



Legislation Details (With Text)

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Title: Consideration of a Resolution Approving Amendment No. 1 to the Big Belly Solar, Inc., Agreement to Extend the Current Three Year Lease for an Additional Three Years, and to Increase the Number of Trash Units from Seven to Eight, for a Total Expenditure of \$86,100 (Public Works Director Katsouleas).
ADOPT RESOLUTION NO. 20-0141

Sponsors:

Indexes:

Code sections:

Attachments: 1. Resolution No. 20-0141, 2. Amendment No. 1 - Big Belly Solar, Inc., 3. Agreement - Big Belly Solar, Inc. (2018)

Date	Ver.	Action By	Action	Result
12/1/2020	1	City Council Regular Meeting		
12/1/2020	1	City Council Regular Meeting	adopted	Pass

TO:
Honorable Mayor and Members of the City Council

THROUGH:
Bruce Moe, City Manager

FROM:
Stephanie Katsouleas, Public Works Director
Anna Luke-Jones, Public Works Senior Management Analyst

SUBJECT:
Consideration of a Resolution Approving Amendment No. 1 to the Big Belly Solar, Inc., Agreement to Extend the Current Three Year Lease for an Additional Three Years, and to Increase the Number of Trash Units from Seven to Eight, for a Total Expenditure of \$86,100 (Public Works Director Katsouleas).
ADOPT RESOLUTION NO. 20-0141

RECOMMENDATION:
Staff recommends that City Council adopt Resolution No. 20-0141 approving an amendment with Big Belly Solar, Inc., to extend the current three-year agreement an additional three years, and to increase the number of solar trash units from seven to eight, for a total expenditure of \$86,100.

FISCAL IMPLICATIONS:
The monthly cost of \$266 for each trash and recycling unit will remain the same during the new three-year lease period, beginning in August, 2020, for a three-year total of \$86,100, when including taxes

and shipping and rental of the new unit under the current contract term for up to six months. Big Belly Solar, Inc., will also provide the City with free foot pedal and wrap upgrades, valued at \$21,200 over three years, as an additional incentive if the City commits to extending its lease before December 31, 2020.

BACKGROUND:

As part of Downtown's maintenance enhancements strategy, City Council directed staff to replace seven high use/volume public trash cans in downtown Manhattan Beach with Big Belly solar compactors. In August 2018, the duo-unit compactors (trash and recycling, side by side) were installed under a three-year lease agreement, which expires in August 2021. Prior to the Big Belly installations, trash and recycling cans at several downtown "hot-spot" locations had excessive overflow issues and were being serviced two to three times per day, seven days per week. Once the Big Belly compactor units were installed, service levels reduced and overflow issues were eliminated because they hold up to three times more trash than traditional City trash cans. The seven Big Belly units installed now only require service every one to two days, and the sensors inside the cans alert Waste Management when they are nearing capacity.

Feedback from the Downtown Manhattan Beach Business + Professional Association (DBPA) has been very positive. The units have eliminated the problematic overflow areas and reduced the presents of flies and odors. Additionally, the City has been very happy with the performance of these units and plans to continue utilizing the compactors given their success in addressing some of the historic trash challenges downtown.

It is worth noting that Big Belly does not sell its units. They are only available as a lease option, and they provide all the maintenance necessary as part of the lease costs.

DISCUSSION:

Additional Big Belly Unit

Staff recommends that City Council consider approving installation of one addition Big Belly solar compactor downtown, adjacent to Paradise Bowl on Manhattan Avenue. This establishment is a very popular takeout venue, and as such generates quite a bit of trash during the peak summer and shoulder months. It has become evident that an additional Big Belly unit is needed give the overflow problem with the City's existing, traditional trash cans in that immediate vicinity. Staff expects the same level of success with trash management that the other Big Belly locations have achieved, and the DBPA is very supportive of this proposal. Installation of the new duo trash and recycling unit would occur in spring 2021 after it is ordered, wrapped and delivered.

Big Belly Lease Renewal

Recently, Big Belly Solar, Inc., reached out to City staff and offered to maintain the current monthly lease price of \$266 per unit and to provide additional upgrades, valued at \$21,200, at no additional cost, if the City would commit to extending its lease an additional three years at the end of its current lease in August 2022. The new lease would be effective from August 2021 through August 2024. The upgrades offered include replacing the doors to add a foot pedal and rewrapping the graphic wrap on the new doors. The new doors will have both the existing, traditional pull down bar for manual disposal and the new automated foot pedal option for "hands free disposal" (see attachment). If the City elects to wait until next summer to execute a new lease agreement for the eight units, it would pay a higher lease price for installation of the foot pedal upgrade and new wrapping of the units, which is estimated to be \$350 per unit.

Given the impacts of COVID-19, staff was already considering selecting the two-option disposal doors for the next lease term. By committing to extend the lease now for a start date in August 2021, the City will receive these enhancements for free and the new foot pedal doors will be installed in spring 2021 rather than next fall.

Therefore, staff recommends that City Council approve a \$86,100 contract amendment extending the terms of the lease with Big Belly Solar, Inc., for an additional three years, beginning in August, 2021, and authorize the procurement of one additional unit under the current lease, expected to be delivered in March, 2021.

PUBLIC OUTREACH:

The Downtown Manhattan Beach Business + Professional Association was consulted on the location for the additional unit and supports its installation. No other public outreach was conducted on this agenda item.

ENVIROMENTAL REVIEW:

The City has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a "Project" as defined under Section 15378 of the State CEQA Guidelines; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines the activity is not subject to CEQA. Thus, no environmental review is necessary.

LEGAL REVIEW:

The City Attorney has reviewed this report and determined that no additional legal analysis is necessary.

ATTACHMENTS:

1. Resolution No. 20-0141
2. Amendment No. 1 - Big Belly Solar, Inc.,
3. Agreement - Big Belly Solar, Inc. (2018)