

DATE: NOVEMBER 6, 2023

FROM: ENVIRONMENTAL MANAGEMENT

SUBJECT: RESOLUTION NO. _____ AS-NEEDED EMERGENCY RESPONSE AND HAZARDOUS WASTE MANAGEMENT AGREEMENTS WITH OCEAN BLUE ENVIRONMENTAL SERVICES, INC., REPUBLIC DBA NRC ENVIRONMENTAL SERVICES INC., AND ANCON MARINE DBA ANCON SERVICES TO ADD OMITTED PAGE

SUMMARY:

Staff requests approval of the proposed agreements (Agreements) with Ocean Blue Environmental Services, Inc. (Ocean Blue), Republic DBA NRC Environmental Services Inc. (NRC), and Ancon Marine DBA Ancon Services (Ancon) to provide as-needed emergency response and hazardous waste management services for the City of Los Angeles Harbor Department (Harbor Department) including support of Port Police, Construction and Maintenance (C&M), and Real Estate Division activities. This action will authorize three Agreements, each for a three-year term, with a combined total not-to-exceed amount of \$9,000,000. The Harbor Department is financially responsible for payment of services incurred under the Agreements. The Agreements were approved by the Board on September 7, 2023, but staff later discovered the page titled, Schedule of Fees and Charges was missing from the compensation exhibits in the submittals. This current action seeks approval and ratification of the previously approved Agreements, which now includes the Schedule of Fees and Charges in Exhibit D of all three Agreements and will supersede Resolution No. 23-10230 of the previous action.

RECOMMENDATION:

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. Find that, in accordance with the City Charter Section 1022, work under the subject Agreements can be performed more feasibly by independent consultants than by City of Los Angeles employees;

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3. Approve and ratify Agreement No. 23-9976 with Ocean Blue Environmental Services, Inc. (Long Beach, CA), including the Schedule of Fees and Charges in Exhibit D, for a term of three years for the total not-to-exceed amount of \$3,250,000;
4. Approve and ratify Agreement No. 23-9977 with Republic DBA NRC Environmental Services Inc. (Long Beach, CA), including the Schedule of Fees and Charges in Exhibit D, for a term of three years for the total not-to-exceed amount of \$3,250,000;
5. Approve and ratify Agreement No. 23-9978 with Ancon Marine DBA Ancon Services (Signal Hill, CA), including the Schedule of Fees and Charges in Exhibit D, for a term of three years for the total not-to-exceed amount of \$2,500,000;
6. Adopt Resolution No. _____ which will supersede Resolution No. 23-10230.

DISCUSSION:

Background/Context – On September 7, 2023, the Board of Harbor Commissioners approved three agreements with Ocean Blue Environmental Services, Inc. Ancon Marine DBA Ancon Services, and Republic DBA NRC Environmental Services, Inc. Subsequent to the meeting, staff discovered that the document *Schedule of Fees and Charges* was omitted from Exhibit D (Transmittal 1). The *Schedule of Fees and Charges* stipulates allowable charges under the agreement. This action resubmits the agreements for approval with the additional document in Exhibit D. All other terms and conditions of the agreements and Board Report information remain the same.

The proposed Agreements (Transmittals 2a–2c) support the 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 Board’s resolution adopted April 13, 1988, which established a Hazardous Materials Management Policy for the proper management of hazardous materials.

The primary services provided under these proposed Agreements are emergency and non-emergency responses to chemical spills or releases of regulated and/or hazardous materials and abandoned wastes within the Port of Los Angeles (Port) complex. This work will be performed under the direction of the Environmental Management Division (EMD), with further direction as appropriate by federal and state agencies, including the U.S. Coast Guard, the California Department of Fish and Wildlife, the U.S. Environmental Protection Agency, and the Los Angeles Regional Water Quality Control Board. EMD also responds to requests from other Harbor Department divisions, including the Port Police, C&M and Real Estate, for services that involve emergency waste management removal and disposal. The work performed through these proposed Agreements requires specialized training, equipment, and licenses to handle and dispose of hazardous substances and wastes.

In the past 20 years, at least one and up to four contractors have been used for emergency response/hazardous waste services depending upon staff’s judgment of

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anticipated work. Over the past three years, our contractors were used to complete over 400 individual projects for the Harbor Department. The projects include responding to chemical releases or spills; removing and disposing abandoned wastes; disposing biowaste (e.g., marine mammal carcasses, cleaning Port Police vehicles, etc.); removing hazardous waste from multiple derelict boats; disposing contaminated soil and groundwater; and disposing creosote-treated wood pilings.

