



*City of Arts & Innovation*

# City Council Memorandum

**TO: HONORABLE MAYOR AND CITY COUNCIL      DATE: JUNE 7, 2022**

**FROM: PUBLIC WORKS DEPARTMENT      WARDS: ALL**

**SUBJECT: SECOND AMENDMENT TO SERVICE AGREEMENT FOR CART RETRIEVAL SERVICES WITH RETAIL MARKETING SERVICES, INC., DBA CARTRAC, INCREASING COMPENSATION BY \$120,000 FOR A CONTRACT TOTAL OF \$480,000 AND EXTENDING THE TERM THROUGH JUNE 30, 2023**

## **ISSUES:**

Approve the Second Amendment to Agreement for shopping cart retrieval services with Retail Marketing Services, Inc., dba CarTrac, of Burbank, CA, to extend the contract for an additional year, to end June 30, 2023, and add \$120,000 to the existing purchase order for a contract total of \$480,000.

## **RECOMMENDATIONS:**

That the City Council:

1. Approve the Second Amendment to extend the term of the agreement for one additional year to end on June 30, 2023;
2. Approve a Change Order to add \$120,000 to the existing purchase order for a contract total of \$480,000; and
3. Authorize the City Manager, or designee, to execute future amendments or extensions to extend service for an additional year upon mutual written consent of the parties, subject to the same terms, conditions, and availability of budgeted funds of \$120,000, including making minor non-substantive changes.

## **BACKGROUND:**

Abandoned shopping carts constitute a nuisance, create safety hazards, cause blight, and interfere with pedestrian and vehicular traffic within the City of Riverside. In order to reduce these hazards, the City has contracted for the removal of abandoned shopping carts within the public right-of-way with CarTrac since 2006.

On March 15, 2019, the City issued Request for Proposal (RFP) 1905 to solicit proposals from qualified companies to provide shopping cart retrieval services within public right-of-way throughout the City.

On April 4, 2019, the City received one proposal in response to RFP 1905 from CarTrac, the City's current service provider. The proposal was deemed complete and responsive.

On June 18, 2019, the City Council approved a Professional Consultant Services Agreement with Retail Marketing Services, Inc., dba CarTrac, in the amount of \$300,000 from the Public Works Department Budget for cart retrieval services at various locations within the City starting from July 1, 2019, and ending on June 30, 2022.

On January 11, 2022, the City Council approved the First Amendment to Agreement to increase contract amount by \$60,000 (20%) for a revised contract amount of \$360,000 through June 30, 2022.

### **DISCUSSION:**

The proposed Second Amendment to Agreement maintains the same levels of compensation and services that are currently in effect. Section 702(h) of Purchasing Resolution 23812 provides for an exception to competitive procurement “When Services, except Professional Services, can be Procured from a Contractor who offers the same or better price, terms and conditions as the Contractor previously offered as the Lowest Responsive Bidder under Competitive Procurement or negotiations conducted by the City or another public agency, provided that, in the opinion of the Manager, it is in the best interests of the City to do so” .

The City will be reimbursed by the retailers who utilize the City’s retrieval services.

The Purchasing Manager concurs that the recommended action to approve the extension is in compliance with Purchasing Resolution 23812.

### **STRATEGIC PLAN ALIGNMENT:**

This contract supports **Strategic Priority 2 – Community Well-Being, Strategic Priority 6 – Infrastructure, Mobility and Connectivity**, and **Goal 6.2**, to Maintain, protect, and improve assets and infrastructure within the City’s built environment to ensure and enhance reliability, resiliency, sustainability, and facilitate connectivity.

Furthermore, shopping cart retrieval services align with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – CARTRAC has worked with the City of Riverside with a comprehensive approach to address the issues pertaining to abandoned carts since 2006.
2. **Equity** – This service protects the public’s health and environment by keeping shopping carts out of the right-of-away and returning carts to retailers where they can be cleaned.
3. **Fiscal Responsibility** – These services were retained through a competitive and public bid to secure pricing through the end of the contract.
4. **Innovation** – CARTRAC has multiple systems in place to report cart locations including website reporting, toll-free phone line, iPhone app, and they directly work with 311.
5. **Sustainability & Resiliency** – Daily retrieval of abandoned shopping carts will continue to provide sustainability and resiliency of the nuisance of shopping carts.

**FISCAL IMPACT:**

The total fiscal impact of this action is \$120,000. Sufficient funds are budgeted in the General Fund, Public Works Department, Shopping Cart Retrieval program, Professional Services expenditure account 7241400-421000 in the FY 2022/23 budget.

Prepared by: Gilbert Hernandez, Public Works Director  
Certified as to  
availability of funds: Edward Enriquez, Interim Assistant City Manager/Chief Financial Officer/Treasurer  
Approved by: Kris Martinez, Assistant City Manager  
Approved as to form: Phaedra A. Norton, City Attorney

Attachments:

1. Second Amendment
2. Executed Agreement