Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

Metro

Board Report

File #: 2019-0777, **File Type:** Contract **Agenda Number:** 25.

**OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE
NOVEMBER 21, 2019**

SUBJECT: LIQUID WASTE REMOVAL SERVICES

ACTION: APPROVE CONTRACT AWARD

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to award a five-year, firm fixed unit rate Contract No. OP64570000 to Western Environmental Services for Liquid Waste Removal Services in an amount not-to-exceed $6,961,410, effective December 16, 2019, subject to resolution of protest(s), if any.

ISSUE

The liquid waste removed from Metro facilities must be evacuated from the wastewater processing systems by a licensed transporter and transported to a fully permitted Treatment, Storage and Disposal Facility (TSDF). This contract award for liquid waste removal services will ensure that Metro facilities are safely disposing of liquid waste and remain in compliance with hazardous and non-hazardous material laws and regulations.

On July 30, 2019, invitation for bid was issued in accordance with Metro's Acquisition Policy and the contract type is a firm fixed unit price. A Pre-Bid Conference was held on August 7, 2019. One bid was received on the due date of August 26, 2019 from Western Environmental Services, current contractor, which was determined to be responsive and responsible to the minimum qualification requirements.

BACKGROUND

Metro Bus and Rail Operation facilities generate approximately 1.7 million gallons of liquid waste each year during the servicing of wastewater processing systems (e.g., clarifiers, sump pits, storage tanks, stormceptors and caustic tanks). These wastewater processing systems collect liquid waste associated with the steam cleaning of bus and rail car components, chassis jet cleaning of buses, interior and exterior washing of buses and rail cars, stormceptors and waste storage tanks.

DISCUSSION

As a generator of hazardous and non-hazardous liquid waste, Metro is required to comply with federal, state and local environmental laws and regulations. This includes ensuring the waste is

legally removed and transported by a licensed transporter to a permitted TSDF for proper treatment and disposal. Additionally, the routine servicing of the various wastewater processing systems shall ensure their efficient and effective operation as well as ensure Metro is compliant with applicable hazardous and non-hazardous laws and regulations.

Metro's compliance with environmental laws and regulations will greatly reduce Metro's liability, minimizing the possibility of regulatory fines/notice to comply orders and negative publicity. Furthermore, Metro will preserve and protect the safety of the environment, the public and Metro staff.

DETERMINATION OF SAFETY IMPACT

The approval of this contract will ensure that hazardous and non-hazardous liquid waste is properly transported and disposed at permitted and fully licensed facilities. The services provided under this contract shall ensure Metro facilities accumulate and schedule the removal of hazardous and non-hazardous liquid waste in compliance with federal, state and local environmental regulations.

FINANCIAL IMPACT

The funding of $625,000 for this service is included in the FY20 budget in cost center 3120, Quality Assurance, Service Contract Services, under project number 306002, 300022, 300033, 300044, 300055 and 300066 Bus and Rail Operation Maintenance.

Since this is a multi-year contract, the cost center manager and Senior Executive Officer, Maintenance will be accountable for budgeting the cost in future years.

Impact to Budget

The current year funding for this action will come from Enterprise operating fund. The source of funds for this procurement will come from Federal, State and local funding sources including sales tax and fares that are eligible for Bus and Rail Operating Projects. These funding sources will maximize the use of funds for these activities.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommended contract award supports Metro Vision 2028 Strategic Goal 5: Provide responsive, accountable, and trustworthy governance; Initiative 5.2- Metro will exercise good public policy judgement and sound fiscal stewardship. The approval of this contract will ensure that Metro compliant with all local, state and federal laws and regulations, and ensure compliance with Metro environmental compliance policies and procedures.

ALTERNATIVES CONSIDERED

Metro may engage the services of a contractor to provide liquid waste removal services on an as-needed basis. This alternative is not recommended because without fixed unit-rate pricing and a routine service schedule, costs can vary, and pick-up schedules may not meet Metro's service

requirements.

We also considered providing the services through Metro in-house staff. However, this alternative is not recommended since a licensed transporter is required to remove and transport hazardous and non-hazardous liquid waste from Metro facilities. Furthermore, the treatment and disposal of the liquid waste can only be performed by a permitted TSDF. Metro does not have the necessary vehicles, facilities, equipment, licenses, permits or trained personnel to transport or dispose of hazardous and non-hazardous liquid waste.

