

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) ADDENDUM and ENERGY AND ENVIRONMENT COMMITTEE REPORT relative to a request for authority to award contracts for the Zero Waste LA Exclusive Franchise System for commercial and multifamily solid waste collection and handling.

Recommendations for Council action:

1. CONSIDER the CEQA Addendum with the certified Program Environmental Impact Report (EIR) and FIND that the previously certified EIR (Council file No. 10-1797-S16) remains relevant.
2. FIND that the activities approved by the contract awards are within the scope of the project covered by the certified Program EIR, that the activities would not have effects the certified EIR did not examine, and that no new environmental document is required.
3. AUTHORIZE the Board of Public Works (BPW), on behalf of the Bureau of Sanitation (BOS), to execute a personal services contract for the City's Exclusive Franchise System for commercial and multifamily solid waste collection and handling with:

Arakelian Enterprises, Inc. (dba Athens Services aka Athens)
Consolidated Disposal Services, LLC (dba Republic Services or Republic)
Universal Waste Systems, Inc. (aka UWS)
USA Waste of California, Inc. (dba Waste Management aka WM)
CalMet Services, Inc. (aka CalMet)
NASA Services, Inc. (aka NASA)
Ware Disposal, Inc. (aka Ware)
4. FIND it is in the City's best interest to award one of the exclusive franchise contracts for commercial and multifamily solid waste collection and handling to Republic, an Arizona-based company, for the reasons outlined in the BOS report dated September 26, 2016, attached to the Council file.
5. REQUEST the BPW not to execute the contracts until January 31, 2017.
6. REQUEST the BOS to report to the Energy and Environment Committee in 30 days on:
 - a. Additional subcontracting opportunities that may be expected in the current contracts.
 - b. Progress made to expand outreach to potential subcontractors that can be added after the franchise awards are executed. Outreach should be to all types of businesses including, but not limited to, Women Business Enterprise, Minority Business Enterprise, Emerging Business Enterprise, Disabled Veterans Business Enterprise, Small Business Enterprise, and all other business enterprises, with added focus on sub-contractors with little or no previous government procurement experience.
7. REQUEST the BOS to seek amendments after the contracts are executed, to incorporate

additional subcontracting and outreach goals, so that meeting these goals are material requirements of the contracts, to the extent permitted by law.

8. NOTE and FILE the City Administrative Officer (CAO) reports dated November 2, 2016 and November 7, 2016 and the BOS report dated November 28, 2016.

Fiscal Impact Statement: The BOS reports that there is no impact to the General Fund. All costs associated with these contracts are between the Contractor (Franchisee) and the customer. The estimated overall value of these contracts is over \$3.5 billion for an initial contract term of ten years.

Community Impact Statement: None submitted.

TIME LIMIT FILE - DECEMBER 12, 2016

(LAST DAY FOR COUNCIL ACTION - DECEMBER 9, 2016)

Summary:

On December 7, 2016, the Energy and Environment Committee considered reports from the City Administrative Officer, the Board of Public Works, and the BOS relative to a request for authority to award contracts for the Zero Waste LA Exclusive Franchise System for commercial and multifamily solid waste collection and handling. The reports, attached to the Council file, provide background information and details on the proposed contracts. On November 2, 2016, the Committee considered the matter for discussion purposes only, and a report and powerpoint presentation on the components of the Program was provided by the BOS. After providing an opportunity for public comment, the Committee continued the matter and instructed the BOS to report back on a number of questions related to the Program and the RFP process. A report relative to the Committee's inquiries was submitted on November 28, 2016. In addition, the Committee requested the BOS and the BPW to work with interested parties on methods and approaches to address participation rates associated with women and minority businesses. That component is part of Council file No. 16-1235.

During the discussion of this item on December 7, 2016, representatives from the BOS and the City Attorney provided an overview of the Bureau's request and responded to related questions from the Committee members. After providing an opportunity for public comment, the Committee recommended that Council approve the recommendations detailed above. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

ENERGY AND ENVIRONMENT COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
MARTINEZ:	YES
BLUMENFIELD:	YES
KORETZ:	YES
CEDILLO:	YES
O'FARRELL:	YES



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