

PROGRAM DIRECTOR ACTION REQUEST

To: Ted Rauh, Deputy Director
Compliance and Enforcement Division

From: 
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Prepared On: December 1, 2010

Subject: **CONSIDERATION OF CONTRACTORS FOR THE ENVIRONMENTAL SERVICES FOR LANDFILL, DISPOSAL AND WASTE TIRE SITE REMEDIATION CONTRACTS FOR NORTHERN AND SOUTHERN CALIFORNIA (SOLID WASTE DISPOSAL TRUST FUND AND TIRE RECYCLING MANAGEMENT FUND, FYS 2010/11, 2011/12, AND 2012/13)**

TIME FACTOR: Approval required no later than December 17, 2010.

SUMMARY: Staff have completed the evaluations of companies that submitted Statements of Qualifications in response to the Department of Resources Recycling and Recovery's (CalRecycle) Request for Qualifications (RFQ) for the Environmental Services for Landfill, Disposal and Waste Tire Site Remediation Contracts for Northern and Southern California. Based on the evaluation and subsequent negotiations, staff are recommending that Pacific States Environmental Contractors, Inc., be approved and awarded the Environmental Services Contract for Northern California and Sukut Construction, Inc., be approved and awarded the Environmental Services Contract for Southern California.

OPTIONS: The Deputy Director may decide to:

1. Approve the proposed contractors and direct staff to enter into contracts with the awarded contractors; or
2. Disapprove the proposed contractors and direct staff as to further action.

RECOMMENDATION: Staff recommends Option 1.

DISCUSSION: Public Resources Code (PRC) Section 48020(b) requires CalRecycle to initiate a program for the cleanup of solid waste disposal sites and for the cleanup of solid waste at codisposal sites where the responsible party either cannot be identified or is unable or unwilling to perform the timely remediation and where the cleanup is needed to protect public health and safety or the environment. The Legislature annually appropriates funding for purposes of implementing the Program. In administering the Program, CalRecycle is authorized to expend funds directly for cleanup [PRC Section 48021(b)]. These contracts are used in direct support of the Program. They are also used to support the Waste Tire Recycling Management Program, based upon the similar nature of the work and the common occurrence of mixed solid waste and waste tires at many sites.

Sites authorized for direct expenditure of funds are cleaned up through the use of two environmental services contractors. These contractors are selected on a competitive qualifications basis, allowing CalRecycle to avoid the time-consuming solicitation and contracting process for each CalRecycle-managed project, and the potential for renegotiating contracts when unforeseen or unanticipated conditions occur. The Program has utilized environmental services contractors to perform CalRecycle-managed remediations since its inception in 1994. The Program typically has two companies under contract — one covering Northern California and one covering Southern California. However, the contracts are designed so that two contractors provide backup for each other in any part of the state. Likewise, in case of emergency, CalRecycle has the ability to mobilize either contractor, thus ensuring the availability of equipment and labor able to respond in a timely manner to a project anywhere in California.

The Scope of Work and authorization to solicit proposals for both contracts were proposed in a Program Director Action Request prepared on July 14, 2010, and approval was received on July 29, 2010. The current environmental services contracts (IWM07036 and IWM07037) will expire on December 31, 2010. The term of both proposed contracts will begin on or about January 1, 2011, and will continue for approximately 36 months. The following table indicates the proposed not-to-exceed fiscal year allocations for each of the two proposed contracts:

	Not-To-Exceed Allocation	
<u>Fiscal Year</u>	<u>Solid Waste Disposal Trust Fund</u>	<u>Tire Recycling Management Fund</u>
2010/11	\$1,000,000	\$200,000
2011/12	\$1,000,000	\$200,000
2012/13	\$1,000,000	\$200,000

CalRecycle issued a Notice to Prospective Proposers on August 31, 2010, inviting responses to RFQs for both contracts by 2:00 PM on October 14, 2010. After reviewing all submitted complete Statements of Qualifications and conducting interviews with the top firms, a Selection Committee selected Pacific States Environmental Contractors, Inc., and Sukut Construction, Inc., as the highest ranked firms for the Northern California and Southern California contracts, respectively. Staff have completed contract negotiations and are recommending the Northern California contract be awarded to Pacific States Environmental Contractors, Inc., and the Southern California contract be awarded to Sukut Construction, Inc.

I hereby approve the award of the Environmental Services for Landfill, Disposal and Waste Tire Site Remediation Contract for Northern California to Pacific States Environmental Contractors, Inc., in an amount not to exceed three million six hundred thousand dollars (\$3,600,000).

I hereby approve the award of the Environmental Services for Landfill, Disposal and Waste Tire Site Remediation Contract for Southern California to Sukut Construction, Inc., for an amount not to exceed three million six hundred thousand dollars (\$3,600,000).

All funding is contingent upon the enactment of the California State Budget Act for each fiscal year as signed by the Governor and enrolled by the Secretary of State.



Ted Rauh, Deputy Director
Compliance and Enforcement Division

DECEMBER 9, 2010
Date

