Collection of Solid Resources in the City of Los Angeles

Public Collection GLA Bureau of Sanitation

Private Collection 800 Permitted Haulers

Exempt Waste
Medical Waste & pharmaceutical
Radioactive
Recyclable sold or donated
Other specialty Waste

Exempt Waste
Construction and Demolition
700 Permitted Haulers

Commercial Waste
45 Waste Haulers

700 Contractor That Haul Their Own Waste

100 Construction and Demolition Waste haulers

Proposed Exclusive Franchise
? Waste Haulers

Percent of Commercial Waste Market Share
☐ Top 10 Waste Haulers
☐ Remaining 35 Waste Haulers

5%

95%
### Exhibit 16

**Exclusive vs. Non-Exclusive Service Arrangements**

<table>
<thead>
<tr>
<th>Impact Category</th>
<th>Attributes of an Exclusive Franchise</th>
<th>Attributes of a Non-Exclusive Franchise</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Diversion</strong></td>
<td>• Potential for higher waste diversion as a result of increased recycling requirements in the franchise agreement that may not be cost effective or accessible to all haulers in a non-exclusive system.</td>
<td>• Ability to offer specialized diversion programs tailored to specific customers with unique recycling requirements.</td>
</tr>
<tr>
<td><strong>Environmental</strong></td>
<td>• Increased routing efficiency reduces operations costs and minimizes adverse environmental impacts of solid waste vehicles from overlapping truck routes (such as traffic, noise, pavement damage and vehicle emissions). • Improved aesthetics (control of graffiti and litter; container specifications, quality and placement).</td>
<td></td>
</tr>
<tr>
<td><strong>Enforcement/Administration</strong></td>
<td>• Fewer haulers to monitor (performance and reports), resulting in a lower cost to the City to administer the franchise. • Ability to set and monitor higher minimum performance standards and reduce the risk of rogue operators.</td>
<td>• Avoids RFP process, which can be contentious and time consuming. • Typically fewer contract requirements to monitor • City may be able to implement non-exclusive commercial franchise without an RFP or phase-in requirements prior to expiration of a 5-year notice period.</td>
</tr>
<tr>
<td><strong>Business</strong></td>
<td>• Competition occurs through the RFP process every five to ten years. • All customers pay the same price for the same service (city approves or regulates rates). • Favorable for haulers to invest in new or existing infrastructure. • Routing efficiencies could result in an overall reduction in the contractor’s cost of providing service.</td>
<td>• Promotes competition for individual customers based on price and service (City does not set rates). • Customers have choice of service providers and may change haulers if not satisfied. • Avoids temporary transition issues to an exclusive system (and recurring periodic transition issues when contractors are changed). • Smaller haulers (and new companies) have the ability to enter the market and grow into significant competitors. • Ability to offer unique services tailored to specific customers. • Other service providers may be available to customers during a work stoppage.</td>
</tr>
</tbody>
</table>