

City of Culver City, California
City Council and Redevelopment Agency Agenda Item Report

Meeting Date: 06/16/08		Item Number: <u>J-2</u>	
AGENDA ITEM: JOINT ITEM: Approval of a Revised Memorandum of Understanding with the Downtown Business Association to Perform Maintenance Services in Downtown Culver City.			
Contact Person/Dept.: Todd Tipton Glenn Heald		Phone Number: (310) 253-5783 (310) 253-5752	
Fiscal Impact: Yes ☐ No ☒		General Fund: Yes ☐ No ☐	
Public Hearing: ☐		Action Item: ☐ Attachments: ☒	
Public Notification: Downtown Business Association (06/11/08); Chamber of Commerce (06/11/08); Master E-Mail Notification List (06/11/08).			
Department Approval: Sol Blumenfeld (06/05/08)		City Attorney Approval: Carol Schwab (by H. Baker) (06/11/08)	
Chief Financial Officer Approval: Jeff Muir (06/12/08)		City Manager Approval: Jerry B. Fulwood (06/12/08)	

RECOMMENDATION:

Staff recommends the City Council and the Culver City Redevelopment Agency approve a revised Memorandum of Understanding ("MOU") with the Downtown Business Association (the "DBA") to provide general maintenance services in downtown Culver City ("Downtown").

BACKGROUND:

In early 2007, the DBA began discussions with staff about the possibility of the City and Agency entering into a contract whereby the DBA would provide maintenance services in Downtown. The DBA believes they can subcontract with a maintenance provider to provide existing services – and possibly provide additional services as well - for the same cost the City and Agency currently expend. As well, the DBA believes they are better prepared to respond to various issues that arise as they are concerned only with Downtown, whereas City staff is responsible for services throughout the City. This arrangement is advantageous to the City and Agency because it shifts oversight and accountability for the management of services to the businesses directly affected by those services, while also allowing for the potential of additional services at no cost to the City or Agency.

On March 24, 2008, the Council approved an MOU which indicated charges for City- and Agency-provided services totaled \$78,420. Unfortunately, in calculating this amount, staff inadvertently omitted some services in the parking garages that are funded by the Agency but performed by the Public Works Department. The correct amount for all Downtown services is \$112,100. Staff has therefore revised

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the MOU and now seeks approval of the revised agreement by the Council and the Agency.

DISCUSSION:

Maintenance in Downtown is currently performed by the Public Works Department and the Parks, Recreation, and Community Services Department. For the most part, maintenance of the parking structures is required by the Agency. The scope of maintenance services currently provided is extensive, ranging from landscape upkeep to holiday banners on light poles in the right-of-way, totaling approximately \$112,000 (City and Redevelopment Agency) as denoted in the attached matrix. In addition to the existing services, staff recommends that an additional \$10,320 be included for a program of enhanced clean-up efforts in and around the trash compactor in the Cardiff parking structure. Restaurants that utilize the compactor in the Cardiff structure include: Honey's Kettle Fried Chicken, Tender Greens, Ford's Filling Station, Ugo Italian Café, Fraiche, BottleRock, Novecento, and La Ballona. This additional money will be recouped through a surcharge levied on the affected restaurants. The total amount of the MOU program would be \$122,420 per year, with potential adjustments for inflation written into the agreement.

If approved by the Council and the Agency, the DBA would be responsible for the following as outlined in the attached draft MOU:

1. The sidewalk trash receptacles shall be emptied twice per day every Saturday and Sunday, at a minimum, to avoid spillover;
2. Monthly weed control shall be provided for planting beds, islands, tree wells, flower pots and sidewalk cracks. Dead vegetation, leaves and other debris shall be removed from the planting areas and pots;
3. Annually, no later than April 1st, plants and flowers shall be provided in the planting areas and pots. The quantity and location of the annual plants and flowers will be determined by the resources available, as reasonably determined by the City's Public Works Director;
4. At least once per quarter, and when reasonably determined by the City's Public Works Director, sidewalks, plazas, paseos and alleys and parking structures shall be swept and pressure washed to maintain a clean appearance;
5. Daily, maintain the community compactors and immediately surrounding areas in a clean and sanitary manner, including, but not limited to, the clean-up of all solid and liquid waste spillover.

