



THE PORT  
OF LOS ANGELES  
Executive Director's  
Report to the

Board of Harbor Commissioners

**DATE: NOVEMBER 24, 2010**

**FROM: ENVIRONMENTAL MANAGEMENT DIVISION**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - APPROVAL OF THREE PERSONAL SERVICES AGREEMENTS WITH OCEAN BLUE ENVIRONMENTAL SERVICES, INC., CLEAN HARBORS ENVIRONMENTAL SERVICES, INC. AND ANCON MARINE FOR AS-NEEDED EMERGENCY RESPONSE AND HAZARDOUS WASTE MANAGEMENT SERVICES**

**SUMMARY:**

Environmental Management Division recommends approval of Agreements with Ocean Blue Environmental Services, Inc. (Ocean Blue), Clean Harbors Environmental Services, Inc. (Clean Harbors), and Ancon Marine (Ancon) to provide emergency response and hazardous waste management services for the City of Los Angeles Harbor Department (Harbor Department) operations and to support Port Police, Construction & Maintenance, Wharfingers, and Real Estate Divisions' activities (Transmittal 1). The three Agreements are for a term of three years and for a combined total contract amount of \$6,000,000.

**RECOMMENDATION:**

It is recommended that the Board of Harbor Commissioners (Board):

1. Find that in accordance with the City Charter Section 1022, work under the subject Agreements can be performed more feasibly by independent consultants rather than by City employees;
2. Approve the three personal services Agreements for a term of three years and funding allocations of \$2,000,000 each, for a combined contract total of \$6,000,000:
  - a. Agreement with Ocean Blue Environmental Services, Inc. (Long Beach, CA) for \$2,000,000;
  - b. Agreement with Clean Harbors Environmental Services, Inc. (Rancho Dominguez, CA) for \$2,000,000;
  - c. Agreement with Ancon Marine (Signal Hill, CA) for \$2,000,000.
3. Authorize the Executive Director to execute and the Board Secretary to attest to said Agreements, for and on behalf of the Board; and
4. Adopt Resolution No. \_\_\_\_\_.

**SUBJECT: EMERGENCY RESPONSE AND HAZARDOUS WASTE MANAGEMENT****DISCUSSION:**

Background – The proposed Agreements support the Harbor Department's Environmental Management Division (EMD) in its responsibility to manage hazardous and regulated wastes in compliance with Federal, State and local laws on an emergency basis, according to the April 13, 1988, Board of Harbor Commissioners-adopted resolution establishing a Hazardous Materials Management Policy for the proper management of hazardous materials.

In contrast to our ongoing Site Assessment and Restoration Services, the primary services provided under EMD's Emergency Response and Hazardous Waste Management Agreements are emergency and non-emergency response to chemical spills or releases of regulated and/or hazardous materials and abandoned wastes within the Port of Los Angeles. This work will be at the direction of EMD staff, or as directed by Federal and State agencies, including the United States Coast Guard (USCG), California Department of Fish & Game, United States Environmental Protection Agency (USEPA), and the Los Angeles Regional Water Quality Control Board. EMD also responds to requests from other Harbor Department Divisions, including the Port Police, Construction & Maintenance (C&M), Real Estate, and Wharfingers, for services that involve emergency waste management and disposal. The work performed through these Agreements requires specialized training, equipment, and licenses to handle and dispose of hazardous substances and wastes.

