



**SAN DIEGO COUNTY  
REGIONAL AIRPORT AUTHORITY  
STAFF REPORT**

**Item No.  
15**

Meeting Date: **OCTOBER 6, 2011**

**Subject:**

**Approve and Authorize the President/CEO to Execute a Second Amendment to the Agreement with Ocean Blue Environmental Services**

**Recommendation:**

Adopt Resolution No. 2011-0124, approving and authorizing the President/CEO to execute a second amendment to the agreement between the Authority and Ocean Blue Environmental Services, Inc. for professional services of on-call hazardous waste management and emergency response services, increasing the contract amount by \$200,000 for a total not-to-exceed contract amount of \$3,380,000.

**Background/Justification:**

The Authority is required to properly dispose of hazardous and other waste materials (such as asbestos) in accordance with federal and state laws. Consultant services are required for proper management, handling, and transport of these wastes to permitted recycling, treatment, and disposal facilities and for emergency response services to spills involving hazardous or other regulated materials. The Authority and Ocean Blue Environmental Services (Consultant) are parties to an Agreement dated March 2, 2007, for professional services of on-call hazardous waste management and emergency response services at San Diego International Airport. The Agreement provides for \$3,000,000 as the maximum amount payable over three years. The Agreement allows for the Authority to exercise two annual one-year renewal options and thereby extend the length of the Agreement to a total of five years. The Authority has exercised both one-year renewal options and the current contract expiration date is March 1, 2012. The exercise of these two options did not increase the total maximum amount payable. However, in August of 2011, under the Authority Policy for Procurement of Service and Consulting Agreements and the Purchase of Supplies, Materials and Equipment, Article 5, Part 5.0, Section 5.01, Subsection (3)(b)(ii), the Authority amended the total maximum amount payable under the Agreement by 6% or \$180,000 to a total of \$3,180,000.

For the first four years of the Agreement, expenditures averaged approximately \$600,000 per year. As such, in March 2011, it appeared that the \$3,000,000 total maximum payable under the contract would be sufficient to address the current and final year of the contract. However, several issues arose in the last six months that resulted in significant and unanticipated expenditures totaling approximately \$250,000.

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Since March 2011, asbestos abatement at the Aircraft Rescue and Firefighting (ARFF) Station and in Terminal One resulted in contract expenditures of approximately \$130,000. The contractor also responded to clean-up 11 sewage spills at Gate 3, resulting in a total costs to the Authority of approximately of \$50,000. In response to stormwater management permit requirements, the six oil/water separators on the airfield were cleaned out for the first time in more than five years at a total cost of approximately \$45,000. Finally, approximately \$22,000 was expended in preventing sediment and debris from entering the storm drain system on the former General Dynamics property during the major storm events in March and April of this year.

On September 13, 2011, the Authority initiated the process to procure professional services for on-call hazardous waste management and emergency response services for another 3-year period under a new agreement. Due to the complexity of the scope of work, the procurement process is anticipated to take up to 90 days.

Given the severity of penalties and fines potentially resulting from lack of adequate professional services of on-call hazardous waste management and emergency response services, staff recommends increasing the total contract amount to ensure that services remain in place without risk of service interruption. Staff recommends that the Board amend the Agreement to increase the maximum amount payable under the contract by \$200,000 to a total amount not to exceed \$3,380,000.

### **Fiscal Impact:**

Funds are available in the Authority's FY12 operating budget under the account for Refuse & Hazardous Waste Disposal.

### **Authority Strategies:**

This item supports one or more of the Authority Strategies, as follows:

- Community Strategy   
  Customer Strategy   
  Employee Strategy   
  Financial Strategy   
  Operations Strategy

### **Environmental Review:**

- A. This Board action, as an administrative action, is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act (CEQA), as amended. 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA, Pub. Res. Code §21065.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.

