

Zero Waste LA Staffing Resources Plan

LASAN

Exclusive Franchise- Major Milestones

- November 14, 2012 City Council approved Exclusive Franchise System
- April 24, 2013 Council directed Sanitation to prepare an RFP for 11 zones
- April 15, 2014 Los Angeles Mayor Eric Garcetti signed into law the City solid resources collection program for businesses and large apartment buildings.
- October 29, 2014 Sanitation receives 15 proposals in response to the RFP.

Zero Waste LA Goals

As directed by the City Council and Mayor, the Franchise program needs to address the following goals:

- Meet the environmental goals of the City
 - Meet City's Zero Waste Goals and State requirements for waste diversion and mandatory recycling
 - Improve the City's air quality by improve efficiency of the City's solid waste system and ensuring clear air vehicles
 - Develop a Facility Certification Program
- Provide the highest level of Customer Service
- Create a consistent, clearly defined system, with fair and equitable rates
- Create a system that ensures long term competition
- Ensure reliable system infrastructure to provide uninterrupted service to customers
- Improve health and safety for solid waste workers

LA's Franchise System is the Largest in US History

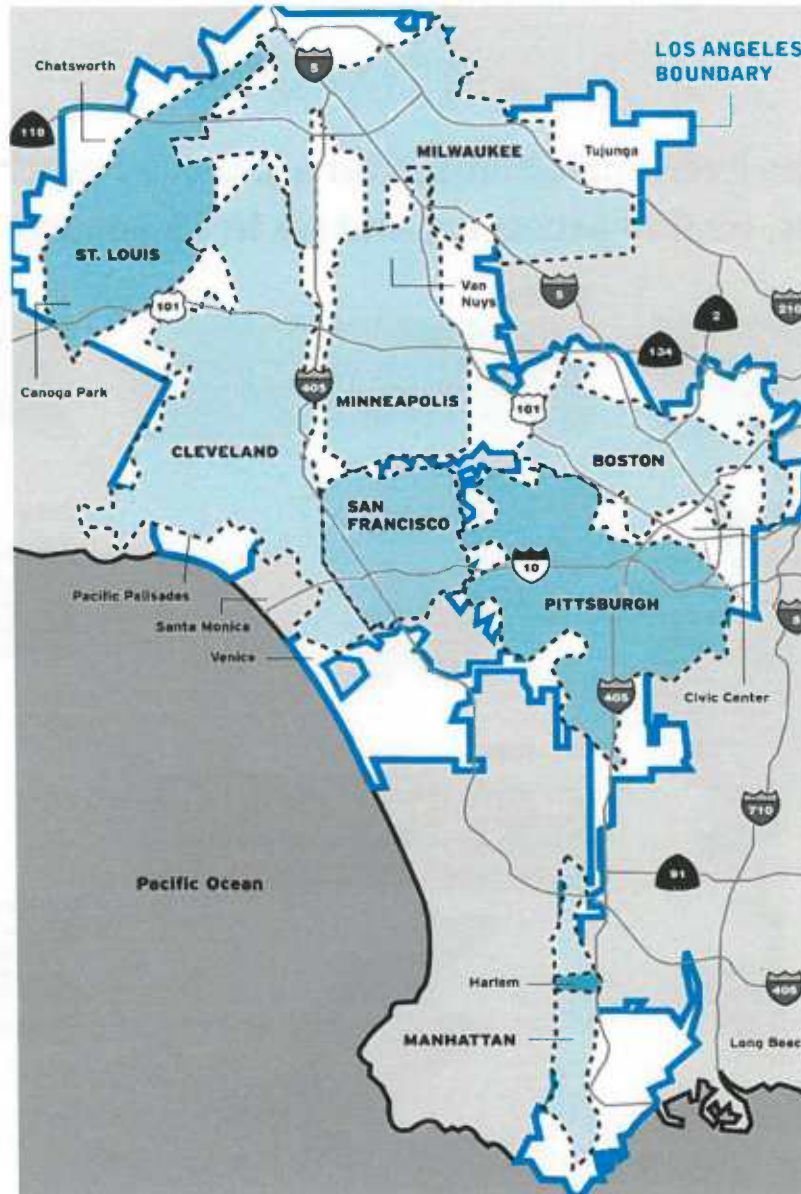
No City in the US has ever implemented an exclusive Franchise System of this scale – 11 collection zones, 63,000 accounts, and the potential for up to 11 separate Franchise Agreements

