

Agenda Report

TO: CITY COUNCIL

DATE: October 20, 2008

FROM: CITY MANAGER

SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT WITH ARC INTERNATIONAL CORPORATION FOR SERVICES TO HOLD ELECTRONIC WASTE COLLECTION EVENTS IN THE CITY OF PASADENA AND COLLECT, TRANSPORT, AND RECYCLE ELECTRONIC WASTE

RECOMMENDATION:

It is recommended that the City Council authorize the City Manager to enter into a contract with ARC International Corporation for its services to hold a minimum of four and up to eight annual electronic waste round up events in the City of Pasadena and to collect, transport, and recycle electronic waste from the City. The length of the contract shall be one year with the option to renew for two one year extensions for a maximum of three years.

BACKGROUND:

In 2001, the California Department of Toxic Substances Control banned computer monitors and televisions (with cathode ray tubes) from disposal in landfills. Each cathode ray tube (CRT) contains approximately five to seven pounds of lead, which is a toxic substance that can lead to poisoning in humans, especially young children.

In January 2006, the City of Pasadena became a certified collector of covered electronic waste (CEW) and was authorized to participate in the Covered Electronic Waste Recovery and Recycling Payment System as described within California's Electronic Waste Recycling Act of 2003. Having the distinction as a certified collector allows the City to be compensated for a portion of the CEW it collects.

On February 9, 2008, the City held an electronics recycling event which collected 17,466 pounds of CRTs/CEW, 478 pounds of other types of CEW and 20,454 pounds of other electronic devices. With over 140,000 residents in Pasadena this event collected only a portion of the e-waste that is generated by Pasadena residents, businesses and organizations. Department of Public Works staff identified the need to hold quarterly electronic waste collection events in an effort to provide residents with opportunities to safely dispose of their electronic waste. Staff developed a request for proposal (RFP) to find a company to perform these tasks. The RFP stated that the successful bidder would be required to collect, transport, and recycle the electronic waste collected at the round up events and from the City Yards. The Department of Public Works issued the RFP on June

16, 2008 and a bidder's conference was held on June 26, 2008. There were five proposals evaluated and scored according to the competitive selection criteria outlined in the request for proposal. ARC International Corporation received the highest score. A summary of the evaluation is shown in Attachment A.

ARC International Corporation will reimburse the City at the rates of \$0.17 per pound for CRT devices; \$0.17 per pound for CPUs; \$0.03 per pound for mixed electronic waste and \$0.50 per pound for cell phone batteries; and \$1.50 per pound for cell phones. The \$0.17 per pound rate for CRT devices and CPUs is one cent greater than the California Integrated Waste Management Board recovery rate of \$0.16 per pound.

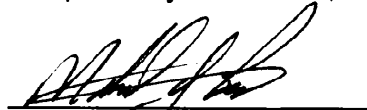
Under the terms of the contract, ARC International Corporation will hold at least four but not more than eight events each contract year with dates and locations to be determined by the City; collect, transport and recycle all of the abandoned electronic waste from the City Yards located at 233 West Mountain Street; make a recovery payment to the City for all CEW transferred to the recycler; and comply with all record keeping and reporting requirements.

FISCAL IMPACT:

ARC International Corporation is approved by the California Integrated Waste Management Board to participate in the Covered Electronic Waste Recovery and Recycling Payment System and as of July 1, 2008, the California Integrated Waste Management Board established the recovery payment rate at \$0.16 per pound. However, ARC, International Corporation will pay the City of Pasadena \$0.17 per pound for CRTs and CPUs.

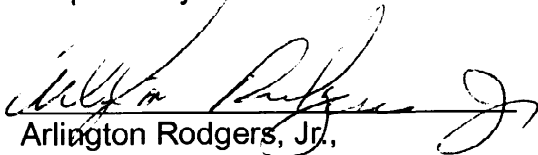
The estimated annual revenue of four round up events is \$24,000 and will help in offsetting program costs. Program costs will consist of publicity expenses that will inform Pasadena residents and businesses about the collection events and are estimated to be approximately \$12,000 annually. The remaining revenue will be used for the facilitation of other programs such as the collection of hazardous and universal waste (i.e. batteries, fluorescent lights and high intensity discharge (HID) lamps). The revenue estimate for FY 2009 is \$12,000 for two events to be held by June 30, 2009. These funds have been included in the FY 2009 operating budget projections.

