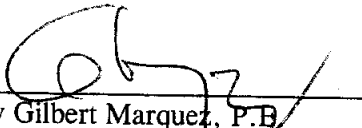


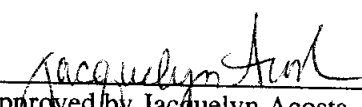


City of Carson Report to Mayor and City Council

March 18, 2014
New Business Discussion

SUBJECT: CONSIDER POSSIBLE SECOND AMENDMENT TO CONTRACT STREET SWEEPING SERVICES AGREEMENT WITH NATIONWIDE ENVIRONMENTAL SERVICES


Submitted by Gilbert Marquez, P.E.
Acting Director of Public Works/City Engineer


Approved by Jacquelyn Acosta
Acting City Manager

I. SUMMARY

On February 24, 2014, the City's existing street sweeping vendor, Nationwide Environmental Services (NES), contacted staff advising that it was prepared to offer certain cost savings and additional services, to perform its contract services agreement in return for an extension of the term of its agreement with the City (Exhibit No. 1).

On February 1, 2011, the City Council extended the contract with NES for 7 years, through June 30, 2018, with the option to extend for an additional three years after that (Exhibit No 2). On June 4, 2013, the City Council approved an increase of 2.2% to NES for street sweeping services for FY 2013/14 (Exhibit No. 3). The annual amount of this contract is \$747,511.00.

City staff has considered the proposal received from NES and this item is on the agenda to seek City Council direction regarding the same.

II. RECOMMENDATION

CONSIDER and PROVIDE direction to staff.

III. ALTERNATIVES

1. APPROVE the Option 2 elements of the attached proposal from NES (Exhibit No. 1) and DIRECT staff to prepare a "Second Amendment to Contract Services Agreement" for street sweeping services with NES and AUTHORIZE the Mayor to execute the amendment, following approval as to form by the City Attorney.
2. REJECT the proposal by NES and DO NOT AMEND the current Street Sweeping Services contract.
3. TAKE such other action that the City Council deems appropriate consistent with the requirements of law.

IV. BACKGROUND

One of the services Public Works Maintenance Division provides is sweeping unattended sidewalks that is usually either on the side or the rear portions of several properties. These neglected sidewalks collect several various debris ranging from food or beverage containers to dead foliage from nearby trees and plants.

The collection of debris results in an unpleasant sight citywide. The current equipment used to clean these sidewalks is under-sized and has surpassed its lifespan which results in constant mechanical repairs of the equipment. Due to its limited capacity, maintenance personnel must frequently return to the corporate yard to constantly dispose the solid waste it collects.

This maintenance operation is further stalled when its operator is absent due to injury, personal time-off or tending to other maintenance needs that are more urgent. For these reasons, staff researched different options to provide a more efficient way to service the community at a lower operation and maintenance cost to the City.

Coincidentally, the City's street sweeping contractor, NES, approached staff and discussed their interest in assisting the City with other cost-saving services in exchange for extending the current street sweeping contract. Among other maintenance services NES is prepared to provide, the sidewalk sweeping operation was brought up as a point of interest.

On February 1, 2011, the City Council approved a contract extension for street sweeping services with NES for seven years (FY 2011/12 to FY 2017/18) in annual amount not-to-exceed \$731,420.00. On June 4, 2013, the City Council approved an increase of 2.2% to NES for street sweeping services for FY 2013/14. The adjustment of 2.2%, increased the annual contract amount from \$731,420.00 to \$747,511.00. On February 24, 2014, NES submitted a proposal with three different options, in return for a ten year contract extension. After reviews of the three different options stated on the proposal, staff supports Option 2 to be the most viable option of the three options presented.

In addition to the services that NES currently provides, Option 2 of NES' proposal will provide citywide sidewalk sweeping services at an additional expense of 50% of their operating cost of \$116,000.00. Staff has estimated this operation to annually cost the City nearly \$126,000.00.

The total estimated annual cost to the City to continually provide this service is \$125,663.00. This internal annual operating cost of \$125,663.00 will be reduced to \$58,000.00, to compensate NES per Option 2 of their recent proposal.

In addition to the \$67,663.00 annual savings, NES will be able to provide this service at a more efficient and consistent level of service.