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6. At least monthly, and when reasonably determined by the City's Public Works Director, the area around the community compactors shall be steam cleaned to maintain a clean appearance.

The City will retain responsibility for repair and replacement of all landscape infrastructures, including but not limited to pots, planters, irrigation systems, sidewalks, parking structures and electrical systems.

The DBA will attempt to provide the following additional services if the Council and the Agency approve execution of an MOU:

- Cleaning of the following weekly (seven days):
 - Sidewalk sweeping and litter pick up including street curbs/gutters, alleys, tree wells and planters; and
 - Daily cleaning of all benches, bicycle racks, parking meters, pay phones and mailboxes.
- Sidewalk pressure washing every quarter.

Additionally, the DBA will continue to work with the downtown property owners to add more resources to the maintenance efforts in Downtown.

The funding appropriated by the City Council and Agency Board under Sections B(3), B(4), C(1) and C(2) hereof, if any, shall be available to the DBA on a monthly basis. The DBA may request reimbursement under the following conditions:

1. Once per month, the DBA may submit a reimbursement request for costs incurred to the DBA for performing services hereunder. Such reimbursement requests shall be in a form acceptable to the City and Agency, and include substantiation for amounts requested, including copies of invoices, and other documentation as may be required by the City and Agency.
2. Upon receipt of such a reimbursement request, the City and Agency shall review the request, and upon approval, issue reimbursement to the DBA within thirty (30) days after receipt of the request.
3. If the reimbursement request is disallowed, in whole or in part by the City or Agency at its sole discretion, then the amount approved shall be paid in accordance with Section D(2) above. Within fifteen (15) days after receipt of a reimbursement request, the City shall transmit to the DBA, the amount and reason for any disallowed amounts with an explanation of why the City disallowed the reimbursement request.

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4. In no case shall the total amount reimbursed to the DBA for the services performed hereunder during any fiscal year exceed the amount appropriated for these purposes by the City Council and Agency Board.

Staff believes it is in the best interest of the City, the Agency, and the DBA to execute the MOU because:

- Downtown will receive equitable, and possibly additional, services without additional cost to the City or Agency;
- Downtown issues would receive additional attention;
- Downtown business and property owners will have more control over maintenance related issues; and
- City and Agency staff will be able to focus on other areas of the City.

In the event the MOU becomes disadvantageous to either party, it includes provision that allow its termination with 30 days written notice. If terminated, the DBA would be required to return any unspent funds as the MOU requires release of funds on a quarterly basis.

If the MOU is terminated, it will be necessary for the City and Agency to reinstate maintenance services. This would likely occur through the Request for Proposal ("RFP") process. The RFP process would likely take 60-90 days to complete. While undertaking the RFP process, the City and Agency may enter into a temporary contract with a maintenance service provider in order to prevent interruption of services.

FISCAL ANALYSIS:

The City and Agency currently pay approximately \$112,000 annually for the maintenance services specified in the proposed MOU with the DBA. If the Council and Agency approve execution of the MOU there would be no additional cost to the City or Agency, as the DBA would provide the same maintenance services at the same cost, plus additional services if the DBA can contract more extensive or more frequent services with the monies transferred through the MOU. The additional \$10,320 for enhanced compactor-area maintenance will be a pass-through, collected from the restaurants through a surcharge fee (collected by the City via refuse billing).

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ATTACHMENTS:

1. Matrix describing maintenance services provided in Downtown; and
2. Draft MOU.

MOTION:

That the Culver City City Council:

1. Approve a revised Memorandum of Understanding with the Downtown Business Association to provide maintenance services in downtown Culver City at a cost not to exceed \$54,860 on an annual basis; and,
2. Authorize the City Attorney to review/prepare the necessary documents; and,
3. Authorize the City Manager to execute such documents on behalf of the City.

AND

That the Culver City Redevelopment Agency:

1. Approve a revised Memorandum of Understanding with the Downtown Business Association to provide maintenance services in downtown Culver City at a cost not to exceed \$67,560 on an annual basis; and,
2. Authorize the City Attorney or Agency General Counsel to review/prepare the necessary documents; and,
3. Authorize the Executive Director to execute such documents on behalf of the Agency.