



CITY OF LONG BEACH

C-14

TECHNOLOGY AND INNOVATION DEPARTMENT

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February 13, 2018

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. RFP TI17-097 and authorize the City Manager, or designee, to execute a contract, and any necessary amendments, with Homeboy Recycling, a California social purpose corporation, dba Homeboy Electronics Recycling, of Los Angeles, CA, to provide transportation and disposal services of Electronic Waste, for a period of two years, with the option to renew for two additional one-year periods, at the discretion of the City Manager. (Citywide)

DISCUSSION

City Council approval is requested to enter into a contract with Homeboy Recycling, dba Homeboy Electronics Recycling (Homeboy), to provide transportation and disposal services of Electronic Waste (E-Waste).

The Technology and Innovation Department's (TI) Asset Management Team oversees and coordinates the disposal E-Waste (end-of-life equipment from fiscal year asset replacements, irreparable and irreplaceable devices, peripherals, and components), for City departments to ensure assets purchased through TI 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 on an annual basis and cannot be determined other than it will exceed the sample figures provided in the Request for Proposals (based on 2017 figures) due to the amount of department outreach of the service, the varied schedule of the Personal Computer (PC) refresh program (dependent on availability of various resources), and the scheduled departure from the existing City Hall in 2019. 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 be at end-of-life. Revenue will be dependent on the amount of resalable E-Waste equipment retired from service, its condition at the time of retirement, its assessed value, and its market demand.

A Request for Proposals (RFP) was advertised in the Long Beach Press-Telegram on July 12, 2017, and 413 potential proposers specializing in Recycling Services and Products were notified of the RFP opportunity. Of those proposers, 29 downloaded the RFP via the City's electronic bid system. The RFP document was also made available from the Purchasing

Division, located on the seventh 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 22 local, minority, and women-owned business groups. Five proposals were received on August 10, 2017. Of those five proposers, none were Minority-owned Business Enterprises (MBEs), Women-owned Business Enterprises (WBEs), certified Small Business Enterprises (SBEs), or Long Beach businesses (Local).

The selection committee determined that Homeboy Recycling, of Los Angeles, CA, was the most qualified to provide the services based on their demonstrated competence in E-Waste recycling of similar or larger scale and scope and their submitted referral documents. Homeboy Recycling is owned by Homeboy Industries, a 501(c)(3) nonprofit, that provides both 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. Homeboy Recycling has a proven track record working with local companies, municipalities, and organizations including the City of West Hollywood and California State University Los Angeles.

On January 23, 2017, the City Council approved an action requesting the City Manager to report back to the City Council with "recommendations from staff on how to increase the number of computers in the hands of families in underserved neighborhoods while reducing electronic waste." City staff will address this in a separate report that will detail the policy and legal considerations, along with the potential timeline, to implement the action. In the meantime, as the City has immediate E-waste disposal needs, approval of the selection of Homeboy is recommended at this time to address the current E-waste disposal needs.

Homeboy will be able to provide the City with environmentally-responsible disposition of all technology-related equipment in accordance with OSHA standards, as well as federal, state and local laws, rules, and regulations based on their experience with similar projects they have completed.

Local Business Outreach

In an effort 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 PlanetBids database to download RFP specifications. Through outreach, 71 Long Beach vendors were notified to submit proposals, of which 5 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 Amy R. Webber on January 12, 2018 and by Budget Management Officer Rhutu Amin Gharib on January 19, 2017.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. RFP T117-097 and award contracts concurrently is requested on February 13, 2018, to ensure the contract is in place expeditiously.

FISCAL IMPACT

There are no costs for E-Waste recycling according to this agreement. Revenue will be generated in the event the vendor sells the E-Waste the City provides, and is equivalent to a revenue share of 20 percent of gross sales less a \$10 administrative fee per sale. The amount of revenue is unknown at this time and will be dependent on the amount of resalable 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 (IS 385) in the Technology and Innovation Department (TI). There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



LEA ERIKSEN
INTERIM DIRECTOR OF TECHNOLOGY AND INNOVATION



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

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APPROVED:



PATRICK H. WEST
CITY MANAGER