

CITY OF LOS ANGELES

CALIFORNIA



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200 NORTH SPRING STREET
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LOS ANGELES, CA 90012
(213) 978-0261
(213) 978-0278 Fax

ARLEEN P. TAYLOR
EXECUTIVE OFFICER

<http://www.bpw.lacity.org>

August 6, 2014

#4 BOS/BCA

✓ Mayor Eric Garcetti
Room No. 305
City Hall
Attn: Mandy Morales

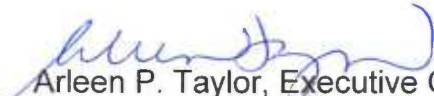
Subject: AUTHORITY TO EXECUTE AMENDMENT NO. 1 TO PERSONAL SERVICES CONTRACT WITH NASA SERVICES, INC. FOR CONTINUED IMPLEMENTATION OF A MULTI-FAMILY RESIDENTIAL RECYCLING PROGRAM

As recommended in the accompanying report of the Directors of the Bureaus of Sanitation and Contract Administration, which this Board has adopted, the Board of Public Works requests approval and forwarding to the City Council for approval and authorization to execute Amendment No. 1 to Contract No. C-111835 between the City of Los Angeles and NASA Services, Inc. to increase the contract ceiling from \$31 million to \$50 million and extend the contract for 4 years, for continued Implementation of a Multi-Family Residential Recycling Program.

FISCAL IMPACT

The cost estimate for Multi-Family Residential Recycling Program services for the next four years of this proposed agreement is \$19,000,000. Funding for Fiscal Year 2014-2015 in the amount of \$5,500,000 is available from Fund 46D, Department 50, Account 50L998, Citywide Recycling Trust Fund. The remaining funding in the amount of \$13,500,000 will be requested in future fiscal years' Bureau of Sanitation operating budget.:

Respectfully submitted,


Arleen P. Taylor, Executive Officer
Board of Public Works

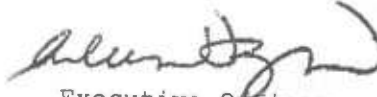
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DEPARTMENT OF PUBLIC WORKS

BUREAU OF SANITATION
BUREAU OF CONTRACT ADMINISTRATION
JOINT BOARD REPORT NO. 4
August 6, 2014

ADOPTED BY THE BOARD
PUBLIC WORKS OF THE CITY
of Los Angeles California
AND REFERRED TO THE MAYOR
AUG - 6 2014


Executive Officer

CD: ALL

AUTHORITY TO EXECUTE AMENDMENT NO. 1 TO PERSONAL SERVICES CONTRACT C-111835 BETWEEN THE CITY OF LOS ANGELES (CITY) AND NASA SERVICES, INC. (NASA) FOR CONTINUED IMPLEMENTATION OF A MULTIFAMILY RESIDENTIAL RECYCLING PROGRAM

RECOMMENDATIONS

1. Approve and forward this report with transmittals to the Mayor and the City Council for authority to execute Amendment No. 1 to Contract No. C-111835 with NASA, to increase the contract ceiling from \$31 million to \$50 million and extend the contract for four (4) years.
2. Upon the Mayor's and Council's authorization, the President or two members of the Board of Public Works (Board) will execute said contract Amendment No. 1.
3. Return the executed amendment to the Bureau of Sanitation (Sanitation) for further processing. Contact Michelle Mikesell at (213) 485-3884 to arrange for pick up.

TRANSMITTALS

1. Copy of the Adopted Bureau of Sanitation and Bureau of Contract Administration Joint Board Report, adopted March 16, 2007, granting authority to award and execute Personal Services Contracts for the implementation of a Permanent MultiFamily Residential Recycling Program.
2. Copy of the Personal Services Contract (C-111835) between the City and NASA, executed on July 3, 2007.
3. Copy of the Board Motion to extend Contract C-111835 on a month-to-month basis, adopted May 30, 2012.
4. Copy of the Supplemental Agreement to the Personal Services Contract C-111835 between the City and NASA, executed on October 24, 2013.
5. Copy of the Adopted Board Report, dated January 30, 2013, granting the authority to execute a Supplemental Agreement to Personal Services Contract C-111835 between the City and NASA.
6. Copy of the Memorandum to Council File 13-0673, dated September 16, 2013 approving the Supplemental Agreement to Personal Services Contract C-111835 between the City and NASA.
7. Copy of proposed Amendment No.1 to contract C-111835.

