarded zero points because their initial BAFO submission did not include the required national pricing, as specified in the instructions, and they were therefore disqualified.

Following the conclusion of all discussions, it was determined that one (1) vendor met the qualifications based on the overall evaluation criteria. Accordingly, Rehrig Pacific is recommended for contract award, contingent upon successful contract negotiations.

EVALUATION COMMITTEE DISTINGUISHING FACTORS

Rehrig Pacific:

Strengths:

- Seven manufacturing sites worldwide
- Over 37 years of industry experience, including work with government entities
- Provides employee training programs
- Offers a diversified portfolio and a comprehensive green initiative

- Extensive company history dating back to 1913
- Exceptional production capacity of over 5 million systems
- More than 70 million carts deployed, including 20 million with RFID technology
- Very low warranty claim rate (0.005%)
- RFID tag located within the handle
- Partnerships with Bigbelly Waste Management and EMZ Environmental
- Offers a 10-year product warranty
- Full compliance with GovMVMT requirements
- Large nationwide sales force
- Products are straightforward and easy to operate
- Responses are well-structured, clearly outlined, and provide detailed information
- Strong and extensive list of referenced public agencies
- Addressed each component of the cart specifications in detail
- Established presence in Texas

Weaknesses:

- P-card payments are due upon receipt
- Limited ability to produce a large volume of carts at once
- Minimal history working with large municipalities with high populations

VOTING MEMBERS

The following voting members of the EC concur with the contents and recommendations as detailed in the Evaluation Report.

Voting Member

Amy Flack – Tampa Bay Water

Russell Ketchem – Pompano Beach

Larius Hassen - SWM

Signature

Signed by:

Amy Flack

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Russell ketchem

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Witnessed by:

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Jessica Vargas

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Jessica Vargas

9/25/2025

Date Signed