



THE CITY OF SAN DIEGO
REPORT TO THE CITY COUNCIL

DATE ISSUED: May 12, 2011

REPORT NO: 11-075

ATTENTION: Honorable Council President and Members of the City Council

SUBJECT: Second Amendment to Contract with Clean Harbors
for Household Hazardous Waste Services

REQUESTED ACTION:

1. Authorize the Mayor, or his designee, to execute a phase funded Second Amendment to the Agreement with Clean Harbors Environmental Services, Inc., for Household Hazardous Waste Collection and Disposal Services for a term of fifteen (15) months from July 1, 2011 to September 30, 2012 (phase I), and for a total amount not to exceed \$737,000 in FY2012 and \$184,250 for the first three (3) months of FY 2013 (phase II).
2. Authorize the Chief Financial Officer to expend \$737,000 in FY2012 and \$184,250 in FY2013 according to the contract phases, contingent on approval of such funding in the respective FY2012 and FY2013 Appropriation Ordinances, and provided that the City Comptroller first furnishes one or more certificates demonstrating that the funds necessary for this expenditure are, or will be, on deposit in the City Treasury.
3. Authorize the Mayor or his designee to exercise the last one year option to extend the above contract under the terms and conditions set forth in the contract.

STAFF RECOMMENDATION: Approve the requested actions.

SUMMARY:

The City's Household Hazardous Waste (HHW) Program is a requirement of the 1989 California Integrated Waste Management Act (AB 939) and, more specifically, the Household Hazardous Waste Element. After a competitive process, Clean Harbors Environmental Services, Inc. (Clean Harbors) was awarded a one-year contract in 2009 (Request for Proposal No. 9639-09-W) to provide HHW collection activities and disposal services for City residents. The contract included an option to renew the contract for up to four (4) additional one-year periods. On May 25, 2010, Council approved a First Amendment to the contract for a one-year term ending June 30, 2011.

The Environmental Services Department recommends that Council approve the Second Amendment to the Clean Harbors Agreement for a term of fifteen (15) months. This extended term will place the timing for the renewal of the contract in line with the City's budget process and the adoption of the Annual Appropriations Ordinance. This will provide a seamless

transition to the new contract year for the Household Hazardous Waste Transfer Facility (HHWTF) operations.

BACKGROUND

CalRecycle (formerly the California Integrated Waste Management Board) was the lead State agency to enforce the 1989 California Integrated Waste Management Act (AB 939). As a follow-up to AB939, the State required passage of a regional Household Hazardous Waste Element (HHWE). The Council approved the City of San Diego's HHWE in July 1992.

The City's HHWE identifies how to achieve the safe collection, recycling, treatment, and disposal of household hazardous wastes. The City collects and appropriately handles household hazardous waste in three ways. The first is the permanent HHWTF at the Miramar Landfill that opened in November 1999. This facility significantly improved the effectiveness of the program, and is a key part of the City's HHWE. Since its opening, the HHWTF has served more than 87,700 residents and 8,970,000 pounds of HHW have been collected. Without this safe alternative, the hazardous waste would have entered the Miramar Landfill, the sewer system, or storm drains. The second component of the HHW Program is eight one-day auto product-recycling events held annually to collect used oil, oil filters, automotive batteries, and antifreeze. The third component is the City's Hazardous Substances Load Check Program at the Miramar Landfill that detects and deters the disposal of a variety of unacceptable waste, including HHW.

HHWs are leftover or unused products used in a residential setting for the maintenance of a home, yard, pool, or vehicle. Because of their quantity, concentration, physical or chemical characteristics, HHWs pose a hazard to human health or the environment when improperly managed or disposed. Examples of common HHWs include car-care products, cleaning products, paints, pesticides, pool chemicals, light bulbs, and batteries. Nearly 83% of the HHW collected through the Program is recycled. For example, used motor oil is re-refined, metals and acids are recovered from lead-acid batteries, and latex paint is mixed together for re-use or is used as a cement additive.

