



~~NB-27~~
UB-15

Date: March 8, 2016

To: Honorable Mayor and Members of the City Council

From: Councilwoman Suzie Price, Third District *SP*
Councilmember Daryl Supernaw, Fourth District *DS*
Councilwoman Stacy Mungo, Fifth District *SM*
Councilmember Rex Richardson, Ninth District *RR*

Subject: City Auditor Review of the RFP Process for Recyclable Collection Services

INTRODUCTION:

The City of Long Beach is undergoing a Request for Proposal (RFP) process to select a residential recycling vendor that will be a City partner for a period of 7-10 years. This substantial contract has a total value of approximately \$70 million dollars, over the course of 10 years. Due to the significance of this contract, it is important to ensure that the process to select a vendor is one that is transparent, consistent, and fair.

Over the last several weeks, issues have come to light regarding the financial figures that City staff used to calculate the bids. There appears to be confusion with the multiple cost proposals that the bidders submitted for different service conditions. Additionally, there is some dispute as to what figures were calculated for the various elements of the selection process.

As with all City contracts, the City Council must have confidence in the RFP, contract oversight and, implementation process. Given the significant financial value of this contract, and what appears to be some dispute on the selection process that was utilized with this contract, it is prudent for Council to take a pause and take steps to ensure the integrity of the proposed recommendation.

RECOMMENDATION:

In order to ensure that the process was thorough and the figures used accurate, the City Council requests that the City Auditor review the bid responses for the residential recycling collection services. The responses should be analyzed based on qualifications, cost, recycling revenue to the City, environmental benefits, compliance with the terms of the RFP, as well as any additional criteria the City Auditor deems appropriate. The City Council requests the City Auditor report findings of the review directly to the City Council at the earliest possible date. Additionally, the City Council requests City staff provide the City Auditor with all documents, analysis, and emails related to procurement process for this RFP in an expedited manner.

FISCAL IMPACT:

There is no immediate financial impact as a result of the recommended action.