



City of Arts & Innovation

City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: JUNE 2, 2020**

FROM: FINANCE DEPARTMENT **WARDS: ALL**

SUBJECT: FIRST AMENDMENT TO THE PROFESSIONAL CONSULTANT SERVICES AGREEMENT WITH ENVIRONMENTAL LOGISTICS, INC. TO INCREASE THE TOTAL CONTRACT AWARD TO \$900,000 FOR THE TRANSPORTATION AND REMOVAL OF HAZARDOUS MATERIALS FOR THE INITIAL AGREEMENT TERM ENDING JUNE 30, 2023

ISSUE:

Approve the First Amendment to the Professional Consultant Services Agreement with Environmental Logistics, Inc. to increase the total contract amount from \$255,000 to an amount not-to-exceed \$900,000 for the transportation and disposal of hazardous materials for the initial agreement term ending June 30, 2023.

RECOMMENDATIONS:

That the City Council:

1. Approve the First Amendment to the Professional Consultant Services Agreement with Environmental Logistics, Inc. to increase the total contract award amount from \$255,000 to a not-to-exceed amount of \$900,000 for the transportation and disposal of hazardous waste materials through June 30, 2023.
2. Authorize the City Manager, or his designee, to approve the amendment with Environmental Logistics Inc., including making minor and non-substantive changes and the Professional Consultant Services Agreement.

BACKGROUND:

Risk Management issued RFP 1954 on August 30, 2019 in effort to centralize the City's Hazardous Waste operations. Risk Management recommended Environmental Logistics, Inc as the sole contractor for the City's hazardous waste needs. The Purchasing Manager concurred with Risk Management's recommendation and on November 19, 2019, the City Council approved the issuance of a three-year Professional Consultant Services Agreement with Environmental Logistics, Inc. in the amount not-to-exceed \$255,000 for the transportation and removal of hazardous waste.

By centralizing the City's Hazardous Waste operations, the City was able to secure competitive pricing with a reliable and reputable contractor to service all of the City's Hazardous waste needs. The City has dispatched Environmental Logistics, Inc. more than thirty times to service operational and emergency hazardous waste needs.

DISCUSSION:

Environmental Logistics Inc. has issued 37 invoices since the inception of the contract. Invoices range from \$900 to \$46,000. The City recently received two (2) additional invoices for a total of \$46,038.93: Invoice 91168-AG: \$18,297.08 and Invoice 041020-B: \$27,741.85.

Issued Payments		
Date Issued	Amount	
11/22/2019	\$ 2,139.00	
2/14/2020	\$ 127,596.58	
2/28/2020	\$ 7,049.50	
3/6/2020	\$ 1,374.25	
3/13/2020	\$ 7,831.50	
3/27/2020	\$ 8,583.32	
4/3/2020	\$ 42,560.04	
4/10/2020	\$ 6,687.25	
4/24/2020	\$ 2,651.33	
Total	\$ 206,472.77	

Upon payment of invoice 91168-AG and invoice 041020-B, the City will have exhausted the maximum allowed contract amount awarded to Environmental Logistics Inc. for the entire contract.

The City will use data collected throughout the duration of the contract to identify trends and properly set an award amount that captures the hazardous waste needs of the City.

It is critical that the City continue to have access to Environmental Logistics Inc. to properly dispose of hazardous materials.

FISCAL IMPACT:

The total fiscal impact of the action is an increase of \$645,000 for the remaining term of the agreement ending June 30, 2023. Funds for Risk Management are available in the Liability Insurance Trust Fund, Special Programs-Hazardous Materials Clean-Up account no. 2320000-450337. Additionally, departments pay for their own operational hazardous waste operations. Appropriations for future fiscal years will be included in the Department's Budget submissions for those fiscal years to be presented to the City Council for approval.

Prepared by: Jacqueline Godinez, Principal Risk Management Analyst

Certified as to

availability of funds: Edward Enriquez, Chief Financial Officer/Treasurer

Approved by: Carlie Myers, Deputy City Manager

Approved as to form: Gary G. Geuss, City Attorney

Attachment: First Amendment to Professional Consultant Services Agreement