TO: HONORABLE CITY COUNCIL
FROM: CITY MANAGER DEPARTMENT: PUBLIC WORKS
DATE: MAY 21, 2007 CMR:252:07
SUBJECT: APPROVAL OF AN ENTERPRISE FUND CONTRACT WITH CLEAN HARBORS ENVIRONMENTAL SERVICES IN THE BASE AMOUNT OF $234,576 FOR PROVISION OF SERVICES FOR TRANSPORTATION AND DISPOSAL OF ASH FOR THE REGIONAL WATER QUALITY CONTROL PLANT

RECOMMENDATION
Staff recommends that Council:

1. Approve and authorize the City Manager or his designee to execute the attached contract with Clean Harbors Environmental Services (Clean Harbors) in the amount of $234,576 for provision of services for transportation and disposal of ash for the Regional Water Quality Control Plant (Attachment A).

2. Authorize the City Manager or his designee to negotiate and execute one or more change orders to the contract with Clean Harbors Environmental Services for related, additional but unforeseen work which may develop during the project, the total value of which shall not exceed $23,458 per year.

3. Authorize the City Manager or his designee to exercise the option to renew the contract for the second and third year at a three percent increase per year provided the contractor is responsive to the City’s needs and the quality of the contractor’s work is acceptable during the prior year(s) of the contract.

DISCUSSION
Background
The RWQCP produces about three tons/day of ash from its sewage sludge incinerators. Currently the ash is used as a soil amendment on farmland in Merced County, California. Recently the copper concentration in the ash has increased slightly, and the average is now just above the hazardous waste threshold value. Therefore, the ash must be managed as a hazardous waste and placed in a hazardous waste landfill until another solution is found. Staff is studying why the copper has increased but has not been able to definitively determine the causes.
Staff is exploring reuse options, but this work will take time, and a change must be made immediately to insure compliance with the State’s hazardous waste regulations. Staff is also conducting a study to demonstrate that the ash (while technically over the copper hazardous waste threshold) is beneficial to soil and that application on farmland is desirable. This will also take a substantial amount of time to complete. Stock piling onsite while the studies are being done is not viable for logistical and regulatory reasons.

Description of Contract Services
Clean Harbors will transport the ash to its hazardous waste landfill near Buttonwillow in Kern County, California. The Buttonwillow landfill is fully permitted to receive hazardous waste. While Kern County has adopted restrictions on the importation of wet sludge (biosolids) from sewage treatment plants, the disposal of ash in a hazardous waste landfill is not restricted. If and when the copper concentration falls below the hazardous waste threshold level, ash placement on farmland could resume. If and when, staff identifies a superior (and viable) reuse option it will be employed.

Process
A request for quotation for the project was posted at City Hall and sent to four bidders. The bidding period was 21 days. Bids were received from two qualified contractors on March 13, 2007, as listed on the attached bid summary (Attachment B). Staff has reviewed all bids submitted. Bids ranged from a high of $234,575 (Clean Harbors) to a low bid of $212,1278 (Romic Environmental). On May 14, 2007 Romic Environmental withdrew its bid. The remaining (Clean Harbors) bid is 2.7 percent below the engineer’s estimate of $241,153. Staff recommends that the bid of $234,576 submitted by Clean Harbors be accepted and that Clean Harbors be declared the lowest responsible bidder. Clean Harbors is currently the City’s prime contractor managing the City’s other hazardous wastes.

Staff checked references supplied by the contractor for previous work performed and found no significant complaints. Staff also checked with the Contractor's State License Board and found that the contractor has an active license on file.

<table>
<thead>
<tr>
<th>Bid Name/Number</th>
<th>Transportation and Disposal of Ash/RFQ 121081</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Length of Project</td>
<td>12 months</td>
</tr>
<tr>
<td>Number of Bids Mailed to Contractors</td>
<td>4</td>
</tr>
<tr>
<td>Number of Bids Mailed to Builder’s Exchanges</td>
<td>0</td>
</tr>
<tr>
<td>Total Days to Respond to Bid</td>
<td>21</td>
</tr>
<tr>
<td>Pre-Bid Meeting?</td>
<td>No</td>
</tr>
<tr>
<td>Number of *Bids Received:</td>
<td>2</td>
</tr>
<tr>
<td>Bid Price Range</td>
<td>From a low of $212,127.50 to a high of $234,575.22</td>
</tr>
</tbody>
</table>

*Bid summary provided in Attachment B. The Certification of Nondiscrimination is Attachment C.
RESOURCES IMPACT
Funds for the first year of the contract have been appropriated in the FY 2006-2007 Wastewater Enterprise Funds. Fund for years two and three are contingent upon Council approval of the budget for each subsequent year.

POLICY IMPLICATIONS
This recommendation does not represent any change to existing City policies.

ENVIRONMENTAL REVIEW
The recommended action is exempt from review under the California Environmental Quality Act pursuant to CEQA Guidelines Section 15301 (b), which exempts negligible expansion of an existing use including operation of publicly-owned sewerage services, structures, facilities, mechanical equipment, or topographical features.

ATTACHMENTS
Attachment A: Contract
Attachment B: Bid Summary
Attachment C: Certification of Nondiscrimination

PREPARED BY: James Allen, Project Engineer RWQCP
Phil Bobel, Manager, Environmental Compliance

DEPARTMENT HEAD: GLENN S. ROBERTS
Director of Public Works

CITY MANAGER APPROVAL: EMILY HARRISON
Assistant City Manager