



# City of San Marino

## Staff Report

*Gretchen Shepherd Romey, Mayor  
Tony Chou, Vice Mayor  
Hunter Chang, Council Member  
John Chou, Council Member  
Calvin Lo, Council Member*

TO: Mayor and City Council  
FROM: Philippe Eskandar, City Manager  
BY: Amber Shah, Parks & Public Works Director/City Engineer  
DATE: May 21, 2025

**SUBJECT: 1) DETERMINE THE AWARD OF A STREET SWEEPING CONTRACT IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA), 2) APPROVE AN AGREEMENT WITH NATIONWIDE ENVIRONMENTAL SERVICES FOR CITYWIDE STREET SWEEPING SERVICES FOR A FOUR (4) YEAR TERM BEGINNING JUNE 1, 2025 AND ENDING JUNE 30, 2029 IN THE AMOUNT OF \$570,390 ANNUALLY, WITH AN ANTICIPATED DISCOUNTED ANNUAL COST OF \$508,530 CONTINGENT UPON THE AWARD OF THE CITY'S WASTE HAULING AGREEMENT TO VALLEY VISTA SERVICES, INC., AND 3) AUTHORIZE THE MAYOR TO EXECUTE THE AGREEMENT ON BEHALF OF THE CITY**

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### STRATEGIC PLAN CRITICAL SUCCESS FACTORS

Efficient, Responsive, and Effective City Services  
Fiscally Responsible and Transparent City Government  
Well-Maintained Infrastructure

### BACKGROUND

The City of San Marino has contracted with Athens Services for municipal street sweeping services since 2007. Street sweeping is an essential component of the City's maintenance operations, providing aesthetic benefits, preventing pollutants from entering the storm drain system, and reducing debris-related wear on vehicles and infrastructure.

On March 24, 2025, Athens Services notified the City of its intent to terminate all contracted services, including street sweeping, effective May 30, 2025. In response, staff issued a Request for Proposals (RFP) on March 28, 2025, to ensure uninterrupted service and a competitive procurement process.

## DISCUSSION

On April 21, 2025, the City received proposals from two qualified firms:

- Nationwide Environmental Services (NES)
- SCA of California

The RFP specified weekly, year-round sweeping of all public streets, City-owned parking lots, alleys, and the Lacy Park inner loop. This represents an increase in service from the current seasonal schedule, which provides weekly sweeping from November to April and bi-weekly sweeping from May to October.

The enhanced service level will improve stormwater quality, making a portion of the program eligible for Measure W Safe Clean Water funding. The City currently receives approximately \$420,000 annually in Measure W Local Return funds. Additionally, the City receives \$320,000 in SB 1 Local Streets and Roads Program (also known as Gas Tax) funds annually. These funds have typically been utilized by the City to supplement other funding for the Street Rehabilitation Project in the Capital Improvement Program. However, these funds are also eligible to be utilized for street sweeping.

## Cost Comparison

A summary of the cost proposals received from both firms is as follows:

<b>Service Description</b>	<b>NES - Monthly</b>	<b>NES - Annual</b>	<b>SCA - Monthly</b>	<b>SCA - Annual</b>
Weekly Street Sweeping	\$39,740.00	\$476,880.00	\$41,150.20	\$493,802.40
Weekly Parking Lots/Alleys	\$6,090.00	\$73,080.00	\$2,904.96	\$34,859.52
Weekly Lacy Park Inner Loop	\$1,465.00	\$17,580.00	\$866.67	\$10,400.04
<b>Total</b>	<b>\$47,295.00</b>	<b>\$567,540.00</b>	<b>\$44,921.83</b>	<b>\$539,061.96</b>

The increase in service cost of 250-270%, as compared to the current cost of \$153,280 budgeted for FY 2024-25, is in line with statewide trends and is largely driven by:

- Prevailing wage requirements as mandated by the Department of Industrial Relations (DIR) since 2021
- General inflationary pressures and rising labor/equipment costs

Despite these factors staff have structured funding recommendations to minimize the impact on the General Fund. By utilizing Measure W and SB1 funding, the General Fund contribution for street sweeping in FY 2025-26 will only increase by 5% over FY 2024-25 levels – a cost that has already been incorporated in the proposed departmental operating budget.