**Equal Opportunity Program:**

The Authority's small business program promotes the utilization of small, local, disadvantaged, and other business enterprises, on all contracts, to provide equal opportunity for qualified firms. By providing education programs, making resources available, and communicating through effective outreach, the Authority strives for diversity in all contracting opportunities.

The Authority has a Disadvantaged Business Enterprise ("DBE") Plan as required by the Department of Transportation, 49 CFR Part 26. The DBE Plan calls for the Authority to submit an annual overall goal for DBE participation on all federally funded projects.

This project does not utilize federal funds; therefore, it will not be applied toward the Authority's over-all DBE goal.

**Prepared by:**

PAUL MANASJAN  
ENVIRONMENTAL AFFAIRS, DIRECTOR

RESOLUTION NO. 2011-0124

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO EXECUTE A SECOND AMENDMENT TO THE AGREEMENT BETWEEN THE AUTHORITY AND OCEAN BLUE ENVIRONMENTAL SERVICES, INC. FOR PROFESSIONAL SERVICES OF ON-CALL HAZARDOUS WASTE MANAGEMENT AND EMERGENCY RESPONSE SERVICES, INCREASING THE CONTRACT AMOUNT BY \$200,000 FOR A TOTAL NOT-TO-EXCEED CONTRACT AMOUNT OF \$3,380,000

WHEREAS, the Authority is required to properly dispose of hazardous and other waste materials (such as asbestos) in accordance with federal and state laws and professional services are required for proper management, handling, and transport of these wastes to permitted treatment, recycling, and disposal facilities and for emergency response services to spills involving hazardous or other regulated materials; and

WHEREAS, on March 2, 2007, the Authority entered into a consulting services agreement with Ocean Blue Environmental Services, Inc. to provide professional services of on-call hazardous waste management and emergency response services; and

WHEREAS, Authority has exercised both of the available one-year renewal options, such that the contact expiration date is March 1, 2012; and

WHEREAS, in August of 2011, under the Authority Policy for Procurement of Service and Consulting Agreements and the Purchase of Supplies, Materials and Equipment, Article 5, Part 5.0, Section 5.01, Subsection (3)(b)(ii), the Authority amended the total maximum amount payable under the Agreement by 6% or \$180,000 to a total of \$3,180,000; and

WHEREAS, several issues arose in the last six months that resulted in significant and unanticipated expenditures totaling approximately \$250,000; and

WHEREAS, on September 13, 2011, the Authority initiated the process to procure continued professional services of on-call hazardous waste management and emergency response services for another three -year period under a new agreement and that due to the complexity of the scope of work, the procurement process is anticipated to take up to 90 days; and

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WHEREAS, the severity of penalties and fines potentially resulting from lack of adequate professional services is significant, and staff recommends increasing the contract amount to ensure that services remain in place without risk of service interruption; and

WHEREAS, funds for Agreement 20292300S for on-call hazardous waste management are identified in the approved Budget in Function 43, Account 64140.

NOW THEREFORE BE IT RESOLVED, that the Board hereby approves and authorizes the President/CEO to execute a second amendment to the agreement between the Authority and Ocean Blue Environmental Services, Inc. for professional services of on-call hazardous waste management and emergency response services, increasing the contract amount by \$200,000 for a total not-to-exceed contract amount of \$3,380,000.

BE IT FURTHER RESOLVED that the Board of the San Diego County Regional Airport Authority finds that this Board action is not a "project" as defined by the California Environmental Quality Control Act (CEQA) Pub. Res. Code Section 21065; and is not a "development" as defined by the California Coastal Act Pub. Res. Code Section 30106.

PASSED, ADOPTED AND APPROVED by the Board of the San Diego County Regional Airport Authority at a Board meeting this 6th day of October, 2011 by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

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TONY R. RUSSELL  
DIRECTOR, CORPORATE SERVICES/  
AUTHORITY CLERK

APPROVED AS TO FORM:

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BRETON K. LOBNER  
GENERAL COUNSEL

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