ERIN MENDENHALL
Mayor

DEPARTMENT OF INFORMATION
MANAGEMENT SERVICES
Aaron Bentley, Chief Information Officer

CITY COUNCIL TRANSMITTAL

Lisa Shaffer (Sep 19, 2022 14:23 MDT)
_____
Lisa Shaffer, Chief Administrative Officer

Date Received: 9/19/2022

Date Sent to Council: 9/19/2022

TO: Salt Lake City Council   **DATE:** 8/23/2022
              Dan Dugan, Chair

FROM: Aaron Bentley
              Chief Information Officer
              Information Management Services

SUBJECT: Digital Equipment Donation Program

STAFF CONTACTS:

      Nole Walkingshaw, Chief Innovation Officer, nole.walkingshaw@slcgov.com
      Kim Thomas, Youth & Family Director, kim.thomas@slcgov.com

DOCUMENT TYPE: Public Benefits Analysis and Recommendation

RECOMMENDATION: The Administration recommends that a public hearing be held on the matter of the Public Benefits Analysis and that the Council consider adopting a resolution approving the donation of 146 surplus computers the City no longer intends to use to local nonprofits for distribution to community members in need. 25 of the surplus computers will be allocated to Youth and Family Service to support individuals being served through their programming.

BUDGET IMPACT: The proposed action will not materially impact the City budget – See the attached cost analysis based on the TNT Auction revenue estimates.

BACKGROUND/DISCUSSION: The Digital Equity Policy of Salt Lake City was adopted on September 1, 2020 to address the imbalances related to digital equity. One of the action items in the policy called for increasing digital access via reliable and affordable devices. The SLC Innovation Team, in coordination with Youth & Family, has developed a pilot Digital Equipment Donation Program that addresses this need.

Every year, the City accumulates about 300-500 surplus computers (laptops and desktops). Currently IMS sells these devices to TNT Auction every year at a net loss when taking staff time into consideration. (See attached cost analysis). Instead of selling its surplus computers, IMS and Youth

& Family obtained City Council approval to donate equipment to community members who need digital resources.

In September 2021, IMS and Youth & Family Services (Y&F) completed a pilot program which donated 18 surplus computers, keyboards, and mice to families and individuals who currently utilize their services. Now, in phase two of our pilot digital equipment donation program, IMS is proposing the City donate them to community organizations that serve Salt Lake City's families and individuals who need digital resources via an application process. The organizations will then disseminate the refurbished computers to its clients through their existing computer donation and digital literacy programs. Working with community organizations will allow a higher volume of computers to be donated to community members.

IMS and Youth & Family currently have staffing resources to execute phase 2 of the pilot, but future iterations may need additional resources.

By providing computers and resources on broadband access to communities that need them, the proposed Digital Equipment Donation program will benefit the residents of Salt Lake City by: helping bridge the technology gap in disadvantaged communities, increasing digital literacy, improving student achievement, and reducing the City's electronic waste output.

Data
According to the 2020 American Community Survey (ACS)[1], 13.3 percent of households in Salt Lake City do not have internet access and 5.3 percent do not own a desktop or laptop. About 10.9 percent of households rely solely on a cellular data plan to stay connected. The pandemic brought the digital divide into sharp focus as families struggled to coordinate online education for the first time, find COVID-19 testing sites, and apply for jobs and/or government benefits in 2020. Mental health issues were exacerbated as lockdowns crept on for months and physical social contact was restricted. This is especially true for community members who live in Salt Lake City's Westside neighborhoods.

In the City's Westside neighborhoods, a larger proportion of its residents lack home internet connections, especially among its lower-income and elderly populations. Roughly 18.5 percent of Westside households are without an internet subscription or broadband of any type, and 28.2 percent of households are without a desktop or laptop.[2]

The proposed Digital Equipment Donation Program will help bridge this technology gap in Salt Lake City's communities by providing refurbished laptops to families and individuals that need them. And because internet access is necessary for many essential activities such as searching for jobs, civic participation, signing up for public benefits, tele-working/health, and banking, the program will also provide resources on how to access low-cost internet, thus ensuring recipients are

[1] U.S. Census Bureau, 2020 American Community Survey 5-Year Estimates: shorturl.at/nVY68
[2] U.S. Census Bureau, 2019 American Community Survey 1-Year Estimates

fully connected. As recipients learn computer skills, they will become more confident with new technologies and will be better connected to vital services, friends, and family. Therefore, providing digital equipment and resources on internet access will enhance the health, well-being, peace, and comfort of these residents of Salt Lake City.

