



MICHAEL N. FEUER  
CITY ATTORNEY

REPORT NO. R 1 4 - 0 0 8 2

MAR 1 4 2014

REPORT RE:

**DRAFT ORDINANCE RETITLING CHAPTER VI, ARTICLE 6; ADDING NEW SECTIONS 66.03 AND 66.33 TO 66.33.11 OF THE LOS ANGELES MUNICIPAL CODE RELATING TO THE COLLECTION OF SOLID WASTE FROM COMMERCIAL ESTABLISHMENTS AND MULTIFAMILY DWELLINGS; AMENDING SECTIONS 66.00, 66.00.1, 66.01, 66.02, 66.08.1, 66.08.3 THROUGH 66.08.6, 66.17.1, 66.23 THROUGH 66.25, 66.27 THROUGH 66.30, AND 66.32; AND REPEALING SECTIONS 66.01.1, 66.04, 66.06, 66.07, 66.08.2, 66.09, 66.10, 66.18 THROUGH 66.22, AND 66.26**

The Honorable City Council  
of the City of Los Angeles  
Room 395, City Hall  
200 North Spring Street  
Los Angeles, California 90012

Honorable Members:

Pursuant to your request, this Office has prepared and now transmits for your consideration the enclosed draft ordinance, approved as to form and legality, which establishes an exclusive waste hauling and recycling franchise system for commercial and multi-family properties within the City. The draft ordinance would: (1) retitle Chapter VI, Article 6 of the Los Angeles Municipal Code; (2) add new Sections 66.03 and 66.33 to 66.33.11, which relate to the collection of solid waste from commercial establishments and multifamily dwellings; (3) amend Sections 66.00, 66.00.1, 66.01, 66.02, 66.08.1, 66.08.3 through 66.08.6, 66.17.1, 66.23 through 66.25, 66.27 through 66.30, and 66.32; and (4) repeal Sections 66.01.1, 66.04, 66.06, 66.07, 66.08.2, 66.09, 66.10, 66.18 through 66.22, and 66.26.

### Background and Summary of Ordinance Provisions

Your Honorable Body requested that this Office prepare an ordinance for an exclusive waste and recycling franchise system for commercial and multifamily properties within the City. Consistent with your request, the enclosed draft ordinance creates eleven franchise zones within the City. Three of the franchise zones will be designed as “single” zones that may not be granted in combination with any other franchise zone. This is intended to promote the participation of smaller haulers in the new system. A request for proposal solicitation process will determine the companies who receive a franchise and each franchise agreement will be subject to City Council approval.

The draft ordinance also mandates diversion requirements for the franchise haulers in order to advance the City’s Zero-Waste goals. Franchise haulers will be required to provide every commercial and multifamily customer a container for recyclables at no extra cost and, upon customer request, a container for organics at a price that will be negotiated between the City and the franchisee.

In addition, the draft ordinance includes provisions to advance labor standards for the employees of franchise haulers, including: (i) requiring that franchisees comply with all of the requirements of an “employer” under the City’s Living Wage Ordinance (Los Angeles Administrative Code Sections 10.37, *et seq.*); (ii) designating the franchise agreement as a “contract” subject to the requirements of the City’s Contractor Responsibility Program (Los Angeles Administrative Code Sections 10.40, *et seq.*); and (iii) establishing whistleblower protections for the employees of franchisees.

Lastly, the draft ordinance updates provisions in Article 6 of the Los Angeles Municipal Code to incorporate modern terminology and compliment the new provisions establishing the exclusive franchise system, and it repeals other provisions that are obsolete.

The franchise agreements will address a number of operational issues, including provisions to ensure efficient routing plans and the use of GPS technology on hauling vehicles to track miles traveled. The vehicles will also be required to comply with the most stringent CARB and SCAQMD standards.

### CEQA Findings

Under separate cover, the Bureau of Sanitation will submit to you the Final Environmental Impact Report (FEIR) pertaining to the exclusive franchise system incorporated into the draft ordinance, as well as proposed findings required by the California Environmental Quality Act (CEQA), a proposed Statement of Overriding Considerations, and a proposed Mitigation Monitoring and Reporting Program. Upon consideration of the FEIR and the other documents, and if you concur with the

conclusions reached in the FEIR, you may comply with CEQA by taking the following actions prior to or concurrent with your action to approve the project by adopting the proposed ordinance:

1. CERTIFY that the FEIR for the City-Wide Exclusive Franchise System for Municipal Solid Waste Collection and Handling SCH No. 2013021052: (a) complies with CEQA; (b) reflects the lead agency's independent judgment and analysis; and (c) was presented to the City Council, which reviewed and considered the information in the FEIR before approving the project.

2. ADOPT the CEQA findings required under Public Resources Code Section 21081.

3. ADOPT the Statement of Overriding Considerations.

4. ADOPT the Mitigation Monitoring and Reporting Program.

5. SPECIFY the location and custodian of the documents or other material that constitute the record of proceedings upon which the lead agency's decision is based.

Council Rule 38 Referral

A copy of the draft ordinance was sent, pursuant to Council Rule 38, to the Bureau of Sanitation asking that it make any comments directly to the City Council when you consider this matter.

If you have any questions regarding this matter, please contact Deputy City Attorney John A. Carvalho at (213) 978-8184. He or another member of this Office will be present when you consider this matter to answer any questions you may have.

Very truly yours,

MICHAEL N. FEUER, City Attorney

By   
DAVID MICHAELSON  
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DM:JAC:pj  
Transmittal