City of Burnaby

Item	
Meeting	**2011 Oct 24**

COUNCIL REPORT

TO:	CITY MANAGER	**DATE:**	2011 October 17
FROM:	DIRECTOR FINANCE	**FILE:**	94-06/08

SUBJECT: **PROPOSAL FOR PROCESSING AND MARKETING OF RECYCLABLE MATERIALS**

PURPOSE: To obtain approval to award a contract for the processing and marketing of recycling materials for the second option year.

RECOMMENDATION:

1. **THAT** Council approve the second one year option to extent the existing contract with C.K. Fibres Corp for processing and marketing of recyclable materials for the period 2011 October 1 to 2012 September 30.

REPORT

The scope of work involves receiving, sorting and re-marketing the materials collected by the City under its curbside recycling program. This contract will result in revenue to the City, with the amount of revenue determined by the market conditions for the individual products and governed by a price change mechanism, linked to independent market indices.

In 2008 October, the City issued a Request for Proposal for processing and marketing of recyclable materials. This Request for Proposal resulted in the award of a two year contract to C.K. Fibres Corp. The Request for Proposal allowed for up to three (3) one year extensions. For the period 2008 October 1 to 2010 September 30, the contract generated $1,046,857.02 for the City.

In 2010 October, the first contract extension was exercised based on same revenue.

The second one year contract extension is being recommended based on same revenues. For the period 2010 October 1 to 2011 September 30, the contract generated $1,084,079.45 for the City.

C.K. Fibres Corp. has performed this service to the City for the last eight years and has a proven track record of performance and reliability. The Director Engineering is satisfied that they have the experience and resources to complete the work of this contract.

Denise Jorgenson
DIRECTOR FINANCE

cc. Director Engineering