Bridging this technology gap will also increase digital literacy and improve student achievements in Salt Lake City. A recent study by Michigan State University[3] found that students who do not have access to the Internet from home or rely solely on cellular data perform lower on a range of metrics, including homework completion and grade point average (half a letter grade lower). The study found that 64 percent of students in grades 8-11 who do not have home internet access "often or sometimes" fail to complete homework assignments. The study also found that students with no home broadband access were less likely to participate in educational activities such as checking grades, collaborating with peers, researching assignment topics or seeking help from teachers/peers outside of school hours.

Digital literacy skills can be taught formally in schools, but competency is more likely developed through frequency of use and online activities that can only be accomplished with a personal device and home internet access. These skills contribute to broader abilities such as work efficiency, effective communication, and critical thinking. The Digital Donation Program advances the City's priorities related to education and economic development by equipping Salt Lake City's children and their families with the skills needed to succeed in a technology-focused economy.

Lastly, consistent with Salt Lake City's commitment to protecting its natural systems, this program embraces a resource management approach that emphasizes reducing waste creation and reuse whenever possible. According to the Environmental Protection Agency (EPA), electronic waste or e-waste is the fastest growing municipal waste stream in America.[4] E-waste refers to electronic products nearing the end of their "useful life." Laptops, however, can be reused and refurbished. By refurbishing and donating the City's surplus devices, we will not only help bridge the digital divide but reduce Salt Lake City's electronic waste output and enhance the health and comfort of its residents.

---

[3] Hampton, K. N., Fernandez, L., Robertson, C. T., & Bauer, J. M. Broadband and Student Performance Gaps. James H. and Mary B. Quello Center, Michigan State University. https://doi.org/10.25335/BZGY-3V91

[4] United States EPA (2021, June 1). Helping Communities Manage Electronic Waste. http://www.epa.gov. https://www.epa.gov/sciencematters/helping-communities-manage-electronic-waste

RESOLUTION NO. _____ OF 2022

(Authorizing the Donation of Certain City Computers to Benefit Disadvantaged Communities and Low-Moderate Income Families Through a Digital Donation Program)

WHEREAS, the donation of computers for which Salt Lake City ("City") has no ongoing need through the City's digital donation program advances the educational and digital equity goals that the City supports; and

WHEREAS, Utah Code Section 10-8-2(1)(a)(v) allows public entities to authorize the donation of City property to nonprofit entities after a public hearing; and

WHEREAS, though Utah Code Section 10-8-2 does not require a study for such nonmonetary assistance, in this case the Salt Lake City Department of Finance has performed a cost analysis related to the costs associated with disposition of City computers that have reached end-of-life status ("Analysis"); and

WHEREAS, the City Council has, following the giving of not less than fourteen (14) days public notice, conducted a public hearing relating to the foregoing, in satisfaction of the requirements of Utah Code Section 10-8-2; and

WHEREAS, the Council has reviewed the proposal provided by the City's Information Management Department ("IMS") to donate up to 133 surplus City computers, including any corresponding, keyboards, mice, or other peripheral accessories that are used with such computers; has reviewed the Analysis provided in connection with the IMS proposal, and has fully considered all comments made during the public hearing;

THEREFORE, BE IT RESOLVED by the City Council of Salt Lake City, Utah, as follows:

1.   The City Council hereby finds and determines that, for all the reasons set forth in the IMS Proposal and the accompanying Analysis, the donation of the identified computers and peripheral accessories through the City's Digital Donation Program is appropriate under these circumstances. Consequently, the identified computers and peripheral accessories may be donated to the local nonprofit organizations with the expectation that such computers and peripheral accessories will be distributed to community members.

Passed by the City Council of Salt Lake City, Utah, this _____ day of _____, 2022.

