



CITY OF

NEWPORT BEACH

City Council Staff Report

August 13, 2019
Agenda Item No. 9

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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TITLE: Amendment No. One to Agreement with Rainbow Disposal Co., Inc.
dba Rainbow Environmental Services (Rainbow) for Beach Container
Refuse Collection Service

ABSTRACT:

The City utilizes a contractor to collect refuse from designated bins located on City beaches on a regularly scheduled basis. Due to an increase in service related to additional demand, the not-to-exceed amount in the City's current agreement with Rainbow has proved insufficient and thus increased contract spending authority is needed in order to allow necessary work to continue.

RECOMMENDATION:

- a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly; and
- b) Approve Amendment No. One to the Agreement with Rainbow for Beach Container Refuse Collection Service to modify the compensation terms from an annual not-to-exceed to a contract not-to-exceed amount, increase the total not-to-exceed amount by \$120,000.00 for a total not-to-exceed amount of \$1,497,624.30, and authorize the Mayor and City Clerk to execute the agreement.

FUNDING REQUIREMENTS:

The current adopted operation budget includes sufficient funding for these services. It will be expensed to the Beach Refuse Collection account in the Public Works Department, 01090901-811031.

DISCUSSION:

The City entered into an agreement with Rainbow on April 30, 2011 upon successful completion of a 12-week "Pilot Phase," with a scheduled termination date of December 31, 2020. Rainbow was later sold to Republic Services, Inc. (Republic) on August 26, 2014, and a Consent to Change in Control was executed with the City of Newport Beach on September 29, 2014.

In order to keep the City beaches clean and safe, Rainbow currently provides trash collection and disposal services for 168 trash carts on City beaches from the Santa Ana River Jetty in West Newport to Corona del Mar State Beach with collection scheduled at two times per week in the winter and five times per week in the summer. During the summer months, an additional 8 carts are placed on the sand at Corona del Mar State Beach, and 2 are staged near the Dory Fishing Fleet and Market at the base of the Newport Pier due to the high number of visitors. This has resulted in a significant decrease in litter on the beaches and surrounding area.

Rainbow cleans all of the carts 4 times per year at their Huntington Beach facility and makes all necessary repairs before returning the carts to Newport Beach. During the year, as trash carts require repairs, Rainbow either makes the repairs or replaces the trash carts.

Staff has observed that the amount of trash, number of events and the number of carts has increased over the years covered by the current contract. Over the past several years, there has been an increase in warmer days, leading to longer peak beach seasons that resulted in an increased number of visitors to the beach, and thus increased amounts of trash. To accommodate this increased demand, additional pickup days were added as necessary within the week (6 pickup days versus 5). Staff also found it necessary to add more service carts on the beach at certain locations to address higher volumes of trash than originally estimated.

At staff's request, Rainbow also now provides additional beach carts collection service for the two Junior Lifeguard events, the RVCA Surf Championships, and other events as needed based upon projected attendance. Due to the high number of visitors associated with certain events at the beach, utilizing Rainbow and the large beach carts has proved to be the best method to reduce litter and contain the refuse generated.

Due to the cost for increases in services as discussed above, the not-to-exceed cost limit for the current contract is projected to be insufficient to reach the end of the contract term, which expires December 31, 2020. To accommodate this increased cost, staff recommends City Council approve Amendment No. One for the Rainbow Beach Container Refuse Collection contract and increase the total not-to-exceed amount by \$120,000.00, putting the new total at \$1,497,624.30. It should be noted that no changes are being made to the contracted billing rates.

ENVIRONMENTAL REVIEW:

Staff recommends the City Council find this action is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

NOTICING:

The agenda item has been noticed according to the Brown Act (72 hours in advance of the meeting at which the City Council considers the item).

ATTACHMENT:

Attachment A – Amendment No. One to Agreement with Rainbow.