



## **CITY OF MENIFEE**

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SUBJECT: Agreements with GrayMar Environmental Services, Inc. and HCI Environmental and Engineering for On-Call Hazardous Waste Management and Emergency Response Services

MEETING DATE: April 17, 2024

TO: Mayor and City Council

PREPARED BY: Chris Gehrki, Management Analyst II

REVIEWED BY: Nick Fidler, Public Works Director

APPROVED BY: Armando G. Villa, City Manager

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### **RECOMMENDED ACTION**

1. Approve and authorize the City Manager to execute a Professional Services Agreement with GrayMar Environmental Services, Inc. for on-call hazardous waste management and emergency response services for an initial term extending through June 30, 2025, in a total not-to-exceed amount of \$60,000; and
2. Approve and authorize the City Manager to execute a Professional Services Agreement with HCI Environmental and Engineering for on-call hazardous waste management and emergency response services for an initial term through June 30, 2025, in a total not-to-exceed amount of \$60,000; and
3. Authorize the City Manager or designee to authorize and/or execute four, one-year extensions for both agreements in an amount not-to-exceed \$60,000 plus any Consumer Price Index (CPI) adjustments up to ten percent, annually; and
4. Authorize the Finance Department to issue individual purchase orders against the agreements.

### **DISCUSSION**

As part of Public Works Operations Division efforts to maintain the City's rights-of-way and streets, staff have identified a need for contract services to respond to illegally dumped and spilled hazardous material ("HazMat"). An immediate response is required to remove these types of materials to ensure that they do not enter and compromise the municipal separate storm sewer systems. Removal and disposal of HazMat requires specialized licensing for collection, containment, transport, and storage. Public Works Operations Division staff are not licensed or

equipped to perform these services, nor does the City have a facility to properly dispose of these types of materials.

On December 12, 2023, staff administered a competitive bid process using the PlanetBids platform and a Notice Inviting Bids (NIB) was legally advertised in accordance with the California Public Contract Code. An electronic bid opening was held on January 12, 2024. A total of five bids were received. Staff reviewed and evaluated each proposal utilizing the following four categories: experience and qualifications, references, work plan, and cost proposal. Each proposal was rated based on a combination of these factors resulting in the overall scores shown in Table 1 below. Cost proposals cover a number of separate and different categories of service, personnel, and equipment pricing as outlined in Attachment A of the attached agreements.

**TABLE 1 – BID RESULT SUMMARY**

	Firm Name	Evaluation Score (100 possible points)
1	Republic Services, Inc.	86.75
2	GrayMar Environmental Services, Inc.	85.5
3	HCI Environmental and Engineering	84.5
5	United Pumping Services, Inc.	78.5
4	Patriot Environmental Services	76.75

After evaluating and rating all proposals, staff interviewed the top three rated firms: GrayMar Environmental Services, Inc. (“GrayMar”), HCI Environmental and Engineering (“HCI”) and Republic Services, Inc. Based on interviews, the selection committee determined GrayMar and HCI to be the firms that best met all requirements for recommendation as the most responsive and responsible bidders. The interview results are summarized in Table 2 below.

**TABLE 2 – INTERVIEW RESULT SUMMARY**

	Firm Name	Interview Score (100 possible points)
1	GrayMar Environmental Services, Inc.	82.75
2	HCI Environmental and Engineering	80.25
3	Republic Services, Inc.	62.50

The intent of the bidding process was to establish two contractors that could provide on-call and emergency services for spills and illegally disposed HazMat as needed throughout the year. The proposed multi-year Agreements are being recommended to ensure timely removal of these hazardous materials from the City’s rights-of-way. Approval of the Agreements would serve to support efficient request processing, transparent expenditure tracking, and expand staff options for effective solutions in response to roadway concerns.

Combined, the Agreements would not exceed \$60,000 for the proposed term spanning through fiscal year 2024/2025. The City would have the option to extend these Agreements by four, one-year terms with a not-to-exceed amount each year equal to \$60,000 plus the CPI increase or ten percent, whichever is lower. Table 3 on the following page shows the maximum not to exceed amount for the term of the Agreements and optional extensions. Services requested against the Agreements would not exceed the total available and approved maintenance budgets at the time

of request. In no event would the cumulative amount of the purchase orders or direct payments issued against the Agreements exceed the total not-to exceed maintenance budgets approved each fiscal year.

**TABLE 3: AMENDMENT MAXIMUM NOT TO EXCEED AMOUNTS**

Fiscal Year	Agreement & Optional Extensions	Not-to-Exceed Amount (10% Increase)
2024/2025	<i>Original Agreements</i>	\$60,000
2025/2026	Amendment No. 1	\$66,000
2026/2027	Amendment No. 2	\$72,600
2027/2028	Amendment No. 3	\$79,860
2028/2029	Amendment No. 4	\$87,846

**STRATEGIC PLAN OBJECTIVE**

Safe and Vibrant Community

**FISCAL IMPACT**

The fiscal impact of the proposed Agreements with GrayMar and HCI combined is not-to-exceed \$60,000. Funding for the proposed agreements with GrayMar and HCI is available within the Fiscal Year 2023/2024 and 2024/2025 operating budgets under Gas Tax Fund No. 200. Funding for future fiscal years shall be budgeted as part of their respective year's budget. No additional budget appropriation action is required.

In the event a spill is caused in a traffic incident, a portion of cleanup costs may be recoverable through a motorist's insurance.

**ATTACHMENTS**

1. Agreement - GrayMar
2. Agreement - HCI