



Clean Harbors Environmental Services, Inc.

2020 COMMERCIAL

SMALL BUSINESS SUBCONTRACTING PLAN

COMPANY: Clean Harbors Environmental Services, Inc.

PARENT: Clean Harbors, Inc.

ADDRESS: 42 Longwater Drive

CITY, STATE, ZIP: Norwell, MA 02061

CAGE CODE: 1NFA4 **DUNS:** 039322250

NAICS CODE: 562211 – *Various Environmental Services*

PLAN PERIOD: January 1, 2020 through December 31, 2020

PROJECTED 2020 Sales: *Clean Harbors* is a public company and does not provide revenue projections or guidance to the public. EBITDA and revenue results from 2019, as well as previous years, can be found at www.cleanharbors.com

Clean Harbors Environmental Services, Inc. ("*Clean Harbors*"), 42 Longwater Drive, Norwell MA 02061, implements this Commercial Small Business Subcontracting Plan ("Commercial Plan") for its environmental management, transportation and disposal services business. This Commercial Plan follows the requirements laid out in the Federal Acquisition Regulation (FAR) Subpart 19.7. As used in this plan, the term "commercial item" is a product or service that satisfies the definition of a commercial item in section 8001 of FASA (41 U.S.C.403) and the Federal Acquisition Regulation (FAR) Parts 2 and 12.

The *Clean Harbors*' Corporate Small Business Supplier Development Program (SBSDP) recognizes the responsibility of *Clean Harbors*, since it is a large business, to assist in the development and use of Small Business Concerns (SB), including Small Disadvantaged Business Concerns (SDB), Women-Owned Small Business Concerns (WOSB), HUBZone Small Business Concerns (HUBZone), Veteran-Owned Small Business Concerns (VOSB), Service-Disabled Veteran-Owned Small Business Concerns (SD/VOSB), Alaska Native Corporations (ANCs) and Indian Tribe Owned Small Business concerns.

Clean Harbors' Purchasing Department recognizes its role as the primary provider of products and services to the corporation. The Purchasing Department buyers are therefore integral agents for continual improvement in the corporate wide use of small businesses. *Clean Harbors*' employees follow the corporate initiated Small Business Supplier Development Program Plan in complying with federal government subcontracting requirements regarding the use of small business concerns, small disadvantaged business concerns, small women- owned business concerns, HUBZone small business concerns; veteran-owned small business concerns and service-disabled veteran owned small business concerns to the maximum practicable extent.

This Plan is submitted pursuant to the requirements of Public Law 95-507, as implemented by the Federal Acquisition Regulation Part 19; more specifically, FAR 52.219-8 Utilization of Small Business Concerns, FAR 52.219-9, Small Business Subcontracting Plan.

- a) The HUBZone Empowerment Contracting Program, which enacted into law as part of the Small Business Reauthorization Act of 1997.
- b) Section 7106 of FASA (Public Law 103-355) established a 5% woman owned small business goal.
- c) PL 105-85 added the HUBZONE small business goal, now 3% of the value of all prime contract awards.
- d) H.R. 2297 "Veterans Benefit Act of 2003, Public Law 108-183".

This Plan identifies the methods and procedures that will be used by *Clean Harbors* to identify sources for solicitation purposes and implement its Small Business Supplier Development Program. *Clean Harbors* includes all subcontracts that contribute to contract performance and includes those products and services that are normally allocated as indirect costs. The *Clean Harbors*' PeopleSoft Purchasing database segregates all Vendors by business size.

I. GOALS AND PERCENTAGES:

All goals and percentages are derived from *Clean Harbors'* total 2019 subcontracting spend.

2020 Projected subcontracting spend \$ 755,250,550.

2020 Projected spend with 8(a), Small Business, Small Disadvantaged Business, Woman-Owned Small Business, Veteran-Owned Small Business, Service Disabled/Veteran-Owned Small Business, and Historically-Underutilized Business Zone Small Business concerns.

