

## MEMORANDUM

September 5, 2019

**To:** MEMBERS, PORT COMMISSION  
Hon. Kimberly Brandon, President  
Hon. Willie Adams, Vice President  
Hon. Gail Gilman  
Hon. Victor Makras  
Hon. Doreen Woo Ho

**FROM:** Elaine Forbes  
Executive Director

**SUBJECT:** Request authorization to award contracts to (1) Clean Harbors Environmental Services, Inc., (2) Environmental Logistics, Inc., (3) NRC Environmental Services, Inc., and (4) Silverado Contractors, for as-needed hazardous waste disposal, marine vessel salvage, and related professional services, each contract in an amount not to exceed \$300,000.

**DIRECTOR'S RECOMMENDATION:** Approve the Attached Resolution

---

### EXECUTIVE SUMMARY

Pursuant to Port Commission authorization (Resolution 18-49), Port staff issued a Request for Qualifications ("RFQ") on February 26, 2019, soliciting up to four contracts for hazardous waste disposal, marine vessel salvage, and related professional services. In response to the RFQ, four consulting firms submitted proposals to provide the requested services. The Contract Monitoring Division ("CMD") determined that three of the four firms met the City's Local Business Enterprise ("LBE") Ordinance requirements. Given the insufficient number of responsive proposals, Port staff, in consultation with CMD, issued a memorandum of no award on May 23, 2019. The RFQ was then re-issued on May 30, 2019 with proposals due on July 12, 2019.

Despite increased outreach efforts, the same four firms, and no others, submitted proposals in response to the Port's re-issued RFQ. All four proposals met the RFQ's minimum qualifications and the City's Local Business Enterprise Ordinance requirements. Upon review by CMD, Port staff proposes to the Commission the award of professional services contracts for as-needed hazardous waste disposal, marine vessel salvage, and related professional services to the following qualified firms: (1) Clean Harbors Environmental Services, Inc., (2) Environmental Logistics, Inc., (3) NRC Environmental Services, Inc., and (4) Silverado Contractors.

**This Print Covers Calendar Item No. 13A**

Port staff recommends the award of each contract in the not-to-exceed amount of \$300,000, with a term of four years, and an option for an additional year at the Port's sole discretion. The cumulative value of the four contracts would amount to \$1,200,000 over a maximum term of five years. These proposed contracts will be funded through the Port's annual operating budget and proceeds from general obligation and grant funds.

## **STRATEGIC PLAN OBJECTIVE**

This contracting opportunity supports the goals of the Port's Strategic Plan as follows:

### Sustainability

By enhancing the Port's Climate Action Plan by implementing policies to achieve zero waste in operations throughout the Port by 2020 and employing best environmental practices in Port operations.

### Livability

By ensuring Port improvements result in advances in the environment and quality of life for San Francisco residents and visitors.

## **BACKGROUND**

Port properties are routinely subjected to abandonment of potentially hazardous waste such as vehicle batteries, used motor oil and potentially infectious human and/or animal waste/debris. The Port also generates hazardous waste during routine maintenance and property upgrade/renovation activities and maintains used oil collection facilities for the Port maritime community at large. The Port must also occasionally recover abandoned, sunken and/or derelict marine vessels.

For purposes of safety and regulatory compliance, the Port requires very timely recovery, packaging, transport and disposal of waste and marine vessels. Without these services, the Port faces increased exposure to public safety and environmental contamination risks and is likely to incur violations or penalties from governmental agencies that have regulatory authority over the Port's operations and properties.

The Port has procured services for hazardous waste disposal through an as-needed professional services contract for the past four years. In the past, the Port obtained marine vessel recovery and disposal services through third party private contractors, State of California Oil Spill and Response (OSPR), US Coast Guard (USCG), and/or Port of San Francisco staff.

Hazardous waste disposal and marine vessel recovery and disposal are overlapping services which require similar functions. To gain efficiency, Port staff combined these related services into one RFQ, to be jointly managed by the Port's Environmental and Maritime staff.

