



City of Tacoma

PUB Resolution No.: _____

City Council Resolution No.: _____

**Contract and Award Letter
Purchase Resolution —Exhibit "A"**

TO: Board of Contracts and Awards
FROM: Andy Cherullo, Director, Finance
Patsy Best, Procurement and Payables Division Manager, Finance
COPY: Public Utility Board, Director of Utilities, Board Clerk, City Council, City Manager,
City Clerk, EIC Coordinator, LEAP Coordinator, and Carly Fowler, Finance
Department.
SUBJECT: Retail Lockbox Services
Request for Proposals Specification No. FI21-0595F, Contract No. CW2246632 -
July 10, 2024 Public Utility Board and July 23, 2024 City Council
DATE: June 10, 2024

RECOMMENDATION SUMMARY: The Finance Department requests approval to increase Contract No. CW2246632, with Retail Lockbox Inc, Seattle, WA, by \$400,000, plus applicable taxes, budgeted from various funds, for adding Clover receipting system for Tagro. This increase will bring the contract to a cumulative total of \$1,000,000, plus applicable taxes.

STRATEGIC POLICY PRIORITY:

- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

BACKGROUND: Retail Lockbox Inc currently provides lockbox services for the City of Tacoma. Lockbox processing services include processing checks that are mailed to City (depositing the checks electronically and preparing a file for posting). They have been the City's lockbox services provider for well over 20 years.

Tagro has been searching for a point-of-sale collection system for the pad where they sell the Tagro products to customers. Retail Lockbox Inc has offered a Clover point-of-sale option that the City has explored and Tagro is interested in implementing to make accepting payments from customers more efficient. The system will provide for smoother payment processing and better controls/security over credit card data.

ISSUE: Tagro has been using a point-of-sale system that at this point is at end of life and the current vendor is no longer supporting this type of product. Without a new point-of-sale system, Tagro would be unable to accept credit card payments for the Tagro products being sold.

ALTERNATIVES: The alternative to using a point-of-sale system is to not use a point-of-sale system. This means Tagro would be solely cash based and all customers purchasing Tagro products would need to have cash on hand. This option is far less expensive as this could be done without the complex receipting system being offered, but this does not provide good customer service to those purchasing Tagro products as it limits the payment options available. It is the Finance Department's recommendation to provide the best customer service due to today's society being very focused on alternatives to cash when making payment.



COMPETITIVE SOLICITATION: Request for Proposals Specification No. FI21-0595F opened October 12, 2021. Two companies were invited to bid in addition to normal advertising of the project. One submittal was received and a contract was awarded to the sole submitter.

CONTRACT HISTORY: This contract was originally awarded to Retail Lockbox Inc as a result of FI21-0595F in September 2021. The City completed one prior amendment to the contract to increase both the Scope of Work and the not to exceed amount. This will be the City’s second amendment to the contract.

SUSTAINABILITY: Five percent of the total award was reserved for consideration of sustainability.

EQUITY IN CONTRACTING (EIC) COMPLIANCE: **Not applicable - Service contract - EIC Regulations are not yet established**

LOCAL EMPLOYMENT AND APPRENTICESHIP TRAINING PROGRAM (LEAP) COMPLIANCE: Not applicable to this contract.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Various			\$400,000
TOTAL			Up to \$400,000

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Various			(\$400,000)
TOTAL			Up to (\$400,000)

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$400,000

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED. N/A