2020 Diversity Projected subcontracting spend \$ 268,113,945.

"GOAL" of 35.5% of projected subcontracting spend for 2020 for Small Business Concerns

Clean Harbors will make a "*good faith effort*" to increase expenditures with small businesses during calendar year 2020 as indicated in the following chart.

Category	Spend by Dollars	Spend by Percentage
SB - Small Business	\$268,113,945	35.50%
SDB - Small Disadvantaged Business	\$22,657,517	3.00%
WOSB – Woman Owned Small Business	\$22,657,517	3.00%
VOSB – Veteran Owned Small Business	\$7,552,506	1.00%
SD/VOSB - Service Disabled/Veteran Owned Small Business	\$377,625	0.05%
HUBZone SB – Historically Underutilized Business Zone Small Business	\$1,132,876	0.15%
OTSB – Other Than Small Business, (includes Large)	\$487,136,605	64.50%

II. A DESCRIPTION OF THE METHOD USED TO DEVELOP THE SUBCONTRACTING GOALS

The subcontracting goals set forth in this plan were established by analyzing total purchasing dollars and the percent of current contracting. These existing spend rates were used to develop a projection of future spend rates with support of the corporate Small Business Supplier Development Program.

The method used to develop subcontracting goals involves determining which supplies and/or services can be provided by sources outside of the *Clean Harbors'* corporate umbrella. After "make or buy" decisions are made, subcontracting opportunities are determined. The actual experience of 2017, 2018 and 2019 plays a major role in determining its goals for this fiscal year.

Clean Harbors anticipated goals for fiscal year 2020 for this Commercial Subcontracting Plan are less than the percentages mandated by Public Law. Based on the projected provided subcontracted services represented in the chart above; the drawing pool that specializes in *Clean Harbors* provided services is not yet that sizable nor diverse. Service Disabled Veteran Owned and HUBZone businesses are an emerging business category and the Federal Government itself, has yet to make the mandated Public Law goals. As for the Women-Owned Small Business and Small Disadvantaged Businesses for the Transportation and Disposal Services arena, they are primarily brokers. Constantly using brokers does not provide a price benefit to our customers and jeopardizes increased revenue for *Clean Harbors* which in turn would jeopardize subcontracted dollars across the board. *Clean Harbors* is aware of this and does make every effort when possible to subcontract work to the Small Business subsets.

III. ASSIGNMENT OF SIZE STANDARDS TO SUBCONTRACTS

Clean Harbors agrees to assign North American Industry Classification System (NAICS) codes to subcontracts and further agrees to provide socio-economic status of the successful subcontractor in the notification to the unsuccessful offerors for the subcontract.

IV. A DESCRIPTION OF THE METHOD USED TO IDENTIFY POTENTIAL SOURCES FOR SOLICITATION PURPOSES

Clean Harbors develops its own in-house source list of potential vendors, suppliers, and subcontractors. The source list includes: those business concerns that have been found to be acceptable by *Clean Harbors'* Purchasing Department and are not on any Government or customer debarred vendor list. The list is continually updated to include new vendors. To expand the source list, *Clean Harbors* receives input from its employees, other contractors, attends trade shows, and refers to publications and vendor databases such as the Small Business Administration at www.sba.gov or the System for Award Management site at www.sam.gov.

Clean Harbors also contacts federal and state agencies such as Minority Business Development Centers, Procurement Technical Assistance Centers (PTACs), and other Small Business Liaison Officers (SBLOs) as ways to expand its knowledge of small, small disadvantaged, women-owned small business concerns, Veteran and Service-disabled Veteran small business concerns, HUBZone small business concerns and Alaska Native Corporations and Indian Tribes that have not been certified by the Small Business Administration as Small Disadvantaged Businesses owned small businesses.

Opportunities for using Historically Black Colleges and Universities (HBCUs) and Minority Institutions (MIs) are investigated from time to time, but opportunities for academic research institutions are generally limited by the nature of our line of business and the programs offered at the undergraduate level in such colleges and universities.

V. INDIRECT COST

Indirect costs are included in establishing subcontracting goals. Since business size is part of the data in the *Clean Harbors'* Purchasing database, dollars spent with such firms are associated with the appropriate business size and allocated to individual customers in the same way direct dollars are allocated.

