

TO:	CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MONDAY, JULY 22, 2013
FROM:	JAY STANFORD DIRECTOR, ENVIRONMENT, FLEET & SOLID WASTE
SUBJECT	RFP13-15, PACKAGING AND REMOVAL OF WASTE ELECTRICAL AND ELECTRONIC EQUIPMENT FROM CITY OF LONDON DEPOTS

RECOMMENDATION

That on the recommendation of the Director, Environment, Fleet & Solid Waste the following action **BE TAKEN** with respect to the Packaging and Removal of Waste Electrical and Electronic Equipment from City of London Depots;

- a) That approval hereby **BE GIVEN** to enter into a one (1) year contract for the Packaging and Removal of Waste Electrical and Electronic Equipment from City of London Depots with Global Electric Electronic Processing Inc. with an option to renew for a further one (1) year at the City’s discretion;
- b) That Civic Administration **BE AUTHORIZED** to undertake all the administrative acts that are necessary in connection with this contract;
- c) Approval hereby given **BE CONDITIONAL** upon the Corporation negotiating satisfactory prices, terms and conditions with GEEP to the satisfaction of both the City Treasurer and the Managing Director, Engineering and City Engineer ; and
- d) Approval hereby given **BE CONDITIONAL** upon the Corporation entering into a formal contract or having a purchase order relating to the subject matter of this approval.

BACKGROUND

PURCHASING PROCESS

The City issued a Request for Proposals (RFP) for the removal and management of the Waste Electrical and Electronic Equipment, including televisions and monitors, on a regular basis from the City’s two EnviroDepot sites and the City’s Household Special Waste Depot. The proposal is for one year with an option to extend for a further year at the City’s discretion.

The RFP was issued on May 10, 2013 and closed on May 29, 2013. Eleven companies requested copies of the RFP. Submissions were received from Artex Environmental Corporation, Ecycle Solutions, ElectroShed, Global Electric Electronic Processing Inc., Green Tec, MIDA International and Sims Recycling Solutions.

The seven submissions received were evaluated against pre-determined criteria. Each proposal was evaluated on potential City revenue, operating and servicing details, company details and references. Global Electric Electronic Processing Inc. achieved the highest overall ranking, provided the highest revenue stream and demonstrated a thorough understanding of the City’s requirements.

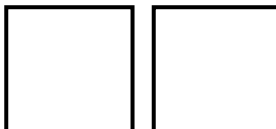
The Evaluation Team consisted of members of Purchasing and Supply Division and the Solid Waste Management Division.

BACKGROUND

Discussion

The City began accepting electronic waste, excluding televisions and monitors, at one location (W12A landfill) in 2002. Revenue from the sale of materials covered shipping costs. In 2005, the City expanded the program to the two EnviroDepots.

Extended Producer Responsibility (EPR) for electronic materials was launched in Ontario in April 2009 when Waste Electronics and Electrical Equipment (WEEE) stewards (companies



responsible for introducing electronics into the market place) became fully responsible for recycling electronics through the Ontario Electronic Stewardship (OES) program. The City joined the OES program because the program allowed more materials to be recycled (e.g., televisions and monitors) and the City received higher revenue. Participants in the OES program received between \$150 and \$200 per tonne to collect and package electronics.

Originally, the OES program required municipalities to work with OES to recycle their electronics but recently OES changed the rules to allow municipalities to deal directly with OES approved processors. Working directly with an OES approved processors can provide municipalities with more flexibility on how they operate their programs and potentially result in increased revenues for the municipality.

As a result of the change in the OES program the City released the RFP for “Packaging and Removal of Waste Electrical and Electronic Equipment from City of London Depots”.

There are two reasons why City staff have selected a short term for this contract (one year with an option for another year at the City’s sole discretion).

First, ongoing discussions and research has pointed to potential additional business opportunities in London and area for increased electronics recycling and job creation. These opportunities continue to be explored.

Second, on June 6, 2013 the Province introduced Bill 91, (the proposed *Waste Reduction Act, 2013*) in the Legislature. The government is proposing to replace the existing *Waste Diversion Act, 2002* with the proposed *Waste Reduction Act, 2013*. If passed by the Legislature, the Act could result in significant changes to how recyclables, including electronics, are to be managed.

Financial Impact

The projected revenue based on the sale of an estimated 600 tonnes electronics is estimated to increase from \$93,000 per year to approximately \$270,000 per year. This additional revenue will be included in the 2014 budget process.

ACKNOWLEDGEMENTS

This report was prepared with the assistance of Mike Losee, Manager Solid Waste Engineering & Planning, Erin Helm, Solid Waste Management Technician and Geoff Smith, Procurement Officer.

PREPARED BY:	RECOMMENDED BY:
WESLEY ABBOTT, P. ENG. DIVISION MANAGER SOLID WASTE MANAGEMENT	JAY STANFORD, M.A., M.P.A. DIRECTOR, ENVIRONMENT, FLEET & SOLID WASTE
REVIEWED & CONCURRED BY:	REVIEWED & CONCURRED BY:
JOHN BRAAM, P.ENG. MANAGING DIRECTOR, ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER	MIKE TURNER DEPUTY CITY TREASURER