



RPT 23-121

TITLE: Metal Disposal Services

DATE: March 16, 2023

TO: City Council

PUBLIC: X

INCAMERA:

RECOMMENDATION:

1. That Tender #11/23 for Metal Disposal Services be awarded to B.N. Steel & Metal (2002) Inc. for a 3-year term, April 1, 2023 to March 31, 2026 with an option for a two (2) year extension; and,
2. That the Mayor and City Clerk be authorized to execute the agreement on behalf of the City.

TOPIC & PURPOSE:

The purpose of this report is to seek approval to award the tender for metal disposal services to B.N. Steel & Metal (2002) Inc. (formerly McDonald Metals in Prince Albert) for the disposal of scrap metal from the landfill and other City facilities.

BACKGROUND:

City residents and landfill customers currently drop off scrap metal at the designated area at the landfill for the purpose of recycling. This service keeps these items out of the landfill, helps to extend the life of the landfill and represents a significant revenue stream. Other City facilities have scrap metal generated from their daily operations which is placed in bins provided by the vendor at the City Yards and Municipal Service Centre. The bins and Landfill materials are collected when requested by City staff, the items are weighed and the appropriate payment is submitted to the City based on the tendered rates.

The City has an existing agreement with Inland Steel (in Saskatoon) who was awarded the previous tender which ends April 1, 2023. The current rate is \$160.00 per tonne for white metal and \$175.00 tonne for scrap metal.

PROPOSED APPROACH AND RATIONALE:

The City tendered for new contract rates (#11/23) over the 2023-2026 period, with an optional two-year extension.

The tender closed Feb 6, 2023 with three companies submitting bids:

Bidder	White Metal	Scrap Metal
B.N. Steel & Metal	\$247/T	\$247/T
Inland Steel	\$242/T	\$242/T
Mryglod Steel & Metals	\$161.35/T	\$161.35/T

It is recommended that the contract be awarded to B.N Steel and Metal, the highest bidder that also meets the requirements of the tender.

CONSULTATIONS:

The Fleet Manager was consulted regarding the transition to a new service provider for the bin located at the Municipal Service Center and the City Yards.

COMMUNICATION AND/OR ANNOUNCEMENT PLAN:

Once Council has approved this report, the successful bidder will be notified and arrangements made with the past service provider for the transition.

POLICY IMPLICATIONS:

This recommendation is in accordance with the City Purchasing Policy No. 17.6.

FINANCIAL IMPLICATIONS:

The average revenue generated by scrap metal sales over the last three (3) years (2020-2022) is \$64,000.

B.N Steel and Metal's bid of \$247.00 per tonne is \$5 per tonne more than the next highest bidder and over \$85 more than the lowest bidder. This will provide an estimated increase in revenue of approximately \$2,000 over the second highest bidder.

OTHER CONSIDERATIONS/IMPLICATIONS:

There are no Privacy or Official Community Plan implications, or Options To Recommendation.

STRATEGIC PLAN:

The recommendation supports the Area of Focus of Economic Diversity and Stability by providing sources of revenue in addition to taxation.

PUBLIC NOTICE:

Public Notice pursuant to the Public Notice Bylaw No. 24 of 2015 is not required.

Written by: Todd Olexson, Sanitation Manager

Approved by: Director of Public Works & City Manager