



City of Morgan Hill

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Date	Ver.	Action By	Action	Result
9/7/2016	1	City Council	approved	Pass

CITY COUNCIL STAFF REPORT MEETING DATE: SEPTEMBER 7, 2016

PREPARED BY: Tanya Carothers, Environmental Programs Coordinator
APPROVED BY: City Manager

AWARD CONTRACT FOR ON-CALL EMERGENCY SPILL RESPONSE CLEANUP SERVICES

RECOMMENDATION(S)

Adopt resolution:

1. Awarding a consultant agreement to Disaster Kleenup Specialists ("Disaster Kleenup") for emergency spill response cleanup services for three years, with the option to extend the term of the agreement for a maximum period of one year; and
2. Authorizing the City Manager to execute the agreement and other related documents for a three year term not to exceed \$100,000 annually, and allowing the City Manager to extend the term of the contract for an additional one year after the initial term not to exceed an additional \$100,000 for a total not to exceed of \$400,000 for four years.

COUNCIL PRIORITIES, GOALS & STRATEGIES:

Ongoing Priorities

Enhancing public safety
Protecting the environment
Maintaining fiscal responsibility

REPORT NARRATIVE:

Most spills in the City of Morgan Hill do not pose an immediate threat to human health or the environment (e.g. paint, oil, sanitary sewer leaks, etc.), and are dealt with by City staff. By responding to these spills, City staff protects the community and local environment from exposure to pollutants which may be present in minor spills. Occasionally, there are spills (e.g. large spills, extremely hazardous materials, etc.) that are beyond City staff's resources and expertise and contracted help is needed.

While the City has not historically had an on-call spill cleanup contractor, a recent oil spill made it clear that it would be good to have an established contractor or contractors in place when emergencies occur. The Community Services Department sent a Request for Proposals to companies in the South Bay Area that provide emergency spill cleanup services. Proposals from the following four companies were received:

- Disaster Kleenup Specialists
- Stericycle Environmental Solutions
- All Clean Hazardous Waste Removal, Inc.
- ACT Environmental Services

After evaluating the companies' spill response times and various costs, staff recommends establishing on-call contracts with three of the four firms. Having multiple contracts in place will provide the City with flexibility during urgent circumstances and enable staff to select the firm that can respond the fastest during spill emergencies. A contract with All Clean Hazardous Waste Removal, Inc. (All Clean) was approved at the May 18, 2016, City Council Meeting. A second contract with Stericycle Environmental Solutions (Stericycle) was approved at the July 27, 2016, City Council Meeting. The sole purpose of this item is to consider approval of the third and final contract for Emergency Spill Response Cleanup Services with Disaster Kleenup. The proposed agreement with Disaster Kleenup provides for emergency spill response cleanup services as detailed in the scope of work for three years with an option to extend the agreement for one additional year.

Additional information about spill response times and labor costs is included in the Bid Comparison Sheet attached to this report. It should be noted that staffing requirements, equipment, and other resources needed for an incident vary based upon the circumstances of a given spill and the recommended cleanup technology and methodologies. Bids received for the contract reflect resources that could be used in a typical spill based upon each contractor's experience.

COMMUNITY ENGAGEMENT: **Not Applicable**

ALTERNATIVE ACTIONS:

City Council may decide to not award the aforementioned contract for On-Call Emergency Spill Response Cleanup Services and may direct staff to recruit additional spill response companies or suspend the effort entirely. Recruiting additional spill response companies would require additional staff time to research other Bay Area companies that provide the desired specialized services, and may result in increased service costs and delay in service. Suspending the effort to secure an additional On-Call contract for Spill Response Cleanup Services could limit the City's ability to obtain contractor help in an emergency if All Clean and Stericycle, the companies with existing on-call

contracts with the City, are unavailable.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

A contract for Emergency Spill Response Cleanup Services with All Clean Hazardous Waste Removal, Inc. was approved at the May 18, 2016, City Council Meeting. A second contract with Stericycle Environmental Solutions was approved at the July 27, 2016, City Council Meeting.

FISCAL AND RESOURCE IMPACT:

The funds used to pay for normal emergency cleanup services are included in the City's street maintenance budget and no budget adjustment is associated with the approval of this contract. Staff initiated this process in order to minimize cleanup costs by having a competitively-bid contract in place before future events occur.

The City's actual costs will be contingent on the circumstances and frequency of emergency spill events. In situations where a spill has an identifiable responsible party, the City will seek reimbursement for its expenses and no City funds will ultimately be spent. If there is no identifiable responsible party for an emergency spill, cleanup costs are typically charged to the City's street maintenance budget since most spills occur on streets. As a reference point, a December 2015 oil spill cost approximately \$21,000 to clean up. These costs were reimbursed to the City by Recology South Valley (responsible party) per Section 13.30.340 of the Municipal Code. This oil spill was the only emergency spill response in which emergency abatement was enacted by the City in the past several years. The City's typical annual cost has been \$0 in recent years.

Since costs can rapidly accumulate during large emergencies, staff is proposing a \$100,000 annual cap on the proposed contract. If more than \$100,000 is needed for emergency spill cleanup services, the contract would at least secure enough resources for the City to start emergency cleanup processes while additional funds are secured through the necessary administrative and legal processes. Even in these circumstances, having competitively bid contracts in place before the event will ensure that costs are minimized.

Preparing for emergency spills is an activity included in the work program of the Community Services Department.

CEQA (California Environmental Quality Act):

Not a Project

The emergency spill response service to be provided is not a project, as defined in Section 15378 of the State CEQA Guidelines.

LINKS/ATTACHMENTS:

Resolution

Exhibit A: Consultant Agreement

Bid Comparison Sheet