



AGENDA REPORT

TO: Edward D. Reiskin
City Administrator

FROM: Joe DeVries
Director, Interdepartmental
Operations

SUBJECT: Excess Litter Fee Contract

DATE: October 12, 2020

City Administrator Approval

Date:

Oct 26, 2020

RECOMMENDATION

Staff Recommends That The City Council Adopt A Resolution Waiving The Competitive Request For Proposals/Qualifications Process And Awarding A Professional Services Agreement To Oakland Venue Management For Implementation Of The Excess Litter Fee Program For Three Years, With Two One-Year Extensions, In An Amount Not To Exceed \$750,000.00 Each Year.

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 \$400,000 per year which allows for a team to target and remove litter along commercial corridors throughout Oakland. This contract expires in November and allows for 7,280 hours of service. As the City proposes a new three-year contract, there is an existing fund balance in the ELF Project that allows for the City to expand the annual contract by \$350,000 while still collecting sufficient revenue to allow the program to continue to pay for itself without impacting the general fund for the next three to five years.

Staff is recommending that Council authorize this expansion of the contract to allow OVM to partner with local service providers that support the unsheltered community to expand the number of work hours from 7,280 to 13,648; an increase of 6,368 hours annually. This will equate to an 87% increase in the number of hours of service and provide valuable job training and paid employment opportunities to homeless Oakland residents.

BACKGROUND / LEGISLATIVE HISTORY

The Excess Litter Fee Program was established and implemented in 2006 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.

City Council
November 10, 2020

Revenue generated from the fee is used to defray the cost of litter and trash clean-up resulting from the operation of these businesses. In 2006, the City Council authorized a two-year agreement with Youth Employment Partnership (YEP) for implementation of the Excess Litter Fee Program. That agreement ended on September 15, 2008. A Request for Proposals (RFP) for continued implementation of the Excess Litter Fee Program was issued in 2008 and Civicorps Schools was selected as the group to provide this service to the City from 2009-2013.

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, Oakland Venue Management (OVM) was selected as the group most qualified to provide this service to the City.

The Contract with OVM began in November 2015 and their 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. The new proposed contract will expand service and allow them to partner with two organizations that provide direct support to the unsheltered population of Oakland.

ANALYSIS AND POLICY ALTERNATIVES

The current 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 the completion of 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 eight neighborhoods of the City. Each of these neighborhoods contained seven to ten business locations that were to be assessed a letter grade based on the overall conditions of the area around these businesses. Each location was scheduled to be evaluated every 4 months during 2016 as a way of monitoring the progress of the program during this period. ELF staff worked closely with OPW staff to conduct these surveys during the first 3 months of the program, handing off the information to OPW staff from their review.

This approach allowed for the ELF program to ensure that litter was collected around the businesses that were paying the fee. However, it had built in inefficiencies as drivers would go to service locations that were not impacted and spent time driving which could have been utilized removing 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 travelled commercial corridors.

New Deployment Strategy

Beginning April 1st, 2018, the City of Oakland (Oakland Public Works/City Administrator's Office) proposed a new program protocol with the intention of targeting high frequency trash and illegal dumping locations across the city. This new approach changed the program from a fixed route deployment to a new pro-active 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 that compares the same three-month period in 2017, 2018, and 2019.

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

In September 2019, ELF hired a new Operations Manager who was tasked with implementing a new route system as well as tightening up operations. The program is in the process of evaluating its current route-based system to focus more heavily on areas with excessive litter. OVM continues to use routes as a guiding point but made adjustments to the current route system to ensure equitable coverage among the seven Council Districts in 2020.

Expanded Service Opportunity for the Unsheltered

This new routing system also presents the opportunity to deploy a larger number of people along a commercial corridor for longer periods of time by reducing the need for frequent travel between sites. Because the new system no longer ties the staff to fee-paying locations, they can oversee crews of staff concentrating on impacted commercial corridors for several city blocks at a time before needing to redeploy to a new location. Due to a fund balance that existed from a disruption in service prior to the last contract and unanticipated higher revenues in the past fiscal year, there is a fund balance that allows the program to increase its scope to \$750,000 annually for the next three years and possibly a full five years depending on revenue collection in the next two fiscal years.

Oakland Venue Management is proposing to use this increase to switch to a crew based model in which they will subcontract with two local organizations to provide staffing for these crews. First, Roots Community Health Center, which operates two of the City's Community Cabin Sites, and has extensive experience helping unsheltered persons gain employment will provide staff directly from the Community Cabin programs predominantly to support litter removal efforts in Central and East Oakland. These participants will continue to receive case management and support services from Roots while earning real income from their work with OVM.

