



Metro

**OPERATIONS COMMITTEE
MAY 15, 2008**

**SUBJECT: PS68102137, INDUSTRIAL HYGIENE AND
ENVIRONMENTAL SAFETY SERVICES
AMERICAN ENVIRONMENTAL SPECIALISTS, INC.**

**ACTION: AWARD CONTRACT TO AMERICAN ENVIRONMENTAL
SPECIALISTS, INC**

RECOMMENDATION

Authorize the Chief Executive Officer to award a five year fixed unit rate contract, Contract No. PS68102137, to American Environmental Specialists, Inc. for industrial hygiene and environmental safety services in an amount not to exceed \$288,260 inclusive of three, one-year options, effective July 1, 2008.

RATIONALE

The Corporate Safety department is responsible for the investigation of employees' and public exposure to hazardous materials as we operate our transportation systems in the region. The industrial hygiene and environmental safety investigation programs are established and regulated by the California Occupational Safety and Health Administration (Cal/OSHA) and State Department of Health Services (DHS). A major component of these programs is to monitor and investigate our operating environment and workplaces to ensure that employees and the public are not exposed to hazardous materials beyond Cal/OSHA and DHS permissible levels.

According to Cal/OSHA (California Code of Regulations, Title 8, Section 5155 (e)), we have the responsibility to monitor or cause to monitor the work environment so that exposures to employees can be measured or calculated.

We will continue to be in compliance with the state law by monitoring the work environments to calculate employees' exposures to hazardous substances. We currently have two industrial hygienists (Principal Industrial Hygienist and Sr. Industrial Hygienist). The Principal Industrial Hygienist is responsible for developing and managing the following OSHA programs: Hazard Communication, Respiratory Protection, AQMD, Indoor Air Quality & Mold, Review of Engineering Designs and Specifications, Compressed Natural Gas (CNG) System Safety, Asbestos, Lead and the new GASB 49 Environmental Risk Monitoring for Public Agencies.

The Sr. Industrial Hygienist is responsible for implementing such OSHA programs as Hearing Conservation, Blood borne Pathogens, Hazardous Material Business Plans, Medical Surveillance (Hearing and Respiratory testing), and Personal Protective Equipment.

The two Industrial Hygienists are occupied with the above programs but additional resources are needed to augment their efforts. Therefore, we have awarded this contract in the past to an industrial hygiene and environmental consultant, Winefield & Associates, Inc. to provide as-needed industrial hygiene & environmental safety services such as conducting field investigation to determine employees' exposure to airborne contaminants such as mold, asbestos, lead and paint vapors.

The current contract with Winefield's expires June 30, 2008. If the contract is awarded to American Environmental Specialists, Inc., the period of performance of the contract will be from July 1, 2008 to June 30, 2013.

FINANCIAL IMPACT

The funding of \$74,000 for this service is included in the FY 09 proposed budget in cost center 6810, Corporate Safety under project 300011, line item number 50316 Industrial Hygiene & Environmental Safety. Since this is a multi-year contract, the cost center manager and Chief Operations Officer will be accountable for budgeting the cost in future years, including any option exercised. In FY07, \$43,000 was expended on this item.

ALTERNATIVES CONSIDERED

The alternative considered was to provide these services in-house. This option is not recommended as it would require the hiring of an additional Industrial Hygienist at a greater cost per year.

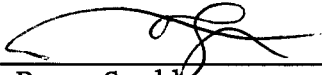
ATTACHMENT(S)

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

Prepared by: Collins Kalu, Principal Industrial Hygienist
Vijay Khawani, Director Corporate Safety