SALT LAKE CITY COUNCIL

By: _____
        CHAIRPERSON

ATTEST:

_____
CITY RECORDER

APPROVED AS TO FORM:
Salt Lake City Attorney's Office

_____
Jaysen Oldroyd, Senior City Attorney

Date: _____8/19/22_____

Salt Lake City Corporation
Digital Equipment Donation Program
Community Organization Application
DRAFT – PENDING APPROVAL

In 2022 the Salt Lake City Council unanimously approved the donation of surplus computers to community organizations that provide direct services to Salt Lake City residents *(pending City Council approval).* The intent of the Digital Equipment Donation Program is to provide equitable distribution of surplus computers to community members, increase digital literacy, improve student achievement, and reduce the City's electronic waste output.

To qualify to receive these surplus computers, the applying community organization is required to submit this signed application; including an overview of how they will distribute the computers and provide digital literacy training to recipients. **Surplus computers will be distributed to the community organizations and allocated based on surplus availability.**

The organizations are required to donate the refurbished computers to their clients through their existing computer donation and/or digital literacy programs.

Community organizations will be awarded surplus computers based on the strength of their application and established digital literacy program.

Eligibility Requirements for Organizations:
- The donated computers must go directly to the organization's clients who live in Salt Lake City in the following zip codes: 84101, 84102, 84103, 84104, 84105, 84106, 84109, 84111, 84114, 84115, 84116, 84119, 84121, 84128.
- The organization must have an established computer donation program and/or digital literacy program that supports clients they serve.
- The organization must provide a non-profit EIN or tax-exempt number.

Contact Information:
Organization Name:
Primary Contact Name:
Primary Contact Phone Number:
Primary Contact Phone Emails:
Address:
City/Zip
Phone Number:
Website:
Non-Profit EIN or Tax-Exempt Number:

Questions:
1. Provide the mission of your organization:
2. Please provide an overview of your digital literacy program and how long it has been established:
3. Please provide an overview of how your organization will distribute the surplus computers to Salt Lake City residents:
4. How many computers do you estimate your organization could distribute yearly?
5. How will you select clients to receive a surplus computer?

The applicant understands and acknowledge the following:

If the applying organization is awarded surplus computers, the organization agrees to submit a brief report that includes the following information:
- A brief overview of how the distribution process and digital literacy program was accomplished
- Zip codes of computer recipients
- Age of recipients

The surplus computers hard drives have been erased and factory reset. Applicant recognizes that **computers are donated on an "as-is" "where-is" basis. Salt Lake City makes no representations, guaranties, or warranties whatsoever as to the condition, quality, purpose fitness for any particular use, or safety of the computer. All warranties of any kind whatsoever, expressed, implied, and statutory, pertaining to the computer are hereby disclaimed. All implied warranties of merchantability and fitness for a particular purpose are hereby disclaimed.** Salt Lake City Corporation is not responsible for maintenance, repair, and the installation or provisioning of working software to the computer.

Organization Representative Name (Print) Representative Signature Date

_____

SLC Point Person Contact Info: Nole Walkingshaw, Hailey Leek & Joseph Anthony (ask Joseph the protocol for picking up computer from IMS and the serial numbers)

Grading Rubric: Based on yes/no

- Does the organization have a digital literacy program?
- Does the organization have a distribution plan?
- Can the organization distribute 5 or more computers?

