



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

Board of Harbor Commissioners

DATE: NOVEMBER 26, 2013

FROM: ENVIRONMENTAL MANAGEMENT

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

SUMMARY:

The Environmental Management Division (EMD) recommends approval of personal services agreements (Agreements) with Ocean Blue Environmental Services, Inc. (Ocean Blue), Patriot Environmental Services, Inc. (Patriot), and Ancon Marine (Ancon) to provide emergency response and hazardous waste management services for City of Los Angeles Harbor Department (Harbor Department) operations and to support its Port Police, Construction and Maintenance (C&M), Wharfingers, and Real Estate Divisions' activities. The proposed Agreements are for a term of three years each and have 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 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 Patriot Environmental Services, Inc. (Wilmington, 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. _____.

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SUBJECT: AGREEMENTS FOR EMERGENCY RESPONSE AND HAZARDOUS WASTE MANAGEMENT SERVICES

DISCUSSION:

Background/Context - The proposed Agreements (Transmittals 1a–1c) support the City of Harbor Department 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 the proposed 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 (Port). This work will be performed under the direction of EMD staff, with further direction as appropriate by Federal and State agencies, including the United States Coast Guard, the California Department of Fish and Game, the United States Environmental Protection Agency, and the Los Angeles Regional Water Quality Control Board. The EMD also responds to requests from other Harbor Department divisions, including the Port Police, C&M, Real Estate, and Wharfingers, for services that involve emergency waste management removal 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 650 individual projects for the Harbor Department. The projects include responding to chemical releases or spills; removal and disposal of abandoned wastes; disposal of biowastes (e.g., marine mammal carcasses, cleaning out Port Police vehicles, etc.); removing hazardous waste from 127 derelict boats; disposing of contaminated soil and groundwater; and the disposal of over 600 tons of creosote-treated wood pilings.

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
- Assistance to C&M personnel in projects that involve confined space entry and potential releases to the environment
- Collection, containment, transport, and disposal of hazardous and non-hazardous waste generated through Harbor Department-sponsored waste oil collection areas, waste stored at C&M's Berth 161 hazardous waste containment shed, and waste abandoned on Port property

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- Roof tear-offs prior to installation of solar panels
- Decontamination and/or disposal of sunken or derelict vessels
- Abatement of asbestos-containing material 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
- Mold abatement
- Removal and disposal of underground storage tanks
- Jetting out plugged drain lines
- Responding to sewage spills and the pumping and disposal of sewage
- Pressure washing and steam cleaning associated with waste cleanup
- Waste management associated with 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 with an expected response time of 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. 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 have the option to terminate the contractor's Agreement.

Assignment of work for non-emergency waste management projects will also be based on a rotating schedule, with additional consideration given to the following factors:

- Cost-effectiveness and competitiveness
- Past performance
- Properly prepared and completed documents (i.e. hazardous waste manifests) not previous work assignments
- Completion of work in a timely manner on previous work assignments

The work assignments for non-emergency services will be authorized through project directives approved by the Executive Director or designee.

During the past three years, three contractors have performed as-needed emergency response and hazardous waste management services for the Harbor Department. These agreements will expire on December 20, 2013, and are listed below with invoice levels as of October 2013:

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Consultant	Agreement Amount	Invoiced	Balance
Ancon	\$2,375,000	\$2,248,551	\$126,449
Clean Harbors	\$2,500,000	\$2,405,130	\$ 94,870
Ocean Blue	\$2,375,000	\$2,350,000	\$ 25,000
TOTAL	\$7,250,000	\$7,003,681	\$246,319

Selection Process - On March 14, 2013, a Request for Proposals (RFP) was posted on the (LABAVN) and on the Port's website. In a commitment to maximize opportunities for local and regional businesses, a Request for Qualifications was issued under the Local Business Preference Program where eligible prime consultants can receive an eight percent (8%) preference in their selection scores for qualifying as a Local Business Enterprise (LBE).

