

August 27, 2012



Councilmember Richard Alarcon, Chair
Ad Hoc on Waste Reduction & Recycling Committee
City Hall
200 No. Spring Street
Room 340
Los Angeles, CA 90012

2012 Executive Committee

RE: File No. 10-1797; 10-1797-S1; 10-1797-S2; 10-1797-S3; 10-1797-S4; 10-1791-S5,
10-1797-S6

Century City Chamber of Commerce
Susan Bursk
President & CEO

Mark Garcia Consulting
Mark Garcia
Chairman of the Board

L.A. Realty Partners
Owen Fileti
Senior Vice President

TroyGould PC
Louis Dienes
Treasurer

Chelsea Design Group, Inc.
Susan Coddington
Secretary

HS Consulting
Harris Sperling
Director at Large

Century Park/CB Richard Ellis
Renee Watkinson
Director at Large

Gainsborough Capital LLC
Jean Tardy-Vallernaud
Director at Large

ABM Industries, Inc.
Carey Doss
Director at Large

Holwick Constructors, Inc.
Mike Holwick
Director at Large

Kindel Gagan
Samantha Martinez
Immediate Past Chair

Dear Councilmember Alarcon and Honorable Committee Members:

On behalf of the Century City Chamber of Commerce, which represents almost 50,000 employees and 5,000 residents, I am writing to express our position on the proposed plan to create an exclusive franchise system in the City of Los Angeles.

The Chamber OPPOSES an exclusive franchise system as we believe it will unnecessarily increase waste hauling costs to business and will reduce services provided. Similar exclusive systems have been instituted in other Southern California jurisdictions, Ventura and Santa Barbara to name two, and the costs of services and wait times for turnarounds have both increased. We also strongly believe due to experiences of members on our Board, the instances of illegal dumping will increase due to the lack of competition which ultimately will result in increased dumping fees and increased wait times.

The Chamber agrees with the City's goals of reducing truck traffic and vehicle emissions, higher diversion rates and promotion of safe working conditions; however, we believe that these goals can be achieved through a non-exclusive franchise arrangement.

Businesses and residents in Century City currently have outstanding recycling and green programs in place. For example, FOX Studios already exceeds the stated goals that the ordinance hopes to accomplish. FOX currently diverts 87% of their waste from landfills and aims at a target diversion of 90% by 2015.

Century Park, a large office complex, has a diversion rate of 51%. In 2011 Constellation Place recycled 160 tons of mixed paper, cardboard, bottles and cans. They also collected approximately 1,000 pounds of E-waste, recycled lamps and ballasts as well as about 85% of all construction waste. The Dining Terrace at Westfield Century City uses all reusable glassware, plates and utensils and has an onsite composter ensuring that food waste does not go to a landfill.

It is critical that our community is able to continue our unique green programs without significant cost increases or reduction in the service level our tenants and residents are used to receiving.

With much thanks and appreciation for your consideration.

Most sincerely,

Susan Bursk

Susan Bursk
President & CEO

Cc: Committee Members

August 27, 2012



Honorable Jose Huizar
Honorable Richard Alarcon
Co-Chairs, Energy and Environment and Ad Hoc on Waste Reduction and Recycling Committee
c/o City Clerk, Room 395
City Hall, 200 North Spring Street
Los Angeles, CA 90012-4801

RE: August 29 Committee Hearing
Agenda Item 1– Waste Hauler Franchise System

Dear Co-Chairs Huizar and Alarcon:

On behalf of the California Grocers Association (CGA), I urge you to move forward with the CAO recommended action of a non-exclusive waste franchise system. This practical solution can achieve strong environmental benefits, while protecting retailers with lower trash fees and a higher quality of service.

The California Grocers Association is a non-profit, statewide trade association representing the retail food industry since 1898. CGA represents approximately 500 retail member companies, many of which do business in Los Angeles. Collectively our members operate more than 6,000 retail food stores in California. Those outlets represent the breadth of diversity of California's retail food industry and include traditional supermarkets, convenience stores, wholesale merchandisers, and independent supermarkets. CGA represents many of the grocery companies operating in the City of Los Angeles.

Currently, both exclusive and non-exclusive franchise systems are implemented throughout California and we know from these cities' data that exclusive franchise systems raise prices and eliminate high quality customer service. In the grocery industry, where profit margins are slim, the resulting increase in trash rates under an exclusive franchise system could mean the difference of opening a store in another region, as opposed to the City of Los Angeles. Existing stores would have to make up for additional waste hauler costs by raising prices, or even cutting jobs. Our industry simply cannot afford higher service fees, especially when a temperate solution exists.

Under a non-exclusive franchise system the City would receive all of the same advantages of an exclusive system but with the benefits of lower implementation costs and the chance to gather general fund revenue five years sooner. The City of Los Angeles does not need to invent an outdated system with a huge, new bureaucracy to oversee it when our neighbors, including Los Angeles County, Long Beach and Pasadena have successful non-exclusive franchise systems already in place. Set the criteria for haulers to meet and allow any hauler with the ability to meet the criteria, to compete in the marketplace.



Additionally, a non-exclusive franchise system will allow the City to implement greater recycling and reporting requirements, clean fleet standards, work place safety oversight and tracking of hauling operations. At the same time, the non-exclusive franchise method allows small haulers to compete for business and consumers to negotiate for the best rates.

We urge the committee to move forward with the CAO recommended policy of a non-exclusive franchise system. We look forward to working with you throughout this process.

Thank You,

A handwritten signature in cursive script that reads 'Sarah P. Sheehy'. The signature is written in dark ink and is positioned below the 'Thank You,' text.

Sarah Paulson Sheehy
Director, Local Government Relations

cc: Members, Energy and Environment Committee
Members, Ad Hoc Committee on Waste Reduction and Recycling
Mr. Eric Villanueva, Legislative Assistant, City of Los Angeles