



Agenda Report

April 24, 2017

TO: Honorable Mayor and City Council

FROM: Water and Power Department

SUBJECT: AUTHORIZATION TO ENTER INTO CONTRACTS WITH OCEAN BLUE ENVIRONMENTAL SERVICES, INC. AND PATRIOT ENVIRONMENTAL SERVICES, INC. FOR HAZARDOUS WASTE MANAGEMENT AND EMERGENCY RESPONSE SERVICES AT PASADENA WATER AND POWER DEPARTMENT FACILITIES.

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the authorization to enter into contracts with Ocean Blue Environmental Services, Inc. and Patriot Environmental Services, Inc. is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15301, Existing Facilities,
2. Authorize the City Manager to enter into a contract, without competitive bidding pursuant to City Charter Section 1002(F), contracts for professional or unique services, with Ocean Blue Environmental Services, Inc. for hazardous waste management and emergency response services at Pasadena Water and Power Department (PWP) facilities in an amount not to exceed \$312,500 over a period of five years. The contract would include an optional two-year extension not to exceed \$125,000, subject to the approval of the City Manager. If this option is exercised the total contract amount would be \$437,500; and,
3. Authorize the City Manager to enter into a contract, without competitive bidding pursuant to City Charter Section 1002(F), contracts for professional or unique services, with Patriot Environmental Services, Inc. for hazardous waste management and emergency response services at PWP facilities in an amount not to exceed \$312,500 over a period of five years. The contract would include an optional two-year extension not to exceed \$125,000, subject to the approval of the City Manager. If this option is exercised the total contract amount would be \$437,500.

BACKGROUND:

During the normal course of operations Azusa, Broadway and Glenarm Power Plants and other PWP facilities generate hazardous and non-hazardous regulated wastes in varying amounts. These wastes must be managed in accordance with applicable environmental regulations including proper labeling; packaging and offsite transportation to a legal point of disposal every 90 days or fewer, if threshold quantities are exceeded. These wastes include, but are not limited to, waste oils/lubricants, oily water, used solvents, oil and/or chemical contaminated rags and absorbents, waste paints, spent oil filters, turbine wash water and other rinsates, waste batteries, waste containing asbestos, unused and expired chemicals, empty drums, spent resins, cooling tower and tank bottom sludge, contaminated soil, spill cleanups and oil drained from electrical equipment, which may contain varying amounts of Polychlorinated Biphenyls ("PCBs").

The proposed contracts will provide for hazardous waste management and 24-hour emergency response services, on as needed basis. They include labor, materials, equipment, transportation, and required documentation for the proper and legal disposal of hazardous and regulated wastes in compliance with applicable Federal, State and Local Laws, Regulations and Requirements.

A Request for Proposals ("RFP") was posted via Planet Bids on December 30, 2016 seeking qualified firms to provide the above services. Fourteen vendors were also notified via email that the RFP was posted on Planet Bids with a link to the site. No further outreach was done because there are no local vendors qualified to perform these services. Eleven prospective companies attended the non-mandatory January 11, 2017 pre-proposal conference and job walk. Five submitted proposals along with a sixth company that did not attend the conference but provided a proposal. All proposals were received by the due date and were independently evaluated by four PWP staff, from the Power Supply Section, with experience in hazardous waste and emergency response, based on the criteria stated in the RFP.

See Attachment A for a summary table of the evaluation scores.

Ocean Blue Environmental Services, Inc. and Patriot Environmental Services met the requirements of the RFP, took no exceptions to the City's Standard Contract and received the highest evaluated scores. Therefore, they are recommended for award of the proposed contracts.

The reason for contracting with two vendors for this service is to provide the necessary redundancy for this critical service. Hazardous waste management and emergency response services must be available to the PWP at all times and having two vendors will allow PWP to use either vendor. Work will be awarded based on cost and availability.

The requested total amount for both contracts of \$875,000 (\$437,500 each) for the initial five year term is based on the annual cost of hazardous waste management and

emergency response. PWP is also requesting an option to extend each contract for two-years in an amount not to exceed \$125,000 each. These optional contract extensions will require the approval of the City Manager and must be exercised within one year of the initial contract expiration.

Ocean Blue Environmental Services, Inc. has previously been under contract with the City to provide hazardous waste management and emergency response services for the Power Plants as follows:

- 1) 5-year contract not to exceed \$250,000 executed August 11, 2011
- 2) 1-year contract amendment not to exceed \$50,000 executed December 30, 2014
- 3) 1-year contract amendment not to exceed \$50,000 executed November 11, 2015

Patriot Environmental Services, Inc. has not provided services to the City in the last seven years.

The proposed contracts comply with Competitive Bidding and Purchasing Ordinance, Pasadena Municipal Code, Chapter 4.08 and the Living Wage Ordinance, Pasadena Municipal Code 4.11.

COUNCIL POLICY CONSIDERATION:

This authorization supports the City Council strategic goals to effectively manage and improve public facilities and infrastructure to deliver reliable water and power services. It also supports the Public Facilities Element of the General Plan by maintaining public facilities to enhance the quality of life of the community.

ENVIRONMENTAL ANALYSIS:

The proposed contracts have been determined to be exempt from CEQA per Section 15301, Existing Facilities, which allows for the operation, repair and maintenance etc. of existing private and public facilities that involve negligible or no expansion of the use. The continued hazardous waste management and emergency response services are needed for uninterrupted operation and maintenance of the power plants and would not require any expansion of the facility.

FISCAL IMPACT:

The total cost of this action, including the two optional extensions, is \$875,000. Funding for this action will be addressed by the utilization of existing budgeted appropriations in the Power Operating Fund 401 and the Water Operating Fund 402 accounts as follows:

- 1) Power Supply 44205490-811400 - \$490,000 (56%)
- 2) Power Delivery 47405910-811400 - \$231,000 (26%)
- 3) Water Division 49507590-811400 - \$77,000 (9%)
- 4) Warehouse 42409210-811400 - \$77,000 (9%)

It is anticipated that \$22,000 of the cost will be spent during the current fiscal year. The remainder of the costs will be spent over the next five fiscal years.

The following table presents a contract summary.

Contract Amount – Initial 5 year term (for two contracts)	\$625,000
Optional two-year extensions (for both extensions, one for each contract)	\$250,000
Total Fiscal Impact	\$875,000

There is no anticipated impact to other operational programs or capital projects as a result of this action.

Respectfully submitted,



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Approved by:



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Attachment A – Evaluation Summary