

COMMISSION FILE NO: 16-118-9 **DATE INTRODUCED:** September 12, 2016

INTRODUCED BY: Executive Director (Signature on File in the Office of the Commission)

REFERRED BY COMMISSION CHAIRPERSON TO: Policy, Finance, and Personnel Committee

RELATING TO: Award Contract P-2674 to Ecoplast and Packaging LLC to Provide Packaging Materials for the Bagging of Milorganite® Fertilizers

SUMMARY:

The Commission is requested to award and to direct the Executive Director to execute Contract P-2674 with Ecoplast and Packaging LLC to provide packaging supplies used in the bagging of Milorganite® brand fertilizers. Based on the evaluation of submitted bids, Ecoplast and Packaging LLC was the low responsible, responsive bidder among the four bids received.

Staff recommends awarding a three-year contract to Ecoplast and Packaging LLC at a not-to-exceed amount of \$1,600,000 with an option of two additional years (based on performance) in an amount not to exceed \$550,000 per year.

ATTACHMENTS: **BACKGROUND** ☒ **KEY ISSUES** ☐ **RESOLUTION** ☒
FISCAL NOTE ☒ **S/W/MBE** ☒ **OTHER** ☐ _____

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COMMITTEE ACTION: _____ **DATE:** _____

COMMISSION ACTION: _____ **DATE:** _____

Background

Award Contract P-2674 to Ecoplast and Packaging LLC to Provide Packaging Materials for the Bagging of Milorganite® Fertilizers

Milorganite® brand fertilizers are shipped in a variety of configurations. Bagged products are the most popular stock keeping units with an anticipated 1.7 million packaged units in 2016, in sizes ranging from five pounds to one ton. Recyclable poly packaging for five-, 36-, and 50-pound units are currently required from plastic bag manufacturers.

The current packaging materials contract for Milorganite® products, held by Polymer Packaging, Inc., expires December 31, 2016. In preparation for the competitive bid process, staff reached out to the industry to alert and familiarize firms that have not previously worked on public sector bids of the approaching opportunity and process. An invitation to bid was sent to seven interested firms, publicly noticed in the paper of record (Daily Reporter), and posted on the District's website. Potential suppliers were required to submit bids for packaging materials for the District's retail and professional Milorganite® bags. Four firms submitted bids: Ecoplast and Packaging LLC, Direct Plastics Novolex, Trinity Packaging Corp, and the Inteplast Group.

Based on review of the bids submitted and evaluation of sample materials, staff identified Ecoplast and Packaging LLC as the low responsible, responsive bidder with a bid amount of \$454,510 per year based on staff's estimates for bidding purposes. Ecoplast and Packaging LLC has extensive experience in providing various types of packaging supplies to industry.

Bag Price/1000 impressions Current vs. Recommended Award			
Unit size	36 pounds	50 pounds	5 pounds
Current Pricing	\$ 331.07	\$ 427.00	\$ 429.25
Ecoplast and Packaging LLC (Recommended Award)	\$ 269.00	\$ 359.80	\$ 187.00
\$ SAVINGS	\$ 62.07	\$ 67.20	\$ 242.25
% SAVINGS	19%	16%	56%

Staff recommends a three-year contract at a not-to-exceed amount of \$1,600,000 with a possible two-year extension based on satisfactory performance at an amount not to exceed \$550,000 per year. The contract includes provisions specifying performance values for packaging and an annual cost adjustment review based on Producer Price Index changes for packaging supplies.

Staff consistently scans customer needs and trends regarding packaging types and sizes. Ecoplast and Packaging LLC is offering to actively participate in reviewing trends and to offer advice and expertise on the best pathway to ensure packaging meets and exceeds customer requirements.

RESOLUTION

Award Contract P-2674 to Ecoplast and Packaging LLC to Provide Packaging Materials
for the Bagging of Milorganite® Fertilizers

RESOLVED, by the Milwaukee Metropolitan Sewerage Commission, that Contract P-2674 is awarded to Ecoplast and Packaging LLC for providing packaging materials for the bagging of Milorganite® fertilizers at a total not-to-exceed amount of \$1,600,000 for three years with an option of two additional years (based on performance) in an amount not to exceed \$550,000 per year.