



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: JUNE 28, 2016**

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

SUBJECT: RFP NO. 1626--PROFESSIONAL CONSULTANT SERVICES AGREEMENT WITH CALIFORNIA SHOPPING CART RETRIEVAL CORPORATION FOR SHOPPING CART RETRIEVAL SERVICES FOR A THREE-YEAR TERM ENDING JUNE 30, 2019 FOR A TOTAL AMOUNT OF \$200,000

ISSUE:

The issue for City Council consideration is the approval of an agreement with California Shopping Cart Retrieval Corporation, of Burbank, California for shopping cart retrieval services for a three-year term ending June 30, 2019 in the total contract amount of \$200,000.

RECOMMENDATIONS:

That the City Council:

1. Approve a Professional Consultant Services Agreement with California Shopping Cart Retrieval Corporation for shopping cart retrieval services, in the total amount of \$200,000, with a term ending June 30, 2019; and
2. Authorize the City Manager, or his designee, to execute the Professional Services Agreement with California Shopping Cart Retrieval Corporation, including approval of up to two additional, one-year extensions as outlined in the agreement, subject to the availability of budgeted funds.

BACKGROUND:

On April 19, 2016, Request for Proposal (RFP) 1626 was issued to solicit proposals from qualified contractors to provide shopping cart retrieval services throughout the City. These services include the retrieval of abandoned shopping carts in the public right-of-way.

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 further reduce these hazards, the City has contracted for removal of shopping carts abandoned in the public right-of-way since 2006. Additionally, Chapter 9.58 of the Riverside Municipal Code (RMC) was established and requires that retailers who provide shopping carts for customer use, either sign up with the City for cart retrieval services or submit a prevention plan with provisions for keeping shopping carts from entering the public right-of-way.

Retailers choosing to sign up with the City for cart retrieval services will have their shopping carts retrieved from the City right-of-way and returned to them by the City's contractor. They will be invoiced by the City for the direct cost of the retrieval services with no additional charge for administrative costs or overhead.

Retailers choosing not to sign up with the City for cart retrieval services are required to prepare and implement a prevention plan to keep abandoned shopping carts from leaving the business premises. Stray shopping carts found in the City right-of-way belonging to retailers who are not signed up for the city program are retrieved and taken to the City's Corporation Yard in accordance with the RMC. Retailers are notified within 24 hours of a cart being impounded and can pick them up within three days of notification at no cost. Retailers picking up carts after three days will be charged an impound fee of \$13 per cart.

On May 3, 2016, the City received one proposal in response to RFP 1626 from California Shopping Cart Retrieval Corporation, the City's current service provider. The proposal was complete and responsive. California Shopping Cart Retrieval proposed a fee schedule of \$3.50 per cart and \$18 per load, where a load consists of five or more carts, which is consistent with cart retrieval costs for major retailers in Southern California, such as, Vons, Food-4-Less, and Stater Brothers. The following chart shows the proposed fee schedule compared to the fee schedule of the current agreement:

Item	Current Agreement	Proposed Agreement
Per Cart	\$3.00	\$3.50
Per Load	\$17.00	\$18.00
Cart Impound	\$6.00	\$6.00

Currently, about 1,500 carts per month are retrieved throughout the City. The estimated cost of the service is approximately \$200,000 for a three-year period. Approximately, 40% of this cost is anticipated to be reimbursed by the retailers utilizing the City's service.

FISCAL IMPACT:

The fiscal impact to the General Fund is estimated to be \$200,000 over the three-year contract term ending June 30, 2019. About 40% of this cost will be reimbursed by the retailers utilizing the City's service resulting in a net city cost of \$120,000. The funding requirements for Fiscal Years 2016-17 and 2017-18 is \$66,500 per year. Sufficient funding is included in the Public Works Department budget (account no. 9791910-440301) for the proposed two-year budget. The remaining \$67,000 will be included in a future Public Works Department budget.

Prepared by: Kris Martinez, Public Works Director
 Certified as to
 availability of funds: Scott G. Miller, Interim Finance Director/Treasurer
 Approved by: Al Zelinka, FAICP, Assistant City Manager
 Approved as to form: Gary G. Geuss, City Attorney

Attachment: Professional Consultant Services Agreement with California Shopping Cart Retrieval Corporation