Carolyn Flowers
Chief Operations Officer



Roger Snoble
Chief Executive Officer

**BOARD REPORT ATTACHMENT A
PROCUREMENT SUMMARY**

INDUSTRIAL HYGIENE AND ENVIRONMENTAL SAFETY SERVICES

1.	Contract Number: PS68102137		
2.	Recommended Vendor: American Environmental Specialists, Inc.		
3.	Cost/Price Analysis Information:		
	A. Bid/Proposed Price: \$288,260	Recommended Price: \$288,260	
	B. Details of Significant Variances are in Attachment A-1.D		
4.	Contract Type: Fixed Unit Rate		
5.	Procurement Dates:		
	A. Issued: February 25, 2008		
	B. Advertised: February 24 and 28, 2008		
	C. Pre-proposal Conference: March 4, 2008		
	D. Proposals Due: March 20, 2008		
	E. Pre-Qualification Completed: April 2, 2008		
	F. Conflict of Interest Form Submitted to Ethics: April 3, 2008		
6.	Small Business Participation:		
	A. Bid/Proposal Goal: No Goal Recommended	Date Small Business Evaluation Completed: April 11, 2008	
	Small Business Commitment: No Goal Recommended Details are in Attachment A-2		
7.	Invitation for Bid/Request for Proposal Data:		
	Notifications Sent: 316	Bids/Proposals Picked up: 45	Bids/Proposals Received: 7
8.	Evaluation Information:		
	A. Bidders/Proposers Names:	<u>Bid/Proposal Amount:</u>	<u>Best and Final Offer Amount:</u>
	Ancon Marine, Inc.	\$345,825	\$288,260
	American Environmental Specialists, Inc.	\$288,260	
	Clark Seif Clark Inc.	\$339,575	
	Encorp Environmental Management & Services	Proposal Returned Unopened	
	Environmental & Occupational Risk Management (EORM)	\$428,825	
	Executive Environmental Services Corp.	\$335,490	
	Winefield and Associates, Inc.	\$325,620	
	B. Evaluation Methodology: Technically Acceptable, Lowest Price Details are in Attachment A-1.C		
9.	Protest Information:		
	A. Protest Period End Date: May 20, 2008		
	B. Protest Receipt Date: N/A		
	C. Disposition of Protest Date: N/A		
10.	Contract Administrator: Maria V. Lechuga	Telephone Number: 213-922-7206	
11.	Project Manager: Collins Kalu	Telephone Number: 213-922-4970	

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

INDUSTRIAL HYGIENE AND ENVIRONMENTAL SAFETY SERVICES

A. Background on Contractor

American Environmental Specialist, Inc. (AES) is a veteran owned small business environmental consulting firm and is registered as such with the California State Contractors Register. The firm has been in business since 1992 and has their main office in Huntington Beach, California.

American Environmental Specialists, Inc. has built its reputation on its responsiveness, technical skills, and ability to communicate on key issues that enable its clients to make sound business decisions. Currently, over 80% of the firm's business is through repeat business and that of client referrals. AES provides asbestos, lead, mold, indoor air quality, other hazardous materials inspections, and testing. AES specializes in microbial contamination, indoor air quality, asbestos, lead-based paint, environmental site assessments, soil/water contamination, hazardous waste, peer review, project management, remediation management, hazardous material management and environmental documentation.

AES utilizes Aero Environmental Services (AERO) as a subcontractor. AERO is located in Orange, California. The company has been in existence since 1995, and offers environmental and engineering consultation, with a focus on indoor environmental quality. AERO provides mechanical engineering, industrial hygiene, and microbiology for complete indoor air quality investigations. This combination of services allows AERO not only to identify indoor air quality problems, but also to provide recommendations and ventilation designs to preclude future or potential indoor air quality problems. AERO's current capabilities include: workplace industrial hygiene assessment; environmental assessments; hazardous material regulatory compliance; hazardous waste management; project/construction management and services; health and safety program audits/training; asbestos; lead based paint; indoor air quality assessment; microbial evaluations/abatement oversight; and documentation.

AES/AERO has provided services to us in the past. In 2002, AES/AERO performed satisfactorily on the San Fernando Valley Rapid Bus Transit Project where they were required to perform asbestos and lead surveys, and a Phase I Environmental Site Assessment. AES has also contracted and performed work on the The Huntington Library Art Collections and Botanical Gardens in San Marino, a school in the City of Costa Mesa, Raytheon Company in El Segundo, a school for the Temecula Valley USD, the City of Santa Monica, Vandenberg Air Force Base, Lompoc, California and others.