In return for the cost savings the City will realize from Option 2 of the NES proposal, the vendor is proposing to delete Section 7.8, Termination Prior to Expiration of Term. Currently, this section of the First Amendment provides as follows:

Except as provided herein, this Section shall govern any termination of this Agreement except as specifically provided in the following Section for termination for cause. In consideration of the substantial investment that Contractor has and shall continue to make in the equipment needed to perform the services required by this Agreement, the parties mutually agree that, for the period of time commencing July 1, 2011 and for two (2) consecutive calendar years thereafter, neither party may terminate this agreement under this Section 7.8. Therefore, City reserves the right to terminate this Agreement at any time, with or without cause, upon two (2) years' advance written notice (such notice shall be given only after the same is authorized by City's City Council following consideration of the same at a duly notice public meeting) to Contractor, except that where termination is due to the fault of the Contractor, the period of notice may be such shorter time as may be determined by the Contract Officer. In addition, the Contractor reserves the right to terminate this Agreement at any time, with or without cause, upon one-hundred twenty (120) days' advance written notice to City, except that where termination is due to the fault of the City, the period of notice may be such shorter time as the Contractor may determine. Upon receipt of any notice of termination, Contractor shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. Except where the Contractor has initiated termination, the Contractor shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation or such as may be approved by the Contract Officer, except as provided in Section 7.3. In the event the Contractor has initiated termination, the Contractor shall be entitled to compensation only for the reasonable value of the work product actually produced hereunder. In the event of termination without cause pursuant to this Section, the terminating party need not provide the non-terminating party with the opportunity to cure pursuant to Section 7.2.

For purposes of this Agreement, cause shall be defined as the failure to abide by all terms and conditions of this agreement, the failure of Contractor to perform its obligations hereunder in a timely and satisfactory manner, or if Contractor ceases performing its work for ten (10) days during any thirty (30) day period.”

NES proposes to delete this section of the agreement in its entirety.

In addition, NES proposes to amend Section 3.4, Term & Extended Term(s) of the First Amendment to Contract Services Agreement. Currently, that section provides as follows:

“Unless earlier terminated in accordance with Section 7.8 of this Agreement, this Agreement shall continue in full force and effect from July 1, 2008 (the “Commencement Date”) through June 30, 2018. In addition, the City (in the sole and absolute discretion of the City Council, acting at a duly noticed public meeting) shall have the option of extending the term of this Agreement for one (1) additional three (3) year extended term. The City shall exercise this option, if at all, by the City Council directing the City Manager, or designees, to give written notice to Contractor of the City Council’s decision to further extend the term of this Agreement not less than thirty (30) calendar days prior to the expiration of the term of this Agreement. Such extension shall be on the same terms and conditions as otherwise set forth herein.”

NES proposes to delete the existing aforementioned text from Section 3.4 and insert in its place the following language governing the “term” of the agreement:

“The term of this Agreement, as amended, shall continue in full force and effect for ten (10) years commencing on April 1, 2014, and expiring on March 31, 2024, provided, however, commencing on April 1, 2015, and on each anniversary date of every year thereafter, an automatic one-year extension shall be applied to said Agreement so that the term of the Agreement shall remain at ten (10) years as of each anniversary date. The anniversary date of this Agreement is April 1 of each year.

The City and the Contractor agree that should the City or the Contractor desire that the automatic one-year extension provision herein be terminated, such Party shall give the other Party written notice of such termination sixty (60) days prior to any anniversary date of any year during which this Agreement is in full force and effect. Such notice will terminate the one-year extension provision herein, and the Agreement shall remain in full force and effect for a ten (10) year term thereafter.”

A copy of the First Amendment to Contract Services Agreement in its entirety is attached as Exhibit No. 4.

NES has advised staff that two other cities with whom it contracts have entered into similar agreements. Examples of such agreements can be found in the communities of Lynwood (Exhibit No. 5) and West Covina (Exhibit No. 6).

V. FISCAL IMPACT

Should the City Council approve Alternative No. 1, an appropriation of an additional \$58,000.00 from the Gas Tax Fund account no. 12-80-999-004-6005 to the current annual street sweeping contract amount of \$747,511.00, to compensate NES for the sidewalk sweeping component of this contract, as stated in Option 2 of the NES proposal. The current unassigned balance in the Gas Tax Fund is \$1,204,998.00.