Administration of the System requires significant staff resources to provide a high level of:

- Customer Service – staff required at downtown Call Center and Field Inspections at Customer Sites
- Inspection of Contractor Facilities to Assure Safe Conditions and Compliance with Diversion Requirements of Franchise Agreements
- Compliance with Customer Billing and Payment Terms of Franchise Agreements

City of LA in Comparison To Other Cities

- Milwaukee
- St. Louis
- Cleveland
- Minneapolis
- Boston
- San Francisco
- Pittsburgh
- Harlem
- Manhattan

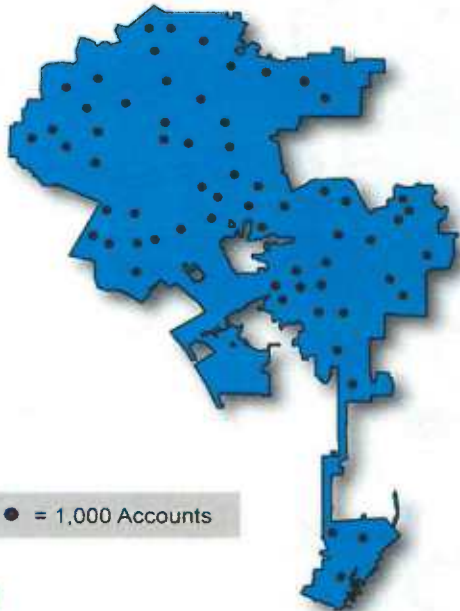


LA's Franchise System is the Largest in US History

No City in the US has ever implemented an exclusive Franchise System of this scale – 11 collection zones, 63,000 accounts, and up to 11 separate Franchise Agreements

Los Angeles

469 square miles
 Population: 3,857,000
 Number of Commercial Accounts: 63,000
 Diversion Rate: 72%



● = 1,000 Accounts

Seattle

142 square miles
 Population: 634,500
 Number of Commercial Accounts: 11,000
 Diversion Rate: 55%



San Jose

177 square miles
 Population: 984,000
 Number of Commercial Accounts: 9,600
 Diversion Rate: 73%



San Francisco

47 square miles
 Population: 825,000
 Number of Commercial Accounts: 16,800
 Diversion Rate: 75%



Fresno

112 square miles
 Population: 505,900
 Number of Commercial Accounts: 7,900
 Diversion Rate: 58%



Vancouver, BC

47 square miles
 Population: 165,500
 Number of Commercial Accounts: 2,500
 Diversion Rate: 65%



Zero Waste LA Resources Plan

- The City Council directed Sanitation to prepare a Staff Resources Plan to manage the requirements of the new exclusive franchise system.
- Development of the staffing requirements and resources needed to implement a new program of this magnitude required a significant effort to obtain benchmark information and calculate workloads.
- LASAN hired CH2M HILL to prepare a Staff Resources Plan, which was completed in August 2014.

Independent Analysis of Staffing Needs

- CH2M HILL performed an analysis of the resources required to implement the franchise to support:
 - Superior Customer Service – Including Call Center and Field Inspections at Customer Sites
 - Facility Certification - Inspection of Contractor Facilities to Assure Safe Conditions
 - Compliance with Diversion Requirements of Franchise Agreements
 - Compliance with Customer Billing and Payment Terms of Franchise Agreements
- CH2M HILL surveyed and benchmarked against 12 other cities
- CH2M HILL prepared detailed workload assumptions for each major function

Zero Waste LA Staff Resources Plan

Prepared by CH2M HILL

Differences between Residential and Commercial Service



Commercial Service is far more complex

Customer Service Representatives (CSR)

