



City of Richmond

Report to Committee

To: Public Works and Transportation Committee **Date:** September 24, 2019
From: Suzanne Bycraft
 Manager, Fleet and Environmental Programs **File:** 10-6370-01/2019-Vol 01
Re: **Award of Contract 6509P – Mattress and Upholstered Furniture Recycling Services**

Staff Recommendation

That Contract 6509P – Mattress and Upholstered Furniture Recycling Services be awarded to Canadian Mattress Recycling Inc. at an estimated total contract value of \$1,029,185 over a maximum five-year term and the Chief Administrative Officer and General Manager, Engineering & Public Works be authorized to negotiate and execute a service contract with Canadian Mattress Recycling Inc. incorporating the key terms outlined in the staff report dated September 24, 2019.

Suzanne Bycraft
 Manager, Fleet and Environmental Programs
 (604-233-3338)

REPORT CONCURRENCE		
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Purchasing Law	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	
REVIEWED BY STAFF REPORT / AGENDA REVIEW SUBCOMMITTEE	INITIALS: 	APPROVED BY CAO

Staff Report

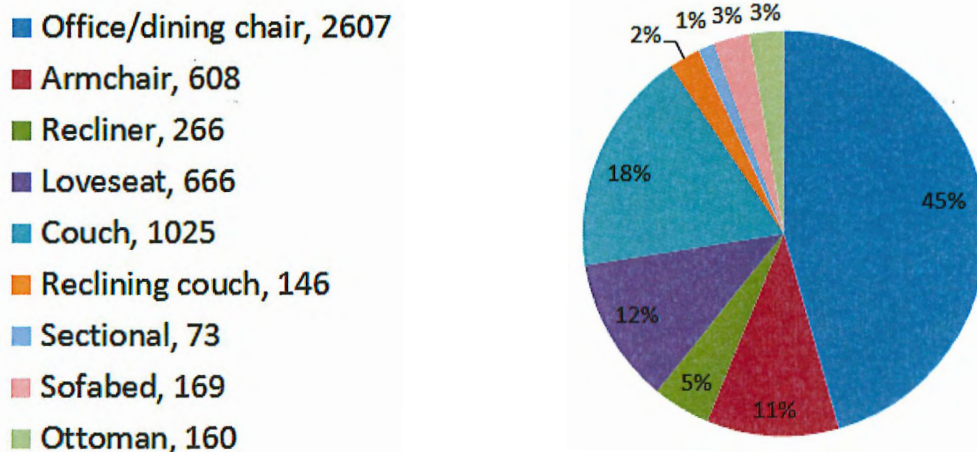
Origin

As a component of its comprehensive recycling program, the City provides services to collect mattresses and furniture items through its Large Item Pick Up program. Effective January 1, 2019, upholstered furniture items are also accepted for drop off at the City’s Recycling Depot. To ensure these materials are handled appropriately for recycling and residual materials management, processing services are required. To engage a qualified service provider, a procurement process was undertaken via request for proposals 6509P – Mattress and Upholstered Furniture Recycling Services.

The scope of materials for this proposal include mattresses, box springs, and upholstered furniture items such as office or dining chairs, armchairs, recliners, loveseats, couches, reclining couches, sectionals, sofas and ottomans. Materials are currently transported by City contracted waste collection service providers to Canadian Mattress Recycling’s facility on Annacis Island.

Over 3,000 mattresses are collected annually through these service programs. Upholstered furniture items were added for recycling in January, 2019 and to date, over 5,700 items have been collected, comprised primarily of office/dining chairs, followed by couches and loveseats, as shown in Figure 1.

Figure 1: Quantities of Upholstered Furniture Recycled by Type (January to August 2019)



This report presents the results of this request for proposals and recommends award of the contract to Canadian Mattress Recycling Inc.

This report supports Council’s Strategic Plan 2018-2022 Strategy #2 A Sustainable and Environmentally Conscious City:

Environmentally conscious decision-making that demonstrates leadership in implementing innovative, sustainable practices and supports the City's unique biodiversity and island ecology.

2.2 Policies and practices support Richmond's sustainability goals.

This report supports Council’s Strategic Plan 2018-2022 Strategy #5 Sound Financial Management:

Accountable, transparent, and responsible financial management that supports the needs of the community into the future.

5.3 Decision-making focuses on sustainability and considers circular economic principles.

Analysis

Request for Proposals 6509P – Mattress and Upholstered Furniture Recycling Services

The above referenced request for proposals was posted to BC Bid on June 21, 2019 and closed on July 18, 2019. There were three respondents, as follows:

Respondents’ Pricing Based on Maximum 5 Year Available Term		
Bidder	Total Tendered Amount (material processing only)	Including Additional City Costs (estimated temporary storage and/or transportation costs)
1. Canadian Mattress Recycling Inc. 140 – 715 Eaton Way, Delta, B.C.	\$1,029,185	\$1,138,737
2. JW Recycle IT Inc. 13662 104A Avenue, Surrey, B.C	\$1,515,450	\$3,268,410
3. Pacific Mattress Recycling Inc. 1046 4 th Avenue, Hope, B.C.	\$610,584	\$2,248,584

The “Additional City Costs” includes those estimated additional costs the City would incur to store and/or transport the mattress/furniture items to the bidder’s processing site location.

