

Department of Public Works

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Mark H. Yehlen, P.E.
Commissioner of Public Works/City Engineer

Thomas M. Eeg, P.E.
Asst. Comm. of Public Works/Operations

John C. Rooney, P.E.
Asst. Comm. of Public Works/Engineering

March 13, 2012

Honorable Mayor John Dickert
and the Common Council
Racine, Wisconsin

Ladies and Gentlemen:

I wish to appear before the Public Works and Services Committee to discuss Amendment No. 1 to the Recycle Cart Maintenance Agreement with Rehrig Pacific Company.

Our original agreement was in the amount of \$1700 per month that included a \$500 monthly fee for the C.A.R.T.S. cart management software and a \$1200 monthly fee for Recycle Cart maintenance. We were set up originally with a handheld scanner and software to monitor and determine legitimate cart locations in the field which was outside the original scope of this agreement. This amendment would remove the monthly Recycle Cart maintenance service cost from the agreement, unless needed, and would include our handheld device, software, support and training for this needed service. This amendment would result in a cost savings of \$801 per month unless we do utilize the maintenance portion of the agreement which has not yet been necessary as we make cart repairs internally and deliver or replace the carts on their normal pickup day. This would improve our Recycle Cart tracking services and result in a lower cost agreement with Rehrig.

Sincerely,

A handwritten signature in blue ink, appearing to read "Thomas M. Eeg", is written over the typed name.

Thomas M. Eeg
Asst. Comm. of Public Works/Operations

TME:das

cc: Mark Yehlen

February 23, 2012

Mr. Thomas Eeg
City of Racine, WI
800 S. Marquette St.
Racine, WI 53403

Re: Cart Maintenance Agreement and C.A.R.T.S. Amendments

Dear Thomas,

On behalf of Rehrig Pacific Company I am writing to propose a revision to the on-going container maintenance services and software use by the City of Racine. We maintain the position that Rehrig Pacific wishes to be a long term partner with the City and to that end hope that you find the below proposal acceptable.

We request this change due to the change in the scope of work as directed by the City under the original contract. In a good faith effort to continue our partnership, Rehrig Pacific has agreed to suspend the monthly maintenance fees outlined in the contract at twice per month and move to an "as needed" basis. Additionally, Rehrig has provided access to, and use of, our proprietary container maintenance and management software C.A.R.T.S. We have also provided a hand held scanner plus training for staff on the use of this system and the scanner at no charge. It is understood that this is outside of the scope of our agreement. We did this to ensure the continued accuracy of the collection data tracking portion of the software for which the City has been paying for on a monthly basis. As the program is now more than a year old it has become clear that the need for our crews to perform maintenance is still at some further point into the container life cycle.

We would like to continue to help ensure the accuracy of your data of the program by providing the City access and use of the C.A.R.T.S. program that is integral to the overall success of the program. This subscription is outside of the scope of the original agreement. In order for us to viably continue to provide the program for the City's crews (including software, hardware, support, and on-going training) we propose the following changes to the agreement as it was originally written. A brief description of the software is found below:

Asset Management/Work Order Management Tool - the C.A.R.T.S. program is a complete web-based asset tracking and work order management tool. In conjunction with the handheld scanner that Rehrig Pacific has provided, C.A.R.T.S. is being used to field requests from residents for container size swaps, attend to customer complaints, address damaged containers, etc. It also actively closes out these work orders, keeps track of the City's containers, verifies which cart is at which house/location, keeps track of cart inventory levels, and attends to all inventory and database needs. When your program involves RFID enabled carts, it is vital to keep track of the correct size cart with the correct address, or else the information gathered using the RFID tags becomes inaccurate and you start to report on bad data. The software is a customizable, scaleable, web-based subscription service that includes customer support, system upgrades and continued training. By utilizing the work order module in C.A.R.T.S. the City is able to have accurate reporting through the collection data tracking C.A.R.T.S. module.

Due to the complexity of this agreement, we offer this addition access and service at a rate of \$399 per month. This would bring the total cost of the program to the City of Racine to \$899 per month (for both collection data tracking and use of the inventory control program). Any use of the maintenance portion of

the agreement will remain intact and actionable on an “as needed” basis at the discretion of the City for the duration of the contract.

We have made every attempt to meet the City of Racine’s recycling and operational goals with the RFID system and packages included in our original contract and hope to continue to do so under the revised terms of this proposal. We are committed to the success of the City of Racine recycling program and therefore hope that this offer can meet your needs. Because of the unique nature of this proposal, Rehrig Pacific asks, out of respect, that this pricing is kept **confidential** and not shared with other potential Rehrig Pacific customers. We appreciate your understanding of this confidential proposal and commitment to our partnership.

I have made every attempt to include all of the necessary information that accurately describes our offerings. However, if you have any questions or need additional information, please do not hesitate to call me at (925) 360-1950. Thank you in advance for your time and consideration.

Sincerely,

Kaley Parkinson

Kaley Parkinson
Environmental Services Manager – West Region
Rehrig Pacific Company

