



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: FEBRUARY 28, 2017

FROM: PUBLIC WORKS DEPARTMENT WARDS: ALL

SUBJECT: SHOPPING CART RETRIEVAL PROGRAM UPDATE AND AN ORDINANCE AMENDING CHAPTER 9.58 OF THE RIVERSIDE MUNICIPAL CODE REGARDING THE RETRIEVAL, IMPOUND, AND DISPOSAL OF LOST, STOLEN, OR ABANDONED SHOPPING CARTS

ISSUE:

Receive an update on the shopping cart retrieval program and adopt an ordinance to amend Chapter 9.58 of the Riverside Municipal Code (RMC) regarding the retrieval, impound, and disposal of lost, stolen, or abandoned shopping carts.

RECOMMENDATIONS:

That the City Council:

1. Receive an update on the Shopping Cart Retrieval Program; and,
2. Introduce and subsequently adopt an Ordinance amending Chapter 9.58 of the RMC regarding the retrieval, impound, and disposal of lost, stolen, or abandoned shopping carts.

COMMITTEE RECOMMENDATION:

On January 18, 2017, the Public Safety Committee met with Chair Perry, Vice Chair Melendrez and Member Burnard present. After discussion, the Committee unanimously voted to recommend that City Council adopt an Ordinance to amend Chapter 9.58 of the Riverside Municipal Code relating to the retrieval, impound, and disposal of lost, stolen, or abandoned shopping carts.

LEGISLATIVE HISTORY:

Chapter 9.58 of the RMC requires that all retailers possessing shopping carts for customer use must either submit a detailed prevention plan to the City explaining how they will prevent shopping carts from leaving their business premises, or agree in writing to reimburse the City for shopping cart retrieval services. Other provisions of Chapter 9.58 include the following:

1. Retailers are required to post signage regarding shopping cart regulations;
2. Customers are prohibited from removing shopping carts from business premises;
3. Retailers who do not contract with the City must submit a prevention plan within 30 days of notification by the City;
4. Prevention plans shall include details of measures being implemented and how;
5. Annual reports on the effectiveness of a prevention plan are required;
6. The City may reject or revoke inadequate prevention plans;
7. Public Works may issue administrative citations for noncompliance with the chapter; and
8. The City may impound and dispose of abandoned shopping carts.

BACKGROUND:

On June 28, 2016, the City Council approved a Professional Consultant Services Agreement with California Shopping Cart Retrieval Corporation (CSCRC) for shopping cart retrieval services. During discussion of the item, it was requested that a report regarding the program and service delivery be provided to the Public Safety Committee. Additionally, Councilmember Soubirous requested research regarding the potential of requiring existing retailers to install disabling devices on their shopping carts.

On September 21, 2016, the Public Works Department presented a program update to the Public Safety Committee regarding the shopping cart retrieval program and discussed potential changes to Chapter 9.58 of the RMC relating to abandoned shopping carts. Following discussion of the program, a motion was made by Member Burnard and seconded by Vice-Chair Melendrez requesting staff to return to the Public Safety Committee with proposed changes after soliciting feedback from local businesses. The motion was carried unanimously.

On January 18, 2017, the Public Safety Committee met with Chair Perry, Vice Chair Melendrez and Member Burnard present, to review and consider potential changes to the City policies on the retrieval, impound, and disposal of lost, stolen, or abandoned shopping carts. After discussion, the Committee unanimously voted to recommend that City Council adopt an Ordinance to amend Chapter 9.58 of the Riverside Municipal Code relating to the retrieval, impound, and disposal of lost, stolen, or abandoned shopping carts.

DISCUSSION:

Program Performance:

There are currently 83 retailers who have signed up for the City's retrieval service and 21 retailers who have not. Of the 21 retailers who have not signed up for the City's retrieval service, all of them have approved plans on file and are currently in compliance with Chapter 9.58 of the RMC.

Approximately 84 of the total 104 known retailers that utilize shopping carts in the City of Riverside

had less than 10 abandoned carts retrieved per month in fiscal year 2015-16. About 46 of those 84 retailers had no abandoned carts retrieved at all. This means that 92% of the abandoned carts retrieved are from 26 retailers with larger volumes of carts, such as Stater Brothers, Wal-Mart, and Ralph's. All of these 26 large retailers are signed up for the City's cart retrieval services and are not currently required to submit a prevention plan.

The following chart includes information on the ten retailers with the highest number of carts retrieved in fiscal year 2015-16.

