

**CITY OF EL PASO, TEXAS
AGENDA ITEM
DEPARTMENT HEAD'S SUMMARY FORM**

DEPARTMENT: Environmental Services

AGENDA DATE: March 1, 2011

CONTACT PERSON/PHONE: Ellen Smyth – Director, Environmental Services (915) 621-6719
Bruce Collins – Purchasing Manager (915) 541-4313

DISTRICT(S) AFFECTED: All

SUBJECT:

Award the following solicitation: 2011-178 – Solar Trash Compactors
To: ExerPlay, Inc. of Cedar Crest, NM
Total Estimated Expenditures: \$346,224.08 for 91 units

BACKGROUND / DISCUSSION:

The Environmental Services Department is recommending that the Purchasing Manager be authorized to issue a Purchase Order(s) to ExerPlay, Inc., a contractor under Texas Association of School Boards (TASB) BuyBoard Contract #346-10 (Parks, Recreation & Field Lighting Products & Installation), for BigBelly Solar Trash Compactors. BigBelly Solar is the only manufacturer of solar-powered trash compactors. These trash compactors will be used to replace the existing trash cans in the Golden Horseshoe shopping district and Yucca Park. The additional capacity in these cans will allow the Environmental Services collection personnel to empty these cans less frequently. Environmental Services estimates that use of this technology will save 1045 staff/vehicle hours per year, reduce operational costs by \$94,550, eliminate 67 tons of CO2, and save 6,056 gallons of fuel per year. This project will be fully funded by the City's Energy Efficiency and Conservation Block Grant.

PRIOR COUNCIL ACTION:

N/A.

AMOUNT AND SOURCE OF FUNDING:

Department: Environmental Services
Amount: \$346,224.08
Funds Source: Energy Efficiency and Conservation Block Grant

BOARD / COMMISSION ACTION:

N/A.

*****AUTHORIZATION*****

DEPARTMENT HEAD: _____



Department Cooperative Purchase Memo

To: Edward Hyatt, Purchasing Division

From: Marty Howell, Environmental Services

Date: February 14, 2011

Re: Texas Association of School Boards (TASB) BuyBoard Contract No. 346-10 (Parks, Recreation & Field Lighting Products & Installation)

The Environmental Services Department recommends utilizing Texas Association of School Boards (TASB) BuyBoard Contract No. 346-10 (Parks, Recreation & Field Lighting Products & Installation) to issue a \$346,224.08 purchase order to ExerPlay, Inc. for BigBelly Solar Trash Compactors. The following are the factors used to evaluate the use of this procurement program as the best approach:

1. *Is there an urgent need for the product/service? In other words, is time of the essence?*

Yes- there is a need to draw down grant funding to meet Federal requirements.

2. *Does the purchase through the Program promote the standardization of equipment?*

Yes. Upgrading all the downtown and Yucca Park trash receptacles to a common product will simplify operations and minimize maintenance requirements.

3. *Does the purchase through the Program support local business? If not, is there a comparable product/service available locally?*

No. There are no local products or alternatives.

4. *Do the available vendors have prior work experience and/or familiarity with the City?*

Yes. The purchase of playground equipment from this vendor was authorized by City Council on March 23, 2010 and on October 12, 2010. Regarding this purchase, a unit is already in place at the El Paso Zoo and the Environmental Services Department has trialed a unit in the downtown area in order to verify performance.

5. *Is the pricing reasonable as compared to other similar products/work performed for the City of El Paso in the past or as quoted from other companies?*

Price reasonableness has been established because the cooperative purchasing agency used a competitive bidding process in the awarding of the contract. Also, The City of Laredo made a similar purchase of 25 BigBelly solar receptacles from the same vendor (ExerPlay, Inc.) for the same sliding-scale price (based on quantity) on August 16, 2010.

The participation by the City of El Paso in the Texas Association of School Boards (TASB) BuyBoard was approved by Mayor and City Council on August 21, 2007. The standard factors used to determine the use of a Cooperative Purchasing program were approved by City Council on June 24, 2008.

