



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: DECEMBER 6, 2022**

FROM: FINANCE DEPARTMENT **WARDS: ALL**

SUBJECT: THIRD AMENDMENT TO THE PROFESSIONAL CONSULTANT SERVICES AGREEMENT WITH ENVIRONMENTAL LOGISTICS, INC. TO INCREASE THE TOTAL AGREEMENT AMOUNT BY \$250,000 FOR A REVISED AGREEMENT AMOUNT OF \$1,750,000.00 FOR THE TRANSPORTATION AND REMOVAL OF HAZARDOUS MATERIALS

ISSUES:

Approve the Third Amendment to the Professional Consultant Services Agreement with Environmental Logistics, Inc. to increase the total agreement amount by \$250,000 to an aggregate amount not-to-exceed \$1,750,000 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 Third Amendment to the Professional Consultant Services Agreement with Environmental Logistics, Inc. to increase the total agreement amount by \$250,000 to an amount not-to-exceed \$1,750,000 for the transportation and disposal of hazardous materials for the initial agreement term ending June 30, 2023; and
2. Authorize the City Manager or his designee to execute the Professional Consultant Services Agreement with Environmental Logistics, Inc., including making minor and non-substantive changes.

BACKGROUND:

The City uses Environmental Logistics, Inc. to support all phases of management, containment, cleanup, treatment, transportation, and proper disposal of Hazardous Material emergencies in the City's public rights-of-way or City facilities. The services include characterization, removal, transportation, recycling, treatment, and proper disposal of hazardous, biological, and industrial solid and liquid waste.

Environmental Logistics, Inc. was awarded four-year Professional Consultant Services Agreement on November 19, 2019, for an amount not-to-exceed \$250,000 for the transportation and removal of hazardous waste materials for all of the City's hazardous waste operations.

On June 2, 2020, the City Council approved the First Amendment to the Professional Consultant

Services Agreement with Environmental Logistics, Inc. to increase the total contract award amount to \$900,000 as City departments exhausted the initial agreement amount within the first year of the contract.

On July 6, 2021, the City Council approved the Second Amendment to the Professional Consultant Services Agreement with Environmental Logistics, Inc. to increase the total agreement award amount to \$1,500,000 as City departments exhausted the increased agreement amount.

Risk Management is seeking Council approval for a third amendment increasing the total agreement award to an amount not-to-exceed \$1,750,000 for the remainder of the agreement term set to expire on June 30, 2023.

Risk Management will be working with Purchasing to issue an RFP in 2023 and award a new professional services agreement to a hazardous waste handler before the expiration of the current agreement with Environmental Logistics, Inc. which is set to expire on June 30, 2023.

DISCUSSION:

The City of Riverside centralized its hazardous waste operations in 2019 when Council approved Environmental Logistics, Inc.'s four-year Professional Consultant Services Agreement. Risk Management is now responsible for ensuring that the City has a qualified hazardous waste handler at all times to support all of the City's hazardous waste operations. This includes maintaining the agreement, submitting the Department of Toxic Substances Control's (DTSC) annual verification questionnaire, paying taxes, and renewing all operating permits.

As of October 24, 2022, the City has used 96% of the available funds allotted for the agreement. That equates to \$1,442,579 of the \$1,500,000.00 funds used thus far.

DEPARTMENT	SUM OF TOTAL SPENT	% OF TOTAL SPENT
AIRPORT	11,987.88	1%
MUSEUM	4,370.00	0%
PARKS & REC	33,008.18	2%
PUBLIC WORKS	300,900.88	21%
FIRE	12,463.13	1%
RISK MANAGEMENT	473,815.83	33%
POLICE	232,185.58	16%
PUBLIC UTILITIES	373,847.33	26%
TOTAL	1,442,578.81	100%

June 30, 2023, will conclude the first full agreement cycle of centralized hazardous waste operations. Risk Management will conduct an in-depth analysis of all City-wide operations to determine appropriate budget for the renewal agreement.

The City is not obligated to pay or use the total agreement award as the City only pays for completed services and materials. The fees charged by Environmental Logistics are unchanged from the original agreement, which was awarded based on the results of RFP 1954. Risk

Management is seeking for Council to approve the third amendment increasing the total award amount by \$250,000.00 to ensure that City staff continue to have the necessary resources and authority to request standard and emergency hazardous waste services from Environmental Logistics, Inc.

The Purchasing Manager concurs that the recommendation is in compliance with Purchasing Resolution No. 23914.

STRATEGIC PLAN ALIGNMENT:

This item contributes to **Strategic Priority 2 – Community Well-Being** and **Goal 2.6 – Strengthen community preparedness for emergencies to ensure effective response and recovery.**

This item aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – Riverside is able to enlist the help of a vetted and qualified hazardous waste handler to ensure prompt and effective responses to hazmat incidents and in addition to ensuring that the City remain in full compliance with state and federal hazmat rules and regulations.
2. **Equity** – Environmental Logistics, Inc. is able to respond to all wards within Riverside at any time and day including overnight and weekend incidents.
3. **Fiscal Responsibility** – The City only pays for services and materials rendered. The City does not have to compensate Environmental Logistics, Inc. for the full price of the agreement if services and materials are not needed nor does the City make advanced payments Environmental Logistics, Inc.
4. **Innovation** – The City has centralized hazardous waste operations which help optimize resources, enhance coordination and improve overall staff response time to citywide hazmat incidents.
5. **Sustainability & Resiliency** – The agreement supports the continuous service of all citywide hazmat operations in addition to offsite hazmat emergencies to ensure the safe and continuous use of public areas by all of Riverside's residents and businesses.

FISCAL IMPACT:

There is no immediate fiscal impact of the action as the City only pays for services and materials rendered. Funds for Risk Management are available in the Liability Insurance Trust Fund, Special Programs-Hazardous Materials Cleanup account no. 2320000-450337. Additionally, departments pay for their own operational hazardous waste operations from existing departmental budgets. Appropriations for future fiscal years will be included in the budget submissions for those fiscal years to be presented to the City Council for approval.

Prepared by: Kristie Thomas, Assistant Chief Financial Officer
Certified as to
Availability of funds: Edward Enriquez, Interim Assistant City Manager/Chief Financial Officer/City Treasurer
Approved by: Edward Enriquez, Interim Assistant City Manager/Chief Financial Officer/City Treasurer
Approved as to form: Phaedra A. Norton, City Attorney

Attachment: Third Amendment to the Professional Consultant Services Agreement
with Environmental Logistics, Inc. for \$1,750,000