## SCOPE OF WORK

The selected firms shall provide all services, labor, materials, and equipment necessary to assess, recover, package, transport and dispose of potentially hazardous waste and abandoned and/or otherwise derelict marine vessels. The specific nature of these activities will vary, however in all cases work will involve hazardous material handling in and around environmentally sensitive areas. These firms must be able to provide appropriately trained workers capable of working under these circumstances in compliance with 29 Code of Federal Regulations Section 1910.120 and respond within four (4) hours to emergencies within this scope of work.

Examples of the scope of services to be provided through the proposed contracts include, but will not be limited to:

1. Recover, remove, assess, package, transport, treat and properly dispose of potentially hazardous waste, as well as abandoned, or otherwise derelict marine vessels. Waste may include, but will not be limited to excavated soils, building materials, lead and asbestos containing materials, asphalt, concrete, groundwater, wastewater, sludge, used oil, petroleum hydrocarbons, potentially infectious materials (animal and human wastes) and other potentially hazardous and/or unidentifiable waste materials; as well as abandoned or otherwise derelict marine vessels.
2. Perform all items within this work scope on an emergency response basis within four hours of notification.
3. Follow a hierarchy of disposal methods, with the most desirable methods listed first, as follows: reuse, recycling, treatment/neutralization, secondary fuel incineration, destructive incineration, and landfill.
4. Pump out used oil, oily water, and oily sludge from various collection tanks for recycling.
5. Perform overwater fuel and oil transfers and obtain all permits and authorizations required for this work.
6. Provide all services necessary to safely remove abandoned or otherwise derelict marine vessels, including partially and entirely sunken vessels. These services include but will not be limited to assessing and planning safe and effective recovery operations, diving, salvaging, hazardous materials management, safe removal of vessels from water, and towing vessels in the water and via trailer on land.
7. Prepare profiles, manifests, bills of lading. Bills of lading are tracking documents that accompany shipments of goods/materials/waste, which identifies the original owner/producer, transporter and recipient, as well as the items being shipped
8. Complete regulatory notifications and certification forms.

9. Comply with all applicable Federal, State and City regulations pertaining to this work scope.
10. Provide all equipment, materials and qualified personnel to perform the above-mentioned tasks according to all applicable Federal, State and City regulations.
11. Meet quarterly with the Port's Environmental and/or Maritime staff to discuss performance and continuous improvement for the contract work.
12. Provide lab-pack and/or bulking services using qualified and trained personnel.
13. Ship waste no later than three days after scheduled date.
14. Ensure that all waste and shipping manifests are properly signed and returned to the Port as required.

The Port will coordinate with the firms that have been selected to determine the scope of each project and/or task, the total cost, and scheduling requirements to complete each task before initiation of work.

## **SELECTION PROCESS**

On February 26, 2019, the Port issued the RFQ, with submittals due on April 5, 2019. A pre-submittal meeting was held on March 18, 2019. Ten people representing eight unique hazardous waste removal and environmental service firms attended the pre-submittal meeting.

The Port received four responses to the RFQ in advance of the April 5, 2019 submittal deadline. The following four consultant teams responded to the RFQ:

1. Clean Harbors Environmental Services, Inc.
2. Environmental Logistics, Inc.
3. NRC Environmental, Inc.
4. Silverado Contractors

CMD staff reviewed all responses and determined that one firm, NRC Environmental, Inc., did not meet the LBE requirements specified in the RFQ. CMD determined that the three remaining firms complied with the RFQ's LBE requirements. Port staff in consultation with CMD rejected all proposals and issued a memorandum of no award on May 23, 2019 due to an insufficient number of responsive proposals received. Port staff informed the firms of the Port's intent to reissue a new RFQ for the same services.