Mayor
John F. Cook

City Council

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District 2
Susie Byrd

District 3
Emma Acosta

District 4
Carl L. Robinson

District 5
Rachel Quintana

District 6
Eddie Holguin Jr.

District 7
Steve Ortega

District 8
Beto O'Rourke

City Manager
Joyce A. Wilson

PO Box 1160
 Cedar Crest, NM 87008-1160
 Phone: (505) 281-0151
 Fax: (505) 281-0155
 Toll Free (800) 457-5444
 Email: gail@exerplay.com
 Visit www.exerplay.com



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QUOTATION

DATE	NUMBER
2/1/2011	GG020111-2

NAME / ADDRESS		PURCHASE ORDER TO BE ISSUED TO		
City of El Paso Attn: Marty Howell howellem1@elpasotexas.gov		ExerPlay, Inc. PO Box 1160 Cedar Crest, NM 87008-1160 Please fax a copy to ExerPlay at 505-281-0155		
SHIPPED VIA	TERMS	REP	FOB	EST. SHIP DATE
Common Carrier	Progress ...	NT	El Paso, TX	3 weeks ARO
PLEASE MAKE PURCHASE ORDER TO EXERPLAY, INC. - SEE ABOVE				
ITEM	DESCRIPTION	QTY	COST	TOTAL
	El Paso Big Belly			
BigBelly	BigBelly Solar Compactor - Black.*	91	3,595.00	327,145.00T
BigBelly CLEAN	BigBelly Wireless Notification Hardware.	91	225.00	20,475.00T
	Sub-Total			347,620.00
DISC - BUY B...	Buy Board Discount, 346-10 @ 5%.		-5.00%	-17,381.00
BigBelly CLEAN	Communication Charge Per Month for 12 Months.**	91	95.88	8,725.08T
Freight	Freight/Shipping Charges.	1	7,260.00	7,260.00T
Notes	<p>*Each BB3 System includes 2 front door keys, 2 magnetic key fobs, and a quick start guide.* **CLEAN is a cellular based service and requires an adequate cell phone signal to operate successfully. Please confirm you have signal coverage at the installation locations before purchasing a CLEAN contract.**</p> <p>Pricing is for the above listed equipment only and does not include installation, additional insured addendum, off loading of equipment at time of delivery, storage, security, site preparation, security fencing, or any applicable taxes, bonds or permits.</p> <p>Pricing is good for 30 days.</p>			0.00
IF YOU ARE TAX-EXEMPT, PLEASE PROVIDE A TAX-EXEMPT CERTIFICATE ADDRESSED TO EXERPLAY, INC.				
<i>Gail Garcia</i>			TOTAL	\$346,224.08



Prepared By:
Liam Reitz
February 1, 2011

COST SAVINGS ANALYSIS

Prepared For:
City of El Paso
Company Contact:
Marty Howell
Collection Route:
Downtown Collection

Input customer data in yellow.

Current Collection System					
Number of bins in target area	91	<i>bins</i>	Total route time (including travel from garage)	2.3	<i>hours</i>
Size of each bin	48	<i>gallons</i>	Vehicle cost/hour fully loaded (US Gov't FEMA)	\$55.00	
Number of collections each week	14		# of people on collection route	2.0	
Time needed to collect each bin	1.5	<i>minutes</i>	Labor rate including benefits	\$ 17.00	
Total Labor Rate (including benefits)	\$ 34.00		Capacity available (per week)	61,152	<i>gallons</i>

BigBelly Collection System (Proposed Data)					
		<i>Collection ratio (target 4-7 to 1):</i>		2.8	<i>to 1</i>
Number of bins in target area	91	<i>bins</i>	Total route time (including travel from garage)	2.3	<i>hours</i>
Capacity of each BigBelly or Kiosk*	160	<i>gallons</i>	Cost of each BigBelly unit	\$ 4,000	
Number of collections each week	5	<i>each</i>	Total cost for BigBelly Collection System	\$ 364,000	
Time needed to collect each bin	1.5	<i>minutes</i>	Capacity available (per week)	72,800	<i>gallons</i>
Total Labor Rate (including benefits)	\$ 34.00		Capacity safety margin	19%	<i>extra capacity</i>

