



**To:** General Purposes Committee  
**From:** Suzanne Bycraft  
 Manager, Emergency & Environmental Programs  
**Re:** Award of Contract T.1577 - Recycling Depot

**Date:** April 26, 2005  
**File:** 10-6370-04-01/2005-Vol 01

**Staff Recommendation**

That Contract T.1577, Recycling Depot, for the period July 1, 2005 – June 30, 2008, be awarded as follows:

1. Supersave Save Disposal Inc. - the container collection and recycling services for the following commodities at the unit rates quoted: Newspaper, Magazines, Telephone Books, Tin, Glass and Plastic.
2. BFI Canada Inc. - the container collection and recycling services for the following commodities at the unit rates quoted: Mixed Paper, Cardboard, Scrap Metal, Scrap Aluminum.
3. International Paper Industries - the container collection and recycling services for Yard Waste at the unit rates quoted.

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 Manager, Emergency & Environmental Programs  
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<b>ROUTED TO:</b>	<b>CONCURRENCE</b>		<b>CONCURRENCE OF GENERAL MANAGER</b>		
Purchasing.....	Y <input checked="" type="checkbox"/>	N <input type="checkbox"/>			
<b>REVIEWED BY TAG</b>	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>	<b>REVIEWED BY CAO</b>	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>

## Staff Report

### Origin

The City contracts the provision of recycling containers at the City Recycling Depot, including container collection, transportation, and processing and marketing of the recycling commodities. The current contract expires on June 30, 2005. A new tender, Contract T.1577, for the period July 1, 2005 – June 30, 2008, was issued. This report presents the results of this tender process and recommends award of the contract.

This tender is structured as a commodity contract, which allows the City to choose the best value based on each material commodity, and therefore award any one or more components of the work to any one or more bidders.

### Analysis

Tenders were received from three proponents: BFI Canada Inc., Super Save Disposal Inc., and International Paper Industries. The results are outlined in the following table. These costs do not include GST and are based on net annual amounts after estimated revenues. These net amounts will vary depending on market commodity values, which fluctuate. Note that positive dollar amounts represent overall revenue to the City and negative (-) amounts represent a cost. The dollar amounts highlighted in bold represent those recommended by staff.

<b>T.1577 – Recycling Depot Tender Comparison</b>				
Commodity Type	BFI Canada Inc.	Super Save Disposal Inc.	International Paper Industries	Recommended Bidder
Newspaper	\$9,009.60	<b>\$9,252.00</b>	\$8,052.00	Super Save Disposal
Mixed Paper	<b>\$7,065.24</b>	\$2,000.04	\$1,311.72	BFI Canada Inc.
Cardboard	<b>\$8,681.76</b>	\$3,616.32	\$2,689.44	BFI Canada Inc.
Magazines	\$1,961.40	<b>\$2,460.00</b>	\$834.00	Super Save Disposal
Telephone Books	-\$879.60	<b>-\$510.00</b>	-\$1,221.00	Super Save Disposal
Tin Cans	-\$480.00	<b>-\$42.00</b>	-\$1,110.00	Super Save Disposal
Scrap Metal	<b>\$16,170.00</b>	\$7,308.00	\$10,992.00	BFI Canada Inc.
Scrap Aluminum	<b>\$8,826.00</b>	\$2,118.00	-\$888.00	BFI Canada Inc.
Glass	-\$1,542.00	<b>-\$822.00</b>	-\$2,304.00	Super Save Disposal
Plastic	-\$3,312.00	<b>-\$3,120.00</b>	-\$7,224.00	Super Save Disposal
Yard Waste	-\$74,100.00	-\$80,160.00	<b>-\$68,940.00</b>	Intl. Paper Industries
<b>Total Recommended</b>	<b>\$40,743.00</b>	<b>\$7,218.00</b>	<b>-\$68,940.00</b>	

Overall, the contracted services at the Recycling Depot represent a net annual cost of \$21,000, after estimated revenues are considered, based on the tenders received. This represents a savings of approximately \$25,000 over existing costs, based on current commodity revenue projections. Annual savings/costs will vary depending on actual commodity values, which fluctuate throughout the year.

**Financial Impact**

Funding for this contract is provided for in the Sanitation and Recycling Operations budget.

**Conclusion**

The recommended award of this tender is based on best value to the City on a commodity-by-commodity basis. This results in awarding the work to three different contractors. The contract term is from July 1, 2005 – June 30, 2008, with the ability to renew for an additional two, one-year terms upon mutual consent.



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