DISCUSSION

Background

In July 2007 the MultiFamily Residential Recycling Program (Program) transitioned from a pilot program servicing 70,000 units to a permanent citywide program that currently services approximately 420,000 units within 18,000 properties. To date, the Program has diverted roughly 92,000 tons of recyclables from landfills.

The Program currently provides weekly recycling services, blue bins for the storage of recyclables, educational materials for tenants, and valet service of the bins by contracted private waste haulers. The Program mirrors the existing single family curbside recycling program, in that blue bins are provided for collection and the same recyclable materials are accepted in both programs. The Program does not require residents to place their blue bins along the street for weekly pickup. Instead, the Program offers a "valet service" in which the City's contracted private waste hauler accesses the property weekly to retrieve the blue bins. After servicing the blue bins, the waste hauler returns the blue bins to their designated recycling area. The Program is voluntary and is only implemented after the approval of the owner, property manager, or homeowners association is given.

On May 14, 2006, the Bureau of Sanitation (Sanitation) mailed out a Request for Proposals (RFP) requesting proposals from qualified proposers, to provide services for a Permanent Citywide MultiFamily Residential Recycling Program. Proposals and notification letters were mailed to over 140 permitted private waste haulers. The proposed term in the RFP was for five (5) years with the option to extend the contract for two (2) additional two-year terms.

On August 9, 2006, seven (7) Proposals were received.

On March 16, 2007, the Board approved and forwarded a report to the Mayor and City Council with the request that the Board be authorized to execute and award a five-year personal services contract with two (2), two-year renewal options, to NASA to provide required services for the implementation of a MultiFamily Residential Recycling Program in two (2) of the City's six (6) wastesheds. (Transmittal No. 1) The contract (C-111835) was executed on July 3, 2007 and expired on July 2, 2012 (Transmittal No. 2).

On May 30, 2012, the Board granted a Motion that contract C-111835 between the City and NASA be extended on a month-to-month basis in lieu of the two-year extension provided in the contracts (Transmittal No. 3).

On January 30, 2013, the Board approved and forwarded a report to the Mayor and City Council with the request that the Board be authorized to execute and award a Supplemental Agreement to Personal Services Contract C-111835 between the City and NASA (Transmittal Nos. 4 and 5).

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On August 1, 2013, the City Clerk filed a Memorandum to Council File 13-0673 approving the Supplemental Agreement to the Personal Services Contract C-111835 between the City and NASA (Transmittal No. 6).

Under the Program, NASA is currently providing recycling services to approximately 9,200 properties with 230,000 units in the West Los Angeles and the North Central wastesheds. Payment to NASA for the services is \$1.60 per unit for weekly services.

In addition, NASA has provided satisfactory services to the City thus far and has proven that they are a reliable contractor.

Term and Value of Contracts

The original contract was for a term of five (5) years and included an option for the City to renew the contract for two (2) additional terms of two (2) years. The initial five-year term expired July 2, 2012. The Supplemental Agreement authorized the first two-year renewal option and expires on July 2, 2014. With this amendment (Transmittal No. 7), Sanitation is requesting the approval to exercise the final two-year term extension, beginning on July 3, 2014 and expiring on July 2, 2016. Sanitation is also requesting approval to extend the contract beyond the 2-year renewal option on a month-to-month basis for a period not to exceed two (2) years or until the City enters into new contracts for the same services, whichever occurs first.

The City will provide NASA with a 90-day written notice of termination in the event the City enters into new contracts for the same services prior to the end of the two-year, month-to-month term.

The total compensation that the City may pay to the Contractor for the entire eleven (11) years under C-111835 will not exceed \$50,000,000.

The approval to exercise Amendment No. 1 will enable Sanitation to continue to offer an essential service for the residents living in the West Los Angeles and the North Central wasteshed areas.

Waiver of MBE/WBE/OBE Subcontractor Outreach Program

At the time of distribution of the RFP for this contract, a Good Faith Effort Waiver GFE Request Form was approved by the Mayor's Office on February 16, 2006, in compliance with Executive Directive No. 2001-26, City of Los Angeles Minority, Women and Other Business Enterprise Program. The waiver was requested based on the nature of the program and the lack of subcontracting opportunities the program could offer. The prime contractor is a permitted hauler operating throughout Los Angeles whose only function is to collect the materials and deliver them to a materials recovery facility (MRF) for sorting and recovery.