* BB Capacity averages 160 gal, each recycling module adds 60 gallons

Annual Cost of Current Collection System		
Total hours per year on route	1,653	<i>hours</i>
x Labor Rate (fully loaded)	\$ 34	
Annual Labor Cost:	\$ 56,187	
Vehicle - hours per year	1,653	<i>hours</i>
x Vehicle Cost (per hour fully loaded)	\$ 55	<i>FEMA rate</i>
Annual Vehicle Cost:	\$ 90,891	
Annual Vehicle Fuel Usage @: 5.7	9,420	<i>gallons**</i>
Total Annual Cost:	\$ 147,078	

** Fuel: Use 5.7 gal per hour in city, 4.7 for parks, 1.5 for pickup trucks

Annual Cost of BigBelly Collection System		
Total hours per year on route	590	<i>hours</i>
x Labor Rate (fully loaded)	\$ 34	
Annual Labor Cost:	\$ 20,067	
Vehicle - hours per year	590	<i>hours</i>
x Vehicle Cost (per hour fully loaded)	\$ 55	
Annual Vehicle Cost:	\$ 32,461	
Annual Vehicle Fuel Usage (<i>same truck type</i>)	3,364	<i>gallons</i>
Total Annual Cost:	\$ 52,528	
Annual Reduced Operating Costs:	\$ 94,550	
CO2 Emissions saved annually (Tons):	67	

Payback on BigBelly deployment			
<i>With 100% focus on cost reduction</i>		<i>With 100% focus on workforce productivity</i>	
Annual/Reduced Operating Costs:	\$ 94,550	Annual Reduced Operating Costs:	\$ 58,430
Ten-Year Cost Savings:	\$ 581,500	Ten-Year Cost Savings:	\$ 220,298
Payback Term:	3.85 years	Payback Term:	6.23 years
% reduction in operating cost:	64%	% reduction in operating cost:	40%
Net gain in productive hours (per week)		Net gain in productive hours (per week)	41 <i>hours/wk</i>
Net gain in productive hours (per year)		Net gain in productive hours (per year)	2,125 <i>hours/year</i>
Productivity gain over lifespan of machine		Productivity gain over lifespan of machine	21,247 <i>hours/lifetime</i>
Dollar value of productivity gain (lifetime)		Dollar value of productivity gain (lifetime)	\$361,202 <i>10 year value</i>

Optimized value hybrid payback:				
With weighted focus on:	Financial gain:	100%	Workforce productivity:	0%
	Ten Year Cash Savings:			\$ 581,500
	Gain in productive hours/week:			
	Gain in productive hours over lifetime:			
	Value of productivity gain over lifetime:			\$
	Total Value Created			\$ 581,500

