

**2009 NASCIO Recognition Awards Nomination
Commonwealth of Kentucky**

Nomination Category:

Cross-Boundary Collaborations and Partnerships

Title of Nomination:

Green IT Program Initiative - eScrap

Nomination Submitted By:

Kentucky's Commonwealth Office of Technology

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Executive Summary

In 2007, the Kentucky Commonwealth Office of Technology initiated a Green IT Program Initiative to identify and prioritize projects and investments that represented the great potential for energy and cost savings. The first major accomplishment of this initiative was a statewide contract for the recycling of the Commonwealth's eScrap. The contract allows for pickup and recycling services to be utilized by all areas of government and guarantees that 5% or less of the scrap will end up in the Commonwealth's landfills. In addition, the contract provides for reimbursement for most eScrap items thereby providing an incentive to agencies to properly recycle surplus IT materials and keep environmental toxins out of the landfills. The contract eases the burden on the Commonwealth's Division of Surplus Properties by handling the disposition of all information technology surplus commodities. After only four months of operation, the contract vendor has recycled 737,000 pounds of eScrap collected from agencies, educational entities and local communities from across the state. It is anticipated that by year's end over 2.75 million lbs. of computers and end-of-life office electronics will have been collected for proper recycling and disposal under this contract.

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Description

In early 2007, the Kentucky Commonwealth Office of Technology initiated a **Green IT Program Initiative**. This program was developed to identify and prioritize projects and investments with the greatest potential for energy efficiency, environmental stewardship and cost savings. This program was developed to complement the greening of government efforts currently underway by the Governor’s Office, the Energy and Environment Cabinet (EEC) and the Finance and Administration Cabinet (FAC). The Green IT initiative addresses the entire life cycle of the electronic hardware and related components procured and used across state government.

The first major accomplishment of this initiative was a statewide contract for the recycling of Commonwealth eScrap (end of life computer equipment, components & office electronics). This contract was issued by the Office of Procurement Services as an “**all state agency**” contract that allows the Executive, Judicial, Legislative branches of government, school districts, higher education and any other public (not for profit) entity to use this new contract. The contract provides for statewide pickup and recycling services with no more than 5% of the scrap going to Commonwealth landfills. This contract is unique in that the vendor will reimburse the agencies/school districts/universities/local governments for selected items aggregated for recycling. Currently, many communities and educational entities do not receive any reimbursement or must pay a fee for eScrap recycling services.

Significance to the Improvement of Government

The Division of Surplus Properties in the Finance and Administration Cabinet is responsible for disposing of surplus/end-of-life items for the executive, legislative and judicial branches of government. These surplus items, including end-of-life computer equipment and office electronics, were auctioned to the highest bidder without regards to the final disposition of the item/e-waste. The Division of Surplus Property began noticing that a large volume of these items were being purchased through EBay auctions and were being shipped to foreign countries. Other lots were being purchased by local companies/individuals that may have been interested in a few salvageable computers or components but unwanted items were most likely disposed of in a local landfill. The new contract also simplifies processes in the Division of Surplus Properties. The new vendor (Creative Recycling based in Tampa Florida) picks up all of the eScrap from

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Surplus Properties in Frankfort and provides reimbursement based on established rates. The storage, sorting for sales, auctions (electronic and in person) and the associated fees are no longer required for information technology related commodities and Creative certifies the destruction of any Commonwealth data/information remaining on surplus computers by wiping/shredding the hard drives.

Likewise, the Division of Waste Management (DWM) in the Energy and Environment Cabinet has a mission of regulating/ensuring the proper disposal and recycling of all types of scrap items (paper, tires, batteries, electronic scrap, etc.). The DWM recognized that there is value in the volume of eScrap generated across the public sector and that the funds generated could act as an incentive for government entities to use a state-of-the-art recycler to properly recycle the large eScrap stream being generated statewide. By keeping these items out of landfills and illegal dumps, the environment is protected from the toxic materials they contain such as lead, cadmium, mercury, PCBs, etc.

