


City and County of San Francisco
London N. Breed, Mayor



Office of the City Administrator
Carmen Chu, City Administrator
Sailaja Kurella, Director
Office of Contract Administration/Purchasing

Date: July 3, 2024
To: The Honorable Civil Service Commission
From: Lynn Khaw, Office of Contract Administration, Departmental PSC Coordinator 
Subject: PSC #43388 – 23/24 Hazardous Waste Mgt Svcs – Justifications for Contracting Out

This memo is in response to the request at the Civil Service Commission's meeting on July 1, 2024, regarding PSC #43388 – 23/24 for Hazardous Waste Management Services. It was under the ratification agenda and was pulled to provide an explanation of why the services cannot be done by City Employees and how the San Francisco Municipal Transportation Agency (SFMTA) handles these services.

The proposed services are for Citywide use, including SFMTA and Airport, in addition to Central Shops. The Office of Contract Administration (OCA), in collaboration with the Central Shops and SFMTA, is hereby providing justification for contracting out services.

The Central Shops has confirmed that they do not have a classification for this work because it is not a full-time job, making it impractical for the City to perform the work.

As for the SFMTA, this type of service has been performed by a successfully awarded vendor for more than 20 years due to the following reasons:

- SFMTA lacks the expertise or classification to handle the extraction of highly toxic and corrosive chemicals used to clean the parts during repairing and maintaining the buses, rails, trolleys, cable cars, historic fleets, and non-revenue vehicles.
- This job requires a certain level of training and certification, which currently do not exist at SFMTA.
- There are 13 divisions, with over 30 sub-units, using this critical service to repair and replace parts to maintain all modes of transportation operating at a maximum level to meet San Francisco's demands and needs.
- The chemical usage for each standalone closed-looped system ranges from 10+ gallons depending on the size of the machine and therefore will require the following:
 - Purchase an enclosed truck system to extract and replace all the chemicals from and for all the divisions.
 - Establish a contract with vendors such as Recology for chemical disposal.
 - Create a team of support staff to handle all of SFMTA divisions.

To avoid service disruptions, we sought approval to proceed with the outsourcing through a competitive process.

Attachments: PSC #43388 – 23/24 Hazardous Waste Management Services
PSC #49016 – 18/19 Hazardous Waste Management Services

PERSONAL SERVICES CONTRACT SUMMARY ("PSC FORM 1")

Department: GENERAL SERVICES AGENCY - CITY ADMIN -- ADM

Dept. Code: ADM

Type of Request: ☒ Initial ☐ Modification of an existing PSC (PSC # _____)

Type of Approval: ☐ Expedited ☒ Regular ☐ Annual ☐ Continuing ☐ (Omit Posting)

Type of Service: Hazardous Waste Management Services

Funding Source: General Fund

PSC Duration: 5 years

PSC Amount: \$5,000,000

1. Description of Work

A. Scope of Work/Services to be Contracted Out:

The Fleet Management Division of the General Services Agency requires comprehensive services for emergency and non-emergency hazardous waste management. These services include collecting various used motor oils and industrial wastes and transporting and delivering them for proper recycling, reuse, or disposal at permitted facilities. Services also include responding to hazardous waste emergency spills on an intermittent and as-needed basis.

B. Explain why this service is necessary and the consequence of denial:

The Fleet Management Division is responsible for providing vehicle and equipment maintenance to over thirty city departments. This maintenance includes tasks such as changing oils, coolants, and lubricants, which can generate hazardous waste. Proper disposal of this waste and maintenance of waste storage sites is crucial for the health and safety of employees and to comply with regulatory requirements. It is essential for the City to manage its hazardous waste to protect the environment and the well-being of its residents and employees. Failure to do so can result in negative safety, environmental, and legal consequences.

C. Has this service been provided in the past? If so, how? If the service was provided under a previous PSC, attach copy of the most recently approved PSC.

Services have been provided in the past under PSC #49016 - 18/19, attached.

D. Will the contract(s) be renewed?

Yes, services are needed by Fleet Management.

E. If this is a request for a new PSC in excess of five years, or if your request is to extend (modify) an existing PSC by another five years, please explain why.

not applicable

2. Reason(s) for the Request

A. Indicate all that apply (be specific and attach any relevant supporting documents):

☒ Services that require resources that the City lacks (e.g., office space, facilities or equipment with an operator).