Respectfully submitted,



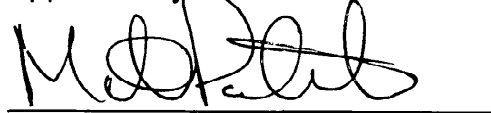
MICHAEL J. BECK
City Manager

Prepared by:



Arlington Rodgers, Jr.,
SMIWM Division Administrator
Department of Public Works

Approved by:



Martin Pastucha, Director
Department of Public Works

Attachment A
Summary of RFP Evaluation
E-Waste Collection Proposals

Criteria	Weight	ARC Inc.	E-Waste Recycling of California	ASL Recycling	SIMS Recycling Solutions	Direct Computer Disposal
Proposal General Appearance: Content of proposal, presentation, clarity and adherence to RFP requirements, and cost.	30	24	21	23	22	23
Experience: Evaluate the applicants experience providing e-waste collection services for municipalities, small business and general public.	30	28.5	26	25	22	17
Methodology: What is the methodology used for cancellation of electronic devices. For all covered e-waste that are not cancelled is a list of receiving entities and a description of those activities include but not limited to repair, refurbishment, resale reuse transfer or export.	20	18	17	17	17	17
Client Reference List	10	10	9.5	8	6	6
Local Business receive a 5%	5	0	0	0	0	0
Small and Micro Business receive a 5% preference proposer must be certified by the State of California as a small or micro-business	5	0	0	0	0	0
Totals		80.5	73.5	73	67	63

**Disclosure Pursuant to the
City of Pasadena Taxpayer Protection Act
Pasadena City Charter, Article XVII**

- I. Does the value of this application/project *have the potential* to exceed \$25,000? Yes No (Applicant must mark one)
- II. Is the application being made on behalf of a government entity? Yes No
- III. Is the application being made on behalf of a non-profit 501(c) organization? Yes No
If yes, please indicate the type of 501(c) organization: 501(c)(3) 501(c)(4) 501(c)(6)

Applicant's name: ARC International Corp. Date of Application: 9-29-08

Owner's name: Jay Hooper Contact phone number: 626-855-8001
(for questions regarding this form)

Project Address: Brookside Parking lot I - 2333 W. Mountain Public Work.

Project Description: E-waste Collection Event

- IV. Applicant and Property Owner must disclose all joint owners, trustees, directors, partners, officers and those with more than a 10% equity, participation or revenue interest in owner and/or project. If any of these are an organization/entity, include the name of the organization/entity and the first and last names of all parties of interest of that organization/entity. (List all parties below and use additional sheets as necessary, or provide all parties on an attachment) Please print legibly.
Have any additional sheets or an attachment been provided? Yes No

Names of Owner(s), Trustees, Directors, Partners, Officers of Owner/Project	Names of Owner(s), Trustees, Directors, Partners, Officers of Owner/Project (continued)	Those with more than a 10% equity, participation or revenue interest in Owner and/or project
<u>ARC International Corp.</u>		<u>100%</u>

I hereby certify that I am the owner or designated agent and that the statements and answers contained herein, and the information attached, are in all respects true, accurate and complete to the best of my knowledge and belief.

Signature of Owner or Designated Agent: 

Date: 9/29/08

For Office Use Only

Type of Application: Variance (all types) Adjustment Permit Sign Exception Temporary Use Permit Expressive Use Permit
 Conditional Use Permit (excluding Master Plan) Master Plan Amendment Planned Development Other

Assigned Planner: _____ PLN#: _____

Attached Address: _____ No Attached Address

Appealed: Yes No Appeal PLN# _____ Application Withdrawn

Final Decision: Approved Denied Decision Date: _____ Decision Maker: _____
(Name and Title, or Name of Commission/Committee)

Votes in favor (please print):

