

MEETING DATE: September 22, 2004

SUBJECT: Sale And Removal Of Various Mixed Metals For A One Year Period Commencing December 1, 2004 To November 30, 2005

RECOMMENDATION

It is recommended that the Commission authorize the award of a one year contract for the period of December 1, 2004 to November 30, 2005 for the sale of various scrap metals to the following two companies:

- Inland Iron and Metal for Groups 1 & 2
- ACS Iron and Metal for Groups 3 & 4

FUNDING

Proceeds from the sale of scrap metal are credited to the Operating Budget or Capital Program as appropriate.

BACKGROUND

The Commission tenders for the sale of various scrap metals on a yearly basis due to the volatility in the metal market. The scrap metal is tendered in four groups:

- Group One - Mixed (General) Contaminated Metal
- Group Two - Rail, Wheels and Brake Linings
- Group Three - Aluminum, Stainless Steel, Copper, Brass and Cable
- Group Four - Shavings

DISCUSSION

Seven companies were invited to submit a bid in addition to a public advertisement on the Commission's Website on June 25, 2004. Four companies responded as summarized in Appendix 'A'. The bids were priced by weight. The volume of material for the next 12 months was estimated based on forecasted volumes.

The revenue generated by unit weight ranges between 33% and 56% higher than current revenues. The following are the recommended awards and the estimated revenue to be generated.

- Group One - Inland Iron and Metal \$370,000.00
- Group Two - Inland Iron and Metal \$117,045.00
- Group Three - ACS Iron and Metal \$ 56,900.00
- Group Four - ACS Iron and Metal \$ 1,200.00

August 5, 2004
9-118-80

Attachment – Appendix ‘A’

APPENDIX 'A'

SALE AND REMOVAL OF VARIOUS MIXED METALS

ESTIMATED REVENUE SUMMARY

	INLAND IRON & METAL	RAM IRON & METAL	ACS IRON & METAL	WASTE CONTAINERS SERVICES
GROUP 1 – Mixed Contaminated	\$370,000.00 *	\$210,000.00	\$210,000.00	\$162,000.00
GROUP 2 – Rail, Wheels and Brake Linings	\$117,045.00 *	\$64,450.00	\$60,900.00	\$62,829.00
GROUP 3 – Aluminum, Stainless Steel, Brass, Copper and Cable	No Bid	\$48,000.00	\$56,900.00 *	\$19,440.00
GROUP 4 – Wheel Shavings	\$320.00	\$200.00	\$1,200.00 *	\$0

*** RECOMMENDED FOR AWARD**