

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY
AND RECORD OF ACTION**

December 19, 2023

FROM

PETE MENDOZA, Director, Purchasing Department

SUBJECT

Amendment to Contract with Stericycle, Inc. to Extend the Contract Term

RECOMMENDATION(S)

Approve **Amendment No. 3 to Contract No. 18-887** with Stericycle, Inc., extending the term from December 31, 2023, to June 30, 2024, for a total term of January 1, 2019 to June 30, 2024, and increasing the existing rates, effective January 1, 2024.
(Presenter: Pete Mendoza, Director, 387-2073)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Improve County Government Operations.

Operate in a Fiscally-Responsible and Business-Like Manner.

FINANCIAL IMPACT

Approval of this item will not result in the use of additional Discretionary General Funding (Net County Cost). Departments that require paper shredding and recycling services are responsible for ensuring there is adequate funding in their current and future budgets. The impact on each departments' budget is dependent upon the amount of shredding and recycling services needed. The County spends approximately \$50,000 annually for these services.

BACKGROUND INFORMATION

The Purchasing Department (Purchasing) maintains a countywide contract (Agreement No. 18-887) for shredding and recycling services with Stericycle, Inc. (Stericycle), formerly Shred-IT USA, LLC. (Shred-IT). Contract No. 18-887 (Contract) will expire on December 31, 2023.

On March 1, 2023, Purchasing released Request for Proposals (RFP) AGENCY23-PURC-4889 for new shredding and recycling services. The RFP closed on April 5, 2023, and evaluations were completed in May. Initially, Iron Mountain Information Management, LLC. (Iron Mountain) was selected for award. A draft contract was sent for Iron Mountain's review on June 28, 2023, and negotiations continued until September 29, 2023, at which point it was determined that an agreement on insurance terms could not be reached between the parties. Consequently, Purchasing opted to terminate negotiations with Iron Mountain and consider the second-ranked proposal, submitted by Stericycle.

Negotiations with Stericycle are ongoing and are expected to continue beyond the current end date of the Contract. Stericycle has agreed to extend the existing Contract, provided that increased pricing is effective January 1, 2024. Approval of Amendment No. 3 to the Contract will extend the current term by six months, for a total contract period of January 1, 2019, through

Amendment to Contract with Stericycle, Inc. to Extend the Contract

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June 30, 2024. Additionally, Amendment No. 3 incorporates revised pricing, effective January 1, 2024, as stipulated by Stericycle. Amendment No. 3 is required to allow Purchasing adequate time to complete negotiations on a new contract with Stericycle.

PROCUREMENT

On December 18, 2018 (Item No. 51), the Board approved Contract No. 18-887 with Shred-IT to provide countywide media destruction, paper shredding, and recycling services from January 1, 2019, through December 31, 2023.

On June 11, 2019 (Item No. 55), the Board approved Amendment No. 1 to increase rates for on-site paper shredding and remove the requirement to provide no cost recycling services.

On February 8, 2022 (Item No. 47), the Board approved Amendment No. 2 to assign the Agreement to Stericycle, the surviving corporation of a merger between Shred-IT and Stericycle.

The Contract was awarded following a competitive procurement process initiated through a joint RFP released in collaboration with Riverside County on July 26, 2018.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Adam Ebright, Deputy County Counsel, 387-5455) on November 9, 2023; Finance (Ivan Ramirez, 387-4020) on November 30, 2023; and County Finance and Administration (Paloma Hernandez-Barker, Deputy Executive Officer, 387-5423) on November 30, 2023.

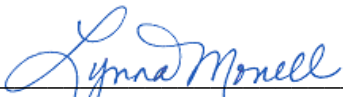
**Amendment to Contract with Stericycle, Inc. to Extend the Contract
Term
December 19, 2023**

Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Curt Hagman Seconded: Col. Paul Cook (Ret.)
Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: December 19, 2023



cc: Purchasing - Gill w/agree
Contractor - c/o Purchasing w/agree
File - w/agree
CCM 12/28/2023