



AGENDA REPORT


TO: Jestin D. Johnson
City Administrator

FROM: Joe DeVries
Deputy City
Administrator/Chief
Resilience Officer

SUBJECT: Appropriation to Fund Excess
Litter Fee (ELF) Services

DATE: April 29, 2024

City Administrator Approval


Jestin Johnson (May 7, 2024 15:46 PDT)

Date: May 7, 2024

RECOMMENDATION

Staff Recommends That The City Council Adopt A Resolution Appropriating A One Time Use Of Fund Balance In An Amount Not To Exceed \$500,000 From Fund 2417 To Pay Outstanding Invoices To Oakland Venue Management And To Fund Services For The Remainder Of The First Amendment Through November 9, 2024 At A Reduced Compensation Rate.

EXECUTIVE SUMMARY

The City of Oakland currently contracts with Oakland Venue Management (OVM) to implement the Excess Litter Fee Program (ELF) in an amount not to exceed \$750,000 per year, which allows for a team to target and remove litter along commercial corridors throughout Oakland. Due to budgetary constraints, staff and the contractor have decided to amend the first contract amendment to reduce the compensation of the contract from \$750,000 to \$450,000. OVM is currently owed over \$228,000 in outstanding invoices as the funds needed to cover the original contract were not appropriated in the FY23-24 budget. Staff is requesting that the Council appropriate a one-time use of fund balance not to exceed \$500,000 to pay outstanding invoices and cover the remainder of the term of the First Amendment with OVM at a reduced compensation amount for a total of \$450,000 through November 9, 2024.

The City of Oakland entered into a three year contract with OVM in November 2020, as outlined in [Resolution 88381](#), to implement the ELF Program. Resolution 88381 awarded OVM with a professional services agreement to implement the ELF Program for three years with two one year extensions, in an amount not to exceed \$750,000 each year. OVM successfully completed the first three years of the contract and was awarded a one year contract amendment in the amount of \$750,000 with the term beginning on November 9, 2023. If funds are available in the adopted budget, staff plans to enter into a second amendment to the contract with OVM for services from November 10, 2024, through November 9, 2025, for an additional compensation amount not to exceed \$450,000.

City Council
May 21, 2024

OVM will continue to provide service at a reduced rate of 6,280 hours of service; a decrease of about 7,000 hours. At its peak, OVM provided 13,648 hours of service. They will continue to provide valuable job training and paid employment opportunities as a part of their core mission.

BACKGROUND / LEGISLATIVE HISTORY

In 2006, the Council [adopted Ordinance 12727](#) C.M.S. enacting the ELF Program to raise revenue to abate litter created by fast food businesses, liquor stores, convenience markets, and gasoline stations. These types of establishments pay an Excess Litter Fee based on the size of their business. Revenue generated from the fee is used to defray the cost of litter and trash clean-up resulting from the operation of these businesses.

A request for proposals was issued in 2008 and pursuant to [Resolution 81702](#) Civic Corp was awarded the contract.

In 2014, a new Request for Qualifications (RFQ) for continued implementation was released, and three proposals were received and considered by staff. Based upon the proposals submitted, OVM was selected as the group most qualified to provide this service to the City.

The contract with OVM began in November 2015, and the team has performed well throughout the contract duration. They created a branding for the team, have been very responsive to staff requests to target hot spots, and adjusted the program to be more efficient midway through their contract, as described below.

ANALYSIS AND POLICY ALTERNATIVES

The policy recommendation in this report advances the citywide priority of vibrant, sustainable infrastructure by removing trash and debris from city streets and commercial districts. Community pride increases when the City's streets and sidewalks are cleaned. Clean streets also reduce the opportunity for trash to enter the storm drains.