NEXT STEPS

Upon approval by the Board, staff will execute Contract No. OP64570000 with Western Environmental Services, for liquid waste removal service.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - DEOD Summary

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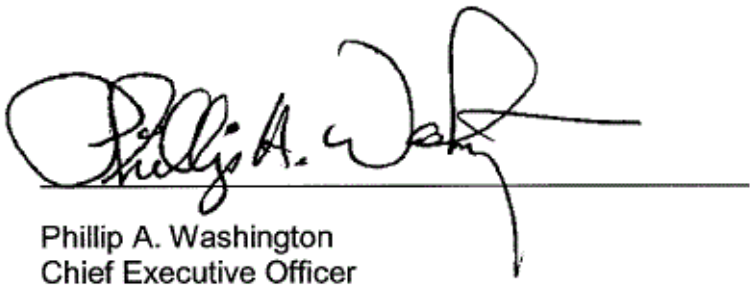
Reviewed by: James T. Gallagher, Chief Operations Officer, (213) 418-3108
Debra Avila, Chief, Vendor/Contract Management Officer, (213) 418-3051



Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

LIQUID WASTE REMOVAL SERVICES/OP64570000

1.	**Contract Number**: OP64570000	
2.	**Recommended Vendor**: Western Environmental Services	
3.	**Type of Procurement (check one):** ☒ **IFB** ☐ **RFP** ☐ **RFP–A&E** ☐ **Non-Competitive** ☐ **Modification** ☐ **Task Order**	
4.	**Procurement Dates**:	
	A. Issued: July 30, 2019	
	B. Advertised/Publicized: July 29, 2019	
	C. Pre-Bid Conference: August 7, 2019	
	D. Bids Due: August 26, 2019	
	E. Pre-Qualification Completed: September 12, 2019	
	F. Conflict of Interest Form Submitted to Ethics: August 26, 2019	
	G. Protest Period End Date: November 25, 2019	
5.	**Solicitations Picked up/Downloaded**: 15	**Bids Received**: 1
6.	**Contract Administrator**: Greg Baker	**Telephone Number**: (213) 922-7577
7.	**Project Manager**: James Jimenez	**Telephone Number**: (213) 922-5870

A. Procurement Background

This Board Action is to approve the award of Contract No. OP64570000 to Western Environmental Services to remove, transport and dispose of hazardous and non-hazardous liquid waste from Metro clarifiers, sump pits, trenches, hoists, pits, water/oil separators, waste fuel tanks, elevators and escalators pits, storage tanks and caustic tanks at various Metro facilities throughout Los Angeles County. Board approval of contract awards are subject to the resolution of any properly submitted protest.

On July 30, 2019, Invitation for Bid (IFB) No. OP64570 was issued in accordance with Metro's Acquisition Policy and the contract type is a firm fixed unit price.

One amendment was issued during the solicitation phase of this IFB:

- Amendment No. 1, issued on August 5, 2019 clarified the contact information for the DEOD representative.

A Pre-Bid Conference was held on August 7, 2019. However, no potential bidders attended.

A total of 15 firms downloaded the IFB and were included on the planholders' list. Two questions were received from potential bidders and responses were provided prior to the bid due date.

One bid was received on the due date of August 26, 2019 from Western Environmental Services (WES).

Metro staff canvassed fourteen potential bidders on the planholders' list to determine why no other bids were received. The following is a summary of the results of the market survey:

1. Potential bidder was tied up on other projects and has limited staff to pursue this project as a prime contractor;
2. Potential bidder lost track of the procurement timeline due to personnel changes;
3. Potential bidder does not possess the required licenses, certifications and credentials to provide the services;
4. Potential bidder does not have the necessary equipment to perform the required services; and
5. Potential bidder finds its firm's capabilities does not align with the requested services and that paperwork required by Metro is too onerous.

B. Evaluation of Bid

This procurement was conducted in accordance with Metro's Acquisition Policy for competitive sealed bids. WES' bid was determined to be responsive and responsible to the minimum qualification requirements of the IFB. WES also committed to meeting the 10% DBE goal required by the solicitation.

Qualifications Summary of Firm

Western Environmental Services, Inc. (WES) has been in business for 22 years providing a wide range of waste disposal needs. WES is the incumbent and currently provides liquid waste removal services to Metro. Industries served by WES include construction, trucking/freight, food processing, hospitals, schools, manufacturing and pipeline/refineries.

C. Price Analysis

The bid price from WES has been determined to be fair and reasonable based upon price analysis, independent cost estimate, and technical analysis.

Bidder Name	Bid Amount	Metro ICE
Western Environmental Services	$6,961,410	**$7,472,632**

D. Background on Recommended Contractor

The recommended firm, WES, located in Glendora, California, is a waste service and management company specializing in handling, packaging, transporting, and

disposing of hazardous, non-hazardous, industrial and universal waste. WES provides a 24-hour emergency response, waste minimization, waste characterization, transportation, regulation and compliance and steam cleaning/pressure washing services (stormwater regulations). WES is the incumbent, a Metro certified SBE, currently providing liquid waste removal services and has performed satisfactorily.

DEOD SUMMARY

LIQUID WASTE REMOVAL SERVICES/OP64570000

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) established a 10% Disadvantaged Business Enterprise (DBE) goal for this solicitation. Western Environmental Services exceeded the goal by making a 10.80% DBE commitment.

Small Business Goal	10% DBE	Small Business Commitment	10.80% DBE

	DBE Subcontractors	Ethnicity (Only Applicable For DBE Contract)	% Committed
1.	First Fuel	Caucasian Female	10.80%
		Total Commitment	**10.80%**

B. Living/Prevailing Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy (LW/SCWRP) is not applicable to this contract.

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this contract.

D. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. Project Labor Agreement/Construction Careers Policy is applicable only to construction contracts that have a construction contract value in excess of $2.5 million.