VI. EXHIBITS

1. Nationwide Environmental Services proposal letter dated February 24, 2014. (pgs. 6-7)
2. Minutes, February 1, 2011, Item No. 6. (pg. 8)
3. Minutes, June 4, 2013, Item No. 10. (pg. 9)
4. First Amendment to Contract Services Agreement for Street Sweeping Services. (pgs. 10-14)
5. City of Lynwood Contract Amendment. (pgs. 15-17)
6. City of West Covina Contract Amendment. (pgs. 18-21)

Prepared by: Raymond Velasco, PE, Public Works Program Administrator

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TO: Rev02-24-2014

Reviewed by:

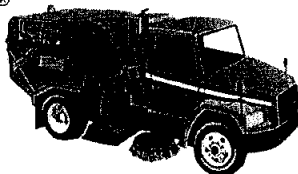
City Clerk	City Treasurer
Administrative Services	Public Works
Community Development	Community Services

Action taken by City Council

Date _____ Action _____

Nationwide Environmental Services®

Division of Joe's Sweeping, Inc.



February 24, 2014

Mr. Uli Fe'Esago
City of Carson
2390 E. Dominguez Street
Carson, CA 90749

RE: Street Sweeping Contract

Dear Mr. Fe'Esago:

Nationwide Environmental Services (NES) proudly provides street sweeping services to the City of Carson (City) and has done so for the past several years. NES looks forward to many more years of uninterrupted quality service to the City.

NES is always looking for ways to assist the communities we serve especially during these difficult economic times. Therefore, after careful review and consideration, NES proposes the following three (3) options.

Option 1

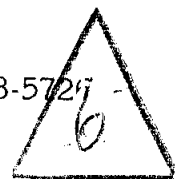
- Provide culvert box cleaning services twice a year at no cost to the City. Estimated cost is valued at \$35,280.00 annually.
- Waive the annual CPI adjustment for the next two (2) fiscal years (2014/2015 & 2015/2016). CPI is estimated at \$24,700.00 annually.
- Savings of \$59,980.00 1st year
Savings of \$61,899.00 2nd year
Savings of \$37,537.00 3rd year
Savings of \$38,738.00 4th year
Savings of \$39,977.00 5th year
Savings of \$41,256.00 6th year
Savings of \$42,577.00 7th year
Savings of \$43,939.00 8th year
Savings of \$45,345.00 9th year
Savings of \$46,796.00 10th year
- *Savings during the first 10 years of the contract \$458,044.00.*

Option 2

- Provide sidewalk sweeping services per the map and schedule provided by the City.
- Estimated cost is valued at \$116,000.00 annually.
- NES will provide these services at a discounted rate of 50%.

11914 Front Street • Norwalk, California 90650 • (562) 860-0604 • Fax (562) 868-5727
www.nes-sweeping.com

EXHIBIT NO. 01



February 24, 2014

Page 2

- City of Carson will save \$58,000.00 annually.
- NES will be compensated \$58,000.00 annually.
- ***Savings during the first 10 years of the contract \$671,058.00***

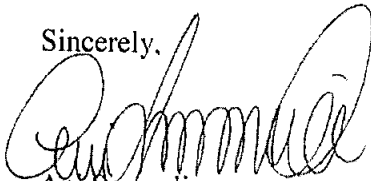
Option 3

- Provide culvert box cleaning twice a year at no cost to the City for fiscal years 2014/2015 & 2015/2016.
- Provide sidewalk sweeping services at no cost to the City for fiscal years 2014/2015 & 2015/2016.
- Waive the CPI for fiscal years 2014/2015 & 2015/2016.
- ***Savings of \$354,640.00 for fiscal years 2014/2015 & 2015/2016.***

In return for any one of the above options, NES is requesting a 10 year contract with automatic one year extensions so that the term of the contract remains a constant 10 years. The cost savings for Option 1 & Option 2 will remain in full force for the life of the contract. All other terms and conditions of the existing contract between the City and NES will remain unchanged. Furthermore, the City will have the assurance that the City's streets will always be clean as evidenced by the years of excellent service provided by NES.