Prior to re-issuing the RFQ, Port staff increased outreach efforts by contacting hazardous materials disposal firms in the four closest Bay Area Counties (Alameda, Contra Costa, Santa Clara, San Mateo), calling 43 certified LBE firms about the upcoming RFQ, and discussing barriers to entry with firms that did not propose. On May 30, 2019, the Port re-issued the RFQ, with submittals due on July 12, 2019. A pre-

submittal meeting for the new RFQ was held at South Beach Harbor on June 12, 2019. Fifteen people representing ten unique firms attended the pre-proposal meeting

The Port received four responses to the RFQ in advance of the July 12, 2019 submittal deadline. The following four consultant teams responded to the RFQ:

1. Clean Harbors Environmental Services, Inc.
2. Environmental Logistics, Inc.
3. NRC Environmental, Inc.
4. Silverado Contractors

Port staff reviewed the responses and determined that all four firms met the RFQ's minimum qualifications. CMD then reviewed the submittals for compliance with the LBE subcontracting requirement of 5%. All four firms were deemed responsive to the LBE requirements.

Given that all four firms were responsive to the RFQ and the RFQ allowed for the award of up to four contracts, Port staff issued a Notice of Intent to Award contracts on July 30, 2019.

## **SELECTED CONSULTANTS**

### Clean Harbors Environmental Services

Clean Harbors Environmental Services is a non-LBE firm, headquartered in Norwell, Massachusetts with an office in San Jose, California. Clean Harbors Environmental Services employs 15,000 employees at over 400 service centers throughout North America. The firm specializes in hazardous and non-hazardous waste transportation and disposal, laboratory chemical packing, emergency response, and industrial services. Clean Harbors Environmental Services has committed to subcontract 6.75% of the contract work to Ideal Restoration, an LBE-WBE firm.

### Environmental Logistics.

Environmental Logistics is a non-LBE firm, headquartered in Bloomington, California with a Northern California office in Hayward. This firm specializes in waste characterization, packaging, transportation, and disposal of hazardous and non-hazardous waste management. Environmental Logistics has been providing hazardous materials disposal services for the Port since 2009. Environmental Logistics has committed to subcontract 6.75% of the contract work to CES, an LBE-OBE firm.

### NRC Environmental Services

NRC Environmental Services is a non-LBE firm, headquartered in Great River, New York with an office in Alameda, California. NRC Environmental Services specializes in comprehensive marine services for planned and emergency response projects involving decontamination, salvage, removal, and disposal of vessels and barges, and management of oil spill cleanups and hazardous material disposal. This would be the firm's first contract with the Port. NRC Environmental has committed to subcontract 6.75% of the contract work to Aurora Environmental, an LBE-WBE firm, SF Boat, a LBE-WBE firm, and AEW Engineering, a LBE-MBE firm.

### Silverado Contractors

Silverado Contractors is a non-LBE firm headquartered in Oakland, California with an office on Port property at Pier 96. This firm specializes in demolition services, including building and bridge removal, marine vessel salvage, and earthwork services. In 2015, Silverado Contractors merged with Zaccor Companies, a San Francisco based LBE firm specializing in marine demolition. This would be Silverado Contractors' first contract with the Port. Silverado Contractors has committed to subcontract 7% of its contract work to Yerba Buena Engineering, a LBE-MBE firm, SF Boat, a LBE-WBE firm, Baird Trucking, a LBE-OBE firm, CES, a LBE-OBE firm, SCA Environmental, a LBE-MBE firm and Bay Line Cutting and Coring, a LBE-MBE firm.

### **FUNDING**

Funding for these recommended contracts will be allocated on an annual basis through the Port operating budget and a grant. The Port maintains an annual project budget dedicated to management of abandoned hazardous materials and illegal dumping (Authority #16306; Subfund 23690). Vessel recovery expenses will be partially reimbursed through a grant which the Maritime Division previously received from the State of California Department of Parks, Division of Boating and Waterways (Surrendered and Abandoned Vessel Exchange Grant) (Port Commission Resolution Number 18-44) in the amount of \$80,000 per year (Authority #1001; Subfund 24120).