Key Assumptions	760.8 calls per day in steady state, 1,902 calls per day during transition
	6.5 minutes per call in steady state, 8 minutes during transition
	6.5 hours seat time per CSR in both steady state and transition, accounting for all types of leave (sick, vacation, holiday, City meetings and break policy)

Benchmarks	Assumes 6% of customers call per week in steady state based on Bellevue WA experience
	Assumes 15% during transition (no reliable benchmarks available for the transition period, though Seattle was receiving 1,000 – 2,000 calls a day for months during the implementation of its new system in 1990-1991)
	Call duration in steady state based on benchmark survey

Customer Service Representatives (CSR) Continued

Staff Request 17 regular FTEs

41 additional (temporary) FTEs during transition

1 Manager and 1 Administrative Assistant

Risks of
Inadequate
Staffing

Long customer wait times resulting in poor customer service and negative public perceptions of the Franchise System (DWP currently at 18 – 28 minutes average)

Delayed response to email, web and letter customer requests (DWP currently 11 days behind)

High call abandonment rates mean service requests/issues not addressed (DWP has 40% call abandonment rate currently)

Facility Certification

Key Assumptions

4.5 inspections per week in steady state (1 per day); 58 facilities that will require periodic inspections; each facility inspected 3 – 4 times/yr

1,980 minutes per inspection (33 hours) including travel, on-site inspection and report preparation

6.5 hours seat time per Inspector in both steady state and transition, accounting for all types of leave (sick, vacation, holiday, City meetings and break policy)

Benchmarks

Assumes 8 hour inspections based on New York's transfer station inspections (approximately 8 hour/month).

LA City AB939 Processor Certification program provided quarterly frequency with 3:1 ratio of office:field time

Facility Certification Continued

Staff Request 8 regular FTEs (7 Inspectors and 1 Industrial Hygienist)

5 additional (temporary) FTEs during transition

1 Manager and 1 Administrative Assistant

Risks of
Inadequate
Staffing

Facilities may not process or deliver materials as intended (i.e. overwhelmed MRFs fail to process all materials and dispose more materials than proposed), with potential media implications

Facilities operate in an unsafe manner and City is unaware and unable to prevent/mitigate potential danger to labor

City is unable to investigate and enforce Franchise System facility requirements

Customer Field Inspectors

Key Assumptions

Assumes 10% of calls require inspector on-site follow up for complaints regarding collection, graffiti, service, property damage, etc.

Assumes Inspectors needed for diversion/route review; Assumes 1,320 routes per week; Assumes 5% are inspected per week

Assumes 30 min drive time on each end of inspection, and 30 minutes speaking with the customer

6.5 hours seat time per CSR in both steady state and transition, accounting for all types of leave (sick, vacation, holiday, City meetings and break policy)

Benchmarks

There is a wide disparity in the number of inspectors required by jurisdiction

Seattle has 3 inspectors for 5,300 Multi-family and Condominium accounts, which would suggest the need for 36 in LA

Customer Field Inspectors Continued

Staff Request 48 regular FTEs

37 additional (temporary) FTEs during transition

3 Regional Managers and 3 Administrative Assistants

Risks of
Inadequate
Staffing

Reduced number of Inspectors reduces the City's ability to respond to resident and customer complaints that require on-site attention

Delayed on-site inspection and complaint response significantly reduces City's ability to provide effective customer service

Delayed or reduced on-site inspection significantly reduces City's ability to ensure and enforce Franchise System requirements (i.e. how will we know that the contractor has delivered recycling bins to every customer?)

Benchmarking Provides Some Helpful Data

Service Category	Representative Benchmark Cities		Proposed for Zero Waste LA	
Customer Service Reps	Vancouver 41,000 res. plus 4,000 comm. accounts	12 FTEs	63,000 commercial accounts	18 FTEs
Customer Field Inspections	Seattle 5,300 comm. accts	3 FTEs	63,000 commercial accounts	48 FTEs
Diversion & Facilities Inspection	New York 54 facilities	22 FTEs	50 - 70 Facilities	8 FTEs
Contract Mgmt & Financial	San Jose 1 hauler	1 FTE	8 - 11 haulers	12 FTEs