The Harbor Department received proposals from nine (9) firms as listed below:

<u>Name</u>	<u>City</u>	<u>Status</u>
Ocean Blue	Long Beach	SBE, MBE, WBE, LBE
Clean Harbors	Compton	OBE, LBE
Ancon	Rancho Dominguez	OBE, LBE
O.C. Vacuum	Long Beach	SBE, MBE, WBE, LBE
ACTI	Rancho Dominguez	MBE, LBE
NRC	Long Beach	OBE, LBE
Patriot	Wilmington	OBE, LBE
Double Barrel	Riverside	SBE, MBE, OBE, LBE
Env. Logistics	Bloomington	OBE, LBE

A selection committee comprised of three Environmental Specialists from the EMD, a Sergeant from the Port Police Hazmat Unit, and a U.S. Coast Guard Marine Environmental Response Incident Manager, evaluated the proposals. The table below lists the proposal evaluation scores of the nine firms that submitted an RFP. All nine firms were invited to interview:

Firm	Score
1. A	93.8
2. B	84.4
3. C	81.7
4. D	79.0
5. E	73.1

Firm	Score
6. F	72.3
7. G	71.3
8. H	64.4
9. I	60.8

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Interviews of the nine firms were conducted on July 17 and 18, 2013. Firms final scores were based on a combination of their proposal evaluation and interview scores. Proposal and Interview Evaluation Forms are contained in Transmittals 3 and 4.

Following evaluation of the proposals and interviews, the evaluation panel finds that Ocean Blue, Patriot, and Ancon are the three most qualified environmental firms. These three firms exceed all necessary qualifications and experience to provide as-needed emergency response/hazardous waste management services. Patriot is new to the EMD as an as-needed environmental firm, while Ocean Blue and Ancon have previously been awarded as-needed agreements. Agreements in the amount of \$2,000,000 to each firm are to best balance contractor workload and service utilization, and to ensure adequate coverage for emergency response.

Therefore, it is the EMD's recommendation that the Harbor Department enter into three-year Agreements with the following three firms for not-to-exceed contract amounts of \$2,000,000 each.

- Ocean Blue
- Patriot
- Ancon

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 for all non-emergency work. All emergency response services are exempt from the SBE goal. The 10% SBE goal can be met through the prime consultant or subconsultants. 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 is a certified SBE; therefore, 100% of their services will apply towards the SBE goal. Patriot and Ancon will meet the SBE goal through their subcontractors.

The composition of each contractor team is attached as Transmittal 5.

ECONOMIC BENEFITS:

Spending under the proposed Agreements will support 27 direct and 36 secondary one-year equivalent jobs for the five-county region.

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ENVIRONMENTAL ASSESSMENT:

The proposed action is approval of three Agreements for a term of three years each 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 Agreements authorize a total contract 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 13/14	\$1,000,000
FY 14/15	\$2,000,000
FY 15/16	\$2,000,000
FY 16/17	<u>\$1,000,000</u>
TOTAL	\$6,000,000

Funds for fiscal year (FY) 13/14 in the amount of \$1,000,000 are available in Account 54260, Center 330, Program 000. The total budget in FY 13/14 for emergency response and hazardous waste management services is \$1,600,000. 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's 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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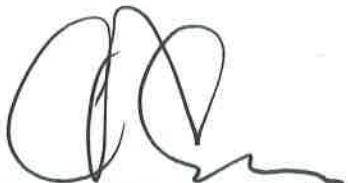
CITY ATTORNEY:

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

TRANSMITTALS:

- 1a. Agreement with Ocean Blue Environmental Services, Inc.
- 1b. Agreement with Patriot Environmental Services, Inc.
- 1c. Agreement with Ancon Marine
- 2. Scope of Work
- 3. RFP Selection Evaluation Form
- 4. RFP Interview Evaluation Form
- 5. Contractor Team Composition

FIS Approval:  **(initials)**
CA Approval:  **(initials)**



CHRISTOPHER CANNON
Director of Environmental Management



MICHAEL R. CHRISTENSEN
Deputy Executive Director

APPROVED:



GARY LEE MOORE, P.E.
Interim Executive Director

AUTHOR: MANUEL RAMIREZ
BOARD MEETING: 12/12/2013

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