### **Proposal Evaluation and Recommendation**

Proposals were evaluated based on the following criteria:

1. Experience and qualifications
2. Understanding of the scope
3. Customer service and responsiveness
4. Cost and value-added services

Following a thorough review and interview with both firms, Nationwide Environmental Services (NES) emerged as the preferred vendor. NES is a family-owned company with extensive experience in municipal street sweeping services throughout Southern California, including multiple cities in Los Angeles County.

Key Strengths of NES's proposal and interview include:

- Clear understanding of the City's service needs
- High level of commitment to customer service and responsiveness
- Willingness to provide additional weekly sweeping in key areas at no added cost
- Strong references recommending their services

Although NES is the higher proposer overall, their proposal includes additional no-cost services, including a second weekly sweeping of the Lacy Park inner loop and parking lots. Moreover, the cost difference is further mitigated by operational savings related to disposal fees, as described below.

## Disposal Fee Reduction

In parallel, the City issued a Request for Proposals for a new solid waste and recycling agreement, with Valley Vista Services, Inc. recommended for award under a separate agenda item this evening. During negotiations, Valley Vista Services agreed to accept and dispose of all street sweeping debris at no cost to the City. As a result, NES has agreed to apply a \$61,860 annual discount for the disposal cost to their street sweeping contract, reducing the total annual cost to \$505,680 (or \$42,140/month) contingent on award of the waste hauling contract to Valley Vista Services as shown below.

<b>Service Description</b>	<b>NES - Monthly</b>	<b>NES - Annual</b>	<b>Discounted Monthly</b>	<b>Discounted Annual</b>
Weekly Street Sweeping	\$39,740.00	\$476,880.00	\$35,408.33	\$424,899.96
Weekly Parking Lots/Alleys	\$6,090.00	\$73,080.00	\$5,426.25	\$65,115.00
Weekly Lacy Park Inner Loop	\$1,465.00	\$17,580.00	\$1,305.42	\$15,665.04
<b>Total</b>	<b>\$47,295.00</b>	<b>\$567,540.00*</b>	<b>\$42,140.00</b>	<b>\$505,680.00*</b>

\*Plus 10 hours for as-needed/emergency call-outs at \$285/hour = \$2,850

## CEQA REVIEW

The proposed action to award a street sweeping services agreement (the "proposed activity") was reviewed in accordance with the California Environmental Quality Act (Public Resources Code §§ 21000, et seq., "CEQA") and the CEQA Guidelines (14 California Code of Regulations §§15000, et seq.).

1. The proposed activity is not a project subject to CEQA because it doesn't meet CEQA's definition of a project (see CEQA Guidelines Section 15378), most notably because the proposed activity does not have the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. The services provided pursuant to the Project would be identical to, or substantially the same as, the services previously provided by Athens Services throughout the City. The proposed activity will simply result in a change in street sweeping service providers that will continue to collect, transport and dispose of all debris removed

during sweeping operations in the same locations within the City and in the same manner as the previous service provider (Athens Services).

2. *Assuming arguendo* that the proposed activity is a “project” subject to CEQA, as discussed and demonstrated below the proposed activity is exempt pursuant to the categorical exemption in CEQA Guidelines Section 15301 (“Existing Facilities”):

- Class 1 Categorical Exemption for Maintenance of Existing Public Facilities – This exemption applies to the operation, repair, maintenance, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use. The street sweeping services contemplated under this contract are part of the City’s routine maintenance operations and do not involve any expansion of use or new construction. The work will be performed on existing public streets, public property and rights-of-way and is consistent with the continued operation of street sweeping public utility services and maintenance of existing street, gutter and parking lot infrastructure (see examples in subsections (b) and (c) of CEQA Guidelines Section 15301 covering the operation and maintenance of existing public utility services and existing streets, respectively).

Therefore, no further environmental review is required.