Retailer	Address	Carts Retrieved	Ward	Locking Wheels	City Program
Ralphs 144	6155 Magnolia	2,640	3	No	Yes
Wal-Mart 2028	5200 Van Buren	2,281	6	No*	Yes
Stater Bros. 42	6160 Arlington	1,131	5	No	Yes
Ralphs 609	5295 Canyon Crest	1,102	2	No	Yes
Big Lots 4256	4022 Madison	777	3	No	Yes
Smart & Final 514	5202 Arlington	716	3	Yes	Yes
Stater Bros. 79	10370 Arlington	689	7	Yes	Yes
Lowe's 1048	9851 Magnolia	601	6	No	Yes
Albertson's 6572	2975 Van Buren	493	5	No	Yes
Stater Bros. 22	4680 La Sierra	388	7	Yes	Yes
K-Mart 3106	7200 Arlington	366	5	Yes	Yes

*Wal-Mart 2028 installed wheel locking devices in August 2016

Cart retrieval through the City's program has been performed by CSCRC since 2006. During Fiscal Year 2015-16, CSCRC retrieved 15,808 carts which equates to about 1,317 carts per month.

The chart below shows the annual trend in cart retrieval between July 2005 and June 2016.

Service Provider	Fiscal Year	Carts Retrieved
City	2005-06	11,000
CSCRC	2006-07	53,983
CSCRC	2007-08	52,468
CSCRC	2008-09	46,320
CSCRC	2009-10	46,696
CSCRC	2010-11	49,687
CSCRC	2011-12	51,089
CSCRC	2012-13	46,600
CSCRC	2013-14	33,473
CSCRC	2014-15	23,842
CSCRC	2015-16	15,808

CSCRC provides one full-time driver and two part-time drivers to patrol the City on a daily basis. The contract requires abandoned carts reported to the City's Call Center before 3pm to be

retrieved the same day and abandoned carts reported after 3pm to be retrieved the next day. The City experienced an increase in calls to the Call Center after advertising the cart retrieval program on GTV and sending out information on the program in a utility bill insert in 2014.

The following chart shows the number of calls received per fiscal year by the City's 311 call center:

Fiscal Year	Number of 311 Calls
2007-08	754
2008-09	844
2009-10	779
2010-11	841
2011-12	745
2012-13	531
2013-14	1,339
2014-15	1,807
2015-16	1,355

CSCRC also receives calls for service through their website and their cart snap mobile application. In fiscal year 2015-16, they received 2,392 total requests for service (including 311 calls). Of the total carts collected in fiscal year 2015-16, 15% were collected in response to calls received and the remaining 85% were part of their proactive patrol and retrieval program. CSCRC patrols known hot spots throughout the City to retrieve carts. There are currently 62 identified hot spots, the majority of which are located within wards 5, 6, and 7. (see attachment).

In the spring of 2016, concerns were expressed about current services. It appeared that shopping carts reported to the City's call center were not being retrieved within the time frames identified in the contract, and some were being missed entirely. In response to these concerns, CSCRC immediately hired new drivers in an effort to improve performance. Additionally, the field supervisor from CSCRC has been auditing the service of the drivers more frequently. City staff have quarterly meetings with CSCRC representatives to discuss service concerns and ways to further improve service. CSCRC have expressed their commitment to the City of Riverside and improving service.

While investigating the service concerns, it became apparent that communication between the City and CSCRC could also be improved. Currently, service requests go through several steps prior to the request reaching the driver which can cause delays in cart retrieval. To address this, Public Works is working with CSCRC and the City's Innovation and Technology Department to improve communication through a new 311 phone application for use by CSCRC staff. Providing CSCRC and their drivers with this application, currently used by City employees for graffiti service requests, will allow drivers to have quicker access to abandoned shopping cart requests and give them the ability to close the request directly. Additionally, they will be able to immediately access the photos of the shopping carts that are submitted by the reporting parties. It is anticipated that the application will roll out this March.

Potential Municipal Code Changes:

In response to concerns about excessive abandoned carts, Councilmember Soubirous asked if it was possible to require all retailers to install disabling devices on their carts to prevent them from

being removed from their business premises. Public Works Department staff researched this question in collaboration with staff from the City Attorney's Office. A well maintained disabling device system on the carts can help to reduce the number of carts being abandoned in the public right- of-way.

Disabling device systems cost approximately \$15,000 to install and \$50 dollars per cart for the wheels and batteries. The annual maintenance to ensure the devices continue to work properly can cost up to \$5,000 per year. Businesses that do not own their parking lot may have other logistical issues with installing disabling devices.

