



Metropolitan
Transportation
Authority

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Los Angeles, CA
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SUBJECT: RECYCLING/TRASH HAULING

ACTION: AMEND CONTRACT OP64300705 WITH CONSOLIDATED SERVICES, INC.

RECOMMENDATION

Authorize the Chief Executive Officer to execute Amendment No. 5 to Contract No. OP64300705 with Consolidated Services to extend the period of performance not to exceed two months at a not-to-exceed amount of \$26,000 increasing the total contract value from \$507,771 to \$533,771.

RATIONALE

The MTA currently has two contractors performing recycling/trash-hauling services, which must be provided at all MTA facilities. The contract for one of the contractors, Consolidated Services, is due to expire on June 30, 2001. The contract for the other contractor, Waste Management, is due to expire on August 28, 2001.

A procurement action to obtain a new contractor to perform these services was conducted and the recommendation for award was presented at the May 2001 Board meeting as Item No. 17. It was anticipated that the new contractor, American Reclamation, would begin providing services on July 1, 2001, by assuming the portion of work previously performed by Consolidated Services.

However, the Board did not take action on this item during the May 2001 meeting and the item was carried over to the June 2001 Board meeting.

FINANCIAL IMPACT

Funding of \$400,000 for this service is included in the proposed FY02 budget in cost center number 0641, Non-Departmental-Building Services under account 50599, Utilities Others, project number 100001, task number 01.01. In FY00, \$122,405 was expended on this service provided by Consolidated Services.

ALTERNATIVES CONSIDERED

The alternatives considered to extending the contract period of performance:

- 1) Allow the contract to expire and not pick up trash for two months. This alternative is not recommended due to the health and safety requirements at the locations being serviced by Consolidated Services.
- 2) Allow the contract to expire and utilize Waste Management (the other recycling/trash hauling contractor). To maintain continuity and ensure no disruption in services this alternative is not recommended. These additional services are not currently part of Waste Management’s contract.

PROCUREMENT SUMMARY

Consolidated Services (formerly Perdomo & Sons) was awarded a competitively procured contract at the July 1997 Board meeting in an amount not to exceed \$195,046. At the May 1999 Board meeting, Amendment No. 1 to the contract was approved. The amendment increased the contract’s not-to-exceed amount to \$415,046 and extended the period of performance to September 30, 2000.

The amendments executed under Chief Executive Officer authority extended the contract to June 30, 2001 and added \$92,725 to the not to exceed contract amount. This increased the total contract to \$507,771.

Consolidated Services has agreed to use the same rates during the extension period.

COST/PRICE ANALYSIS

PROPOSED PRICE	RECOMMENDED PRICE	HISTORICAL PRICE
\$26,000	\$26,000	\$26,000
	VARIANCE	NONE

The existing rates for rubbish removal services will remain in effect during the two-month extension period. The recommended rates are considered fair and reasonable and were previously reviewed by Procurement’s Cost/Price Analysis Section.

SMALL BUSINESS PARTICIPATION

The Small Business Diversity Unit (SBD) does not recommend a Disadvantaged Business Enterprise (DBE) participation goal for this procurement. No subcontracting opportunities were identified. SBD did provide a list of DBE firms to be outreached as potential Primes when the


project was advertised. The availability of DBE firms in this service area provides an excellent opportunity for DBE firms to compete for prime contracts.

Pursuant to the DBE Program requirements, if the Prime proposes to use the services of subcontractors, the Prime is expected to afford maximum opportunity to DBE firms in subcontract and supply services areas. Upon request, the Prime is required to submit documentation to satisfy that good faith efforts were made to utilize DBE firms throughout the life of the contract.

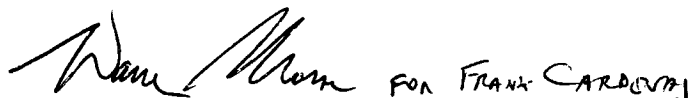
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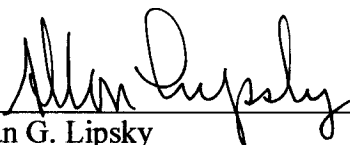


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