In the past three years, the current emergency response/hazardous waste contractors have completed over 600 projects for the Harbor Department. The projects include responding to chemical releases or spills; cleaning up and disposing of abandoned wastes; disposal of biowastes (e.g., deceased marine mammals); removing hazardous waste from 300 derelict boats; and the disposal of over 500 tons of creosote-treated wood pilings. The current contractors are listed below with contract amounts, contract funds expended as of November 2010, and contract expiration date:

<b>Consultant</b>	<b>Contract Amount</b>	<b>Spent To Date</b>	<b>Available</b>	<b>Expires</b>
Ancon	\$ 1,250,000	\$ 1,098,152	\$ 151,848	12.04.10
Clean Harbors	\$ 2,000,000	\$ 849,762	\$ 1,150,238	12.04.10
O.C. Vacuum	\$ 1,000,000	\$ 999,753	\$ 247	12.04.10
Ocean Blue	\$ 2,750,000	\$ 2,729,083	\$ 20,917	12.04.10
<b>TOTAL:</b>	<b>\$ 7,000,000</b>	<b>\$ 5,676,749</b>	<b>\$ 1,323,250</b>	

Services to be Performed – Services to be provided under the proposed Agreements include, but are not limited to:

- Emergency response to contain and abate chemical and/or hazardous material spills on land or water

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- Collection, containment, transport, and disposal of hazardous and non-hazardous waste generated through the Harbor Department-sponsored waste oil sheds, waste stored at the Berth 161 facility hazardous waste containment shed, and abandoned wastes
- Decontamination and/or disposal of sunken or derelict vessels
- Abatement of asbestos-containing material (ACM) and lead-based paint
- Recovery and disposal of dead marine mammals found in harbor waters
- Biannual cleaning of sewer lift and storm water pump stations
- Assistance to Construction and Maintenance personnel in projects that involve confined space entry and potential releases to the environment
- Mold abatement
- Removal and disposal of underground storage tanks
- Jetting-out plugged lines
- Pumping and disposal of sewage, responding to sewage spills
- Pressure washing, steam cleaning associated with waste cleanup
- Waste management during Harbor Department-sponsored events

A detailed Scope of Work is attached as Transmittal 2.

Work Assignments – For emergency response services, contractors will be called out based on a rotating schedule and are expected to arrive at the scene within 30 minutes. EMD personnel will also respond to emergency calls and will oversee and document when the contractor arrives on scene and monitor the contractors' work. After normal business hours, Port Police, as first responders, will be on-scene to oversee and document contractors' emergency performance. In the event a contractor fails to perform to expectations, as set out in each contractor's respective Agreement, the Harbor Department will have the deficiency corrected or terminate the contractor's Agreement.

A competitive process for assignment of work will be utilized for non-emergency waste management projects to ensure the most competitive and cost-effective delivery of services. The work assignments for non-emergency services will be authorized through Project Directives approved by the Executive Director. Factors that will be evaluated may include, but are not limited to:

- Cost-effectiveness and competitiveness
- Properly prepared and completed documents (i.e. hazardous waste manifests) no previous work assignments
- Completion of work in a timely manner on previous work assignments

Selection Process – On August 19, 2010, a Request for Proposals (RFP) was posted on the Diversity Xchange Database and on the City of Los Angeles and Port of Los Angeles websites. No notification letters were sent out, as all past and present contractors to EMD were registered in the Diversity Xchange Database.

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The Harbor Department received proposals from six (6) contractors as listed below; one (1) contractor was deemed non-responsive for failing to meet the administrative requirements.

<u>Name</u>	<u>City</u>	<u>Status</u>
Ocean Blue	Long Beach	SBE, MBE/WBE/OBE
Clean Harbors	Compton	OBE
Ancon	Rancho Dominguez	OBE
O.C. Vacuum	Long Beach	SBE, MBE/WBE
ACTI	Rancho Dominguez	MBE
NRC	Long Beach	OBE

A selection committee comprised of two Environmental Specialists from EMD, a Safety Engineer from Risk Management, a Sergeant from the Port Police Hazmat Unit, and an Assistant Chief Wharfinger, evaluated the proposals. The ranking results of the proposal evaluations are as follows, and all five firms were invited to interview:

Proposal Ranking

1. Ocean Blue
2. Clean Harbors
3. Ancon
4. ACTI
5. O.C. Vacuum

Interviews of the five firms were conducted on September 30, 2010. The same selection committee that evaluated the proposals conducted the interviews. The oral presentations were evaluated using the following weighted criteria, as shown on the Interview Selection Evaluation Form contained in Transmittal 3.