I trust that you will give this proposal immediate consideration. As always, NES will continue to provide high quality sweeping services with outstanding customer service. If you have any questions, please feel free to contact me. Thank you for your consideration.

Sincerely,



Ani Samuelian
Vice President

AS/mm



**ITEM NO. (6) CONSIDERATION FOR STREET SWEEPING SERVICES CONTRACT
EXTENSION (DEVELOPMENT SERVICES)**

RECOMMENDATION for the City Council:

TAKE the following actions:

1. APPROVE a contract extension for street sweeping services with NES for seven years (FY 2011/12 to FY 2017/18) in an annual amount not-to-exceed \$731,420.00, with an optional three-year extension.
2. AUTHORIZE the Mayor to execute the contract extension, following approval as to form by the City Attorney.

ACTION: Item No. 6 was approved on the New Business Consent Calendar on motion of Dear, seconded by Santarina and unanimously carried by the following vote:

Ayes: Mayor Dear, Mayor Pro Tem Santarina, Council Member Davis-Holmes, Council
 Member Gipson, and Council Member Ruiz-Raber
Noes: None
Abstain: None
Absent: None

**ITEM NO. (10) CONSIDER APPROVAL OF A RATE ADJUSTMENT WITH NATIONWIDE
ENVIRONMENTAL SERVICES FOR STREET SWEEPING SERVICES
(PUBLIC WORKS)**

This item was initially heard at 8:54 P.M.

Mayor/Agency Chairman/Authority Chairman Dear stated that staff's recommendation should read an increase of 2.0% not 2.2%.

This item was heard again at 11:05 P.M.

City Manager/Executive Director Biggs summarized the staff report, noting that there was no rate increase for the first two years of the contract.

RECOMMENDATION for the City Council:

1. **APPROVE** an increase of 2.2% to Nationwide Environmental Services for street sweeping services for FY 2013/14.

ACTION: It was moved to approve staff's recommendation, on motion by Santarina, seconded by Davis Holmes, and unanimously carried by the following vote:

Ayes: Mayor/Agency Chairman/Authority Chairman Dear, Mayor Pro Tem/Agency Vice Chairman/Authority Vice Chairman Santarina, Council Member/Agency Member/Authority Commissioner Davis Holmes, Council Member/Agency Member/Authority Commissioner Gipson, Council Member/Agency Member/ Authority Commissioner Robles

Noes: None

Abstain: None

Absent: None

**FIRST AMENDMENT TO CONTRACT SERVICES
AGREEMENT TO PROVIDE STREET SWEEPING SERVICES
FOR THE CITY OF CARSON, CALIFORNIA**

This FIRST AMENDMENT to that certain CONTRACT SERVICES AGREEMENT ("First Amendment") is made and entered into this 1st day of February, 2011, by and between the CITY OF CARSON, a general law city and municipal corporation, ("City") and NATIONWIDE ENVIRONMENTAL SERVICES, a California Corporation ("Contractor"). The term Contractor includes employees performing as drivers, mechanics, supervisors, and other personnel acting to render street sweeping services of any kind.

RECITALS

WHEREAS, City and the Contractor entered into that certain "Contract Services Agreement" ("Agreement") dated July 1, 2008, for street sweeping services within the City; and

WHEREAS, the Agreement is due to expire on June 30, 2011; and

WHEREAS, the parties wish to extend the term, and to amend certain provisions, of the Agreement through this First Amendment.

AMENDMENT

NOW THEREFORE for good and adequate consideration, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

SECTION 1. AMENDMENT TO THE SCOPE OF SERVICES OF CONTRACTOR

Section 1.1 of the Agreement, Scope of Services, is hereby amended to add to Exhibit "A" the following tasks thereto: "Pressure wash all sidewalks, on a monthly basis, in and around the Carson City Hall and Juanita Millender-McDonald Community Center at Carson. Waste water will be recovered in accordance with applicable NPDES requirements."