## **FISCAL IMPACT & PROCUREMENT REVIEW**

The adopted FY 2024-25 budget includes \$153,820 in account no. 101-48-4150-9020 (Contracted Street Sweeping). As Athens has notified the City they will be ceasing services on May 30<sup>th</sup>, the total impact to FY 2024-25 budget for the difference in cost for one month of street sweeping services between the current rates and the new monthly rate of \$42,240 will be approximately \$26,334.50. The Department will have sufficient savings in other areas of the Department Operating budget to absorb this overage, therefore no additional appropriation is necessary. The total monthly cost of \$42,140 will remain the same through FY 2025-26. Per the contract, each fiscal year the contract price is adjusted by the percentage change in the Consumer Price Index (CPI), with the maximum annual increase not to exceed 5 percent.

As such, the total cost of this contract will have a maximum value of \$2,234,405 over the four-year contract duration. See below for cost

breakdown (assuming maximum 5 percent increase each year):

<b>Fiscal Year</b>	<b>Contract Cost</b>	<b>Notes</b>
FY 2024-25	\$42,140	Costs for June 2025
FY 2025-26	\$505,680	Base cost from proposal
FY 2026-27	\$530,964	FY 25-26 cost plus 5 percent maximum contractual increase
FY 2027-28	\$557,513	FY 26-27 cost plus 5 percent maximum contractual increase
FY 2028-29	\$585,388	FY 27-28 cost plus 5 percent maximum contractual increase.
As-Needed/Emergency Call-Outs	\$12,270	Up to 10 hours of call-outs per FY at a rate of \$285/hour plus 5 percent maximum contractual increase each FY
<b>Total Cost</b>	<b>\$2,234,405</b>	

As noted above, the service level increase to weekly sweeping of streets, parking lots & alleys, and Lacy Park can be funded using Measure W Safe Clean Water funds. Overall, this represents approximately 30% of the costs for FY 2025-26. Additionally, the City plans to use SB 1 funds to partially pay for the services, as street sweeping is an eligible cost for these funds. As such, the total estimated impact to the General Fund in FY 2025-26 will be \$162,750. See below for a cost breakdown from the different funds.

#### **Street Sweeping Funding Sources FY 25-26**

<b>Fund</b>	<b>Amount</b>
General Fund	\$162,750
Measure W	\$329,880 (if discounted, \$307,005)
SB 1	\$77,760 (if discounted, 38,775)
<b>Total</b>	<b>\$570,390</b> (if discounted, \$508,530)

The contract also has two (2) one-year contract extensions that may be exercised upon satisfactory performance from the contractor. In discussions with NES, they have expressed a willingness to re-visit the costs associated with the contract should the DIR determination related to prevailing wages be overturned or otherwise change, which would ultimately reduce the cost to the City.

The Finance Director has reviewed this staff report for compliance with San Marino City Code §02.06.05.A.3.

## **LEGAL REVIEW**

The City Attorney's office has reviewed and approved as to form.

## **RECOMMENDATION**

Staff recommends that the City Council 1) determine the award of a street sweeping contract is exempt from the California Environmental Quality Act (CEQA), 2) approve an agreement with Nationwide Environmental Services for Citywide Street Sweeping Services for a four (4) year term beginning June 1, 2025 and ending June 30, 2029 in the amount of \$570,390 with an anticipated discounted cost of \$508,530 contingent upon the award of the City's waste hauling agreement to Valley Vista Services, Inc., and 3) authorize the Mayor to execute the agreement on behalf of the City. If the Council concurs, an appropriate motion would be.

"I move to 1) determine the award of a street sweeping contract is exempt from the California Environmental Quality Act (CEQA), 2) approve an agreement with Nationwide Environmental Services for Citywide Street Sweeping Services for a four (4) year term beginning June 1, 2025 and ending June 30, 2029 in the amount of \$570,390 with an anticipated discounted cost of \$508,530 contingent upon the award of the City's waste hauling agreement to Valley Vista Services, Inc., and 3) authorize the Mayor to execute the agreement on behalf of the City."

## **ATTACHMENTS**

1. Draft Street Sweeping Services Agreement with Nationwide Environmental Services
2. Proposal from Nationwide Environmental Services