



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: JULY 6, 2021**

FROM: FINANCE DEPARTMENT **WARDS: ALL**

SUBJECT: SECOND AMENDMENT TO THE PROFESSIONAL CONSULTANT SERVICES AGREEMENT WITH ENVIRONMENTAL LOGISTICS, INC. TO INCREASE THE TOTAL CONTRACT AMOUNT TO \$1,500,000.00 FOR THE TRANSPORTATION AND REMOVAL OF HAZARDOUS MATERIALS

ISSUES:

Approve the Second Amendment to the Professional Consultant Services Agreement with Environmental Logistics, Inc. to increase the total contract amount from \$900,000 to an amount not-to-exceed \$1,500,000 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 Second Amendment to the Professional Consultant Services Agreement with Environmental Logistics, Inc. to increase the total contract amount from \$900,000 to an amount not-to-exceed \$1,500,000 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:

Risk Management issued Request for Proposal (RFP) 1954 for Emergency Hazardous Waste Disposal Services on August 30, 2019, in an effort to centralize the City's Hazardous Waste operations. A cross-functional review panel was selected to evaluate the responsive proposals, including representatives from Public Works, Human Resources-Safety, and Risk Management. The panel recommended Environmental Logistics, Inc. as the sole contractor to service the City's hazardous waste needs. The Purchasing Manager concurred with the recommendation and on November 19, 2019, the City Council approved the issuance of a four-year Professional Consultant Services Agreement with Environmental Logistics, Inc. in an amount not-to-exceed \$250,000 for the transportation and removal of hazardous waste materials.

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 contract amount within the first year of the contract.

DISCUSSION:

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.

In addition to standard operational requests such as the pick-up of waste oils (motor, and gear oils), the cleaning of clarifiers, and drum drop-off, etc., Environmental Logistics, Inc. assisted the Risk Management Division in responding to an urgent sewage contamination call at the Corona Pointe Resort Apartments located at 3957 Pierce Street, Riverside CA, 92505 in November of 2020. There was substantial sewage contamination in large areas within the apartment complex due to a large City sewer pipe that broke underground. The City's Risk Management staff asked Environmental Logistics Inc. to clean and disinfect sidewalks, parking areas, carports, and driveways.

Spending Summary as of June 3, 2021		
Term	Number of Calls/Requests	Total Spent
Year 1 (November 19, 2019 to June 30, 2020)	48	\$258,486.26
Year 2 (July 1, 2020 to June 30, 2021)	78	442,925.35
Total Spent to Date:		\$701,411.61

The City is not obligated to pay or use the total contract amount of \$1,500,000 as the City only pays for completed services and materials. Risk Management has paid \$200,074.74 in unforeseen emergency hazardous waste services in Year 2 and will continue to assist City departments in responding to emergency calls to ensure the health and safety of the City's staff and residents. The contract increase is requested to ensure that City staff continues to have the necessary resources and authority to request standard and emergency hazardous waste services from Environmental Logistics, Inc. RFP 1954 was issued based on estimated services needed for various Departments, which allows for additional compensation if needed. The City requires the contract increase to address potential unforeseen services. The fees charged by Environmental Logistics are unchanged from the original contract.

The Purchasing Manager concurs that the recommendation is in compliance with Purchasing Resolution 23256.

FISCAL IMPACT:

The total fiscal impact of the action is an increase of \$600,000 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 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, Chief Financial Officer /Treasurer
Approved by: Moises Lopez, Deputy City Manager
Approved as to form: Kristi J. Smith, Interim Assistant City Attorney

Attachment: Second Amendment to the Professional Services Agreement with
Environmental Logistics, Inc. for \$1,500,000