### **SCHEDULE**

The planned contracting schedule is shown below:

<u>Activity</u>	<u>Target Date</u>
Port Commission Authorization to Award Contracts	September 10, 2019
Notice To Proceed	October 10, 2019
Contract Completion	October 10, 2023

### **RECOMMENDATION**

Port staff request Commission authorization to award contracts to the following firms (1) Clean Harbors Environmental Services, Inc., (2) Environmental Logistics, Inc., (3) NRC Environmental Services, Inc., and (4) Silverado Contractors, for as-needed hazardous waste disposal, marine vessel salvage, and related professional services, each contract in an amount not to exceed \$300,000, with an initial term of four years, and an option to extend the term for an additional year at the Port's sole discretion. The contracts will be funded through the Port's operating budget and grant funds.

Prepared by: Boris Delepine, Contracts Administrator  
Finance and Administration Division

and

George Bibbins, Senior Industrial Hygienist  
Maintenance Division

For: Katherine Petrucione, Deputy Director  
Finance and Administration Division

and

Diane Oshima, Deputy Director Planning and  
Environment Division

A: CMD Award Memo

**PORT COMMISSION  
CITY AND COUNTY OF SAN FRANCISCO**

**RESOLUTION NO. 19-37**

- WHEREAS, the Port continues to require consultant expertise and assistance to recover, package, transport, and dispose of hazardous waste and abandoned marine vessels generated by Port operations and abandoned on Port property; and
- WHEREAS, in 2014, the Port issued a Request for Proposals (“2014 RFP”) for As-Needed Hazardous Waste Disposal Services to manage hazardous wastes generated by Port operations and that are abandoned on Port property; and
- WHEREAS, in 2015, the Port entered into a two three-year contracts to provide the Port with hazardous waste disposal services pursuant to the 2014 RFP; and
- WHEREAS, that As-Needed Hazardous Waste Disposal Services contract provided a timely and cost-effective vehicle for the provision of those services; and
- WHEREAS, on September 11, 2018, the Port Commission authorized staff to issue a Request for Qualifications (“RFQ”) to solicit agreements with up to four qualified firms to provide as-needed hazardous waste disposal and marine vessel salvage services to the Port (Port Commission Resolution 18-49); and
- WHEREAS, Port staff advertised the RFQ on May 30, 2019 and received proposals from four firms on July 12, 2019, all of which staff determined to be qualified and whose proposals are responsive to the requirements of the RFQ; and
- WHEREAS, the City’s Contract Monitoring Division (CMD) which is responsible for administering San Francisco Administrative Code Chapter 14B (the Local Business Enterprise Utilization and Non-Discrimination in Contracting Ordinance) established an LBE subcontracting goal of 5% for each of the contracts to be procured by the RFQ; and
- WHEREAS, each responding contractor has committed to exceed the CMD set LBE subcontracting requirement of 5%; and



WHEREAS, Port staff now recommend the award of four separate contracts to the four proposing firms, (1) Clean Harbors Environmental Services, Inc., (2) Environmental Logistics, Inc., (3) NRC Environmental Services, Inc., and (4) Silverado Contractors for as-needed hazardous waste disposal and marine vessel salvage services , each contract in an amount not to exceed \$300,000, with an initial term of four years, and an option to extend the term for an additional year at the Port's sole discretion; now be it

RESOLVED, that the Port Commission hereby authorizes the award of four separate contracts to (1) Clean Harbors Environmental Services, Inc., (2) Environmental Logistics, Inc., (3) NRC Environmental Services, Inc., and (4) Silverado Contractors; for as-needed hazardous waste disposal and marine vessel salvage services , each contract in an amount not to exceed \$300,000, with an initial term of four years, and an option to extend the term for an additional year at the Port's sole discretion; and be it further

RESOLVED, that the Port Commission further authorizes Port staff to execute all necessary contract documents, in such form as approved by the City Attorney's office, for effectuating the purpose of the contracts as described in the staff report accompanying this item.

***I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of September 10, 2019.***

---

Secretary