



DATE: MAY 30, 2019

FROM: ENVIRONMENTAL MANAGEMENT

SUBJECT: RESOLUTION NO. _____ - PERSONAL SERVICES AGREEMENT BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND INTERTEK TESTING SERVICES, NA, INC. FOR INTERNATIONAL ORGANIZATION OF STANDARDIZATION 14001 RECERTIFICATION OF THE ENVIRONMENTAL MANAGEMENT SYSTEM

SUMMARY:

Staff requests approval of a proposed Agreement with Intertek Testing Services, NA, Inc. (Intertek) of Cortland, New York, to provide International Organization of Standardization (ISO) 14001 recertification and annual audits of the City of Los Angeles (City) Harbor Department (Harbor Department) Environmental Management System (EMS). ISO 14001 requires recertification of the EMS every three years, and annual audits of the EMS in the interim years. In accordance with the ISO 14001 EMS standard, a recertification audit of the EMS is now due in August 2019. The proposed Agreement will be for a term of three years with a not-to-exceed compensation amount of \$30,000. The Harbor Department is financially responsible for the proposed Agreement.

RECOMMENDATIONS:

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

1. Find that the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(f) of the Los Angeles City CEQA Guidelines;
2. Approve the Agreement with Intertek Testing Services, NA, Inc. for a term of three years and a total compensation amount not-to-exceed \$30,000;
3. Authorize the Executive Director to execute and the Board Secretary to attest to said Agreement for and on behalf of the Board; and
4. Adopt Resolution No. _____.

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SUBJECT: INTERTEK TESTING SERVICES, NA, INC.

DISCUSSION:

Background and Context – The ISO 14000 series is a family of internationally recognized standards for Environmental Management Systems that are applicable to any business or organization, regardless of size, location or income. These standards were developed by the ISO, which has representation from committees all over the world (comprised of 157 countries) and is the world's largest developer of standards.

The ISO 14000 family includes most notably the ISO 14001, the international standard that specifies requirements for an effective environmental management system (EMS).

ISO 14001 offers a source of guidance for introducing and adopting management systems based on the best universal practices. ISO 14001 also provides companies and government agencies with a proactive approach to environmental management by integrating environmental considerations into management and decision-making structures in a systematic and organized way.

ISO 14001 at the Harbor Department – The Harbor Department initiated a pilot EMS in 2004 at the Construction & Maintenance Division (C&M), its largest division. The EMS was initiated as part of a program sponsored by the American Association of Port Authorities and the U.S. Environmental Protection Agency to encourage U.S. ports to develop environmental management systems and become ISO 14001 certified. In 2007, the Harbor Department's C&M EMS was certified to comply with ISO 14001, becoming the first Western U.S. seaport to achieve the certification.

To ensure that EMS maintains compliance with the ISO standard, it must be audited annually by an ISO certified and registered third party auditor, and then recertified every three years to assure that it meets ISO 14001 criteria.

C&M received its initial ISO certification in 2007, and has received successful recertification audits in 2010, 2013, and 2016 by an ISO certified third party auditor. C&M also received successful annual performance audits in the interim years. The next ISO 14001 recertification audit is due in August 2019 and will be performed by Intertek if the proposed Agreement is approved.

The Harbor Department's implementation and certification of the EMS provides an example for all businesses at the Port of Los Angeles, and further emphasizes the Harbor Department's commitment to continual improvement. This approach is consistent with the Mayor's and the Board's commitment to environmental stewardship, consideration of the well-being of our employees, and of the surrounding communities, and sustainability of operations.

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Continuation of an ISO approved EMS will allow the Harbor Department to: 1) continue compliance with various environmental legal and regulatory requirements, and 2) better manage the impact of Harbor Department maintenance activities on the environment. The EMS incorporates planning activities, organization structure review, development of objectives and operational controls, document controls, and resource management to improve environmental compliance and awareness. Since implementing the EMS, employees are engaged with the system on a daily basis, creating a sense of ownership and accountability. Furthermore, there have been significant improvements in recycling, minimization of hazardous waste streams, increased pollution prevention activities, and improved environmental awareness and compliance through use of the system.

Consultant Selection – ISO 14001 certification must be conducted by an independent third party registered by the ISO. In January 2018, seven ISO certified and registered firms were contacted via email to inform them of the Harbor Department's service needs and to request their qualifications. The firms included:

- Intertek Testing Services North America Ltd.
- NSF-ISR
- SAI Global
- Lloyd's Register Quality Assurance, Inc. (LRQA)
- DQS, Inc. (DQS)
- All Coast Group
- SGS North America

Qualification and quotes were received from three firms: Intertek, LRQA, and DQS. A review panel comprised of a Marine Environmental Supervisor, an Environmental Specialist from the Environmental Management Division, and a Ship Carpenter from C&M reviewed and evaluated the proposals. The panel selected Intertek based on their qualifications and knowledge of C&M's EMS (Transmittal 2). Intertek is qualified to audit EMS through the updated ISO 17021 and TS17021-2 competency criteria. Currently, Intertek has 21 full-time and 22 contract auditors in North America qualified to audit ISO 14001 compliance.

Contract Requirements – Throughout the term of the proposed Agreement, Intertek will maintain compliance with the Harbor Department's contracting requirements. A Small Business Enterprise goal was not established for this contract due to the lack of registered ISO certification firms with small business status.

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ENVIRONMENTAL ASSESSMENT:

The proposed action is approval of an Agreement with Intertek to provide ISO 14001 certification audits of the Harbor Department's C&M EMS. As an administrative activity, the Director of Environmental Management has determined that the Board action on the proposed Agreement is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with Article II, Section 2(f) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

Approval of the proposed three-year Agreement discussed herein would authorize the total not-to-exceed compensation amount of \$30,000 for audit, certification and surveillance services of the EMS in compliance with ISO 14001. It is anticipated that funds under the proposed Agreement will be expended as follows:

FY 2019/2020	\$ 14,000
FY 2020/2021	\$ 8,000
FY 2021/2022	\$ 8,000
TOTAL	\$ 30,000

Funds in the amount of \$14,000 were requested in Account 54260 (Environmental Assessment Services), Center 330, Program 000 in FY 2019/2020, pending Board approval. 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 Agreement, the Agreement shall be terminated. However, such termination shall not relieve the parties of liability for any obligations previously incurred. Future year funds will be requested to be budgeted through the Harbor Department's annual budgeting process, upon Board approval.

CITY ATTORNEY:

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

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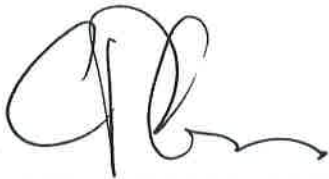
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TRANSMITTALS:

1. Agreement with Intertek Testing Services, NA, Inc.
2. Score sheet

FIS Approval: MB
CA Approval: ML



CHRISTOPHER CANNON
Director of Environmental Management



FOR MICHAEL DiBERNARDO
Deputy Executive Director

APPROVED:



EUGENE D. SEROKA
Executive Director

CC/yo
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