The City has seen the cost for collection and disposal of HHW *decrease* from a high of \$126 per home in 1999 to \$58 per home in 2010. These decreased costs are due to efficiencies that City staff and Clean Harbors have implemented in the operation of the HHWTF.

DISCUSSION

On April 15, 2009, the City issued RFP No. 9639-09-W for contract services to provide the staff, equipment, and disposal services for the operation of the HHWTF, home pick-up of HHW from residents with special needs, and auto product recycling events; and hazardous waste disposal services for the Miramar Landfill Load Check Program for fiscal year 2010. The RFP contemplated an initial one-year term with options to renew the Agreement for up to four (4) additional one-year periods. The City awarded the contract to Clean Harbors and the total contract value for FY 2010 was not to exceed \$737,000. Council authorized execution of the First Amendment to the Agreement on May 25, 2010 to provide a continuation of the same services for an additional year with a FY 2011 contract total not to exceed \$737,000.

Clean Harbors continues to work with City staff to provide convenient, safe, reliable, and cost effective HHWTF and recycling event collection services for San Diego residents. Clean Harbors shows flexibility in meeting the City's requirements by providing home collection services on short notice in order to meet the special needs of residents and accepting unusual chemicals from households.

Staff recommends that the Clean Harbors contract be renewed for a term to fifteen months (15) for a total contract amount of \$921,250 using a prorated annual contract total. This extended second term will place the timing of the renewal in line with the City's budget process and adoption of the Annual Appropriations Ordinance, and provide for a seamless transition to the new contract year in regards to HHWTF operations.

If renewal of the contract is not approved, then the HHWTF will not be available to San Diego City residents until the contract is approved or the City completes a new RFP process. The current contract with Clean Harbors expires on June 30, 2011. This Agreement can be terminated for convenience. The General Provisions provide that: "The Purchasing Agent, by written 30 day notice, may terminate this Contract, in whole or in part, when it is in the best interest of the City. Contractor shall be compensated in accordance with auditable costs for services or products provided prior to notification of termination."

FISCAL CONSIDERATIONS:

A formal Service Level Agreement (SLA) between Environmental Services, Public Utilities, and Storm Water Service provides funding for the program. Additional funding is provided from a Used Oil Block Grant and Used Oil Payment Program awarded annually by CalRecycle.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

- REPORT NO: 95-158, Approval of the Household Hazardous Waste Element for the City of San Diego, July 5, 1995
- REPORT NO: 00-142, Household Hazardous Waste Agreements, July 24, 2000
- REPORT NO: 05-087, CA Integrated Waste Management Board HHW/Used Oil Recycling Grants and Agreements for FY 2006 – FY 2008, April 18, 2005
- REPORT NO: 06-113, Household Hazardous Waste Agreement, August 8, 2006
- REPORT NO: 09-089, CA Integrated Waste Management Board HHW/Used Oil Recycling Grants/Agreements for FY2009 - FY2011, July 29, 2008
- REPORT NO: 10-035, Household Hazardous Waste Services Contract Renewal, March 10, 2010
- REPORT NO: 10-044, Used Oil Recycling Grants and Agreements for FY2011 through FY2015, April 6, 2010

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: None

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

The key stakeholders affected by the services are City of San Diego residents. The approval of the Clean Harbors contract renewal would result in a seamless continuation of HHW collection and disposal services with no adverse impact to City residents.



Chris Gonaver
Environmental Services Director



Jay M. Goldstone
Chief Operating Officer

- Attachments:
1. Agreement between City of San Diego and Clean Harbors Environmental Services (2009)
 2. First Amendment to the Agreement between the City of San Diego and Clean Harbors Environmental Services (2010)
 3. Proposed Second Amendment to the Agreement between the City of San Diego and Clean Harbors Environmental Services (2011)