



Date: January 26, 2016

To: Patrick H. West, City Manager *T.M.*

From: *CB* Craig A. Beck, Interim Director of Public Works

For: Mayor and Members of the City Council

Subject: **Request for Proposals (RFP) for Recyclable Collection Services**

In April 2015 the City released an RFP for recyclable collection services for City-serviced residential and commercial refuse accounts, and 961 potential bidders were notified of the RFP opportunity, to which four companies responded. As this is a long-term contract that provides significant services to our residents, we are providing additional information so you are aware of the process City staff followed, and the considerations that we weighed when making the recommendation. A selection committee, supported by a firm that has significant expertise in the industry, evaluated the proposals based on the following criteria:

- Demonstrated competence in providing the desired service
- Experience in performance of comparable engagements
- Technical elements of the proposal
- Reasonableness of cost
- Expertise and availability of key personnel to support ongoing operations
- Financial stability
- Conformance with the terms of the RFP

Based on the strength of their proposal, staff recommends the City enter into a ten year agreement with Waste Management. Waste Management has the necessary experience, financial stability, an excellent safety record, and a number of value proposal features, including recycling and refuse collection experience in Long Beach and throughout Los Angeles County, free battery and light bulb collection at City libraries, biannual bicycle recycling events, recycling education in schools, funding the City's monthly composting classes, sponsoring the hiring of Long Beach youth into summer intern positions in the City's Office of Sustainability, supporting the City's existing neighborhood cleanups, support to the City for collection and recycling of discarded Christmas trees, as well as many other services. The resulting contract will generate approximately \$394,000 in annual net savings over current recycling contract costs. The attached matrix summarizes the major elements in each proposal, and lists significant unique proposal features.

The award of the recyclable collection services contract is scheduled for the February 9, 2016 City Council meeting.

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If you have any further questions, please contact Craig Beck, Acting Director of Public Works, at extension 8-6771.

CAB.CT:BS

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The following provides a summary of the major elements included in the RFP responses:

FIRM	EVALUATION/UNIQUE PROPOSAL FEATURES	FIRST YEAR COST
<p>USA Waste of California, dba Waste Management of Long Beach</p>	<ul style="list-style-type: none"> • Cited collection experience in 25 cities in LA County • Current service provider with 22 years of experience collecting recyclables from City of Long Beach (City) residential and commercial accounts • Represented labor (Teamsters local 396) • No transition plan required • Up to 110,000 carts replaced as needed • Partnerships with the City include: residential and commercial recycling collection; ash reuse at landfill (estimated disposal cost savings \$2,250,000), Harbor Department trash collection; one of 15 private waste hauling companies operating in LB • 33,910 tons of waste from LB and surrounding communities delivered to SERRF - est. \$2,102,420 • Most recent safety rating: 0.71 (1.0 is considered average; lower is better) • Residential battery and light bulb collection from City facilities • Proposed school education program includes: support to rebuild City Traveling Recycling Education Center (TREC), five school programs per year with Grades of Green • Supports hiring of local youth through sponsorship of City internship program • Funds monthly composting classes • Support for neighborhood cleanups by providing receptacles and disposal • Supports neighborhood grants for related projects in the amount of \$5,000 each year • In support of the City's goal to become a more bike friendly city, WM will sponsor biannual "Recycle Your Bicycle" events • Grant funding and support for City "LB Exchange," the City material exchange program that links businesses with local non-profits for donation of reusable goods • Collect and donate used running shoes from LB Marathon • Two document shredding events per year • WM is exploring the possibility of generating new shared revenue streams through advertising on WM vehicles • Support for annual holiday tree recycling effort • Current collection program employs nearly 100 LB residents 	<p>\$3,500,000</p>

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FIRM	EVALUATION/UNIQUE PROPOSAL FEATURES	FIRST YEAR COST
<p>EDCO Waste and Recycling Services</p>	<ul style="list-style-type: none"> • Cited collection experience in 5 cities in LA County • City would be largest account in Los Angeles County • As a privately held company, EDCO is unable to release any financial information or working papers that would be subject to the Public Records Act and, thus, be available for public review in support of their financial soundness • Labor is not collectively represented • Transition plan required • Up to 80,000 carts replaced as needed (30,000 fewer than RFP standard of 110,000) • Provides regional facility for household hazardous waste drop-off at no cost to City; street median disposal contract; City agreement for solid waste disposal at transfer station; one of 15 waste hauling companies operating in LB • 19,650 tons of waste from LB and surrounding communities delivered to SERRF – est. \$1,218,300 • Most recent safety rating: 0.99 (1.0 is average; lower is better) • Estimated to purchase of \$529,000 of natural gas from City over life of contract for CNG vehicles • EDCO will implement the "Recycler of the Month" award and provide the recipient with a \$200 check in a public presentation • Proposed school education program of "EDCO Recycling Challenge" • EDCO will provide the City \$50,000 per year for anti-scavenging enforcement to be used at the City discretion • Up to six shred day events per year including free mulch and e-waste collection 	<p>\$3,325,000*</p> <p>*City is taking the risk for any carts needed over 80,000. If full replacement of 110,000 carts is needed, City will incur costs of an additional \$1,500,000 over 10 years</p>

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FIRM	EVALUATION/UNIQUE PROPOSAL FEATURES	FIRST YEAR COST
<p>Arakelian Enterprises Inc., dba</p> <p>Athens Services</p>	<ul style="list-style-type: none"> • Cited collection experience in 22 cities in LA County • City would be largest one in Los Angeles County • Labor is not collectively represented • Transition plan required • Up to 110,000 carts replaced as needed • Non-exclusive franchise operator • 28,100 tons delivered to SERRF – est. \$1,742,200 • Most recent safety rating: 0.72, 1.0 is average (lower is better) • Two community compost give away events per year • Provide 100 cu. Yds. of compost to City annually • Two E-waste and clothing recycling events per year 	<p>\$6,146,000</p>

FIRM	EVALUATION/UNIQUE PROPOSAL FEATURES	FIRST YEAR COST
<p>Consolidated Disposal Services, dba</p> <p>Republic</p>	<ul style="list-style-type: none"> • Cited collection experience in 13 cities and 5 County Districts in LA County • Teamsters Local 396 • Transition plan required • Up to 110,000 carts replaced as needed • City agreement for solid waste disposal at transfer station; non-exclusive franchise operator • 6,181 tons delivered to SERRF – est. \$383,222 • Most recent safety rating: 0.98 , 1.0 is average (lower is better) • Internships made available for LB students • Proposed school education programs include: nine \$500 college scholarships; "Link Learning" program, school presentations with "MRFy the Robot" mascot, provide milk carton recycling bins; Operation Jump Start College Mentoring Program • Annual toy drive • Recycling at LB Muni Band concerts with proceeds being donated to Band • Will recognize 100 residences for exemplary recycling each year • Serve as liaison for Keep California Beautiful and City • Two document shredding events per year 	<p>\$6,762,000</p>