VI. PRINCIPLE TYPES OF SUPPLIES AND SERVICES TO BE SUBCONTRACTED:

The following types of supplies and services are to be subcontracted:

Transportation Services, TSDFs for Recycling, Health and Safety Supplies, Computer Products and Services, Drum Manufacturers, Analytical Services, MIS Products and Services, and Roll Off Rental.

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Top Ten NAICS Codes Description and Breakdown by Category

NAICS CODE	NAICS DESCRIPTION
484110	General Freight Trucking, Local
541380	Testing Laboratories / Analytical Services
562910	Remediation Services
236220	Commercial and Institutional Building Construction
238990	All Other Specialty Trade Contractors
423840	Industrial Suppliers Merchant Wholesalers
238220	Plumbing, Heating and Air Conditioner Contractors
423830	Industrial Machinery and Equipment Merchant Wholesalers
334513	Instrument and Related Products Manufacturing
562211	Hazardous Waste Treatment and Disposal

Category	484110	541380	562910	236220	238990	423840	238220	423830	334513	562211
B	X	X	X	X	X	X	X	X	X	X
DB	X	X	X	X	X	X	X	X		X
VOSB		X	X	X	X	X	X	X	X	X
OSB	X	X	X	X	X	X	X	X	X	X
D/VOSB	X	X	X	X	X	X	X	X		X
UBZONE		X	X	X	X	X	X	X	X	
Category	236210	326211	423430	423840	517110	532490	541519	561110	721110	813910
ARGE	X	X	X	X	X	X	X	X	X	

VII. INDIVIDUAL(S) EMPLOYED BY THE ORREROR TO ADMINISTER THE SUBCONTRACTING PROGRAM AND DUTIES

Clean Harbors designates Connie D. Miller, as its Manager, Small Business Liaison Officer (SBLO) and Consulting SBA. She can be reached at (972)265-2381. Her fax number is (972)767-4764. The Manager, Small Business Liaison Officer (SBLO) and Consulting SBA's duties are not limited to but include the following:

- 1) Develop business relationships with small, small disadvantaged, small woman-owned, veteran and service-disabled veteran, and HUBZone small business concerns to include the establishment of *Mentoring Business Agreements* (MBAs) where such relationships will help the protégé nurture its business plan.
- 2) Assist the Purchasing Department to develop and maintain vendor source lists.
- 3) Make sure procedures are in place to ensure small businesses of every category are given an opportunity to compete for products and services they can provide.
- 4) Assist the *Clean Harbors* Buyers, as requested in identifying new sources and insuring the business size of new vendors is coded into the PeopleSoft Financial software database. Those business sizes are large business, small business, small disadvantaged business, woman-owned small business, HUBZone small business, and veteran and service- disabled veteran small business.
- 5) Assure maintenance of required records. One copy of Subcontracting Plan goals will be kept with Corporate Purchasing. One copy of the Commercial Subcontracting Plan and all (eSRS-SSR), Summary Subcontract Reports for all covered contracts will be kept by the SBLO.
- 6) Assure required submittal of the yearly SSRs by requesting purchasing statistics by Vendor Business Size from the *Clean Harbor's* PeopleSoft Accounting database for the reporting period. The PeopleSoft automated, integrated purchasing and invoicing system, maintained by the accounting department, keys vendor classification to vendor number, enabling reports for each vendor classification. Assure annual input of the SSR via www.esrs.gov in accordance with agency regulations and instructions. An Executive Officer of *Clean Harbors* will sign the SSR.
- 7) Serve as liaison with customer representatives in matters concerning *Clean Harbors'* Subcontracting Program.
- 8) Instruct *Clean Harbors'* employees about the *Clean Harbors* Small Business Program and their responsibilities regarding the Commercial Plan and Public Law 95-507.
- 9) Monitor the attainment of proposed subcontracting goals by reviewing purchasing data. Act to correct deficiencies by reminding appropriate personnel of the goals identified in the Commercial Plan.

