



OPERATIONS COMMITTEE
NOVEMBER 17, 2005

**SUBJECT: CONTRACT NO.OP33411754, REMOVAL AND DISPOSAL OF
HAZARDOUS, NON-HAZARDOUS AND UNIVERSAL WASTE
PACIFIC RESOURCE RECOVERY SERVICES**

ACTION: APPROVE CONTRACT AWARD

RECOMMENDATION

Authorize the Chief Executive Officer to award a five-year firm fixed unit rate contract, Contract No. OP33411754, to Pacific Resource Recovery Services for removal and disposal of hazardous, non-hazardous and universal waste in an amount not-to-exceed \$541,354, inclusive of two one-year options, effective January 1, 2006.

RATIONALE

The service requested is for the removal, transportation and disposal of hazardous, non-hazardous and universal waste in drums generated at eleven bus, four rail, one non-revenue and four support service facilities including the Regional Rebuild Center resulting from scheduled maintenance, unplanned repairs and equipment support of approximately 2,510 buses, 260 rail cars and hundreds of non-revenue equipment. The liquid and solid waste generated at these facilities is characterized as ignitable, toxic, corrosive or reactive and must be properly disposed per Environmental Protection Agency and the Department of Toxic Substances Control regulations.

The wastes that are routinely generated include but are not limited to sludge; absorbent material; waste motor fuels, including but not limited to gasoline, diesel fuel, methanol and ethanol; waste oils, including brake fluid, transmission fluid, engine oil, hydraulic oil and gear oil; asbestos related materials; paint and paint residue including lacquer thinner and reducer; waste film developing fixer and developer; waste batteries, aerosol cans and crankcase breather filters.

As a generator of hazardous waste, the Metro is mandated to have the waste legally removed within 90 days of accumulation and transported by a licensed and registered transporter. The waste must be transported to a permitted Treatment, Storage and Disposal Facility for proper treatment or disposal. A California Uniform Hazardous Waste Manifest will document and accompany all waste removed from Metro facilities. Furthermore, the requested service will provide emergency response crews in the event of a material release or

trauma scene incident that may occur at Metro facilities, rail right-of-ways and public highways.

The proper removal, transportation and disposal of hazardous, non-hazardous and universal waste generated will ensure compliance with federal, state and local environmental regulations. This will greatly reduce Metro's liability, regulatory fines/notice to comply orders and negative publicity. Furthermore, Metro will preserve and protect the safety of the public, staff and the environment.

FINANCIAL IMPACT

Funding of \$110,000 for the removal, transportation and disposal of hazardous, non-hazardous and universal waste is included in the FY06 budget in cost center 3341, Facilities Services, under project number 100030, Overhead-Operations.

Since this is a multi-year contract, the cost center manager and Deputy Chief Executive Officer will be accountable for budgeting the cost in future years, including any option years. In the first half of FY05, \$100,000 was expended on this line item.

ALTERNATIVES CONSIDERED

The alternative is to procure removal, transportation and disposal of hazardous, non-hazardous and universal waste services on an as-needed basis without fixed unit rate pricing. This option is not recommended since it does not control cost or guarantee timely service. This service cannot be performed in-house since it requires that a licensed and permitted transporter perform the removal and transportation of hazardous, non-hazardous and universal waste generated from Metro facilities. The treatment and disposal of the waste materials can only be performed by a permitted Treatment, Storage and Disposal (TSD) Facility. Metro does not have the required facility, equipment, licenses, permits or trained personnel to transport or dispose of hazardous, non-hazardous and universal waste.