The 2015 contract was originally designed to target the areas around each fee-paying business. The scope of service required that staff clean 50 feet on either side of the designated business's front door, totaling 100 linear feet, and collect any litter that may have been generated by the business or its patrons. Each employee is equipped with a work truck and cleaning supplies, as well as a mobile device to input real time statistics and submit work orders to City services through Oak311. Each location to be serviced, as well as the frequency of service for that location, was put through a routing management system, which gave the team their daily routes. Each employee was responsible for completing 35-50 locations each day, and businesses were placed into specific service groups based on the amount of required service. These were designated Very High Frequency, High Frequency, Medium Frequency, and Low Frequency service areas. A visual assessment and evaluation of litter conditions was conducted throughout the City.

This approach allowed the ELF program to ensure that litter was collected around the businesses that were paying the fee. However, it had built inefficiencies as drivers would go

to service locations that were not impacted and spend time driving, which could have been utilized remove litter in higher concentration areas. Also, litter generated from these businesses does not necessarily end up in a 100-foot radius of the business, but more often accumulates on heavier traveled commercial corridors.

Beginning April 1st, 2018, the City of Oakland (Public Works Department/City Administrator's Office) proposed a new program protocol to target high frequency trash and illegal dumping locations across the city. This new approach changed the program from a fixed route deployment to a new proactive response team that focused on known locations that suffer from very high litter and illegal dumping volumes in each council district.

The resulting increase in the total number of bags of litter collected was immediate, significant, and sustainable, as noted in the table below which compares the same three-month period in 2017 to 2018 and 2019.

Bags Collected	April	May	June
2017 (old routes)	178	163	218
2018	264	230	269
2019	607	423	422

As outlined in the ELF 2022-23 Annual Report, **Attachment A**, the ELF program has demonstrated success. By increasing the contract amount to \$750,000 each year, the ELF program expanded its scope and removed large amounts of debris from 1,482 blocks across Oakland. Additionally, the ELF program partnered with numerous organizations and supported many community clean-ups and citywide events. Through its partnership with the Center for Employment Opportunities, ELF provided job training to develop the work skills of individuals participating in the program. Combined with the CEO, the ELF program collected 17,558 bags of debris, weighing 610,898 pounds. With a reduced contract, the ELF program will continue this ongoing work at a reduced level.

FISCAL IMPACT

The requested funding appropriation is a one-time use of fund balance in an amount not to exceed \$500,000 from fund 2417. This funding will allow City to pay outstanding OVM invoices and resume services outlined in the first amendment of the OVM contract at a reduced compensation rate totaling \$450,000 for the term of the First Amendment. This request does not impact the general fund.

PUBLIC OUTREACH / INTEREST

Staff has developed the Excess Litter Fee program with City Council Offices, Calls for Service data from OAK311, and from meetings with the various Business Improvement District Managers and the Oakland Metropolitan Chamber of Commerce about litter in commercial neighborhoods of Oakland.

COORDINATION

The contract is managed by the City Administrator's Office, which receives input on hot spots and deployment strategies from Oakland Public Works (OPW).

PAST PERFORMANCE, EVALUATION AND FOLLOW-UP

OVM provides regular monthly and annual reports to the City Administrator and documents the service areas covered. Please see **Attachment A**.

SUSTAINABLE OPPORTUNITIES

Economic: This contract provides employment and employment training opportunities for Oakland residents, including homeless individuals.

Environmental: Removal of litter from public areas helps reduce the amount of trash that ends up in storm drains, lakes, creeks, and City parks.

Race & Equity: The ELF program activities are often deployed in Oakland's high priority neighborhoods in deep East Oakland, West Oakland, and Eastlake/Fruitvale.

ACTION REQUESTED OF THE CITY COUNCIL

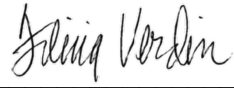
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For questions regarding this report, please contact Felicia Verdin, Assistant to the City Administrator at 510-238-3128.

Respectfully submitted,



Joe DeVries
Deputy City Administrator/Chief Resilience
Officer



Prepared by:
Felicia Verdin, Assistant to the
City Administrator
City Administrator's Office

Attachments (1):

- A. Excess Litter Fee Annual Report 2022-2023