SECTION 2. AMENDMENT TO COMPENSATION OF CONTRACTOR

Section 2.3 of the Agreement, Future Adjustments, is hereby amended, in its entirety, to read as follows:

"Effective July 1, 2009, and on each July 1 thereafter, the compensation paid to the Contractor may be adjusted annually to rates that are based upon changes in the Consumer Price Index ("CPI"), All Urban Consumers for Los Angeles-Anaheim Riverside Area, as published by the United



States Department of Labor, Bureau of Labor Statistics. The Contractor shall submit to the City, each April, beginning in April 2009, information in support of an annual adjustment. This information will include changes in the CPI that have occurred during the preceding calendar year. The City Manager or designee shall review the information submitted by Contractor and will refer the proposed adjustment to the City Council for approval, in its reasonable judgment."

SECTION 3. AMENDMENT TO COMPENSATION OF CONTRACTOR

Section 2.4 of the Agreement, Extraordinary Adjustments, is hereby amended, in its entirety, to read as follows:

"There shall be no Contractor entitlement to any Extraordinary Adjustments for Fiscal Years 2011/12 and 2012/13. Thereafter, the Contractor or the City may request an adjustment to the compensation paid to the Contractor at times other than those specified in Section 2.3, based upon unusual changes in the cost of providing service under this agreement. The Contractor may request only one such adjustment during any rate year. Unusual changes may include changes in components of the disposal rate, changes in the disposal site requested by the City, changes in state or local government solid waste fees and charges, and changes in the law. These changes do not include inaccurate estimates by the Contractor of its proposed cost of operations. For each request, the Contractor must prepare a schedule documenting the extraordinary costs. The request shall be prepared in a form acceptable by the City with support for all assumptions made by the Contractor in preparing the estimate. The City shall review the Contractor's request and, in the City's reasonable judgment, make the final determination on the appropriate amount of the adjustment, if any."

SECTION 4. AMENDMENT TO TERM OF CONTRACT

Section 3.4 of the Agreement, Term & Extended Term(s), is hereby amended, in its entirety, to read as follows:

"Unless earlier terminated in accordance with Section 7.8 of this Agreement, this Agreement shall continue in full force and effect from July 1, 2008 (the "Commencement Date") through June 30, 2018. In addition, the City (in the sole and absolute discretion of the City Council, acting at a duly noticed public meeting) shall have the option of extending the term of this Agreement for one (1) addition three (3) year extended term. The City shall exercise this option, if at all, by the City Council directing the City Manager, or designees, to give written notice to Contractor of the City Council's decision to further extend the term of this Agreement not less than thirty (30) calendar days prior to the expiration of



the term of this Agreement. Such extension shall be on the same terms and conditions as otherwise set forth herein."

SECTION 5. AMENDMENT TO SECTION 7 ENFORCEMENT OF AGREEMENT

Section 7.8 of the Agreement, Termination Prior to Expiration of Term, is hereby amended, in its entirety, to read as follows:

"Except as provided herein, this Section shall govern any termination of this Agreement except as specifically provided in the following Section for termination for cause. In consideration of the substantial investment that Contractor has and shall continue to make in the equipment needed to perform the services required by this Agreement, the parties mutually agree that, for the period of time commencing July 1, 2011 and for two (2) consecutive calendar years thereafter, neither party may terminate this agreement under this Section 7.8. Thereafter, City reserves the right to terminate this Agreement at any time, with or without cause, upon two (2) years' advance written notice (such notice shall be given only after the same is authorized by City's City Council following consideration of the same at a duly notice public meeting) to Contractor, except that where termination is due to the fault of the Contractor, the period of notice may be such shorter time as may be determined by the Contract Officer. In addition, the Contractor reserves the right to terminate this Agreement at any time, with or without cause, upon one-hundred twenty (120) days' advance written notice to City, except that where termination is due to the fault of the City, the period of notice may be such shorter time as the Contractor may determine. Upon receipt of any notice of termination, Contractor shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. Except where the Contractor has initiated termination, the Contractor shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation or such as may be approved by the Contract Officer, except as provided in Section 7.3. In the event the Contractor has initiated termination, the Contractor shall be entitled to compensation only for the reasonable value of the work product actually produced hereunder. In the event of termination without cause pursuant to this Section, the terminating party need not provide the non-terminating party with the opportunity to cure pursuant to Section 7.2. For purposes of this Agreement, cause shall be defined as the failure to abide by all terms and conditions of this agreement, the failure of Contractor to perform its obligations hereunder in a timely and satisfactory manner, or if Contractor ceases performing its work for ten (10) days during any thirty (30) day period."