- 10) Ensure that subcontract procurement "packages" are designed to permit the maximum practicable opportunity of small, small disadvantaged, women-owned small, veteran-owned small, service disabled veteran-owned small business, HUBZone small business or Alaska Native Corporations and Indian Tribes owned small business participation.
- 11) Review subcontract solicitations to remove statements, clauses, etc., that might tend to restrict or prohibit small, small disadvantaged, women owned small, veteran-owned small, service disabled veteran-owned small business, HUBZone or Alaska Native Corporations and Indian Tribes owned small business participation.
- 12) Ensure that Buyers document their reasons for not selecting any low bids
- 13) Attend or arrange for the attendance of company counselors at Business Opportunity Workshops, minority business enterprise seminars, trade fairs, etc.
- 14) Directly or indirectly counsel such small businesses on subcontracting opportunities and how to prepare responsive bids to *Clean Harbors* in accordance with PL 99-661, Section 1207.
- 15) Work with Massachusetts Small Business Development Center (MSBDC) Network to achieve mutual goals of increasing small business participation (See Memorandum of Understanding dated January 22, 2004 on www.cleanharbors.com, then click "About Us" and then "Supplier Resources").
- 16) Work with the Purchasing Manager in establishing an incentive program of some type that benefits buyers that support the subcontracting program.
- 17) Monitor *Clean Harbors'* performance and make adjustments in the program to achieve the subcontract plan goals, as reasonably possible.
- 18) Coordinate *Clean Harbors'* participation during compliance reviews by Federal agencies.
- 19) Look into to possible Mentor Protégé Programs through DOD and Civilian Agencies.

VIII. EQUITABLE OPPORTUNITY:

Clean Harbors Environmental Services, Inc. will make every effort to ensure that all small business concerns have an equitable opportunity to compete for subcontracts. These efforts may include one or more of the following activities:

- ❖ Outreach efforts to obtain sources:
 - Contacting minority and small business trade associations
 - Contact business development organizations
 - Requesting sources from the SBA's Dynamic Small Business Search ([Link to Dynamic Small Business Search](#)) and/or the SAM.gov database
 - Attend small and minority business trade fairs and procurement conferences
- ❖ Internal efforts to guide and encourage purchasing personnel:
 - Present training programs
 - Establishing, maintaining and using small, HUBZone small, small disadvantaged, women-owned small, veteran-owned small, and service-disabled veteran-owned small business source lists, guides, and other data for soliciting subcontracts
 - Monitoring activities to evaluate compliance with the subcontracting plan

IX. FLOWDOWN

Clean Harbors will include FAR Clause 52.219-9(d)(9) and 19.704(a)(9) Utilization of Small Business Concerns Clause is required in all subcontracts that offer further subcontracting opportunities. *Clean Harbors* will also require all subcontractors, except small businesses, who receive subcontracts in excess of \$700,000 (\$1.5 million for construction of any public facility with further subcontracting possibilities) to submit a subcontracting plan for *Clean Harbors* approval conforming to above FAR Clause.

X. SUBMITTAL OF FORMS

Clean Harbors will comply in accordance with FAR 19.704(a)(10) and clause 52.219(d)(10). *Clean Harbors* will cooperate in studies and surveys as required by contracting agencies or the Small Business Administration and Defense Contract Management Agency in order to determine the extent of its subcontracting program compliance. *Clean Harbors* will submit reports as required in the FAR for Commercial Subcontracting Plans, including preparation and submission of SSRs on an annual basis, in order to allow the government to determine the extent of compliance with its Commercial Subcontracting Plan. *Clean Harbors* will request SSR reports from any subcontractor that is required to submit a subcontracting plan.

Reports will be submitted within 30 days after the close of each calendar period as indicated in the following charts:

<u>Calendar Period</u>	<u>Report Due</u>	<u>Due Date</u>
10/01 – 09/30	SSR	10/30

XI. RECORDS TO BE MAINTAINED

In accordance with FAR 19.704(a)(11) and clause 52.219-9(d)(11) The following records will be maintained by the Manager, SBLO and Consulting SBA:

(a) Source lists, including, but not limited to government-maintained web pages and business directories.