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

- 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;
- 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; and
- Waste management associated with Harbor Department-sponsored events.

A detailed scope of work is attached (Transmittal 3).

The term of the current Agreement expires in October 2023, and these new proposed Agreements are needed in order to continue to provide the necessary emergency response and hazardous waste management services for the Harbor Department.

Work Assignments – For emergency response services, a contractor will be called out based on availability 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 contractor's work. Port Police, as first responders, may be on-scene to oversee and document contractor's 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.

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Assignment of work for non-emergency waste management projects will be based on the following factors:

- Cost-effectiveness and competitiveness
- Past performance
- Properly prepared and completed documents (i.e. hazardous waste manifests)
- Completion of work in a timely manner on previous work assignments

The contractor must submit a cost estimate within 24 hours of responding to an emergency response call. The work assignments for non-emergency services will be authorized through the issuance of Project Directives approved by the Executive Director or designee and Notices to Proceed.

Selection Process – On January 11, 2023, the Harbor Department issued a Request for Proposals (RFP) for Emergency Response and Hazardous Waste Management Services. The RFP was posted on the Port’s website, and automatic email notifications were sent out to all firms registered on the Regional Marketplace for Procurement under the applicable North American Industry Classification System.

The Harbor Department received proposals from four firms. The proposals were reviewed using evaluation criteria published in the RFP (Transmittal 4). The evaluations were based on a review of the proposals only, no interviews were performed.

The evaluation committee consisted of two Environmental Specialists and one Marine Environmental Supervisor from EMD, a Sergeant from the Port Police Hazmat Investigations Unit, and an Environmental Affairs Officer from the City of Los Angeles Department of Transportation.

Following the evaluation process, three firms were selected as the most qualified to meet the Harbor Department’s anticipated needs over the next three years. The proposals were scored to a total of 100 points, as outlined in the RFP. A Local Preference of 8% was added to the score to determine the Final Score.

Evaluation Summary

Team	Reviewer Average Score					Local Business Enterprise	Final Score
	1	2	3	4	5		
1	93	89.5	88	91	80	8	96.3*
2	94	89	94	84	73	8	94.8*
3	92	86.5	80	81	69	8	89.7*
4	75	78	70	75	66	8	80.8

***SELECTED**

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Ocean Blue, NRC, and Ancon were ranked as 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.

As a result, EMD recommends that the Harbor Department enter into three-year Agreements with these three firms at the following identified not-to-exceed agreement amounts:

Ocean Blue	\$ 3,250,000
NRC	\$ 3,250,000
Ancon	\$ 2,500,000
TOTAL	<u>\$ 9,000,000</u>

EMD increased the contract authority over previous contracts, from \$6 million to \$9 million, in order to meet the increasing requests for larger lead and asbestos abatement work associated with Capital Projects.

Small Business Enterprise and Local Business Enterprise Preference Programs – 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 committed 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. NRC and Ancon will meet the SBE goal through their subcontractors. The contract opportunity was also eligible for the Local Business Enterprise (LBE) Preference Program which provides for an eight percent preference in their selection scores for qualifying LBEs. All three selected firms are LBEs.

ENVIRONMENTAL ASSESSMENT:

The proposed action is the approval for the personal services Agreements with Ocean Blue, NRC, and Ancon to provide as-needed emergency response and hazardous waste management services, which is an administrative activity. Therefore, the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of CEQA in accordance with Article II Section 2(f) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

The proposed three-year Agreements authorize a total contract amount not-to-exceed \$9,000,000 for emergency response and hazardous waste management services. It is anticipated that funds for these proposed Agreements will be expended as follows:

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FY 23/24	\$2,000,000
FY 24/25	\$2,501,000
FY 25/26	\$2,251,000
FY 26/27	<u>\$2,248,000</u>
TOTAL	\$9,000,000

Funds in the amount of \$914,000 are budgeted in Account 54260 (Environment Assessment Services), Center 330, Program 000 in Fiscal Year (FY) 2023/2024. The remaining \$1,086,000 will be paid out of the Capital budget as the need arises. 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 proposed 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.

CITY ATTORNEY:

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

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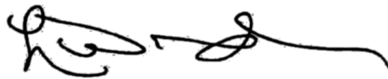
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TRANSMITTALS:

1. Schedule of Fees and Charges
- 2a. Agreement with Ocean Blue Environmental Services, Inc.
- 2b. Agreement with Republic DBA NRC Environmental Services Inc.
- 2c. Agreement with Ancon Marine DBA Ancon Services
3. Scope of Work
4. Proposal Evaluation Form

FIS Approval: MB

CA Approval: SO



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