Productivity gain equivalent:
- FTE's at 40 hours/week



Agenda Item #7A

City Council
March 1, 2011



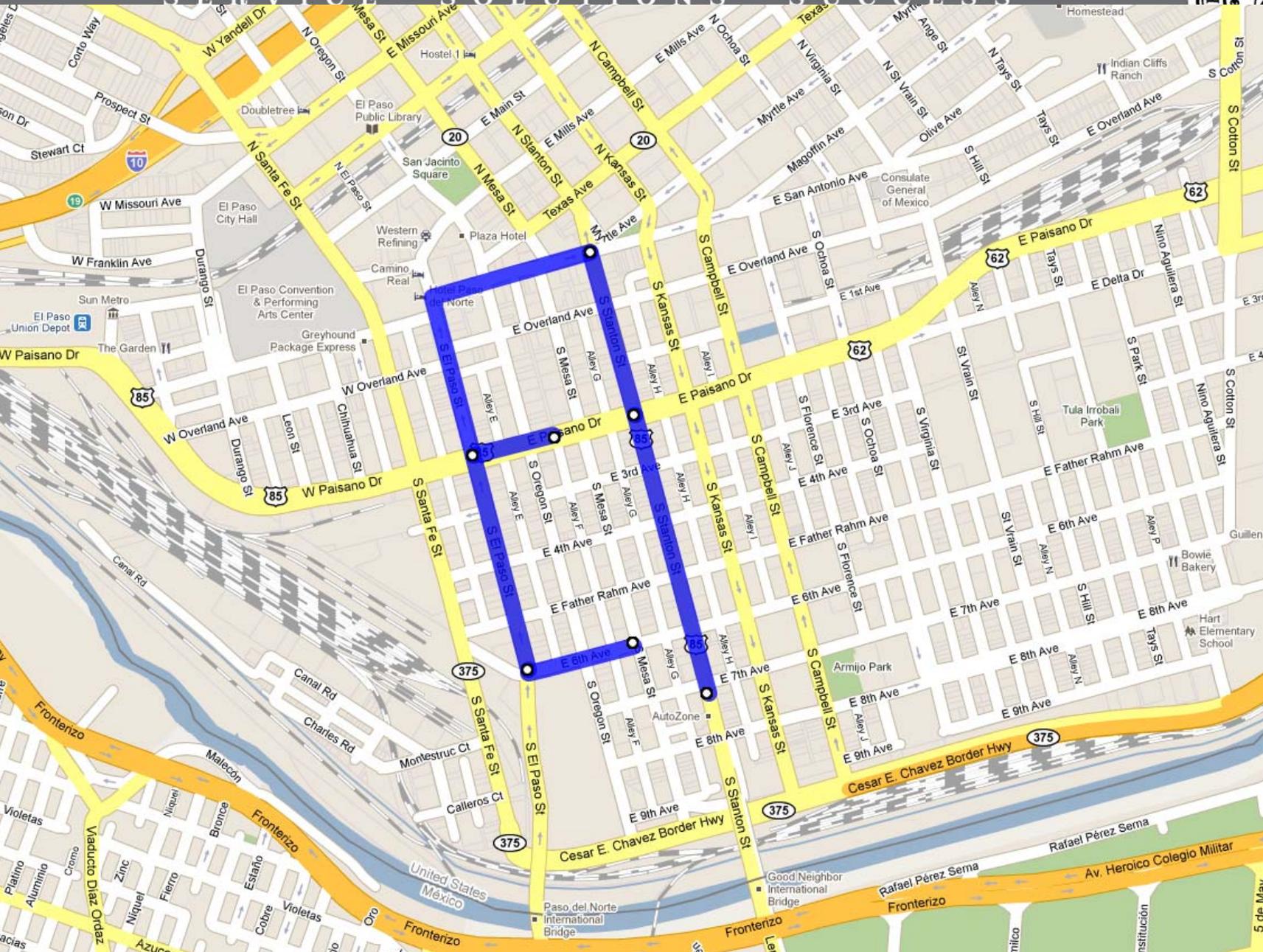
“Big Belly” Solar Compactors

- 91 cans
 - 73 along “Golden Horseshoe”
 - 18 around Yucca Park
- Rationale
 - Save time and money with less collection
 - ~1,000 hours per year (\$95,000)
 - ~6,000 gallons fuel