///



SECTION 6. UNDERLYING TERMS AND CONDITIONS OF
AGREEMENT TO REMAIN IN FULL FORCE AND
EFFECT

Except as expressly amended in this First Amendment, all other terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed and entered into this First Amendment to be effective as of the date first noted above.

"CITY"

CITY OF CARSON,
a municipal corporation

Jim Dear
Jim Dear, Mayor

ATTEST:

Helen S. Kawagoe
Helen Kawagoe, City Clerk 7/18/11

APPROVED AS TO FORM:

W. Wong
City Attorney

"CONTRACTOR"

NATIONWIDE ENVIRONMENTAL
SERVICES, a California Corporation

By: Never Samuelian
Name: Never Samuelian
Title: President

By: Ani Samuelian
Name: Ani Samuelian
Title: Vice President

Address: 11914 Front Street
Norwalk, CA 90650

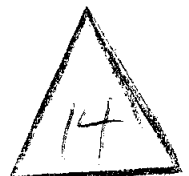
[END OF SIGNATURES]

EXHIBIT "A"

SCOPE OF SERVICES

A.1 The Contractor shall provide the following additional services (to be included within the existing Scope of Services attached to the Agreement) pursuant to this First Amendment:

Pressure washes all sidewalks, on a monthly basis, in and around the Carson City Hall and Juanita Millender-McDonald Community Center at Carson. Waste water will recovered in accordance with NPDES requirements.



CONTRACT AMENDMENT TO STREET SWEEPING SERVICES

WHEREAS, the City of Lynwood, herein after called City and Nationwide Environmental Services, herein after called Contractor, have entered into a contract amendment, dated January 18, 2011, which Agreement sets forth the terms and conditions for the City's street sweeping services; and

WHEREAS, the contract amendments revise the contract terms and adjusted service compensation; and

WHEREAS, the Contractor is willing to continue service to the City; and

NOW, THEREFORE in consideration of mutual covenants and agreements hereinafter contained, the parties hereto do hereby agree as follows:

1. The term of this Agreement, as amended, shall continue in full force and effect for ten (10) years commencing on February 1, 2011, and expiring on January 31, 2021, provided, however, commencing on February 1, 2012, and on each anniversary date of every year thereafter, an automatic one-year extension shall be applied to said Agreement so that the term of the Agreement shall remain at ten (10) years.
2. The Parties agree that should the City or the Contractor desire that the automatic one-year renewal and extension provision herein be terminated, such Party shall give the other Party written notice of such termination sixty (60) days prior to any anniversary date of any year during which this Agreement is in full force and effect. Such notice will terminate the one-year renewal and extension provision herein, and the Agreement shall remain in full force and effect for a ten (10) year term.
3. The contract agreement amendment highlights are listed below:

Add the following sidewalks to be power swept on a bi-weekly basis for an additional cost of \$2,080 per month.

- Long Beach Blvd. (City limit to City limit)
East side curb, northbound sidewalk, 2.95 linear miles (179,124.0 sq. ft.)
West side curb, southbound sidewalk, 2.88 linear miles (176,873.0 sq. ft.)
- Atlantic Ave. (City limit to City limit)
East side curb, northbound sidewalk, 2.03 linear miles (110,399.0 sq. ft.)
West side curb, southbound sidewalk, 2.01 linear miles (108,250.0 sq. ft.)

- Imperial Hwy. (State St. to MLK Blvd.)
North side curb, westbound sidewalk, 1.04 linear miles (54,912.0 sq. ft.)
South side curb, eastbound sidewalk, 1.04 linear miles (54,912.0 sq. ft.)
- MLK Blvd. (Long Beach Blvd. to Bullis Rd.)
North side curb, westbound sidewalk, 1.60 linear miles (93,773.0 sq. ft.)
South side curb, eastbound sidewalk, 1.60 linear miles (93,773.0 sq. ft.)

Also, revise certain existing articles of the agreement to read as follows:

Article IV, Services, Section 4.1C.

