



**THE PORT
OF LOS ANGELES**
Executive Director's
Report to the
Board of Harbor Commissioners

DATE: NOVEMBER 9, 2016

FROM: ENVIRONMENTAL MANAGEMENT

SUBJECT: RESOLUTION NO. _____ - APPROVAL OF 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 SERVICES

SUMMARY:

Staff requests the Board of Harbor Commissioners (Board) approve the proposed agreements (Agreements) with Ocean Blue Environmental Services, Inc. (Ocean Blue), Patriot Environmental Services, Inc. (Patriot), and Ancon Services (Ancon) to provide emergency response and hazardous waste management services for the 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. This action will authorize three Agreements, each for a three-year term, with a combined total not-to-exceed amount of \$6,000,000. The Harbor Department is financially responsible for payment under the Agreements.

RECOMMENDATION:

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

1. Find 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 as determined by the Director of Environmental Management;
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 employees;
3. Approve the Agreement with Ocean Blue Environmental Services, Inc. (Long Beach, CA) for a term of three years for the total not-to-exceed amount of \$2,000,000;

DATE: NOVEMBER 9, 2016

PAGE 2 OF 7

SUBJECT: AGREEMENTS FOR EMERGENCY RESPONSE AND HAZARDOUS WASTE MANAGEMENT SERVICES

4. Approve the Agreement with Patriot Environmental Services, Inc. (Wilmington, CA) for a term of three years for the total not-to-exceed amount of \$2,000,000;
5. Approve the Agreement with Ancon Services (Signal Hill, CA) for a term of three years for the total not-to-exceed amount of \$2,000,000;
6. Authorize the Executive Director to execute and the Board Secretary to attest to said Agreements, for and on behalf of the Board; and
7. Adopt Resolution No. _____.

DISCUSSION:

Background/Context - The proposed Agreements (Transmittals 1a–1c) supports 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, establishing a Hazardous Materials Management Policy for the proper management of hazardous materials.

The primary services provided under these 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 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 Game, the U.S. 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 600 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 multiple derelict boats; disposing of contaminated soil and groundwater; and the disposal of over 500 tons of creosote-treated wood pilings.

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

SUBJECT: AGREEMENTS FOR EMERGENCY RESPONSE AND HAZARDOUS WASTE MANAGEMENT SERVICES

- 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
- Waste management associated with Harbor Department-sponsored events

A detailed scope of work is attached (Transmittal 2).

The term of the current Agreements expires in January 2017 and these new 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, 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

SUBJECT: AGREEMENTS FOR EMERGENCY RESPONSE AND HAZARDOUS WASTE MANAGEMENT SERVICES

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 and a Notice to Proceed.

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 January 08, 2017, and are listed below with invoice levels as of September 30, 2016.

Consultant	Agreement Amount	Invoiced	Balance
Ancon	\$2,000,000	\$1,055,033	\$944,967
Patriot	\$2,000,000	\$1,567,893	\$432,107
Ocean Blue	\$2,000,000	\$1,604,753	\$395,247
TOTAL	\$6,000,000	\$4,227,679	\$1,772,321

Selection Process - On June 14, 2016, the Harbor Department issued a Request for Proposal (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 Los Angeles Business Assistance Virtual Network (LABAVN) under the applicable North American Industry Classification System (NAICS).

The Harbor Department received proposals from seven (7) firms as listed below:

FIRM	CITY	STATUS
Ocean Blue	Long Beach	SBE, MBE, WBE, LBE
Patriot	Wilmington	OBE, LBE
Ancon	Signal Hill	OBE, LBE
NRC	Long Beach	OBE, LBE
O.C. Vacuum	Long Beach	SBE, MBE, WBE, LBE
Clean Harbors	Compton	OBE, LBE
Environmental Logistics	Bloomington	OBE, LBE

The proposal evaluation committee consisted of three Environmental Specialists from EMD, an officer from the Port Police Hazmat Unit, and a U.S. Coast Guard Marine Environmental Response Incident Manager. All seven firms were invited to interview.

Interviews of the seven firms were conducted on August 17 and 18, 2016. Firm's final scores were based on a combination of their proposal evaluation (Transmittal 3) and interview scores (Transmittal 4).

SUBJECT: AGREEMENTS FOR EMERGENCY RESPONSE AND HAZARDOUS WASTE MANAGEMENT SERVICES

Following the evaluation process and interviews, three firms were selected as the most qualified to meet the Harbor Department's anticipated needs over the next three years. 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.

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	\$ 2,000,000
Patriot	\$ 2,000,000
Ancon	\$ 2,000,000
TOTAL	\$ 6,000,000

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. Patriot 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.

ENVIRONMENTAL ASSESSMENT:

The proposed action is for the approval of three as-needed agreements for emergency response and hazardous waste management services, which is an administrative activity related to the 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. As such, the Director of Environmental Management has determined that the proposed action is exempt from the requirements of CEQA in accordance with Article II Section 2(f) and of the Los Angeles City CEQA Guidelines.

DATE: NOVEMBER 9, 2016

PAGE 6 OF 7

SUBJECT: AGREEMENTS FOR EMERGENCY RESPONSE AND HAZARDOUS WASTE MANAGEMENT SERVICES

FINANCIAL IMPACT:

The proposed three-year 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:

FY 16/17	\$1,000,000
FY 17/18	\$2,000,000
FY 18/19	\$2,000,000
FY 19/20	<u>\$1,000,000</u>
TOTAL	\$6,000,000

Funds in the amount of \$2,000,000 are budgeted in Account 54260, Center 330, Program 000 in Fiscal Year (FY) 2016/2017. 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.

DATE: NOVEMBER 9, 2016

PAGE 7 OF 7

SUBJECT: AGREEMENTS FOR EMERGENCY RESPONSE AND HAZARDOUS
WASTE MANAGEMENT SERVICES

CITY ATTORNEY:


The Office of the City Attorney has reviewed and approved the subject 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 Services
2. Scope of Work
3. Proposal Evaluation Form
4. Interview Evaluation Form

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


CHRISTOPHER CANNON
Director of Environmental Management


MICHAEL DiBERNARDO
Deputy Executive Director

APPROVED:


FOR EUGENE D. SEROKA
Executive Director

CC/yo
AUTHOR: S. SADRPOUR

FILE: G:_ADMIN\ BOARD REPORTS\ _HAZMAT\EMERGENCY RESP 2016\ENV_EMERG REPOSE - FINAL.docx
UPDATED: 11/9/2016 12:15 PM - YO