Although a GFE Waiver was approved, NASA makes every effort to use qualified subcontractors wherever possible. In January 2014 they added Go2Zero Strategies, a certified WBE subcontractor, who will perform compliance reporting, data analysis, and billing services under this contract.

Rehrig Pacific was replaced by Schaefer Systems International as NASA's cart supplier. Iron Man Parts and Custom Turbo Exhaust were used to modify NASA's trucks with exhaust particulate traps and have completed their work.

The following table lists NASA Services, Inc.'s achieved subcontractor participation as of January 2014:

Gender/Ethnicity

AA = African American	HA = Hispanic American
APA = Asian Pacific American	SAA = Subcontinent Asian American
NA = Native American	C = Caucasian
M = Male	F = Female

SUBCONTRACTOR	MBE/WBE/OBE	Gender/Ethnicity	% of Contract Amount Invoiced	Subcontract Amount Invoiced to Date
Global Resources	WBE	F/C	1.65%	\$414,072.92
Iron Man Parts	OBE		0.08%	\$20,000.00
Custom Turbo Exhaust	OBE		0.16%	\$40,000.00
Rehrig Pacific Company	OBE		2.32%	\$583,721.77
Schaefer Systems International	OBE		1.78%	\$447,917.24
TOTAL MBE Participation			0.00%	\$0.00
TOTAL WBE Participation			1.65%	\$414,072.92
TOTAL OBE Participation			4.34%	\$1,091,639.01
TOTAL MBE/WBE/OBE Participation			5.99%	\$1,505,711.93
TOTAL Contract Amount Invoiced to Date				\$25,128,001.94

NASA Services Inc.'s pledged MBE/WBE/OBE subcontractor participation levels with this amendment are as follows:

Gender/Ethnicity

AA = African American	HA = Hispanic American
APA = Asian Pacific American	SAA = Subcontinent Asian American
NA = Native American	C = Caucasian
M = Male	F = Female

SUBCONTRACTOR	MBE/WBE/OBE	Gender/Ethnicity	% of Contract Amount	Pledged Amount
Go2zero Strategies	WBE	F/C	0.56%	\$260,000.00
Global Resources	WBE	F/C	0.89%	\$414,072.92
Iron Man Parts	OBE		0.04%	\$20,000.00
Custom Turbo Exhaust	OBE		0.09%	\$40,000.00
Rehrig Pacific Company	OBE		1.25%	\$583,721.77
Schaefer Systems International	OBE		1.52%	\$710,417.24
TOTAL MBE Participation			0.0%	\$0.00
TOTAL WBE Participation			1.44%	\$674,072.92
TOTAL OBE Participation			2.90%	\$1,354,139.00
TOTAL MBE/WBE/OBE Participation			4.34%	\$2,028,212.00
TOTAL Contract Costs *				\$46,734,528.00
TOTAL Contract Contingencies				\$3,265,472.00
TOTAL Amended Contract Ceiling				\$50,000,000.00

*Total contract costs are the new contract ceiling less contingencies.

Other Policies and Compliance

NASA is current with all insurance requirements and shall continue to comply with the following requirements:

- Non-Discrimination/Equal Employment Practices/Affirmative Action
- Living Wage and Service Contractor Worker Retention Ordinances
- Equal Benefits Ordinance
- Business Tax Registration Certificate
- Child Support Obligations Ordinance
- Americans with Disabilities Act
- Slavery Disclosure Ordinance
- City of Los Angeles Contract History
- Non-collusion Affidavit

- Los Angeles Residence Information
- Municipal Lobbying Ordinance
- Contract Bidder Campaign Contribution and Fundraising Restriction
- First Source Hiring Ordinance
- Iran Contracting Act of 2010

Contractor Responsibility Ordinance

All Contractors participating in this program are subject to compliance with the requirements specified in the City of Los Angeles' Contractor Responsibility Ordinance #173677, [Article 14, Chapter 1, Division 10, L.A.C.C.]. Failure to comply with requirements specified in this Ordinance will render the bidder's contract subject to termination pursuant to the conditions expressed therein.

