

- **Board of Directors**
Engineering, Operations and Real Property Committee

July 10, 2001 Board Meeting

8-4

Subject

Authorize award of two service contracts in the amount of \$1.1 million for hazardous waste management, emergency response and remediation services

Description

Metropolitan purchases and stores various chemicals and materials for use in its daily operations. Once used or spent, many of these chemicals are categorized as “hazardous waste” as defined by the California Health and Safety Code because of their potential hazard or risk to human health or the environment.

The packaging, marking and labeling, accumulation, handling, transporting and disposal of hazardous waste is strictly regulated by various federal, State, and local agencies (e.g., U.S. Environmental Protection Agency (U.S. EPA), Department of Toxic Substances Control (DTSC), and the Department of Transportation (DOT). These agencies continue to impose new and changing regulations that deal specifically with the management of hazardous waste, including spills and air releases.

On October 26, 2000, Metropolitan advertised Requests for Qualifications (RFQ) for industrial hazardous waste services as the first step in the competitive bid process. Twenty firms were notified and invited to participate in the (RFQ) process. Eight firms responded with RFQ submittals, and the representative qualifications were thoroughly reviewed and evaluated. Four top-ranked respondents were determined to be qualified to perform the scope of work and services required. The four pre-qualified vendors were recommended for participation in the second phase process, Request for Bid (RFB).

Through the competitive bid process, the overall evaluation has determined the two firms most qualified to provide the scope of work and services required by Metropolitan. The two firms, Consolidated Waste Industries, Inc., and HazPak, Inc. Environmental Services are most capable, highly experienced and renowned in the industry. Their recognized specialties include HazMat Emergency Response, Bulk Waste and consolidated lab packing, all of which are services required by Metropolitan.

Policy

Metropolitan Water District Administrative Code Section 8113, award of contracts following competitive bidding.

CEQA

The proposed action is not defined as a project under the California Environmental Quality Act (CEQA) because it involves continuing maintenance activities (Section 15378(b)(2) of the State CEQA Guidelines). In addition, the proposed action is not subject to CEQA because it involves government fiscal activities, which do not involve any commitment to any specific project, which may result in a potentially significant physical impact on the environment (Section 15378(b)(4) of the State CEQA Guidelines).

The CEQA determination is: Determine that the proposed action is not subject to CEQA per Sections 15378(b)(2) and 15378(b)(4) of the State CEQA Guidelines.

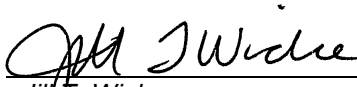
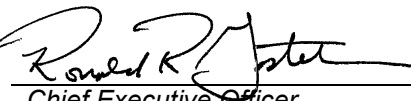
Board Options/Fiscal Impacts

Adopt the CEQA determination and authorize the Chief Executive Officer to award two service contracts for hazardous waste management services. The total annual cost is not to exceed \$1.1 million collectively for the contracts including sales tax, as applicable, in form approved by the General Counsel.

There are essentially no options in this regard. These are regulatory mandated requirements for managing and disposing of hazardous waste. The subject services are professional and technical in nature, which require State and federal license, certification and registration as a hazardous waste contractor. Metropolitan, through established policy, is committed to managing hazardous waste in a manner that protects employees, the public and the environment, and which reduces long-term environmental liability to Metropolitan.

Staff Recommendation

Metropolitan's Board retains both firms to provide these specialized professional services on an apportioned geographic basis. This will assure essential services are readily available on a continuous basis to reduce the risk of harm to area residents and the environment, and to insure compliance with applicable statutes and regulations in a timely manner. Consolidated Waste Industries, Inc. will routinely service Metropolitan facilities of the eastern and desert regions, and HazPak, Inc. Environmental Services will routinely service Metropolitan facilities of the western and central regions. Both firms will provide emergency response and remediation services across Metropolitan facilities. These contracts are renewable yearly, based on vendor performance and availability of funds, for a period of time not to exceed three years.

	6/14/2001
Jill T. Wicke Manager, Water System Operations	Date
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	6/29/2001
Ronald R. [unclear] Chief Executive Officer	Date