



# CITY COUNCIL STAFF REPORT



**August 23, 2022**

**ITEM TITLE** Agreement: Approve a Cooperative Purchasing Agreement with Sweep America Intermediate Holdings, LLC, dba Sweeping Corporation of America (SCA) for Street Sweeping Services

**Report Number:**22-0227

**Location:** Citywide

**Department:** Public Works

**Environmental Notice:** The Project qualifies for a Class 1 Categorical Exemption pursuant to Section 15301 (Existing Facilities) of the California Environmental Quality Act State Guidelines.

## **Recommended Action**

Adopt a resolution approving a cooperative purchasing agreement with Sweeping Corporation of America (SCA) for street sweeping services, with an initial term expiring on June 30, 2023 and two options to renew for additional one-year terms, and a maximum contract amount not-to-exceed \$2,000,000 if all options to extend are exercised.

## **SUMMARY**

Section 2.56.140 of the Chula Vista Municipal Code authorizes the City to contract for goods or services through a cooperative purchase arrangement provided the goods or services were purchased through a competitive process that the Purchasing Agent determines to be consistent with the goods purchase practices; Staff recommendation is that Council approve the Cooperative Purchase Agreement with Sweeping Corporation of America for street sweeping services.

## **ENVIRONMENTAL REVIEW**

The Director of Development Services has reviewed the proposed project for compliance with the California Environmental Quality Act (CEQA) and has determined that the project qualifies for a Class 1 Categorical Exemption pursuant to Section 15301 (Existing Facilities) of the State CEQA Guidelines because the project involves negligible or no expansion of an existing use. Thus, no further environmental review is required.

**BOARD/COMMISSION/COMMITTEE RECOMMENDATION** Not Applicable

## DISCUSSION

Sourcewell issued a public solicitation for Facilities Maintenance Services and awarded a contract to Sweep America Intermediate Holdings, LLC, dba Sweeping Corp of America (SCA) to provide street sweeping equipment, products, or services to the government entities that access Sourcewell's cooperative purchasing contracts.

SCA is the largest self-performing sweeping company in the United States. Since 2017, SCA has completed 25 acquisitions, including former locally owned Canon Pacific Services Inc. The City previously contracted with Canon Pacific Services. As of May 2021, SCA has 50 operating locations.

SCA is a certified Sweeping Company by the North American Power Sweeping Association (NAPSA) and all equipment used by SCA complies with the latest EPA emission standards. SCA is the only sweeping company to offer the proprietary Verified Sweeping Service® (VSS) to show proof that work was actually performed. Any customer can log into their own portal to see real time data.

The cooperative purchase agreement with SCA includes the sweeping of all City public streets (that have been accepted by the City), center islands/medians, centerlines, and designated parking lots. The streets and parking lots to be cleaned and frequency of cleaning are listed in the attached contract. Payment will be based on the rates and quantities indicated. Special sweeping will be on an as-needed basis, such as sweeping after a special event, paid at an hourly rate as indicated in the agreement.

The streets and parking lots to be cleaned are divided into the following categories:

- Class A: (Residential) Streets to be swept once every two months.
- Class B: (Business/Commercial) Streets to be swept once every two weeks
- Class C: (Commercial) Streets to be swept once every two weeks
- Class D: Center lines to be swept once every two months
- Class E: Center lines to be swept once every two months
- Class F: Non-curbed street to be swept once every two months
- Class G: Parking lots to be swept once every two months
- Class H: Other special sweeping requested by the City at the agreed upon rate stipulated within the contract

The proposed initial term of the contract is one year, effective July 1, 2022 and it expires June 30, 2023. SCA has been providing street sweeping services on a month-to-month basis. The contract may be extended for a total of (2) additional one-year extensions. The maximum length of the contract is three (3) years if both extensions are exercised.

Pending prevailing wage legislation (Assembly Bill (AB) 1886) could subject some or all of the services in the contract to state law prevailing wage requirements. If such legislation passes and subjects the services in the contract to prevailing wage law, then the hourly rates will increase to reflect prevailing wage rates. The contract includes two rate schedules that reflect a non-prevailing wage rate and a prevailing wage rate.

The total value of the contract at non-prevailing wage rates will be \$350,000 per fiscal year for a total of \$1.25 million if all options to extend are exercised. The total value of the contract at prevailing wage rates will be \$565,000 per fiscal year for a total of \$2.0 million if all options to extend are exercised.

### **DECISION-MAKER CONFLICT**

Staff has determined that this decision solely concerns repairs, replacement, or maintenance of existing streets, water, sewer, storm drainage or similar facilities and therefore pursuant to California Code of Regulations Title 2, sections 18700 and 18702.2(d)(1)) does not present a real property-related conflict of interest under the Political Reform Act (Cal. Gov't Code § 87100, et seq.).

### **CURRENT-YEAR FISCAL IMPACT**

Funding for the first year of the contract under non-prevailing wage rates is included within the Fiscal Year 2022-2023 Public Works budget. If AB 1886 passes, it will require increased appropriations that will be addressed during the quarterly budget monitoring process.

### **ONGOING FISCAL IMPACT**

The annual contract cost will be included in the annual budget for Public Works and will be considered as part of the annual budget development process.

### **ATTACHMENTS**

1. Cooperative Purchasing Agreement with Sweeping Corporation of America.

*Staff Contact: Kalani Camacho, Public Works Superintendent*