Contractor Performance Evaluation Ordinance

In accordance with Article 13, Chapter 1, Division 10 of the City of Los Angeles Administrative Code, the appropriate City Personnel responsible for the quality control of these Personal Services Contracts shall submit Contractor Performance Evaluation Reports to the City Administrative Officer (CAO) upon completion of these contracts.

Contract Administration

Responsibility for administration of this contract and its amendment will be with the Solid Resources Citywide Recycling Division, Bureau of Sanitation.

Headquarters and Work Force Information

The headquarters address of NASA Services, Inc. is located at 1100 S. Maple Avenue, Montebello, CA 90640. The Contractor has a staff of 21 full-time employees assigned to this contract and 30% of the employees reside within the City of Los Angeles.

City Attorney Review

The proposed amendment has been approved as to form by the Office of City Attorney.

Fiscal Impact Statement

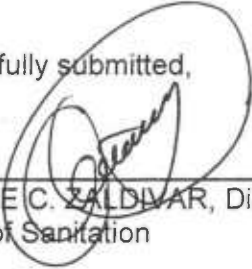
The City's liability under this contract shall only be to the extent of the present City appropriation to fund the contract. However, if the City shall appropriate funds for any succeeding years, the City's liability shall be extended to the extent of such appropriation, subject to the terms and conditions of the contract.

The cost estimate for MultiFamily Residential Recycling Program services for the next four (4) years of this proposed agreement is \$19,000,000. Funding for Fiscal Year 2014-2015 in the amount of \$5,500,000 is available from Fund 46D, Department 50, Account 50L998, Citywide Recycling Trust Fund. The remaining funding in the amount of \$13,500,000 will be requested in future fiscal years' Bureau of Sanitation operating budget.

Bureau of Sanitation
Bureau of Contract Administration
Joint Board Report No. 4
August 6, 2014

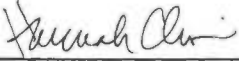
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Respectfully submitted,

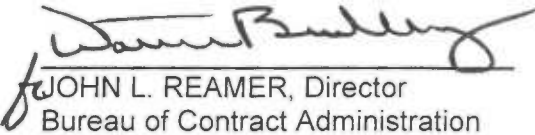


ENRIQUE C. ZALDIVAR, Director
Bureau of Sanitation

COMPLIANCE REVIEW PERFORMED
AND APPROVED BY:




HANNAH CHOI, Program Manager
Office of Contract Compliance
Bureau of Contract Administration



JOHN L. REAMER, Director
Bureau of Contract Administration

APPROVED AS TO FUNDS:



VICTORIA A. SANTIAGO, DIRECTOR
Office of Accounting
Date: _____

7/27/14



Prepared by:
Michelle Mikesell, SRCRD
(213) 485-3884

ADOPTED BY THE BOARD OF
PUBLIC WORKS OF THE CITY
of Los Angeles, California
AND REFERRED TO THE MAYOR
MAR 16 2007

Transmittal 1

DEPARTMENT OF PUBLIC WORKS


Secretary

BUREAU OF SANITATION
BUREAU OF CONTRACT ADMINISTRATION
JOINT BOARD REPORT NO. 1
MARCH 16, 2007

CD: ALL

AUTHORITY TO AWARD AND EXECUTE PERSONAL SERVICE CONTRACTS
WITH FULL CIRCLE RECYCLING COMPANY, NASA SERVICES INC. AND
UNIVERSAL WASTE SYSTEMS INC. FOR IMPLEMENTATION OF A MULTIFAMILY
RESIDENTIAL RECYCLING PROGRAM

RECOMMENDATIONS

1. Approve and forward this report with transmittals to the Mayor and City Council with the request that the Board of Public Works be authorized to execute and award five-year personal services contracts with Full Circle Recycling Company, NASA Services Inc. and Universal Waste Systems to provide required services for the implementation of a multifamily residential recycling program.
2. Upon Mayor and City Council's authorization, the President or two members of the Board of Public Works will execute the contracts; and
3. Return the executed contracts to the Bureau of Sanitation for further processing. Contact the Board Report Section at 213-485-4232.