These catalysts, along with the Green IT initiative in the Commonwealth Office of Technology, resulted in the establishment of an interagency team of state employees that represent several major eScrap aggregating environments. These include:

- Division of Waste Management – Tom Heil
- Division of Surplus Properties – Don Murphy
- Office of Education Technology (K-12) – Renee Carter
- Council on Post-Secondary Education – Stuart Johnston
- Office of Procurement Services – Amy Richardson
- Commonwealth Office of Technology – Tommy Case

After a discussion of the initial requirements and approach, a **Request for Information (RFI)** was issued in November of 2007. The results of vendor responses to the RFI were used to develop a **Request for Proposal** that was issued in May of 2008 and a contract was awarded in October of 2008

The executive sponsors for this collaborative effort were Secretary Jonathan Miller (FAC) and Secretary Len Peters (EEC). Following is the text of the Governor's press release regarding this new statewide service along with quotes from each secretary:

Governor Steve Beshear announced September 26, 2008 that the

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Finance and Administration Cabinet has awarded a contract that will result in recycling of more than 5 million pounds of electronic scrap (e-scrap) generated by government agencies and educational institutions in Kentucky each year.

The e-scrap contract with Creative Recycling Systems Inc. of Tampa, Fla., will assure that this large volume of scrap will be recycled in an environmentally sound manner with 5 percent or less of the remaining scrap going to landfills. It also ensures the proper sanitization of any data/information remaining on hard drives and in memory.

In addition, revenue will be generated through reimbursements for most e-scrap.

Currently, many communities and schools do not receive any reimbursement or pay a fee for e-scrap recycling services.

This contract was issued as an "all state agencies" contract that allows participation by the Executive, Judicial and Legislative branches of government, schools districts, postsecondary education institutions and any other public/not-for-profit entity.

"This is a major step forward," said Jonathan Miller, Finance and Administration Cabinet secretary. "This is green in the truest sense of the word. Not only are we reducing the amount of stuff that goes into landfills by recycling our old equipment, but we are also making money for the state by selling it to this company."

Agencies involved in the project are the Division of Waste Management in the Energy and Environment Cabinet (EEC), Finance's Division of Surplus Properties and Office of Procurement Services, the Department of Education's Office of Education Technology - K-12, and the Kentucky Council on Postsecondary Education.

EEC Secretary Len Peters said, "This contract addressed the disposal issue raised by the legislature. Although e-scrap isn't tracked by state or federal government, it is believed that most e-scrap goes to our landfills. E-scrap continues to be the fastest growing part of the solid waste stream. While modern landfills are designed to safely contain limited amounts of toxic metals, throwing away e-scrap is a waste of a valuable resource. Recycling is better for the environment and the economy."

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During the 2008 session, the General Assembly adopted a resolution, sponsored by Senator Denise Harper Angel of Louisville, directing the Energy and Environment Cabinet to submit an e-scrap report to the Legislative Research Commission by Dec. 15 containing recommendations for a comprehensive statewide system for electronic waste disposal and recycling. E-scrap includes "end-of-life" telephones and cell phones, TV's, computers and associated equipment, audio/stereo gear, VCRs, DVDs, and video game consoles.

Awarding of this contract is the first major accomplishment of the Commonwealth Office of Technology's Green IT Program Initiative.

Creative Recycling plans to establish an e-scrap sorting and recycling processing facility in Kentucky. The company will be developing a Web site with details about the service.

Benefit of the Project

The Commonwealth conservatively disposes of over 5 million pounds of electronic eScrap each year and this new contract provides assurances that this large volume of scrap will be recycled in an environmentally sound manner and also ensures the proper sanitization of any data/information remaining on hard drives and in memory. The following video profiles the modern equipment being used to recycle the eScrap generated by the commonwealth.

At the following link, scroll to the bottom of the page and select the FOX News Story

<http://www.crserecycling.com/main.php?p=technology#>

Creative Recycling also has established a hub for the collection and handling of eScrap collected in Kentucky. The facility is located in the River Port Industrial Park in Jefferson County. This facility also provides job opportunities in the Jefferson county area.

While the eScrap contract will be used exclusively to recycle the eScrap generated by the executive, legislative and judicial branches of government, the contract is also being used by several major universities and large school

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districts. These include the University of Louisville, University of Kentucky, Jefferson County school district and several county/city recycling programs. The vendor has also supported large eScrap community collection events across the state. The Division of Waste Management (DWM) anticipates a significant increase in demand for the services as the summer season arrives and word of the contract with its environmentally sound terms/conditions and reimbursement rates spread throughout the public sector. The eScrap service has also been given a prominent location on the front page of the Commonwealth's portal (Kentucky.gov) to increase awareness of this service.