TNT Auctions

		FY18					FY19					FY20					FY21					FY22				
REVENUE		9/1/2017	12/1/2017	3/1/2018	6/1/2018	FY	9/1/2018	12/1/2018	3/1/2019	6/1/2019	FY	9/1/2019	12/1/2019	3/1/2020	6/1/2020	FY	9/11/2020	12/1/2020	3/1/2021	6/1/2021	FY	10/20/2021	1/3/2022	3/31/2022	6/27/2022	FY
Revenue Public Auction		$11,574	$4,937	$36	$3,195	$19,741.50	$1,823	$6,548	$1,395	923	$10,687.50	$2,655	$2,520			$5,175.00	$2,520				$2,520.00	8,528	$37,053	549	$7,362	$53,491.50
Number of Machines Sold		378	183	2	176	**739**	162	191	43	39	**435**	94	96			**190**	54				**54**	136	280	37	179	**632**
Dollar per Machine		$30.62	$26.98	$18.00	$18.15	$26.71	$11.25	$34.28	$32.44	$23.65	$24.57	$28.24	$26.25			$27.24	$46.67				$46.67	62.70	$132.33	$14.84	$41.13	$84.64
COST																										
Fixed																										
Storage												$5.90	$5.78				$10.28					$17.52	$5.84	$5.84	$5.84	
Total of Finance Cost per machine	60						$0.34	$0.27	$1.22	$1.34		$0.56	$0.55				$0.97					$0.97	$0.97	$0.97	$0.97	
Employee Time To Pick-up and Register(?) a Machine		22.5	22.5	22.5	22.5		22.5	22.5	22.5	22.5		22.5	22.5				22.5					22.5	22.5	22.5	45	
Total Cost to Pick-up and Register(?) per machine		$16.23	$16.23	$16.23	$16.23		$16.93	$16.81	$18.83	$19.09		$17.42	$17.39	$16.23			$18.30					$20.60	$20.60	$20.60	$41.21	
Software Cost to Wipe & per machine							$4.99	$4.99	$4.99	$4.99		$4.99	$4.99				$4.99					$4.99	$4.99	$4.99	$4.99	
Employee Time to Wipe & Inventory a Machine		20	20	20	20		20	20	20	20		20	20				20					20	20	20	37.5	
Employee Cost to Wipe & Inventory per machine		$14.42	$14.42	$14.42	$14.42		$19.42	$19.42	$19.42	$19.42		$19.42	$19.42				$19.42					$19.42	$19.42	$19.42	$8.94	
Disposition Time per machine (Monti, now DJ)																						30	30	30	60	
Disposition per machine (Monti, now DJ)	60						$0.37	$0.31	$1.38	$1.52		$0.63	$0.62				$1.10					$27.47	$27.47	$27.47	$54.95	
IMS Review and Approval Costs																						$15.56	$7.56	$28.60	$11.82	
Property Control Agent Review and Approval Costs																						$5.96	$2.89	$2.43	$4.53	
Employee Time for Auction Pick Up & Reconciliaiton (mins)	60						0.37	0.31	1.4	1.54		0.64	0.63				1.11					1.11	1.11	1.11	1.25	
Cost per machine							$0.27	$0.23	$1.01	$1.11		$0.46	$0.45				$0.80					$1.02	$1.02	$1.02	$1.14	
Total Time per machine (mins)		42.66	42.83	72.5	42.84	50.21	43.06	42.81	43.9	44.04	43.45	43.14	43.13			43.14	43.61				43.61	74	73.61	73.61	143.75	91.15
		42.66	*42.83*	*42.80*	*42.84*		*42.87*	*42.81*	*43.90*	*44.04*		*43.14*	*43.13*				*43.61*									
TOTALS		*$ 30.81*	*30.98*	*30.95*	*30.99*		*$ 42.50*	*42.34*	*48.25*	*49.01*		*$ 44.12*	*44.05*				*46.69*									
Total $ Spent per machine		$30.81	$30.98	$52.29	$30.99	$36.27	$42.50	$42.34	$48.25	$49.01	$45.53	$44.12	$44.05			$44.09	$46.69				$46.69	$113.51	$90.76	$111.34	$134.39	$112.50
NET Revenue per machine		$(0.19)	$(4.00)	$(34.29)	$(12.84)	$(12.83)	$(31.25)	$(8.06)	$(15.81)	$(25.36)	$(20.12)	$(15.88)	$(17.80)			$(16.84)	$(0.02)				$(0.02)	$(50.81)	$41.57	$(96.50)	$(93.26)	$(49.75)
		$(0.19)	$(4.00)	$(34.29)	$(12.84)		$(31.25)	$(8.06)	$(15.81)	$(25.36)		$(15.88)	$(17.80)				$(0.02)									

34.67%

Time Rang Notes

30-60

30-45

60-90

1-2 hours per week
30-60 per [>18 Dispositions in FY23 Q1 (or FY22 Q4?)

60-90   >If load not too big (about 25% of time) DJ will drive computers and parts to vendor in IMS van