B. Explain the qualifying circumstances:

The contracted work requires specialized and skilled labor and equipment and other supporting activities such as record keeping and regulatory reporting to associated authorities. There are no Civil Service classes related to the required processes.

3. Description of Required Skills/Expertise

- A. Specify required skills and/or expertise: The proposed work requires expertise in managing chemical hazards and a thorough knowledge of federal and state requirements regarding the transportation and disposal of hazardous waste. Those performing the work must meet Occupational Safety and Health Act (OSHA) training and medical monitoring requirements. Additionally, vehicle drivers must hold a license with hazardous materials certification.
- B. Which, if any, civil service class(es) normally perform(s) this work? none
- C. Will contractor provide facilities and/or equipment not currently possessed by the City? If so, explain: Yes, the contractor will utilize authorized and specialized equipment in their possession to effectively carry out all contractual work.

4. If applicable, what efforts has the department made to obtain these services through available resources within the City?

The requested service involves handling hazardous materials, requiring employees to be certified in OSHA training and medical monitoring. Vehicle drivers must also hold a license with hazardous materials certification.

5. Why Civil Service Employees Cannot Perform the Services to be Contracted Out

- A. Explain why civil service classes are not applicable.
The contracted work requires specialized and skilled labor and equipment and other supporting activities such as record keeping and regulatory reporting to associated authorities. There are no Civil Service classes related to the required processes.
- B. If there is no civil service class that could perform the work, would it be practical and/or feasible to adopt a new civil service class to perform this work? Explain. No, because the Civil Service class must meet OHSA training and medical monitoring requirements, and vehicle drivers must possess a license with a hazardous materials certification.

6. Additional Information

- A. Will the contractor directly supervise City and County employee? If so, please include an explanation.
No.
- B. Will the contractor train City and County employees and/or is there a transfer of knowledge component that will be included in the contact? If so, please explain what that will entail; if not, explain why not.
No. No training will be provided.
- C. Are there legal mandates requiring the use of contractual services?
No.
- D. Are there federal or state grant requirements regarding the use of contractual services? If so, please explain and include an excerpt or copy of any such applicable requirement.
No.
- E. Has a board or commission determined that contracting is the most effective way to provide this service? If so, please explain and include a copy of the board or commission action.
No.
- F. Will the proposed work be completed by a contractor that has a current PSC contract with your department? If so, please explain.
No.

7. **Union Notification:** On 05/29/2024, the Department notified the following employee organizations of this PSC/RFP request:
all unions were notified

☐ I CERTIFY ON BEHALF OF THE DEPARTMENT THAT THE INFORMATION CONTAINED IN AND ATTACHED TO THIS FORM IS COMPLETE AND ACCURATE:

Name: Lynn Khaw Phone: 4155546296 Email: lynn.khaw@sfgov.org

Address: City Hall, Room 430 San Francisco, CA 94102

FOR DEPARTMENT OF HUMAN RESOURCES USE

PSC# 43388 - 23/24

DHR Analysis/Recommendation:

Civil Service Commission Action:

PERSONAL SERVICES CONTRACT SUMMARY ("PSC FORM 1")

Department: GENERAL SERVICES AGENCY - CITY ADMIN

Dept. Code: ADM

Type of Request: ☐ Initial ☒ Modification of an existing PSC (PSC # 49016 - 18/19)

Type of Approval: ☐ Expedited ☒ Regular ☐ Annual ☐ Continuing ☐ (Omit Posting)

Type of Service: Hazardous Waste Management Services

Funding Source: General fund

PSC Original Approved Amount: \$550,000

PSC Original Approved Duration: 11/01/19 - 06/30/24 (4 years 34 weeks)

PSC Mod#1 Amount: \$4,450,000

PSC Mod#1 Duration: no duration added

PSC Cumulative Amount Proposed: \$5,000,000

PSC Cumulative Duration Proposed: 4 years 34 weeks

1. Description of Work

A. Scope of Work/Services to be Contracted Out:

GSA Fleet Management Division has an ongoing need to provide comprehensive services for emergency and non-emergency hazardous waste management. The service is needed at our 6 shop locations for labor, materials, and equipment necessary to collect a wide range of used motor oil and industrial wastes, to provide transportation, and delivery of environmental sustainable washing and maintenance service with specialty equipment and chemicals for proper recycling, reuse, or disposal to permitted disposal facilities on an intermittent and as-needed basis. Additionally, hazardous waste emergency spill response service is needed on an as-needed basis.