B. Procurement Background

The technically acceptable, lowest price method was used for this procurement. Proposers were required to pass the minimum requirements of knowledge, experience and certifications in order to be determined technically qualified. The Source Selection Committee determined the technically qualified contractors; cost proposals were opened only for the technically acceptable contractors and award recommended to the lowest priced proposer.

C. Evaluation of Proposals

The procurement process for this contract was a standard Request for Proposal in compliance with our Procurement policies and procedures. Seven proposals were received. The Source Selection committee evaluated each proposal against the minimum requirements previously established to determine if they were technically acceptable. One proposer was deemed non-responsive to the minimum requirements and was eliminated from the competition. Cost proposals were opened only for those proposers considered to be technically qualified and award recommended to the lowest priced proposer. There were seven proposed tasks for this contract and AES had the lowest rates in three of the tasks, the second lowest rates in three of the remaining tasks and third lowest rate in the last task. Their overall grand total for all the work was the lowest of all the proposers.

D. Cost/Price Analysis Explanation of Variances

The recommended price has been determined to be fair and reasonable based upon an analysis of the labor rates provided by each proposer. In general, American Environmental Specialists, Inc. has the lowest rates overall and the lowest grand total for the estimated hours. The labor rates have been determined to be fair and reasonable based on adequate competition. (See the Price Analysis dated April 3, 2008 in Attachment B.)

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

INDUSTRIAL HYGIENE AND ENVIRONMENTAL SAFETY SERVICES

PRIME CONTRACTOR –

American Environmental Specialists, Inc.

Small Business Commitment

N/A

Other Subcontractors

Aero Environmental Services

Total Commitment 0%

PRICE ANALYSIS
PS-6810-2137 - Industrial Hygiene and Environmental Safety Services
April 3, 2008

Task to be Performed	Classification	American Environmental	Winefield & Assoc.	Exec. Environmental	Clark Seif Clark	Acon Marine	EORM	Encorp
Asbestos & Lead Monitoring	Certified Ind. Hygienist	\$73.50 (lowest)	\$78.00	\$82.00	\$62.00	\$55.00	\$150.00	Cost Proposal returned un-opened
Field Technical Support	Indus. Hygienist	\$68.50 (lowest)	\$78.00	\$72.00	\$95.000	\$85.00	\$85.00	
Exposure Assessment	Industrial Hygienist or Environmental Health & Safety Spec	\$73.70 or \$73.50 (2 nd lowest)	\$88.00	\$72.00 \$142.00	\$80.00	\$85.00	\$85.00	
Preparation of AQMD Annual Emissions Report	Certified Industrial Hygienist or Environmental Health & Safety Spec	\$103.50 or \$103.50 (3 rd lowest)	\$88.00	\$142.00 \$120.00	\$165.00	\$180	\$85.00	
Review of AQMD Annual Emissions Report	Principal/Sr. Consultant	\$138.00 (2 nd lowest)	\$138.00	\$152.00	\$175.00	\$180.00	\$85.00	
Project Management	Principal/Sr. Consultant	\$77.50 (lowest)	\$148.00	\$152.00	\$165.00	\$185.00	\$160.00	
Clerical Support	Administrative Tech	\$50.00 (tie for 2 nd lowest)	\$40.00	\$52.00	\$55.00	\$50.00	\$65.00	
Grand Total Price		1 \$288,260	2 \$325,620	3 \$335,490	4 \$339,575	5 \$345,825	6 \$428,825	5 \$---

An analysis of the labor rates above indicates that of the six cost proposals opened, American Environmental (AE) falls in the lower three for pricing. There are seven tasks to be performed and of those seven, AE has the lowest labor in three of the classifications; it is the second lowest in three of the remaining tasks and third lowest in the last task. AE's highest labor rate is for the Principal for the Review of the AQMD Annual Emissions Report at \$138.00, but it is still only the second highest compared to the other proposers. In general, AE has the lowest rates overall and the lowest price as a grand total. Therefore, since these proposals were submitted under the assumption of competition, I have determined that the rates submitted by AE are fair, reasonable and acceptable.