Services – Add President's Day as a City recognized holiday.

Article VII, Compensation, Section 7.1

Compensation to contractor will be reduced by \$25,000 annually.

Article VII, Compensation, Section 7.4

Annual CPI adjustments will be capped at four percent (4%) instead of five (5%) starting in the FY year 2011-2012; No CPI, will be considered for the FY year 2010-2011.

Article IX, Term, Section 9.1.

Term – Revise section to read, the term of this Agreement, as amended, shall continue in full force and effect for ten (10) years commencing on February 1, 2011, and expiring on January 31, 2021, provided, however, commencing on February 1, 2012, and on each anniversary date of every year thereafter, an automatic one-year extension shall be applied to said Agreement so that the term of the Agreement shall remain at ten (10) years.

The Parties agree that should the City or the Contractor desire that the automatic one-year renewal and extension provision herein be terminated, such Party shall give the other Party written notice of such termination sixty (60) days prior to any anniversary date of any year during which this Agreement is in full force and effect. Such notice will terminate the one-year renewal and extension provision herein, and the Agreement shall remain in full force and effect for a ten (10) year term.

4. All other terms and conditions of said Agreement and previously executed amendments remain unchanged.

IN WITNESS WHEREOF, the parties hereto have executed this first amendment to the Services Agreement this 18th day of January, 2011.

16

DATED: 02-01-11

BY:



MAYOR
CITY OF LYNWOOD

DATED: 1/31/2011

BY:



NATIONWIDE ENVIRONMENTAL
SERVICES

**FIFTH AMENDMENT TO THE STREET SWEEPING CONTRACT BETWEEN THE
CITY OF WEST COVINA AND NATIONWIDE ENVIRONMENTAL SERVICES**

This is a Contract Amendment to the Citywide Street Sweeping Contract dated June 18, 2002 by and between NATIONWIDE ENVIRONMENTAL SERVICES a division of Joe's Sweeping, Inc. (hereinafter "Contractor") and the CITY OF WEST COVINA (hereinafter "City").

Recitals

WHEREAS, on or about June 18, 2002, the City of West Covina (the "City") entered into a Contract Agreement ("Contract Service Agreement") with Nationwide Environmental Services a division of Joe's Sweeping, Inc. ("Nationwide") for citywide street sweeping; and

WHEREAS, on or about June 7, 2006, the Contract Service Agreement was amended ("First Amendment") to reflect the addition of a tipping fee adjustment, restrictive diesel cost increases, diesel adjustments, retroactive tipping fees, and a modification to sweep three (3) organized events per year, at no additional cost to the City; and

WHEREAS, on or about May 1, 2007, the Contract Service Agreement was amended ("Second Amendment") to extend the term of the Contract Service Agreement, reflect the addition of a Consumer Price Index adjustment and to reflect the terms of a street sweeping monitoring system; and

WHEREAS, on or about March 4, 2008, the Contract Service Agreement was amended ("Third Amendment") to extend the term of the contract, modify the scope of services to require certain vehicles to be used for street sweeping, require compliance with the South Coast Air Quality Management District Rules, and modify the compensation to Nationwide; and

WHEREAS, on or about May 9, 2009, the Contract Service Agreement was amended ("Fourth Amendment") to change the sweeping frequency from twice monthly to weekly sweeping and increase the monthly sum in exchange for changing the frequency of street sweeping services to weekly sweeping; and

WHEREAS, Contractor requested an additional eight year extension of the Contract Service Agreement to November 1, 2027 in return for foregoing CPI increases until July 2015; increasing frequency of sweeping of all center medians from twice a month to once a week; and to increase sweeping of all major intersections to once a week from as-needed;

WHEREAS, on October 16, 2012 Nationwide's proposal was presented to the City Council for consideration and was subsequently approved by the City Council; and

NOW, THEREFORE, the City and Nationwide desire to amend the Agreement as set forth herein.

SECTION 1. TERM OF THE AGREEMENT

Section 3.4 of the Contract Service Agreement is hereby amended to read as follows:

The term of the Contract Service Agreement shall be for fifteen (15) years, commencing on November 1, 2012 and expiring on November 1, 2027; provided, however, that commencing on the first anniversary date of November 1, 2013 and on each anniversary date thereafter, a one-year extension shall be applied to said Agreement so that the term of the Agreement shall remain fifteen (15) years.