Second, to engage unsheltered persons who are not currently enrolled in a program, OVM will work with Deeply Rooted in West Oakland to employ persons in West Oakland encampments and to focus primarily on West Oakland corridors. Deeply Rooted has been performing

community support work in West Oakland since 2013 and has relationships with many of the unsheltered in the area that they can utilize to recruit. They will provide the unsheltered with additional support including hygiene kits, winter clothing, socks, and food items on top of the pay for the work performed.

The hybrid of employing unsheltered persons who are already participating in programming, those who are not yet participating, and professional staff from OVM who have five years' experience cleaning Oakland's commercial corridors is an exciting opportunity to meet multiple needs in the community.

Implementation Timeline

The current contract expires November 2020 and the proposed renewal will allow OVM to continue operations at the current level while they develop the scope of work with Roots and Deeply Rooted for a program launch in January. Due to the COVID19 Pandemic, the program model could shift. Initially, to ensure social distancing, crew leaders will meet with their crew at set locations and fan out from there; avoiding sharing a vehicle. As COVID concerns subside, the crews will be picked up in vans and transported to their work locations on a regular basis. Staff will work with OVM and their subcontractors and utilize up-to-date CDC recommendations to determine when to change the program model.

Waiver of Competitive Request for Proposals/Qualifications process

Oakland Municipal Code (OMC) sections 2.04.040.B and 2.04.051 require the City Administrator to conduct a Request for Proposals/Qualifications (RFP/Q) process for professional services contracts, and OMC section 2.04.051.B permits the Council to waive the RFP/Q process upon a finding that it is in the best interest of the City to do so.

Staff recommends that it is in the best interest of the City to waive the RFP/Q process because OVM has developed an effective system to manage routes, measure litter amounts to prioritize the most impacted areas, and remove significant amounts of litter annually. Also, they have already been in discussion with the identified service providers to seamlessly expand their program in a manner that will provide employment opportunities to unsheltered persons. If the City were to launch a new RFP/Q process the service would be disrupted for several months. If a new provider was selected it would take them additional time to develop routes, acquire equipment, and get up and running. This is known based on past experience with the current and former providers.

FISCAL IMPACT

This contract modification will cost \$750,000 annually to be paid exclusively out of the Excess Litter Fee Fund (Fund 2417). Based on an existing fund balance of \$1.7 million and anticipated annual revenue of \$449,000, the funding is available to support this expansion for five years. However, staff is recommending a three-year contract (with the option to renew) and will continue to monitor revenue collection expecting a dip this year due to the COVID19 Pandemic. Depending on the severity of that dip and an evaluation of the fees charged and whether they

should be adjusted in the next two fiscal years, staff will decide whether the contract can be extended for the full five years proposed.

PUBLIC OUTREACH / INTEREST

Staff developed this proposal based on input from City Council Offices, Calls for Service to 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

This contract is managed by the City Administrator's Office with input on hot spots and deployment strategies from OPW. Discussions with the Human Services Department also guided the decision to recommend expanding this contract based on the need to provide employment opportunities to Oakland's unsheltered population.

PAST PERFORMANCE, EVALUATION AND FOLLOW-UP

OVM provides regular monthly and annual reports to the City Administrator and documents the service areas covered extensively. **Attachment A** is OVM's 2016-17 Annual Report, **Attachment B** is OVM's 2017-18 Annual Report, **Attachment C** is OVM's 2018-19 Report and **Attachment D** is OVM's Quarter 2 report for 2019-20.

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 in City parks.

Race & Equity: The program expansion is designed to serve currently homeless individuals. A disproportionate number of Oakland Homeless Persons are African American and will benefit from this program.

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Adopt A Resolution Waiving The Competitive Request For Proposals/Qualifications Process And Awarding A Professional Services Agreement To Oakland Venue Management For Implementation Of The Excess Litter Fee Program For Three Years, With Two One-Year Extensions, In An Amount Not To Exceed \$750,000.00 Each Year.

For questions regarding this report, please contact Joe DeVries, Director, Interdepartmental Operations, at (510) 238-3083.

Respectfully submitted,



Joe DeVries
Director, Interdepartmental Operations

Attachments (3): A: OVM 2016-17 Annual Report
B: OVM 2017-18 Annual Report
C: OVM 2018-19 Annual Report
D: OVM 2019-20 Quarter 2 Report