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Title: PROVIDE DIRECTION ON A COST OF LIVING INCREASE FOR NATIONWIDE ENVIRONMENTAL SERVICES (CITY COUNCIL)

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Attachments: 1. Resolution 18-134 - Nationwide CPI Adjustment, 2. Nationwide Contract

Date	Ver.	Action By	Action	Result
9/18/2018	1	City Council		

Report to Mayor and City Council

Tuesday, September 18, 2018

Discussion

SUBJECT:

PROVIDE DIRECTION ON A COST OF LIVING INCREASE FOR NATIONWIDE ENVIRONMENTAL SERVICES (CITY COUNCIL)

I. SUMMARY

Nationwide Environmental Services (NES) has submitted a request for a cost of living increase for their street sweeping and other services. This report discusses the request.

II. RECOMMENDATION

The City Council should take the following actions:

- 1) Approve on the cost of living increase
- 2) Approve Resolution No. 18-134 to amend the FY 2018-19 budget.
- 3) Request that staff and NES meet periodically during the next year to improve street sweeping and other services.

1)

III. ALTERNATIVES

Take other actions as deemed appropriate, and consistent with the law

IV. BACKGROUND

Nationwide Environmental Services was awarded the street sweeping contract in 2008, after the completion of a Request for Proposal process. This contract required that NES sweep all streets, alleys, and paved medians at least once per week. The agreement also required that NES sweep 22 public facility parking lots, including City Hall, the Community Center and our parks. The 2008 contract was awarded for a three-year period with an optional additional three year extension allowed.

The NES contract was amended in February of 2011 to allow the contractor to apply for adjustments to their compensation based on increases in the Consumer Price Index (CPI), All Urban Consumers for Los Angeles-Anaheim-Riverside Area. The contractor is to notify the City of the CPI increase request by the beginning of April of each subsequent year. The contract does not require that the City Council automatically grant the requested CPI increases. The 2011 amendment also added a requirement that selected walkways be pressure washed in the Civic Center. The contract was then extended until June 30, 2018.

A second amendment to the contract was approved in April of 2014. The 2014 amendment added \$58,000 to pay for selected sidewalk sweeping services according to a map and schedule included as Exhibit I. The term of the contract was also extended by ten years and the contractor was granted automatic one-year extension to be applied in April of each year. The contract requires that the City Manager or designee review and refer the information submitted by the contractor for the proposed increase to the City Council. The contract allows the City Council to exercise its reasonable judgment in determining whether to grant the CPI.

In June 2016, a CPI increase of 0.91%, totaling \$7,425 was approved under the signing authority of the City Manager to be effective for the 2016/17 fiscal year.

In July 2017, a CPI increase of 1.89%, totaling \$15,562.42 was approved under the signing authority of the City Manager to be effective for the 2017/18 fiscal year.

On April 11, 2018, NES notified the City of their CPI request for the 2018/19 fiscal year. The 2017 All Urban Consumers for Los Angeles-Anaheim- Riverside was 2.79%, which would equate to a total increase in the contract amount by \$23,407.20.

Staff requests that the City Council provide direction on the CPI increase.

Analysis

The contract requires that NES provide a log of all complaints received and work with the City to resolve the complaints. NES has expressed concerns that the number of

recreational vehicles and big rig trucks parked in the City are impeding their ability to sweep streets. The Council is considering moving forward on the adoption of an oversized vehicle parking ordinance, which should provide access for the street sweepers. There have been some miscommunications regarding sidewalk sweeping and steam cleaning at the Civic Center. Staff and NES are working on improving communication and inspection follow-up on these outstanding items.

V. FISCAL IMPACT

The CPI adjustment was not included in the approved FY18-19 budget. If this item is approved by Council, an amendment in the amount \$23,407.20 would be required.

VI. EXHIBITS

1. Resolution No. 18-134 (pgs. 4 - 5)
2. Nationwide Contract (pgs. 6 - 59)

1.

Prepared by: Ken Farfsing, City Manager