ATTACHMENT(S)

- A. Procurement Summary
- A-1 Procurement History
- A-2 List of Subcontractors

Prepared by: Brady Branstetter, Director of Facilities Maintenance
James Jimenez, Principal Environmental Specialist
Tom Butler, Sr. Contract Administrator



For John B. Catoe Jr.
Deputy Chief Executive Officer



Roger Snoble
Chief Executive Officer

**BOARD REPORT ATTACHMENT A
PROCUREMENT SUMMARY**

**REMOVAL AND DISPOSAL OF HAZARDOUS, NON-HAZARDOUS WASTE AND
UNIVERSAL WASTE**

1.	Contract Number: OP33411754		
2.	Recommended Vendor: Pacific Resource Recovery Services		
3.	Cost/Price Analysis Information:		
	A. Bid Price: \$541,354	Recommended Price: \$541,354	
	B. Details of Significant Variances are in Attachment A-1.D		
4.	Contract Type: Firm Fixed Unit Rate		
5.	Procurement Dates:		
	A. Issued: September 6, 2005		
	B. Advertised: September 7, 2005		
	C. Pre-bid Conference: September 13, 2005		
	D. Bids Due: October 3, 2005		
	E. Pre-Qualification Completed: October 4, 2005		
	F. Conflict of Interest Form Submitted to Ethics: October 14, 2005		
6.	Small Business Participation:		
	A. Bid Goal VALP of 18%MBE and 2% WBE	Date Small Business Evaluation Completed: August 25, 2005	
	B. Small Business Commitment: 0 % Details are in Attachment A-2		
7.	Invitation for Bid (IFB) Data:		
	Notifications Sent 14	IFBs Picked up: 11	Bids Received: 1
8.	Evaluation Information:		
	A. Bidders Names: Pacific Resource Recovery	Bid Amount: \$541,354	Best and Final Offer Amount: Not applicable to Invitation for Bid
	B. Evaluation Methodology: Details are in Attachment A-1.C		
9.	Protest Information:		
	A. Protest Period End Date: November 22, 2005		
	B. Protest Receipt Date: TBD		
	C. Disposition of Protest Date TBD:		
10.	Contract Administrator: Tom Butler	Telephone Number: 213-922-7312	
11.	Project Manager: James Jimenez	Telephone Number: 213-922-5870	

**BOARD REPORT ATTACHMENT A-1
PROCUREMENT HISTORY**

**REMOVAL AND DISPOSAL OF HAZARDOUS, NON-HAZARDOUS WASTE AND
UNIVERSAL WASTE.**

A. Background on Contractor

Pacific Resource Recovery Services is a small business located in Los Angeles and has been in business since 1991. Their primary business is waste materials recycling. They currently are providing these same services to Metro under a five-year contract, which expires on December 31, 2005. Their service under the contract has been satisfactory.

B. Procurement Background

This procurement was handled as a competitive sealed bid under Invitation for Bid No. OP33411754, which requires the contract be awarded to the lowest-priced, responsive, responsible bidder. The base period is three years plus two one-year options for a total possible contract period of five years. Pacific Resource Recovery Services was the only bidder although 14 companies were solicited, six companies attended the pre-bid conference, and 11 additional companies downloaded the IFB from the web site.

The Diversity & Economic Opportunity Department (DEOD) recommended voluntary anticipated levels of participation (VALP) of 18% for Minority Business Enterprise (MBE) and 2% for Women Business Enterprise (WBE) based the subcontracting opportunities and the availability of M/WBE firms to provide some of these type services.

C. Evaluation of Proposals

This procurement is in compliance with Procurement Policies and Procedures and was solicited on a competitive sealed bid basis. Pacific Resource Recovery Services, the only bidder, was determined to be responsive and responsible and is technically qualified to perform the required services.

D. Cost/Price Analysis Explanation of Variances

The recommended price has been determined to be fair and reasonable based upon comparison with previous pricing. The current bid price, which was submitted in a competitive environment, is 29% lower than the price bid submitted in a competitive environment for the current contract five years ago. It is apparent that Pacific Resource is a competent business that understands and controls costs.

**BOARD REPORT ATTACHMENT A-2
LIST OF SUBCONTRACTORS**

**REMOVAL AND DISPOSAL OF HAZARDOUS, NON-HAZARDOUS WASTE AND
UNIVERSAL WASTE**

PRIME CONTRACTOR

Pacific Resource Recovery Services

Small Business Commitment

None

Total Commitment

0%

Other Subcontractors

Pacific Coast Lacquer

Patriot Environmental Services

Positive Lab Service