- A. Notwithstanding the foregoing, should either party desire that said one-year renewal and extension provision, set forth in this Section 3.4, be terminated, such party may give the other written notice of intent to terminate at least ninety (90) days prior to any anniversary date of any year during which this Agreement is in full force and effect and written notice of termination at least sixty (60) days prior to any such anniversary date. Such notice shall terminate the one-year renewal and extension provision, and the Agreement shall remain in full force and effect for a fifteen (15) year term. This section supersedes and replaces Section 7.8 of the Contract Service Agreement except for the provisions in Section 7.8(a). All determinations under 7.8(a) are to be made by the City Council.
- B. During the thirty (30) day period following notice of intent to terminate, the parties shall meet and confer at the request of either party. If the notice of termination is given, the one-year renewal and extension provision shall be terminated on the applicable anniversary date. Once the one-year renewal and extension provision is terminated, the remaining term of this Agreement shall be fifteen (15) years from the date of termination, and the term of this Agreement shall accordingly wind down from this date. All other aspects of this Agreement shall remain in full force and effect during the wind down period except that the additional services identified in Section 3 below will be cancelled and the services will revert to the prior frequency.

SECTION 2. COST OF LIVING ADJUSTMENT

Section 2.4(b) of the Third Amendment is hereby added to read as follows:

In consideration of the extension described in Section 3.4, Nationwide agrees to forgo the cost of living adjustment for the 2013/2014 and 2014/2015 fiscal years. Effective July 1, 2015, and on each July 1st thereafter during the term of this agreement, the annual compensation will be adjusted in accordance with the increase in the Consumer Price Index as indicated in the Third Amendment. All other aspects of this Section 2.4 of the Third Amendment shall remain in full force and effect.

SECTION 3. SCOPE OF SERVICE

Section 1.1(f) of the Contract Service Agreement is hereby added to read as follows:



In further consideration of the extension described above in Section 3.4, Nationwide agrees to increase the sweeping frequency of the center medians from twice a month to once a week, and sweep all major intersections once a week. In addition, Nationwide agrees to work with the City to develop a map and route wherein sections of each day may be swept either between 7:00 a.m. to 1:00 p.m. or between 12 noon and 4:00 p.m.

SECTION 4. FUEL ADJUSTMENT

Section 1.1 (b) of the Contract Service Agreement is hereby amended to read as follows:

Contractor may purchase compressed natural gas ("CNG") from the City Yard Fuel Station, which is located at 825 S. Sunset, West Covina, California 91793. The Contractor may utilize the CNG purchased from the City Yard Fuel Station for purposes of performance under the Agreement. The established number of gallons (CNG) to be utilized in performance of this Agreement is 3,642.0 gallons per month.

SECTION 5. EFFECTIVE DATE

Unless otherwise specified herein, this Fifth Amendment shall become effective as of the date set forth below or which the last of the parties, whether City or Nationwide, executes this document.

SECTION 6. GENERAL PROVISION

Except as herein amended, all of the terms and conditions of the Contract Service Agreement, the First Amendment, the Second Amendment, the Third Amendment, and the Fourth Amendment shall remain unchanged.

[Signature page follows]



IN WITNESS WHEREOF, City and Nationwide have caused this Fifth Amendment to be executed and attested by their respective officers hereunto duly authorized.

CITY OF WEST COVINA

By: Michael Touhey
Michael Touhey, Mayor

Dated: 11/20/2012

**NATIONWIDE
ENVIRONMENTAL SERVICES
div. of JOES' SWEEPING, Inc.**

By: Ani Samuelian
Ani Samuelian/Vice President

Dated: 11/15/2012

By: Suzy Samuelian
Suzy Samuelian/Secretary

Dated: 11/15/2012

ATTEST:

By: Margaret Garcia, Deputy
Sue Rush/Asst. City Clerk

Dated: 11/29/2012

APPROVED AS TO FORM:

By: Arnold M. Alvarez-Glasman
Arnold M. Alvarez-Glasman
City Attorney