The proposal submitted by Canadian Mattress Recycling Inc. represents best value and is therefore recommended for award. Canadian Mattress Recycling Inc. holds a valid Solid Waste and Recyclable Material Facility regulatory license issued by Metro Vancouver. Canadian Mattress Recycling Inc.’s proposal also detailed the recycling and reuse approaches they will undertake as part of the contract. These are discussed in Attachment 1.

The proposal by Pacific Mattress is the lowest for the material processing/recycling component only, but is more costly due to the required temporary storage and transportation costs to their facility in Hope, B.C. In addition, the submission by Pacific Mattress was limited in scope (i.e. office/dining style chairs, ottomans, sofa beds, recliners, sectionals, etc. not accepted) and is therefore not suitable for the range of furniture items currently collected through the City’s programs.

The key terms of the service contract will include:

1. Services: Processing and recycling of in-scope mattresses, box springs and upholstered furniture which includes evaluation of materials for the purpose of donation or reuse.
2. Term: The term of the contract is three years, renewable up to two additional one-year terms, for a total of five years.
3. Unit price contract: Costs are based on a per unit amount as tendered for recycling of mattresses, box springs and upholstered furniture. Total value will vary based on the total number of items collected and received through the City's recycling service programs.
4. Escalation: Provisions to be negotiated at amounts not to exceed the annual consumer price index for Vancouver for the prior year.
5. Transportation: The City will deliver materials direct to the Contractor and unload materials at the recycling facility. Transportation costs to be borne by the City.
6. Reporting: Contractor to provide monthly diversion report which includes quantities and tonnage for items recycled or donated.

Financial Impact

The total value of this contract over the maximum available five-year term is estimated at \$1,029,185. This is a unit price contract that is dependent on the total number of items collected and received through the City's recycling service programs, therefore amounts will vary.

Required funding amounts for the recycling processing services under this contract are included in the annual Sanitation and Recycling Utility budget and rates.

Conclusion

This report presents the results of a competitive procurement under 6509P – Mattress and Upholstered Furniture Recycling Services. It is recommended that the contract be awarded to Canadian Mattress Recycling Inc. at the unit rates quoted for a maximum five-year term commencing November 2, 2019 and the Chief Administrative Officer and General Manager, Engineering & Public Works be authorized to negotiate and execute a service contract with Canadian Mattress Recycling Inc. based on the key terms as outlined.



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Attachment 1**Canadian Mattress Recycling Inc. - Proposed Recycling/Reuse Approaches**

To promote circular economy principles, the request for proposals included a component for donation or reuse of mattresses, box springs or furniture and reporting that includes the quantities and weights for items donated to charities. The recommended respondent, Canadian Mattress Recycling Inc., proposes to donate furniture in excellent condition to charities such as Habitat for Humanity, Lookout Society or Mennonite Central Committee (MCC) Thrift Store.

For those items that cannot be donated, Canadian Mattress Recycling Inc. has a process to dismantle the items and make the salvaged materials available to the general public at no charge or by charitable donation. Canadian Mattress Recycling Inc. identified that they raise \$5,000-\$8,000 each year for charity through this approach.

Reuse Approaches:

The materials which are shared with the public for up-cycling and reuse include:

- Coir/coconut fibre mats – used for erosion/weed control, pathways, etc.
- PE plastic foam sheets – used for insulating sheds, coops, basements, etc.
- Wood from box springs – used for fences, sheds, benches, firewood, etc.
- Leather/fake leather – used for arts and crafts projects, seat repairs, etc.
- Polyester filling – used for stuffing
- Furniture cushion covers – laundered and re-stuffed with polyester filling for floor cushions, pet beds, etc.
- Furniture legs

Recycling Approaches:

Detailed information was also provided by Canadian Mattress Recycling Inc. regarding the recycling process and the commercial end-use for the recyclable components:

- Metal – shipped to ABC Recycling (Burnaby)
- Foam and quilting – shipped to carpet underlay manufacturers
- Plastic and cardboard bales – shipped to Merlin Plastics (New Westminster)
- Wood – taken by local wood processors who shred it for hog-fuel
- Pocketcoil inners – melted at Covanta waste-to-energy facility (Burnaby) where the thin fabric is incinerated, leaving behind metal springs for recycling
- Cotton – shipped overseas
- Residual waste – compacted and disposed at Covanta (Burnaby)