FISCAL IMPACT STATEMENT

There will be no financial impact to the General Fund due to the awarding of these contracts. These contracts will be specially funded completely by Fund 46D the Citywide Recycling Trust Fund

TRANSMITTALS

1. Copy of the adopted Board Report dated December 16, 2005, authorizing the distribution of a Request for Proposals (RFP) for negotiation of contracts to assist City Staff with implementation of a multifamily residential recycling program.
2. Spreadsheets of original and negotiated costs per unit per month for each Proposer.
3. Copy of the proposed Personal Services Contracts between the City of Los Angeles and Full Circle Recycling Company, NASA Services Inc., and Universal Waste Systems. Originals will be delivered to the Board Office when the Board Report Section (213-485-4232) has been notified that the contracts are ready for execution.

BUREAU OF SANITATION
BUREAU OF CONTRACT ADMINISTRATION
JOINT BOARD REPORT NO. 1
MARCH 16, 2007

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DISCUSSION

On January 14, 2003, the Bureau mailed out the RFP requesting proposals from qualified proposers, to provide assistance in a pilot study to implement recycling programs in multifamily residences. During this pilot phase, multifamily units throughout the City were selected to participate in this program. As a result of the nearly three year pilot multifamily recycling program, over 70,000 units have been receiving weekly recycling services. This has resulted in approximately 10,900 tons of waste diverted from landfills

On March 22, 2006, the Board of Public Works released a Request for Proposals (RFP) for the implementation of the Permanent Citywide Multifamily Residential Recycling Program in the City of Los Angeles. (Transmittal #1). Multifamily residential units serviced by private waste haulers dispose of 750,000 tons of waste annually. Recyclable materials such as beverage containers, cardboard, and newspaper account for more than twenty one percent of the composition of the multifamily waste stream.

On May 14, 2006, the Bureau mailed out an RFP requesting proposals from qualified proposers, to provide services for a Permanent Citywide Multifamily Residential Recycling Program. Proposals and notification letters were mailed to over 140 waste haulers. During the term of these contracts, the Contractors will be responsible for providing bins for the collection of materials, weekly recycling collection services, sorting of the materials collected and documentation of diversion rates. Bureau staff will continuously evaluate the program's success; review monthly and quarterly reports submitted by the contractors and adjust parameters if necessary. The term of the contracts are five years with the option to extend the contract for two (2) additional two-year terms.

On August 9, 2006, seven Proposals were received. The Proposers were evaluated on their qualification (40%); cost and budget control (40%); proposal content and schedule (10%); and overall responsiveness to the goals of the program (10%). A summary of the original and revised unit price for providing service on a per-unit- per-month basis, are detailed in Transmittal #2.

Interviews were conducted in September 2006, with the following Proposers:

1. Consolidated Disposal Services
2. Full Circle Recycling Company
3. NASA Services, Inc.
4. United Pacific Waste and Recycling Services
5. Universal Waste Systems, Inc.
6. Waste Management (two separate proposals for multiple wastesheds)

One proposer, American Waste Industries, requested to withdraw from the selection process.

Based on staff review of the proposals, interviews with the proposers, and final proposed unit cost, the Bureau held further discussions with several Proposers. These meetings were held

BUREAU OF SANITATION
BUREAU OF CONTRACT ADMINISTRATION
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to gauge the Proposers willingness to provide service to wastesheds not originally proposed in their initial submission. The Bureau's intent was to ensure the highest level of service by determining if each Proposer was willing and able to provide service to several contiguous wastesheds.

Full Circle Recycling Company, NASA Services Inc., and Universal Waste Systems Inc. have demonstrated the ability to implement the program, the flexibility to work directly with residents in the assigned service areas and affordable cost estimates for the duration of the project.

As a result, staff recommends that three contracts be awarded to Full Circle Recycling Company, NASA Services Inc., and Universal Waste Systems Inc. Discussion of a fourth recommended contract to Waste Management for the Harbor wasteshed and as a backup contractor will be addressed in a separate board report.

PROPOSED CONTRACTOR	REGION
Full Circle Recycling Company	South Los Angeles
Nasa Services Inc.	West & Central Los Angeles
Universal Waste Systems	Valley

FULL CIRCLE RECYCLING COMPANY

Full Circle Recycling Company (Full Circle) is a Los Angeles based business that specializes in providing recycling services to multifamily residential and commercial properties. Full Circle's administrative offices are located within the South wasteshed. The South wasteshed typically has higher than average rates of contamination and vandalism to bins. The contractor assigned to this wasteshed will need to provide enhanced responsiveness to address these challenges. Full Circle's unit price was the lowest among those that proposed for the South wasteshed. Therefore, staff recommends that Full Circle be awarded a contract for South wasteshed recycling services based on their specialization with recycling services, the company's location within the South wasteshed and the company's ability to provide recycling services at an affordable unit price for the duration of the project.