In lieu of requiring all retailers to install these devices, it is recommended that this only be a requirement for stores who routinely have large numbers of carts being retrieved and who are unable to improve conditions through other methods as set forth in their prevention plan. It may be more reasonable to allow for the City to work with each retailer individually to determine what prevention measures would work best for them given their size and location.

Through the analysis of RMC Chapter 9.58, potential changes have been identified that would strengthen the requirements for retailers to implement measures to keep carts on their business premises. Public Works staff met with the Greater Riverside Chambers of Commerce (Chamber) and several of the City's larger retailers, including Stater Brothers, Ralphs, and Albertsons (Safeway) to discuss abandoned shopping carts and the proposed changes.

Retailers were eager to work with the City to make improvements in order to keep shopping carts from leaving their business premises. They were appreciative of the cart retrieval data and being included in the process to update the RMC. Additionally, retailers were supportive of the proposed changes to the RMC. The meetings gave them the opportunity to comment on the new requirements and bring forward their own ideas on how to keep carts on their business premises.

Stater Brothers, prompted by the cart retrieval data, checked their wheel locking systems at a few of their locations in Riverside and completed repairs that they were unaware were needed. They also implemented a policy that any cart returned by the City's contractor with a wheel locking system would be tested prior to making it available to their customers. Furthermore, they are going to use the cart retrieval data to request a wheel locking system at their La Sierra location which is currently the only Stater Brothers location in Riverside without such a system in place.

Ralphs shared some innovative ideas about working with the University of California, Riverside and the Chamber to educate students living in the apartments surrounding their Canyon Crest location. The outreach would be geared toward college students and would focus on alternative ways to transport items purchased in the Canyon Crest Shopping Center to their homes. They will also begin locking up their carts at night with a cable lock and taking an inventory of their carts in the morning and in the evenings at both of their Riverside locations. Furthermore, Ralphs will also use the cart retrieval data to request a wheel locking system at their Magnolia location.

Safeway, owner and operator of Albertsons in Riverside, committed to reinforcing their best practices, which include but are not limited to, increasing parking lot sweeps, inspecting all signage and replacing it if necessary, and chaining and locking their carts at night.

In order to assist the retailers with their efforts, the City will increase cart retrieval services in the vicinity of the retailers with the higher volumes of abandoned carts being retrieved, continue to communicate with retailers and provide meaningful cart retrieval data, and educate the residents

and businesses without carts about Chapter 9.58 of the RMC.

After meeting with the retailers, staff developed the following proposed RMC changes to address retailer comments and incorporate ideas that resulted from the meetings.

1. All retailers utilizing shopping carts, whether they utilize City services or not, must submit a prevention plan stating how they will prevent carts from leaving the business premises;
2. Require the prevention plan to provide details on how the retailer will actively locate carts within one mile of the business premises and respond to complaints from the public or notifications from the City regarding abandoned carts;
3. Require the prevention plan to include an employee training program regarding the prevention plan and state law as they relate to shopping carts;
4. Require retailers who have a minimum of 20 carts and have more than 20% of their carts retrieved in a year to submit an annual evaluation report for that year;
5. Require retailers to install disabling devices if their prevention plan has been revoked more than three times in a four year period. If the retailer already uses disabling devices, then they will be required to show proof of quarterly maintenance and repairs ensuring the devices are working properly;
6. Require retailers with carts already equipped with disabling devices to test and repair the devices on abandoned carts returned to the retailer by the City's retrieval contractor prior to making them available to customers;
7. Require retailers to pull carts from circulation if disabling devices are not working properly;
8. Allow the City to revoke a retailers prevention plan and require more stringent prevention measures if they have more than 20 carts and more than 25% of their carts are retrieved in a 6 month period;
9. Require retailers to lock up their carts at night; and
10. Require new construction projects that will accommodate large stores utilizing carts to install disabling devices.

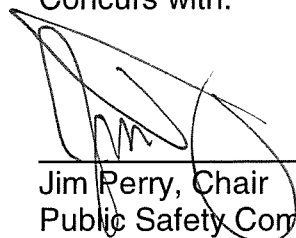
The Public Works Department anticipates that, if adopted, the recommended changes to Chapter 9.58 of the RMC will encourage continuous discussions with retailers within the City resulting in ongoing program improvements.

FISCAL IMPACT:

There is no fiscal impact associated with the proposed changes to the RMC with regard to abandoned shopping carts.

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

Concurs with:



Jim Perry, Chair
Public Safety Committee

Attachment:

1. Hot Spots
2. Program Store List
3. Non-Program Store List
4. Proposed Ordinance to Amend Riverside Municipal Code Chapter 9.58
5. California Business and Professions Code Section 22435-22435.8
6. Presentation