Firm Experience/Port Experience	30%
Project Organization, Personnel and Staff	25%
Project Manager	20%
Alternative Waste Management Experience	10%
Experience with Specific Port Waste Streams	10%
Certifications and Licenses	5%

The three highest ranked firms in their interview are recommended for contract negotiations and for award as follows:

Ocean Blue	SBE, MBE/WBE/OBE	\$2,000,000; 3-year contract
Clean Harbors	OBE	\$2,000,000; 3-year contract
Ancon	OBE	\$2,000,000; 3-year contract

Contracts of \$2,000,000 to each firm are recommended to best balance contractor workload and service utilization, and to ensure adequate coverage for emergency response.

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Details of the selection process are contained in Transmittal 3.

Small Business Development Program – Due to the specialized nature of the work, the contractors will be required to meet a 10% Small Business Enterprise (SBE) goal. The specific subcontractor participation levels will be determined based on the rotating schedule for emergency response services and through individual Project Directives when non-emergency projects are assigned. Ocean Blue Environmental Services, Inc. is a certified SBE; therefore, 100% of their services will apply towards the SBE goal. Ancon Marine and Clean Harbors Environmental Services, Inc. will meet the SBE goal through their subcontractors. If all the funds are expended in these contracts, the contractors will cumulatively achieve an SBE participation level of 40% or \$2.4 million. The composition of each contractor team is attached as Transmittal 4.

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is approval of three personal services Agreements for a term of 3 years for as-needed emergency response and hazardous waste management services. As an administrative activity, the Director of Environmental Management has determined that the proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II, Section 2(f) of the Los Angeles City CEQA Guidelines.

**FINANCIAL IMPACT:**

The proposed 3-year Agreements authorize a total amount not-to-exceed \$6,000,000. It is anticipated that funds for these Agreements will be expended as follows and distributed evenly between the three selected firms:

FY 10/11	\$1,000,000
FY 11/12	\$2,000,000
FY 12/13	\$2,000,000
FY 13/14	<u>\$1,000,000</u>
TOTAL	\$6,000,000

Funds for FY 2010/2011 in the amount of \$1,000,000 are available in Account 54260, Center 330 (Environmental Management Division), Program 000. Funding needed in future fiscal years will be requested through the annual budget adoption process.

The Harbor Department's financial obligations after the current fiscal year are contingent upon the Board appropriation of funds. If any subsequent fiscal year funds are not appropriated by the Board for the work required by the Agreements, the Agreements shall be terminated. However, such termination shall not relieve the parties of liability for any obligations previously incurred. A funding out clause is included in each Agreement.

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**ECONOMIC BENEFITS:**

Approval of this Agreement will support approximately 31 direct plus 31 secondary (indirect and induced) one-year equivalent job impacts in the five-county region.

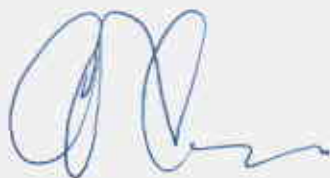
**CITY ATTORNEY:**

The Office of the City Attorney has reviewed and approved the proposed Agreements as to form and legality.

**TRANSMITTALS:**

1. Agreements
  - a. Agreement with Ocean Blue Environmental Services, Inc.
  - b. Agreement with Clean Harbors Environmental Services, Inc.
  - c. Agreement with Ancon Marine
2. Scope of Work
3. RFP Process and Selection.
4. Contractor Team Composition

FIS Approval: MB



CHRISTOPHER CANNON  
Director of Environmental Management



FOR MICHAEL R. CHRISTENSEN  
Deputy Executive Director

APPROVED:



GERALDINE KNATZ, Ph.D.  
Executive Director

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BOARD MEETING: 12/2/2010

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