

OPERATIONS COMMITTEE NOVEMBER 15, 2007

SUBJECT:

CONTRACT NO. OP33412060, LIQUID WASTE DISPOSAL SERVICES

UNITED PUMPING SERVICE, INC.

ACTION:

APPROVE CONTRACT AWARD

RECOMMENDATION

Authorize the Chief Executive Officer to award a five-year firm fixed unit-rate contract, Contract No. OP33412060, to United Pumping Service, Inc. for liquid waste disposal services in an amount not to exceed \$3,708,235 inclusive of two one-year options, effective January 1, 2008.

RATIONALE

The service requested is for the evacuation, transportation and disposal of hazardous and non-hazardous waste liquids generated at Metro bus, rail and support service facilities. These facilities generate approximately 1.2 million gallons of liquid waste each year during the servicing of clarifiers, sump pits, trenches, hoist pits, oil/water separators, waste fuel tanks, storage tanks, stormceptors and caustic tanks. These wastewater processing systems are associated with steam cleaning bus and rail car components, fueling buses, chassis jet cleaning of buses, washing buses and rail cars, caustic cleaning of engine parts, interior cleaning of buses and rail cars, maintenance shop sumps, stormceptors and storage tanks. The liquid wastes from these systems are categorized as 62% hazardous and 38% non-hazardous.

As a generator of hazardous and non-hazardous waste liquids, Metro is required to comply with federal, state and local environmental laws and regulations. This includes having the waste legally removed and transported by a licensed transporter to a permitted Treatment, Storage and Disposal Facility for proper treatment and disposal. Hazardous waste liquids removed from Metro facilities will be documented on a Uniform Hazardous Waste Manifest. Non-hazardous waste liquids will be documented on bills-of-lading. The regular servicing of this wastewater processing equipment shall ensure their efficient and effective operation.

Compliance with environmental laws and regulations will greatly reduce Metro's liability and minimize the possibility of 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

The funding of \$585,000 for liquid waste disposal services is included in the FY08 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 Executive Officer will be accountable for budgeting the cost in future years, including any option exercised. In FY07, \$505,000 was expended on liquid waste disposal services.

ALTERNATIVES CONSIDERED

The alternative is to procure removal, transportation and disposal of hazardous and non-hazardous waste liquid 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 and non-hazardous waste liquid from Metro facilities. The treatment and disposal of the liquid waste materials can only be performed by a permitted Treatment, Storage and Disposal (TSD) Facility. Metro does not have the required vehicles, facility, equipment, licenses, permits or trained personnel to transport or dispose of hazardous and non-hazardous waste liquids.

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

Carolyn Flowers
Chief Operations Officer

Roger Snoble Chief Executive Officer

BOARD REPORT ATTACHMENT A PROCUREMENT SUMMARY

LIQUID WASTE DISPOSAL SERVICES

1.	Contract Number: OP33412060					
2.	Recommended Vendor: United Pumping Service Inc.					
3.	Cost/Price Analysis Information:					
	A. Bid Price:		Recom	mended Pric	e:	
	\$3,708,235		\$3,708,235			
	B. Details of Significant Variances are in Attachment A-1.D					
4.	Contract Type: Firm Fixed Unit Rate					
5.	Procurement Dates:					
	A. Invitation for Bid Issued: 8/31/07					
	B. Advertised: 8/31/07					
	C. Pre-Bid Conference: 9/11/07					
	D. Bids Due: 10/2/07					
	E. Pre-Qualification Completed: 10/9/07					
	F. Conflict of Interest Form Submitted to Ethics: 10/12/07					
6.	Small Business Participation:					
	A. Bid Goal:		Date Small Business Evaluation Completed:			
	Voluntary Anticipated Level of		10/7/07			
	Participation: 15% MBE and 10%					
	WBE					
	B. Small Business Commitment: 100% Details are in Attachment A-2					
7.	Invitation for Bid (IFB)Data:					
	Notifications Sent: IFBs picke		-	1	Received:	
	12		9 6			
8.	Evaluation Information:				ID / ID' LOSS	
	Bidders Names:		Bid Amount:		Best and Final Offer	
	11 . 15		\$3,708,235		Amount:	
	United Pumping		\$4,174,237		Not applicable	
	Asbury Environmental Pacific Oil		\$4,266,750			
	Island Environmental		\$4,321,820			
	Ancon Marine		\$5,837,750			
	Clean Harbors Environmental		\$7,467,850			
	Cicali Haibots Elivitolinettai					
	B. Evaluation Methodology: Details are in Attachment A-1.C					
9.	Protest Information:					
	A. Protest Period End Date: 11/19/07					
	B. Protest Receipt Date: TBD					
	C. Disposition of Protest Date: TBD					
10.	Contract Administrator:	Telephone Number:				
	Tom Butler		213-922-7312			
11.						
	James Jimenez		213-922-5870			

BOARD REPORT ATTACHMENT A-1 PROCUREMENT HISTORY

LIQUID WASTE DISPOSAL SERVICES

A. Background on Contractor

United Pumping Services Inc. is a small company located in City of Industry, California, has been in business since 1970, and is certified by Metro as a Minority-Owned Business Enterprise (MBE). United is a full service hazardous waste management company, employs about 100 people, and performs a wide array of projects such as 24 hour emergency response services, sampling and identification, decontamination of tanks, equipment and structures, contaminated soil excavation and removal, and waste transportation. They have not had previous contracts with Metro. They have provided similar waste collection/removal services for the City of Los Angeles, City of San Diego, and San Diego Transit Corp. Reference checks with those organizations and others indicate they are a reliable, capable firm that provides satisfactory service.

B. Procurement Background

This procurement was handled as a competitive sealed bid under Invitation for Bid (IFB) No. OP33412060 which requires the contract be awarded to the lowest priced, responsive, responsible bidder. The base contract period is three years plus two one-year options for a total contract period of five years. A total of 12 companies were solicited and nine additional companies downloaded the IFB from the Metro web site; six bids were received.

The Diversity & Economic Opportunity Department (DEOD) recommended Voluntary Anticipated Levels of Participation (VALP) of 15% for Minority Business Enterprise (MBE) and 10% for Women Business Enterprise (WBE) based on the subcontracting opportunities and the availability of M/WBE firms to provide some of these type services.

C. Evaluation of Bids

This procurement is in compliance with Procurement Policies and Procedures and was solicited on a competitive sealed bid basis. United Pumping was determined to be the lowest, responsive, and responsible bidder and is technically qualified to perform the required services. They also have all the licenses and permits required by federal, state, and local laws and regulations

Three of the other five bidders were also determined to be responsive, responsible, and technically qualified bidders; two had submitted incomplete bids.

D. Cost/Price Analysis Explanation of Variances

The recommended price has been determined to be fair and reasonable because the bid was submitted in a competitive environment which ensures competitive pricing. Of the six bids received, three were within a very competitive range of 12 to 16 % of the low bid submitted by United Pumping.

BOARD REPORT ATTACHMENT A-2 LIST OF SUBCONTRACTORS

LIQUID WASTE DISPOSAL SERVICES

PRIME CONTRACTOR

United Pumping Services Inc.

Small Business Commitment 100%

Other Subcontractors

0%

Total Commitment 100%