B. Explain why this service is necessary and the consequence of denial:

Fleet Management Division provides vehicle and equipment maintenance to over 30 departments to operate their City vehicles. The maintenance or repair of vehicles often involves changing of oils/coolants/lubricants, and debris from the work are also a source of contamination. Proper hazardous waste disposal and maintenance of waste storage containers/sites are highly important as they have a direct impact on the employees' health and work environment. The aforementioned are also required by regulatory authorities. The City must manage its hazardous wastes in a manner that protects the environment and the health of its residents and employees. The City must comply with state and federal laws and regulations regarding the management of hazardous wastes. Denial of the services will have negative safety, environmental, and legal consequences.

C. Has this service been provided in the past? If so, how? If the service was provided under a previous PSC, attach copy of the most recently approved PSC.

Services have been provided in the past through earlier PSC request. See 49016 - 18/19

D. Will the contract(s) be renewed?

The OMP contracts will be renewed on an annual basis.

E. If this is a request for a new PSC in excess of five years, or if your request is to extend (modify) an existing PSC by another five years, please explain why:

2. Reason(s) for the Request

A. Display all that apply

☒ Services that require resources that the City lacks (e.g., office space, facilities or equipment with an operator).

Explain the qualifying circumstances:

Vendors provide their specialized equipment.

B. Reason for the request for modification:

To increase the PSC amount from \$550,000 to \$5,000,000 as the contract will be open for use by all departments' Central Shops in the City and not just SFMTA and the ADM Central Shop. The modification will only be to increase the PSC amount. No extension on the expiration date of 6/30/24 is required.

3. Description of Required Skills/Expertise

- A. Specify required skills and/or expertise: Requires expertise in the management of chemical hazards and a thorough knowledge of federal and state requirements pertaining to the transportation and disposal of hazardous wastes. The work must be done by persons meeting Occupational Safety and Health Act (OHSA) training and medical monitoring requirements. Vehicle drivers must possess a license with a hazardous materials certification.
- B. Which, if any, civil service class(es) normally perform(s) this work? none
- C. Will contractor provide facilities and/or equipment not currently possessed by the City? If so, explain: Yes. The contractors will use permitted and specialized equipment they have that is necessary to complete the contracted work.

4. If applicable, what efforts has the department made to obtain these services through available resources within the City?

Not Applicable

5. Why Civil Service Employees Cannot Perform the Services to be Contracted Out

- A. Explain why civil service classes are not applicable.
The contracted work requires specialized and skilled labor and equipment, as well as other supporting activities such as record keeping and regulatory reporting to associated authorities. There are no civil service classes related to the required processes.
- B. If there is no civil service class that could perform the work, would it be practical and/or feasible to adopt a new civil service class to perform this work? Explain: No. This type of service would not be in the best interest of the City to attempt to provide.

6. Additional Information

- A. Will the contractor directly supervise City and County employee? If so, please include an explanation.
No.
- B. Will the contractor train City and County employees and/or is there a transfer of knowledge component that will be included in the contract? If so, please explain what that will entail; if not, explain why not.
No training will be provided.
- C. Are there legal mandates requiring the use of contractual services?
No.
- D. Are there federal or state grant requirements regarding the use of contractual services? If so, please explain and include an excerpt or copy of any such applicable requirement.
No.
- E. Has a board or commission determined that contracting is the most effective way to provide this service? If so, please explain and include a copy of the board or commission action.
No.
- F. Will the proposed work be completed by a contractor that has a current PSC contract with your department? If so, please explain.
No.

7. Union Notification: On 08/05/22, the Department notified the following employee organizations of this PSC/RFP request: all unions were notified

☒ I CERTIFY ON BEHALF OF THE DEPARTMENT THAT THE INFORMATION CONTAINED IN AND ATTACHED TO THIS FORM IS COMPLETE AND ACCURATE:

Name: Lynn Khaw Phone: 4155546296 Email: lynn.khaw@sfgov.org

Address: One Carlton B. Goodlett Place, Room 362, San Francisco, CA 94102

FOR DEPARTMENT OF HUMAN RESOURCES USE

PSC# 49016 - 18/19

DHR Analysis/Recommendation:

09/19/2022

Commission Approval Required

Approved by Civil Service Commission

09/19/2022 DHR Approved for 09/19/2022