NASA SERVICES, INC.

NASA Services, Inc (NASA) is a Los Angeles County based business that specializes in providing recycling and solid waste collection services. As a participating hauler in the pilot project, NASA provided recycling services to multifamily residential buildings within the West Los Angeles area. Staff consider NASA's performance in the pilot program to be exemplary and recommends a contract for the permanent program. NASA proposed to service any three of the following wastesheds: West Los Angeles, North Central South, West Valley, East Valley North, East Valley South. NASA has expressed willingness to provide service to the North Central North wasteshed. NASA's unit price was the lowest among those that proposed for the above mentioned wastesheds. Therefore, staff recommends that NASA be awarded a contract for West Los Angeles, North Central North and North Central South wasteshed recycling services based on their previous exemplary service to the City and the company's ability to provide recycling services at an affordable unit price for the duration of the project.

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UNIVERSAL WASTE SYSTEMS, INC.

Universal Waste Systems, Inc. (Universal) is a Los Angeles County based business that specializes in providing recycling and solid waste collection services. As a participating hauler in the pilot project, Universal provided recycling services to multifamily residential buildings within portions of the San Fernando Valley and Harbor area. Staff considers Universal's performance in the pilot program to be exemplary and recommends a contract for the permanent program. Universal proposed to service any of the following wastesheds: East Valley South, West Valley, Harbor and South. Universal has expressed willingness to provide additional service to the East Valley North wasteshed. With NASA only willing to take on a maximum of three wastesheds, Universal was the lowest bidder for the remaining wastesheds. Therefore, staff recommends that Universal be awarded a contract for the remaining wastesheds of East Valley North, East Valley South, and West Valley wasteshed based on their previous exemplary service to the City and the company's ability to provide recycling services at an affordable unit price for the duration of the project.

MBE/WBE/OBE Subcontractor Outreach Program

The Good Faith Effort Waiver Request Form was approved by the Mayor's Office on February 16, 2006, in compliance with Executive Directive No. 2001-26, City of Los Angeles Minority, Women and Other Business Enterprise Program. The waiver was requested based on the nature of the program and the lack of sub-contracting opportunities the program could offer. The prime proposers are all permitted haulers operating throughout Los Angeles whose only function is to collect the materials and deliver them to a material recovery facility for sorting.

Full Circle Recycling Company and Universal Waste Systems Inc. did not provide a list of subcontractors in their original proposal. However, both companies have expressed interest in contracting with MBE, WBE and OBE subconsultants whenever possible during the contract term.

Even though the program was waived, NASA Services, Inc. made an attempt to offer subconsulting opportunities and pledged to utilize four firms. However, during the negotiating process, the City determined that City staff would handle all of the outreach development and distribution, as well as recruitment of buildings into the program. As a result, even though NASA Services, Inc. proposed the utilization of Freeth/Moroz for graphic design and layout of educational materials, the City has deleted public outreach from NASA's proposed contract.

Gender Ethnicity Codes:

AA = African American	HA = Hispanic American
SAA = Subcontinent Asian American	APA = Asian Pacific American
C = Caucasian	NA = Native American
M = Male	F = Female

NASA Services, Inc. has pledged to utilize the following MBE/WBE/OBE Subconsultants over the life of the contract:

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Subconsultants	Gender/ Ethnic	MBE/WBE/ OBE	Estimated Subcontract Amount
Global Resources	F/C	WBE	None estimated
IronMan Parts and Services		OBE	\$30,000
Rehrig Pacific		OBE	\$500,000 to \$3,500,000

The Office of Contract Compliance has verified the subconsultant's certification status.

Other Policies and Compliance

All Contractors are current with all insurance requirements and have provided the following documents:

- o Non-Discrimination/Equal Employment Practices/Affirmative Action
- o Living Wage Ordinance
- o Equal Benefits Ordinance
- o Business Tax Registration Certificate
- o Child Support Obligation Ordinance
- o Slavery Disclosure Ordinance

Term of Contracts

The term of these contracts will be for FIVE years commencing on the date the contracts are executed. The Bureau of Sanitation and:

1. Full Circle Recycling Company
2. NASA Services, Inc.
3. Universal Waste Systems, Inc.

may, upon mutual agreement, renew the contractual agreement for two additional two (2) year terms.

