



CITY OF MENIFEE

SUBJECT: Street Sweeping Services Update

MEETING DATE: November 16, 2022

TO: Mayor and City Council

PREPARED BY: Kristen Jensen, Financial Analyst

REVIEWED BY: Nick Fidler, Public Works Director

APPROVED BY: Armando G. Villa, City Manager

RECOMMENDED ACTION

1. Receive presentation from staff and provide direction to staff for provision of street sweeping services.

DISCUSSION

Background

The City of Menifee is responsible for administering a Street Sweeping Program to comply with the requirements of the National Pollutant Discharge Elimination System (NPDES) Permit by removing pollutants, debris and sediments on City streets which otherwise might enter the storm drain system.

Prior to City incorporation, the street sweeping services for existing streets within the Menifee community were provided and managed by the County of Riverside through County Service Area 152 (CSA 152); a Special Assessment District which levies annual assessments via property taxes to fund the sweeping services within these boundaries. There are approximately 472 linear curb miles within the City that are provided street sweeping services through this District.

New streets added since the City's incorporation are not eligible to be annexed into CSA 152 and do not receive services supported by CSA 152. It is the City's responsibility to provide street sweeping services within these post-incorporation areas. The City's Public Works Department manages the Street Sweeping Program for the areas that are not a part of CSA 152. Street sweeping service costs in these areas are supported through Community Facility Districts (CFDs) where applicable, and by general fund dollars in areas that do not contribute via a CFD. Currently, there are approximately 163 linear curb miles the City provides sweeping services. The number of linear curb miles continues to increase as new developments are completed and streets are accepted into the City's Maintenance Program.

Historically, the City has contracted for street sweeping services with CR&R Inc. (CR&R), as CR&R was also contracted by the County of Riverside for street sweeping services in CSA 152. On October 4, 2021, the California Department of Industrial Relations ruled that street sweeping constitutes public work and is therefore subject to prevailing wage requirements as shown in the attached Public Works Case No. 2020-005. Due to this prevailing wage ruling, both the City and County were notified by CR&R that they would not be able to continue sweeping services for either agency.

In response to this ruling, and in order to ensure continuity of sweeping services in the areas of City responsibility, staff entered into a short-term lease agreement under the City Manager's signing authority, to lease street sweeping equipment from Kellar Equipment to support temporary provision of sweeping services by in-house staff. The original lease agreement attached was entered into on August 8, 2022, on a month-to-month basis, and at a rate of \$12,500 per month (plus any applicable state or local taxes). On September 21, 2022, Council approved the extension of this agreement through December 31, 2022, to allow staff the time needed to comprehensively evaluate the most cost-effective approach for providing services into the future.

Current Street Sweeping Service Status

CSA 152 Services

Since receiving notification of the prevailing wage requirement, the County recently administered a Request for Proposal (RFP) for street sweeping services and ultimately awarded a contract to Clean Streets of San Bernardino to provide services to CSA 152 areas. The contract pricing quoted of \$60.71 per curb mile incorporates the new prevailing wage rates as required by Public Works Case No. 2020-005. It is important to note that this cost is almost triple the amount of CR&R's previously contracted rate with the City of \$20.73 per curb mile.

City Service Areas

The Public Works Operations Division has been renting sweeping equipment and performing in-house street sweeping services in areas of City responsibility since mid-August. Residential street sweeping occurs twice per month on designated days, while arterial streets are swept one time per month. Over the last couple of months, staff have become familiar with existing sweeping routes, have been tracking and evaluating time and maintenance, and continue looking for efficiencies in performing sweeping services.

Future Street Sweeping Service Options – City Service Areas

At this time there are three options for the continued provision of street sweeping services:

- Option No. 1 - Continue in-house provision of street sweeping services with rented equipment.
- Option No. 2 - Continue in-house provision of street sweeping services and purchase new or used sweeping equipment.
- Option No. 3 - Contract with Clean Streets to provide street sweeping services to City areas of responsibility by "piggybacking" from the County's recently awarded contract.

The estimated cost of each option is provided in Table No. 1 below.

Table No. 1 – Estimated Street Sweeping Service Costs

Option	Service Provider	Cost per mile	Miles per month	Monthly Cost of Service	Annual Cost of Service
-----	CR&R (FY 2022/2023 Previous Contract)	\$ 20.73	-----	\$ 5,705.32	\$ 68,463.60
No. 1	In-house services w/rented equipment	\$ 66.10	325	\$ 21,482.07	\$ 257,784.83
No. 2	In-house services w/purchased equipment	\$ 38.07	325	\$ 12,374.07	\$ 148,488.83
No. 3	Clean Streets Contract	\$ 60.71	325	\$ 19,730.75	\$ 236,769.00

In developing the per curb mile rates for in-house services, staff incorporated the following cost factors:

- Fully burdened salary rates for Public Works staff
- Monthly equipment rental rates (Option No. 1)
- Purchase price of a new sweeper depreciated over 10 years (Option No. 2)
- Maintenance and broom replacement
- Fuel usage
- Water usage

Based on the information above, current per curb mile costs to perform in-house services with rented equipment are significantly higher than contracting services or purchasing equipment and continuing in-house services. However, by performing services in-house, staff is able to provide additional response to emergency events, special events and storm clean up. There is also additional scheduling capacity for in-house services to sweep additional areas of City responsibility as the City continues to grow. It is important to note, that this would result in a lower operating cost per curb mile.

STRATEGIC PLAN OBJECTIVE

Safe and Attractive Community

FISCAL IMPACT

There is no general fund impact associated with this item. Funding required for street sweeping services in the areas of City responsibility are currently supported 32% via special assessments levied through CFDs with the remaining 68% of services supported through gas tax budgets. In addition, the current General Facilities Development Impact Fee includes funding to support the purchase of a street sweeper.

Based on the direction provided by Council on the options provided the fiscal impact will range from an estimated \$148,488 (Option 2) to \$257,784 (Option 1). Staff would return with a separate follow up staff report for the election option further detailing the final fiscal impact.

ATTACHMENTS

1. Public Works Case No. 2020-005
2. Original Lease Agreement
3. Lease Agreement Extension