



Hazardous Waste Cleanups: Selecting an Environmental Consulting Firm

Preface

Environmental investigation and cleanups can be major projects, but they don't have to be major headaches - not if you do your homework in selecting an environmental consulting firm.

There is no magic formula for assuring that the consultant or contractor you hire will be a perfect match for your type of job. It may be frustrating and expensive to discover that a consultant who has excellent credentials and experience with one environmental problem may have little experience with another.

When you're looking for an environmental consulting firm, consider:

- ❖ Site investigation and cleanup is often a complex process.
- ❖ Investigations and cleanups can range in cost from a few thousand to several million dollars.
- ❖ Investigations and cleanups can take anywhere from a few months to several years to complete.
- ❖ Cheaper is not always better.

Asking questions and checking references will go a long way toward assuring that you get the right consultant to help you get the job done right the first time.

Investigations and Cleanup: An Engineering Project

As environmental consultants frequently point out, designing a cleanup is very different from designing a building. With a building, you generally start with fairly accurate estimates of cost, completion times, and work and materials needed. The end product is designed and understood before the building is started.

This is seldom the case with cleanup projects. Few details are known at the beginning of the project. It is generally best to complete a stage, evaluate available information and options, then move on to the next stage. The extent of the cleanup problem and the work needed becomes clearer in increments rather than at the outset. Unfortunately, this may also apply to the cleanup price tag. Total costs usually cannot be accurately or approximately estimated early in the project.

Getting Started

Compile any readily available information about the site, including potential sources of contamination and company records on hazardous substances used or stored. Prepare a brief written description of the historical use of the site, current use, and the work you think needs to be done. A little time spent here can help you select the right consultant and may save you time and money during the project.

Down the Road

Many projects continue beyond the initial investigation stages and are often more than "simple" cleanups. Projects often expand in scope as more information becomes available. Since it is time-consuming to find and hire the consultant you want, it is useful to know from the outset whether your consultant is able to do

only the initial stages of a project, or could carry the project through if the scope is expanded. In other words, hiring a consultant who is able to do only one component of the investigation may result in a more expensive and time-consuming process than hiring one who is able to handle a complete cleanup project. Don't hesitate to change contractors if yours is incapable of continuing a project.

A "hands-on" approach in overseeing the consultant's work is a good idea. Ask to have reports and contracts explained in lay terms. Make sure all work that occurs follows a detailed work plan subject to your review and approval. Your own understanding of your facility or property may enhance your consultant's understanding, leading to a higher quality and more accurate finished project.

Hiring a Contractor: General Guidelines

Specific People vs. a Firm

It is important to know which people from a consulting firm will be assigned to your project and what their role will be. The firm may have demonstrated its capability, but it is also important that qualified and experienced staff are assigned to your project. Checking references for the firm as well as for individual staff assigned to your project can pay off. Also, pay attention to subcontractors and vendors the consultant may propose to hire and how they will be used on the project.

Staff Availability

The firm selected to do your work needs to demonstrate not only that it is capable, but that it will have qualified staff available during the time period in which your work must be completed.

Time Needed

Consulting firms should be asked to estimate the time needed to complete the work required.

Agency and Regulatory Experience

Environmental firms should be asked to demonstrate experience and success in addressing hazardous substance regulations and in working with regulatory agencies.

Costs

A wide selection of contract types is available in order to provide flexibility in acquiring the services you need.

The contract type you choose depends on the type and scope of your project.

Research the various contract types, discover the advantages and disadvantages of each, and choose the type that best fits your needs. Whichever method you and your consultant agree to, be sure you set up clear, specific criteria by which to evaluate and compare cost estimates.

Knowing what the charges are and how they are determined are crucial to cost-control. Your bill should match the contract and provide top-to-bottom detail. Check that charges are legitimate, correct and timely. Tell the consultant that you want a billing schedule and want bills at regular intervals, and then examine each carefully.

Below are two types of contracts consultants generally used to charge you for cleanup work performed.

Time-and-Materials.

One contract consultants use is the *time-and-materials contract*. This type of contract provides for payment of a fixed rate for each hour of direct labor, direct cost of materials, and in some instances, payment of

materials handling costs. The consultant's overhead costs, general and administrative expenses, and profit are all incorporated in the fixed hourly rate. Thus, the greater number of hours spent on the job, the greater the profit to the contractor, subject only to a negotiated ceiling on the total cost.