Backup Contractor

The Bureau reserves the right to maintain a separate contract with another contractor for services required under these contracts for the following wastsheds: West Los Angeles, North Central North, North Central South, East Valley North, East Valley South, West Valley, and South. This backup contract will be addressed in a separate board report.

Contractor Responsibility Ordinance

All Contractors participating in this program are subject to compliance with the requirements specified in the City of Los Angeles' Contractor Responsibility Ordinance #173677, [Article 14, Chapter 1, Division 10, L.A.C.C.]. Failure to comply with requirements specified in this ordinance will render the bidder's contract subject to termination pursuant to the conditions expressed therein.

The Contracts will be issued in compliance with the Rules and Regulations Implementing Ordinance 173677, Section 10.40.7. Therefore, pursuant to Section B. Paragraph 1 of the Rules and Regulations Implementing this Ordinance, "language informing potential bidders of the Ordinance" (above paragraph), and the Questionnaire to be submitted in compliance with the Ordinance, will be included in these contracts.

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MARCH 16, 2007

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In accordance with Article 13, Chapter 1, Division 10 of the City of Los Angeles Administrative Code, the appropriate City Personnel responsible for the quality control of these Personal Services Contracts shall submit Contractor Performance Evaluation Reports to the City Administrative Officer (CAO) upon completion of these contracts.

Contract Administration

Responsibility for administration of these contracts will be with Solid Resources Citywide Recycling Division, Bureau of Sanitation.

Headquarters and Work Force Information

The headquarters address of Full Circle Recycling Company is in Los Angeles, California. Their office is located at 1920 Randolph Street, Los Angeles, CA 90001. The Contractor has a staff of 6 employees assigned to this contract, and 82% of their local staff resides within the City of Los Angeles.

The headquarters address of NASA Services, Inc. is in Montebello, California. Their office is located at 1701 Gage Road, Montebello, CA 90640. The Contractor has a staff of 9 employees assigned to this contract, and 27% of their local staff resides within the City of Los Angeles.

The headquarters address of Universal Waste Systems, Inc. is in Santa Fe Springs, California. Their office is located at 9016 Norwalk Boulevard, Santa Fe Springs, CA 90670. The Contractor has a staff of 12 employees assigned to this contract, and 25% of their local staff resides within the City of Los Angeles.

Estimated Contract

PROPOSED CONTRACTOR	ESTIMATED ANNUAL	TOTAL CONTRACT
Full Circle Recycling Company	\$ 840,000	\$ 4,200,000
Universal Waste Systems Inc.	\$ 4,000,000	\$ 20,000,000
NASA Services Inc.	\$ 4,000,000	\$ 20,000,000

STATUS OF FINANCING

The City's liability under this contract shall only be to the extent of the present City appropriation to fund the contract. However, if the City shall appropriate funds for any succeeding years, the City's liability shall be extended to the extent of such appropriation, subject to the terms and conditions of the contract.

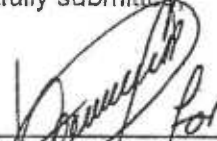
For the remainder of fiscal year 2006-07, the program cost is projected at \$500,000. Funds in the amount of \$500,000 are available in fiscal year 2006-07 from Fund 46D, Department 50, Account A300, Citywide Recycling Trust Fund. Additional funds will be requested during the budget process for fiscal years 2007-08, through 2011-12 from Fund 46D.

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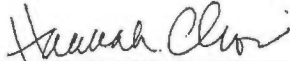
(TDP KC NMG RPT ECZ WFB)

Respectfully submitted



RITA L. ROBINSON, Director
Bureau of Sanitation

COMPLIANCE REVIEW PERFORMED
AND APPROVED BY:



HANNAH CHOI, Program Manager
Office of Contract Compliance
Bureau of Contract Administration



JOHN L. REAMER, JR., Director
Bureau of Contract Administration

APPROVED AS TO FUNDS:



CRAIG V. BLOOMQUIST, Director
Office of Accounting

Date

3/12/07

Prepared by:
Cathleen Chavez, SRCRD
213-485-3752