



# CITY COUNCIL AGENDA REPORT



**DEPARTMENT:** Public Services

**MEETING DATE:** July 18, 2017

**PREPARED BY:** Alex Tachiki, Management Analyst

**AGENDA LOCATION:** AR-1

**TITLE:** Service Agreement with Bigbelly, Inc., for Maintenance, Software, and Leasing of Six (6) Solar Compactor Units for the Period Ending July 30, 2022

**OBJECTIVE:** To approve a service agreement with Bigbelly, Inc. (Bigbelly), for maintenance, software, and leasing of solar compactor units.

**BACKGROUND:** The State of California, through CalRecycle's Beverage Container Recycling Grant Program, makes funding available to local agencies through annual competitive grant programs to support recycling and waste management efforts. The City has applied for and been awarded funds through this program since Fiscal Year 1999-2000. These competitive grant funds are authorized through the California Beverage Container Recycling and Litter Reduction Act as included in the California Public Resources Code. The funding, which is made available through revenues generated from the 5 cent California Redemption Value (CRV) paid on all beverage containers, is aimed at programs targeting an 80 percent recycling rate for all beverage containers.

Over the years, these funds have supported the purchase of reusable bags and other outreach materials, as well as maintenance supplies. In anticipating an award of funds for this year, staff took a critical look at the City's needs related to recycling and waste management, and identified Old Town as an opportunity to expand our current services.

In observing the pedestrian traffic and trash impacts in Old Town, staff identified an opportunity to expand and improve the availability of recycling and waste receptacles in the area. Staff has worked with CalRecycle staff to pursue an opportunity to utilize the City's CalRecycle funding to acquire solar trash compactors to place in Old Town. Staff has worked with Bigbelly, Inc., to develop an agreement to lease and maintain six (6) Bigbelly Solar Compactors for specific areas of Old Town.

**ANALYSIS:** Over the last several years, the Public Works Division has been able to purchase goods and services using CalRecycle grant funds to promote recycling. Due to recent changes to CalRecycle's purchasing policy, many of the goods and services we have traditionally purchased are no longer eligible.

With that program change in mind, staff worked closely with CalRecycle to gain approval to redirect the grant funding on an annual basis to lease six (6) Solar Compactors from Bigbelly. These units come with software and maintenance and will provide staff an opportunity to implement a pilot program in Monrovia. Staff has identified several locations to test the efficiencies of the compactors including: Old Town between the 100-200 block; at the 400, 500, and 600 block; and at Library Park.

In every Grant Cycle, the City has received grant funding ranging from \$9,000 to \$10,000. This level of funding is able to provide for six (6) Bigbelly units during a five-year term. CalRecycle staff has worked with the City, as well as Bigbelly, to ensure that the funding is available and that the City is able to

# AR-1

acquire these units utilizing future assumed grant proceeds, with minimal funds out of pocket for this program.

At the end of the sixty (60) month term, the City has the option to upgrade the equipment, keep the existing equipment and continue the same service, or remove the units and service altogether. The sixty (60) month term is standard for Bigbelly Units because of the cost implications of buying the units, routine maintenance and emerging technologies that render older units less efficient.

The Bigbelly units hold approximately five times the normal capacity of a standard city trash can. It is anticipated that by increasing the capacity of the trash cans, staff will spend less time emptying trash cans and can focus on other duties throughout Old Town. In addition, the compactors have built in sensors that communicate real-time status of trash levels to staff and alert them when the trash needs to be emptied, virtually eliminating the need to check the trash several times a day. The increased trash capacity will also contribute to the cleanliness of Old Town.

Another benefit of the Bigbelly compactors is that the units can be wrapped in art. The panels on the front, sides and rear have the option to be covered with “wraps” which offer a terrific opportunity for an attractive artistic addition to our public spaces. Typical design, print and installation costs are approximately \$500 per unit. Staff is working with the Art in Public Places committee to determine if this would be a good project to be funded with Art in Public Places funds.

If approved, the new Bigbelly service is anticipated to help augment our day to day maintenance operations by reducing the frequency in which staff will have to replace trash liners and empty trash bins. This will also help promote environmentally friendly habits by recycling bottles and cans when possible. Lastly, this addition will provide an aesthetic upgrade to the community by replacing old standard trash cans with attractive and artistic receptacles.

**ENVIRONMENTAL IMPACT:** The execution of this agreement has no environmental impact.

**FISCAL IMPACT:** The annual cost for leasing and maintaining six (6) Bigbelly solar trash compactors is \$10,584.

Funding for that cost is available through the CalRecycle Beverage Container Recycling Grant. CalRecycle Grant Manager has approved the City’s expenditure plan and fiscal management for utilizing future grant funding, and we anticipate that we will receive around \$9,000 - \$10,000 / year in CalRecycle grant funds. The additional funding needed to complete this project is estimated at between \$1,000 - \$2,000 / year, which is available in the City’s Park Maintenance budget. An overview of the fiscal impact associated with this initiative is as follows:

Expenditure Plan	Annual	Term	Total
Cost for lease and maintenance of 6 Bigbelly solar compactors	\$10,584	5 year lease	\$52,920
Shipping Cost		One-time fee	\$1,629
<b>Total Expenditure over 5 Years</b>			<b>\$54,549</b>

  

Funding Plan	Annual	Term	Total
CalRecycle Beverage Container Recycling Grant	\$9,000-\$10,000	5 year commitment	\$45,000-\$50,000
Park Maintenance and Operations Fund	\$1,000-\$2,000	FY 17/18 – FY 22/23	\$5,000-\$10,000
<b>5 Year Funding Plan</b>			<b>\$50,000-\$60,000</b>

**OPTIONS:** The following options are provided for the City Council’s consideration:

1. Approve the services agreement with Bigbelly Inc., for maintenance, software and leasing of six (6) solar compactors.
2. Do not approve the services agreement and provide staff with additional direction.

**RECOMMENDATION:** Staff recommends Option 1, thereby approving the services agreement with Bigbelly, Inc., for maintenance, software and leasing of six (6) solar compactors.

**COUNCIL ACTION REQUIRED:** If Council concurs, the appropriate action would be a motion to approve the services agreement with Bigbelly, Inc., for maintenance, software and leasing of six (6) solar compactor units for the period ending July 30, 2022, and authorize the City Manager to execute the necessary documents in a form approved by the City Attorney.