



REGIONAL
DISTRICT
OF NANAIMO

SOLID WASTE SERVICES METAL RECYCLING CONTRACT - 2023

RECOMMENDATION

That the Board direct staff to enter into a contract with ABC Recycling Ltd., for the hauling and recycling of metal sourced through the Regional Landfill and the Church Road Transfer Station from October 1, 2023, until June 30, 2028.

BACKGROUND

The Regional Landfill and Church Road Transfer Station accept metal in accordance with Bylaw No. 1784. These items are hauled, under contract, to a local metal recycler where they are separated by material type and sold to the metal market. In the case of appliances containing ozone-depleting substances (ODS), they are remediated in accordance with provincial and federal guidelines and then sold to the market. The metal market, in part due to the increased economic activity associated with the global pandemic, has been strong in recent years, generating up to \$173,000 of revenue for the department annually. These funds are identified in the approved 2023-2027 Financial Plan.

In June 2023, the Regional District of Nanaimo (RDN) Solid Waste Services issued RFP No. 23-042 Metal Hauling Services for the Regional Landfill & Church Road Transfer Station. As this contract is revenue-generating, the RFP sought to create a level and fair bidding process for proponents. Proponents were asked to submit pricing based on one specific month (May 2023). The metal recycling market has seen significant increases throughout the pandemic, impacting market indices dramatically month-over-month. By analyzing the proposal based on one specific month the impact of the variability of the metal market can be minimized.

There were two proposals received in response. Of the two proponents, Schnitzer Steel was non-compliant due to quoting the incorrect month to base the evaluation on (quoted June 2023), however, if this discrepancy was ignored Schnitzer Steel’s submission would still be lower than ABC Recycling’s, and as such would still not be the successful proponent. The compliant and highest bid, ABC Recycling Ltd., suggests revenues could exceed \$850,000 over the 5-year term, depending on market conditions.

RFP 23-042 Metal Hauling Services Evaluation										
Proponent	RFP Section A	RFP Section B	RFP Section C	RFP Section D	RFP Section E	RFP Section F	Total Estimated Price	Total Score %20 A-F	Total %80 Price	Total Overall
ABC Recycling	✓	✓	✓	✓	✓	✓	\$856,112.40	20	80	100
Shnitzer Steel	✓	✓	✓	✓	✓		\$807,489.00	10	70	80

ABC Recycling Ltd. is the incumbent metal contractor and has provided reliable, safe, and equitable service over the past three-year contract. Staff recommends entering into a contract with ABC Recycling Ltd., for the hauling

and recycling of metal items and ODS-containing appliances from the Regional Landfill and Church Road Transfer Station from October 1, 2023, to June 30, 2028.

FINANCIAL IMPLICATIONS

Revenues generated from this contract have been identified in the 2023-2027 Financial Plan and will continue to be used to offset solid waste facility operational costs, in the year they are generated.

STRATEGIC PLAN ALIGNMENT

Environmental Stewardship - Achieve the 90% waste diversion target as per the Solid Waste Management Plan.

REVIEWED BY:

- K. Felker, Purchasing Manager
- B. Routledge, Manager, Solid Waste Services
- T. Moore, Chief Financial Officer
- E. Tian, General Manager, Utilities and Engineering
- T. Osborne, A/Chief Administrative Officer