

July 18, 2023

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. RFP TI-23-200 and award a contract to Homeboy Recycling, a California social purpose corporation, dba Homeboy Electronics Recycling, of Los Angeles, CA, for providing technology waste services at no cost and disposal services of Electronic Waste to the City of Long Beach except for loose alkaline batteries, loose rechargeable batteries, and certified hard drive destruction, in a total amount not to exceed \$30,000, for a period of two years, with the option to renew for three additional one-year periods, at the discretion of the City Manager; and, authorize the City Manager, or designee, to execute all documents necessary to enter into the contract, including any necessary subsequent amendments. (Citywide)

DISCUSSION

City Council approval is requested to enter into a contract with Homeboy Recycling, a California social purpose corporation, dba Homeboy Electronics Recycling (Homeboy), of Los Angeles, CA, for providing technology waste services at no cost and disposal services of Electronic Waste (E-Waste).

The Technology and Innovation Department's (TI) Asset Management Team oversees and coordinates the disposal of technology-related assets (end-of-life equipment from fiscal year asset replacements, irreparable and irreplaceable devices, etc.), peripherals, and components. TI will coordinate with City of Long Beach (City) departments for the disposal of E-Waste to ensure technology-related assets are appropriately retired. E-Waste must be disposed of in accordance with all federal, State, and Local laws and regulations.

The volume of E-Waste varies annually and cannot be forecasted. The Request for Proposals (RFP) for this engagement estimated that qualified vendors must be able to collect and dispose of approximately three to four (3-4) pallets of E-Waste per month and coordinate bulk pick-up on an as-needed basis at City satellite facilities. In the event the vendor sells City-provided E-Waste, the City shall receive a revenue share of 20 percent of the vendor's gross sales, less a \$10 administrative fee per sale. The amount of revenue to be received is anticipated to be minimal, as assets being

processed through this agreement will be damaged and/or at the end of their useable life. Revenue will depend on the amount of resaleable E-Waste equipment retired from service, its condition at the time of retirement, its assessed value, and its market demand.

The RFP was advertised in the Long Beach Business Journal on April 4, 2023, and eight (8) potential proposers specializing in E-Waste recycling services were notified of the RFP opportunity. Of those proposers, three (3) downloaded the RFP via the City's electronic bid system. The RFP document was made available from the Purchasing Division, located on the sixth floor of City Hall, and the Division's website at www.longbeach.gov/purchasing. An RFP announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 44 local, minority-owned, and women-owned business groups. There was one (1) proposal received on April 14, 2023. The proposer was not a Minority-owned Business Enterprise (MBE), Women-owned Business Enterprise (WBE), certified Small Business Enterprise (SBE), or Long Beach vendor (Local). The selection committee determined that Homeboy Electronics Recycling, of Los Angeles, CA (not a MBE, WBE, SBE, or Local), was a qualified firm to provide the services.

The committee selected Homeboy as the contractor based on their demonstrated competence in E-Waste recycling for the City, other similar or larger scale and scope engagements, and their submitted referral documents. Homeboy has a proven track record working with local companies, municipalities, and organizations, including the City of West Hollywood and California State University Los Angeles. TI has worked with Homeboy to provide transportation and disposal services for electronic waste since 2018. Homeboy will be able to provide the City with an environmentally responsible disposition of all Information Technology related equipment in accordance with OSHA standards and Federal, State, and Local laws, rules, and regulations based on their experience with similar projects they have completed. Homeboy is owned by Homeboy Industries, a 501 (c)(3) nonprofit that provides transitional and permanent employment for graduates of work training programs for formerly gang-involved and previously incarcerated men and women who have redirected their lives.

Local Business Outreach

To align with the City's outreach goal, Long Beach businesses are encouraged to submit proposals for City contracts. The Purchasing Division also assists businesses with registering on the Long Beach Buys database to download RFP specifications. Through outreach, three (3) Long Beach vendors were notified to submit proposals, of which none downloaded and none submitted a proposal. The Purchasing Division is committed to continuing to perform outreach to local vendors to expand the bidder pool.

This matter was reviewed by Deputy City Attorney Erin Weesner-McKinley and Budget Analysis Officer Greg Sorensen on June 29, 2023, and by Acting Labor Compliance Officer Tommy Ryan on June 28, 2023.

SUSTAINABILITY

Long Beach's Climate Action Plan (CAP), approved by City Council on August 16, 2022, includes goals around increasing recycling and expanding organic waste collection. Homeboy Industries will assist the City in reaching these goals by recycling or refurbishing retired technology assets that can no longer be used by the City, reducing waste.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. RFP TI-23-200 and award a contract concurrently is requested on July 18, 2023, to ensure the contract is in place expeditiously.

FISCAL IMPACT

The total amount of the contract will not exceed \$30,000. According to this agreement, there is no cost for E-Waste recycling except for loose alkaline batteries, loose rechargeable batteries, and certified hard drive destruction. If the vendor sells the E-Waste the City provides, revenue will be generated, and the City shall receive a revenue share of 20 percent of gross sales less a \$10 administrative fee per sale. The amount of revenue to be received is unknown at this time and will depend on the amount of resaleable E-Waste equipment retired from service, its condition at the time of retirement, its assessed value, and its market demand. Revenue will be received in the General Services Fund Group in the Technology and Innovation Department. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



LEA D. ERIKSEN
DIRECTOR
TECHNOLOGY AND INNOVATION

APPROVED:



THOMAS B. MODICA
CITY MANAGER