



year agreement on August 9, 2021. During the first year of the vendor's contract, Staff reported that Titan Detail LLC was failing to meet performance standards and could not keep up with the required cleaning schedule due to unavoidable and irreconcilable obstacles. Therefore, the City did not renew the agreement upon expiration, and the second lowest responsive bidder from the original procurement was offered a contract to continue the services, given that Bid 7793 was less than two years from the original bid as allowed in the City's procurement policies.

On February 21, 2023, the City of Riverside City Council approved the agreement with Wash Master LLC of Beaumont, California, based on the results of Bid 7793, which was released in April of 2021 for Citywide Car Wash services for the RPU Electric Division and Parks and Recreation Department. The combined department and division Bid is an excellent strategy to receive volume pricing, in which an item's price per unit decreases as the purchase quantity increases. It also provides a consistent wash schedule on location to maintain a clean fleet of vehicles.

The Special Transportation Division of the City of Riverside's Parks, Recreation, and Community Services Department currently operates a fleet of paratransit and administrative vehicles, including cutaway buses, vans, and sedans. RPU Electric Division operates various vehicles, ranging from specialized large service vehicles to maintain the electric distribution and transmission systems to SUVs, vans, and sedans. Providing onsite vehicle wash services reduces staff time and costs to take vehicles to offsite wash areas and reduces staff downtime. The terms of the agreement were approved for one (1) year with no more than three (3) additional one-year terms at the annual cost of Ninety-Two Thousand One Hundred Dollars (\$92,100).

## **DISCUSSION:**

Recognizing Wash Master LLC's efficiency and cost-effectiveness, the RPU Water Division requested to transfer its vehicle washing operations to Wash Master LLC along with the RPU Electric Division and the Parks, Recreation, and Community Services Department. This decision, which added 84 vehicles to the contract, will save time and costs and allow staff to spend more time in the field. However, this transition has led to a contract price increase of approximately \$80,000, with some of the increase due to a 3% overall price increase from Wash Master LLC and a minor price increase due to an increase in wash frequency for some vehicles. The 3% price increase by Wash Master LLC for their second-year optional extension is below the 4.3% Consumer Price Index, which is used to gauge price fairness and rebidding options. The total contract of \$172,664.28 cost split is approximately 65% for Public Utilities vehicles and 35% for Park, Recreation, and Community Services Department vehicles, which will be allocated through each Department's budgets.

To anticipate and be able to manage any additional increases in the coming year, a 15% Change Order Authority on the increased annual contract cost would allow the City to avoid any unanticipated escalations of vehicle wash needs due to growing use.

Purchasing Resolution No. 24101, Section 1104 (c) states, "Unless otherwise specifically authorized by the Awarding Entity, Change Orders which cumulatively exceed the following will require Awarding Entity approval.... (c) 10% of the original contract price for Contracts and/or Purchase Orders previously approved by the Awarding Entity and the total Change Order amount will not exceed \$150,000."

The Purchasing Manager concurs that the recommended actions are compliant with Purchasing Resolution No. 24101, Section 1104 (c).

**STRATEGIC PLAN ALIGNMENT:**

This item contributes to **Strategic Priority 5** – High Performing Government and **Goal 5.2** – Utilize technology, data, and process improvement strategies to increase efficiencies, guide decision making, and ensure services are accessible and distributed equitably throughout all geographic areas of the City. This item aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – The increase to the annual cost of the Services Agreement will allow Riverside Public Utilities and Parks and Recreation to continue to efficiently provide service to the public with a professional, clean fleet. Regular vehicle cleanings will improve community perception of City of Riverside employees, as well as provide safer, cleaner vehicles for public transportation.
2. **Equity** – The increase to the annual cost of the Services Agreement will allow Riverside Public Utilities and Parks and Recreation to continue providing professional services to the public.
3. **Fiscal Responsibility** – The increase to the annual cost of the Services Agreement will allow Riverside Public Utilities and Parks and Recreation to utilize car washing during business hours, allowing City staff to continue their daily tasks uninterrupted. This will cut additional costs by avoiding the need for City staff to be responsible for washing their own vehicles, allowing City staff to continue their daily responsibilities.
4. **Innovation** – The increase to the annual cost of the Services Agreement will allow Riverside Public Utilities and Parks and Recreation to provide staff and the public access to regularly cleaned vehicles on the City’s Schedule.
5. **Sustainability & Resiliency** – The increase to the annual cost of the Services Agreement for Citywide Car Wash Services will allow Riverside Public Utilities and Parks and Recreation to maintain clean and safe vehicles while continuing to offer continuity of operations to the public.

**FISCAL IMPACT:**

The total fiscal impact of the Second Amendment to the Services Agreement with Wash Master LLC is \$80,564.28 plus 15% change order authority of \$25,899.64 for a total of \$106,463.92. Charges will be allocated to each Department’s approved and available budget on an as-needed basis. Sufficient funding is included in the biennial budget in the programs and accounts listed below that will be brought forward to City Council for adoption in June 2024.

| <b>Fund</b> | <b>Program</b>                         | <b>Account</b> |
|-------------|--|----------------|
| Parks & Rec | Special Public Transportation          | 5200200-421000 |
| Electric    | Electric Operations                    | 6100000-421000 |
|             | Electric Production & Field Operations | 6105000-421000 |
| Water       | Water Production & Operations          | 6200000-421000 |
|             | Water Field Operations                 | 6205000-421000 |

Prepared by: Kristan Nordmeyer, Procurement & Contract Specialist  
Approved by: Jennifer McCoy, Purchasing Manager  
Certified as to  
availability of funds: Kristie Thomas, Finance Director/Assistant Chief Financial Officer  
Approved by: Edward Enriquez, Assistant City Manager/Chief Financial  
Officer/Treasurer  
Approved as to form: Phaedra A. Norton, City Attorney

Attachments:

1. Second Amendment to the Services Agreement with Wash Master LLC