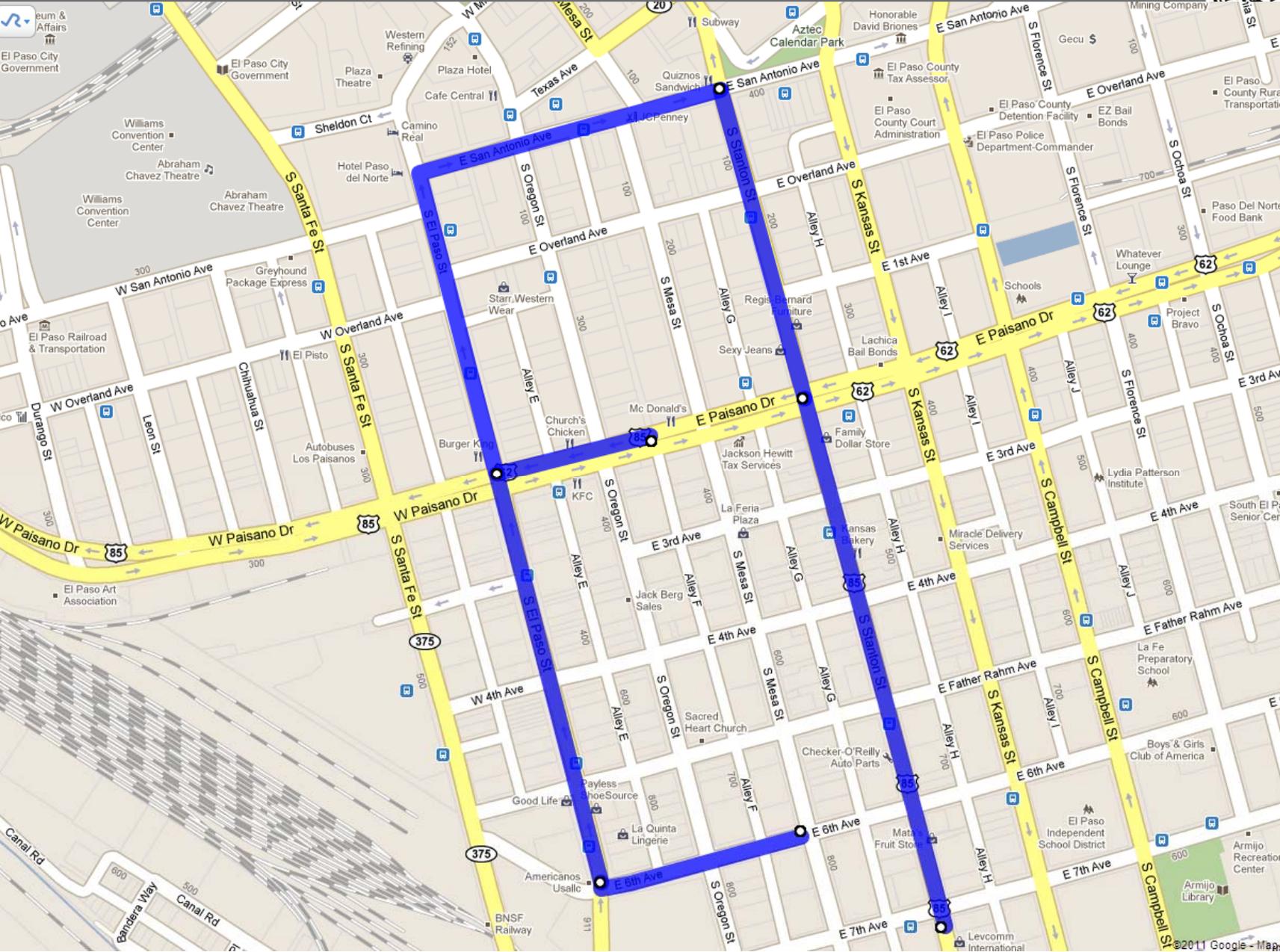


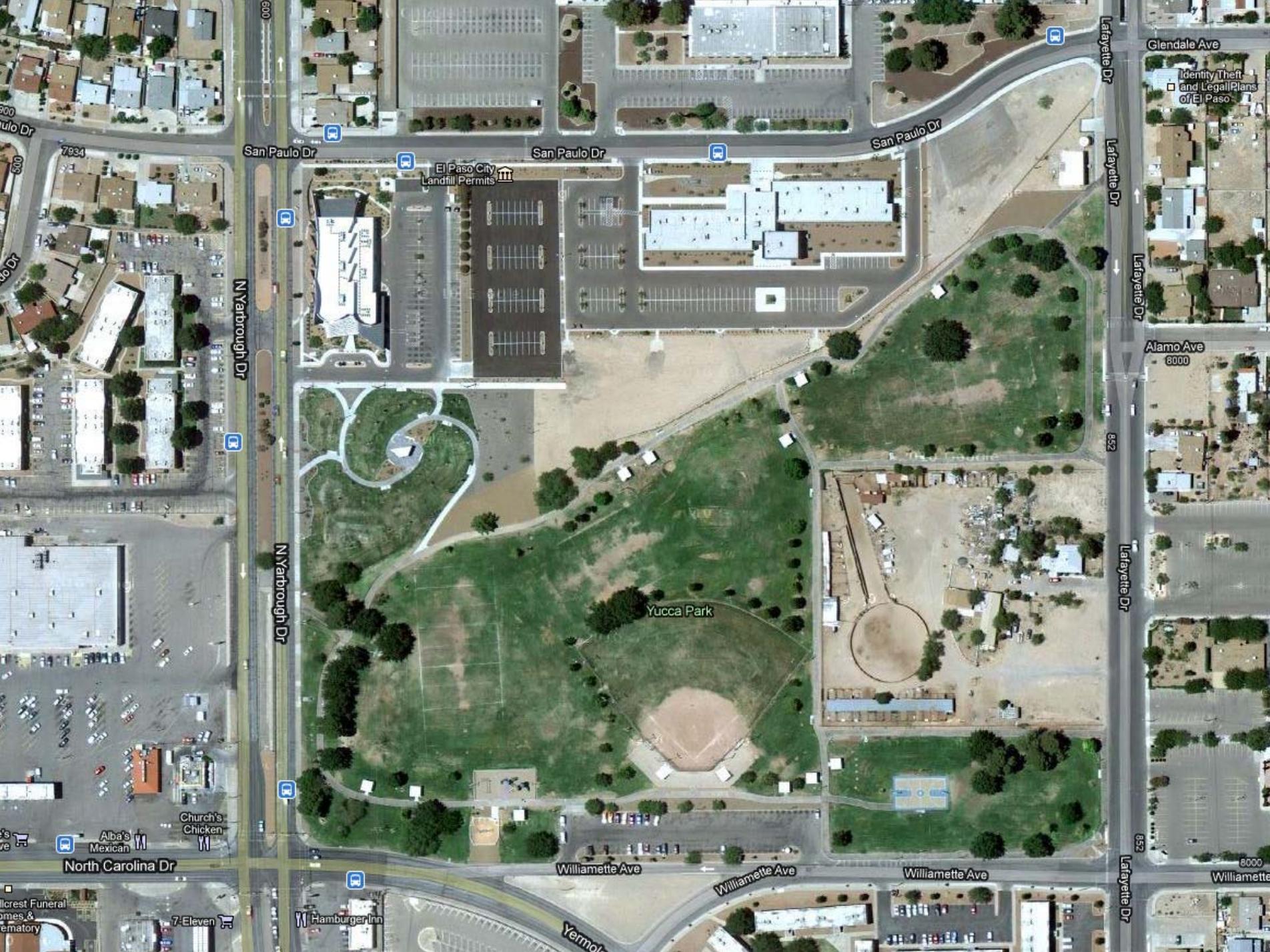


SERVICE SOLUTIONS SUCCESS



SERVICE SOLUTIONS SUCCESS





Glendale Ave

Identity Theft and Legal Plans of El Paso

San Paulo Dr

San Paulo Dr

San Paulo Dr

El Paso City Landfill Permits

Alamo Ave 8000

892

Yucca Park

Lafayette Dr

North Carolina Dr

Williamette Ave

Williamette Ave

Williamette Ave

Lafayette Dr

8000

Williamette

Yermol

Hamburger Inn

7-Eleven

Alcrest Funeral Homes & Crematory

Alba's Mexican

Church's Chicken



Questions / Comments