(b) List (s) of organizations used to locate Small Business Concerns (SB), including Small Disadvantaged Business Concerns (SDB), Women- Owned Small Business Concerns (WOSB), HUBZone Small Business Concerns (HUBZone), Veteran Owned Small Business Concerns (VOSB), Service-Disabled Veteran Owned Small Business Concerns (SD/VOSB) and Alaska Native Corporations (ANCs) and Indian Tribe Owned Small Business.

(c) Records on all subcontracts over \$150,000 indicating

1) Whether small, small disadvantaged, small women-owned, small HUBZone, small veteran-owned or service-disabled veteran business was solicited and if not, why not; and

2) If applicable, the reason award was not made to such business concern

(d) Records of any outreach efforts to contact trade associates; business development organizations; conference and trade fairs to locate small, small disadvantaged, woman-owned, minority owned, veteran owned, and Disabled-veteran owned, HUBZone and Alaska Native Corporations (ANCs) and Indian Tribes owned business sources.

(e) Records of training sessions to promote awareness of *Clean Harbors'* Small Business Supplier Development Program and the fiscal year goal attainment for the current fiscal year.

XII. STATUTORY REQUIREMENTS (FAR 19.702)

- Any contractor receiving a contract for more than the simplified acquisition threshold must agree in the contract that SB (including ANCs and Indian tribes), VOSB, SDVOSB, HUBZone, SOB (including ANCs and Indian tribes), and WOSB concerns will have the maximum practicable opportunity to participate in contract performance consistent with its efficient performance.
- It is further the policy of the United States that its prime contractors establish procedures to ensure the timely payment of amounts due pursuant to the terms of their subcontracts with SB (including ANCs and Indian tribes), VOSS, SDVOSB, HUBZone, SOB (including ANCs and Indian tribes), and WOSB concerns.
- Each contract modification that causes the value of a contract without a subcontracting plan to exceed \$700,000 (\$1.5 million for construction), shall require the Contractor to submit a subcontracting plan for the contract, IF the Contracting Officer determines that subcontracting possibilities/opportunities exist.

- The subcontracting plan shall be negotiated within the time specified by the Contracting Officer. Failure to submit and negotiate the subcontracting plan shall make the Offeror ineligible for award of a contract.

XIII. ADDITIONAL ASSURANCES

Clean Harbors will make a good faith effort to acquire articles, equipment, supplies, services, or materials, or obtain the performance of construction work from small business concerns that it used in preparing the bid or proposal, in the same or greater scope, amount, and quality used in preparing and submitting the bid or proposal.

Clean Harbors will provide the Contracting Officer with a written explanation if the contractor fails to acquire articles, equipment, supplies, services or materials or obtain the performance of construction work as described in (d)(12) of FAR clause 52.219-9. This written explanation must be submitted to the Contracting Officer within 30 days of contract completion.

Clean Harbors will not prohibit a subcontractor from discussing with the Contract Officer any material matter pertaining to the payment to or utilization of a subcontractor; and

Clean Harbors assures that the offeror will pay its small business subcontractors on time and in accordance with the terms and conditions of the subcontract and notify the Contracting Officer if *Clean Harbors* pays a reduced or an untimely payment to a small business subcontractor. (See 52.242.5)

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This Plan is submitted in a good faith effort to comply with the intent of PL 95-507 and the Federal Acquisition Regulation Subpart 19.7 as it applies to Commercial Subcontracting Plans

Submitted By: Connie D. Miller **Date:** 04.24.2020

Printed Name: **Connie D. Miller**
Title: **Manager, Small Business Liaison Officer (SBLO) & Consulting SBA, Small Business Administration**
Company: **CleanHarbors Environmental Services, Inc.**

Approved By:  **Date:** 4/28.2020

Printed Name: **George L. Curtis**
Title: **Executive Vice President, Pricing and Proposal Management**
Company: **CleanHarbors Environmental Services, Inc.**

Accepted By: _____ **Date:** 05/04/2020
(Contracting Officer)

Printed Name: Hector L. De Jesus

Agency Name: GSA/FAS, PSHC, Con Ops, Branch DA

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