A time-and-materials contract *only buys you hours of service, not a completed cleanup*. This type of contract is often negotiated if you are uncertain of the type, extent or duration of the work needed, or are unable to anticipate costs with any reasonable degree of confidence.

Fixed Price. This method is generally used for small projects or when the scope can be clearly defined. One price covers the whole job from start to finish, including staff-hours, equipment, and all fees and services. You control costs by letting the contractor know that you won't pay for work beyond the scope of the contract unless you specifically agree to it. BE CAREFUL that contractors don't take shortcuts in completing the work.

Where to Look for Consulting Firms

Probably the best sources for selection information are other companies in your industry, or related industries, who have conducted investigations and cleanups. Other companies, property owners, or attorneys who have participated in cleanup projects may also help you identify appropriate consulting firms.

Environmental professional organizations, banks, and the telephone book also provide listings for environmental consultants.

Ecology staff do not recommend specific environmental consultants or offer advice about which firms to select. Site owners should apply the same careful selection criteria to any consultant firm regardless of recommendations from other sources.

Suggested Questions

Sample questions for interviewing consulting firms and their references are listed below to help you select the firm best suited to your environmental work.

Questions for a Consultant

1. What is your firm's experience in performing this specific work and the subsequent work it might lead to? Request a list of similar projects completed with references.
2. What treatment methods or technologies has the firm used or recommended? Have you completed any ground-water or soil cleanups?
3. Which portions of the work does the firm subcontract? Are subcontractor activities competitively bid? Ask for names of subcontractors and check their experience.
4. What is your firm's experience working with and satisfying regulatory agency requirements? Request a list of projects completed in Washington State with references.
5. Which staff will be assigned to my project? Ask for current resumes. Ask the firm to specify staff roles, and request references for at least the staff person who will be designated the project manager.

6. What will the availability of assigned staff likely be over the potential life of the project? Ask if the firm will provide additional staff assistance if needed to get the job done.
7. Is the firm's field staff trained in safety procedures as required by the Washington Industrial Safety and Health Act (WISHA)?
8. How do you propose to plan cost-effectively so that all short-term work will complement any potential long-term work? Ask the firm to prepare a proposal for the work to be conducted, a detailed cost estimate for the work proposed and a "ball park" estimate for subsequent work required.
9. Do the firm and its subcontractors have environmental liability insurance?
10. How will the investigation and cleanup work affect activities at my site; i.e., employee work schedules, relations with customers and neighbors? Ask the firm to briefly describe its recommended approach to the work.

Questions for a Consultant's References

1. Was your project similar in size and nature to mine?
2. Did the consultant meet the stated work and project deadlines?

3. Did the consultant keep you informed of project developments and aware of all available cleanup options?
4. Did any problems arise during your work with the consultant and were they satisfactorily resolved?
5. Did the consultant work effectively with regulatory agencies, local officials and/or your attorney?
6. Were you satisfied with the work performed by the consultant?
7. Did the final costs seem in line with the original estimate?

Some Things to Watch For

- ❖ Cost estimates significantly lower than those of competing firms. Just because they're the cheapest doesn't necessarily mean you get the best quality work. You may end up paying for expensive mistakes or for improvements on poor quality work.
- ❖ Hard-sell approaches.
- ❖ Minimizing or maximizing potential technical or legal problems.
- ❖ Strong biases for or against certain cleanup remedies.
- ❖ Conflicts of interest.
- ❖ Overly optimistic time lines.
- ❖ The firm's familiarity with applicable regulations.

Making the Final Decision

Request proposals from at least three (3) firms or individuals who best fit your requirements. Proposals should include a scope of work, staff resumes, estimated work schedules, anticipated costs and related fees, estimated total project costs with an itemized fee schedule, and references.

Know what you're paying for! Get an explanation of the rates charged, a description of the tasks, and a list of junior-, mid- and senior-level staff who will perform each task. It's a good way to match rates to services and to weigh the strengths and weakness of each contractor.

Read the fine print. Make sure you understand the payment terms, including interest charges on outstanding bills. Don't get locked into an overestimated bid and don't automatically choose the lowest bidder.

Before you sign on the dotted line, have a clear understanding of how long the work will take and how much it will cost. Double check, IN WRITING, the price, timetable, terms and conditions of payment, the contractor's cited experience and capability, and the explanation and purpose of technical work.

You should then have sufficient information to make a good decision about which consultant to hire.

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