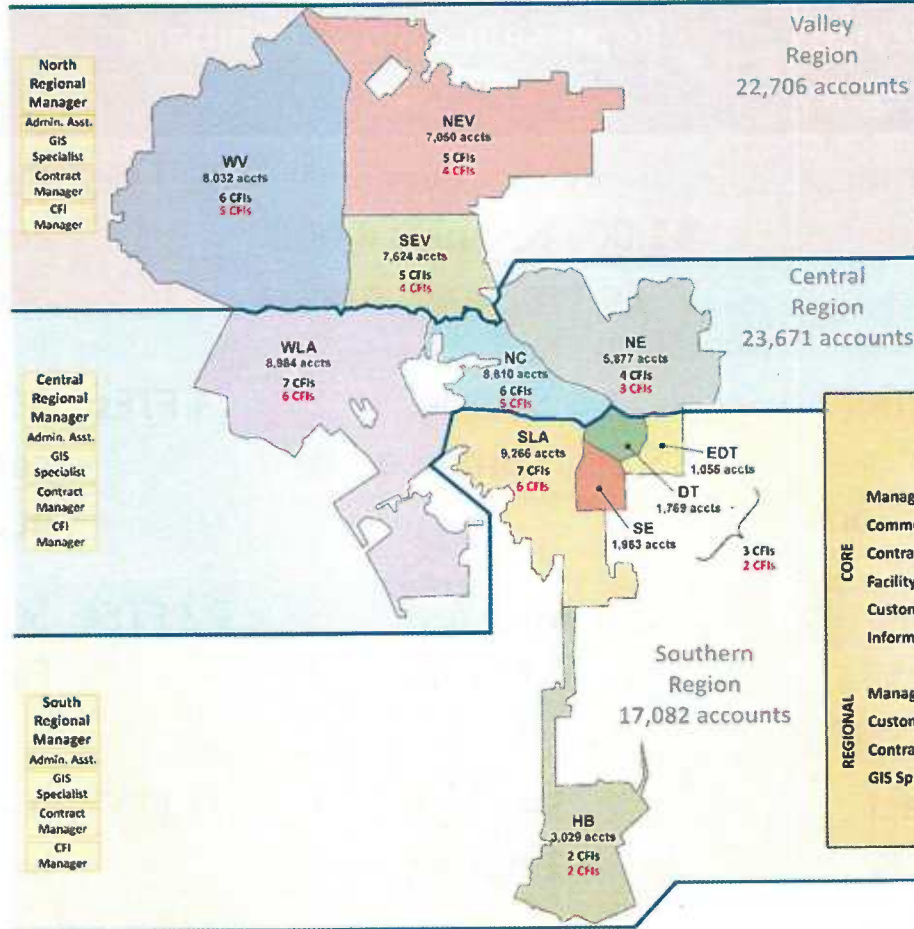
CH2M HILL - Franchise System Staff Recommendations

CORE STAFFING



Note:
Values in red font are for temporary transition period.

REGIONAL STAFFING



	STAFF COUNT	Long Term	Transition
CORE	Managers and Admin. Asst.	7	
	Community Outreach/Envir. (CO/E)	6	
	Contract Mgmt/Finance (CM/F)	10	
	Facility Inspectors (FI)	8	5
	Customer Service Reps (CSR)	17	41
	Information Technologists	4	1
	Core Subtotal	52	
REGIONAL	Managers & Admin. Asst.	6	
	Customer Field Inspection (CFI)	48	37
	Contract Managers	3	
	GIS Specialists	3	1
	Regional Subtotal	60	
	Total Staff	112	85

LASAN Staffing Plan

Immediate Program Tasks

There are a number of concurrent tasks that must be started now to meet the Zero Waste LA timeline goals.

- Development of Facility Certification Program
- Development of Information Technologies systems to support:
 - Customer Service, Contract Compliance, Inspections, and Financial
- Development of a plan and execution of community outreach with all education material
- Development of contract compliance procedures and protocols including liquidated damages assessment procedures
- Development of training materials for inspectors, auditors, and other staff

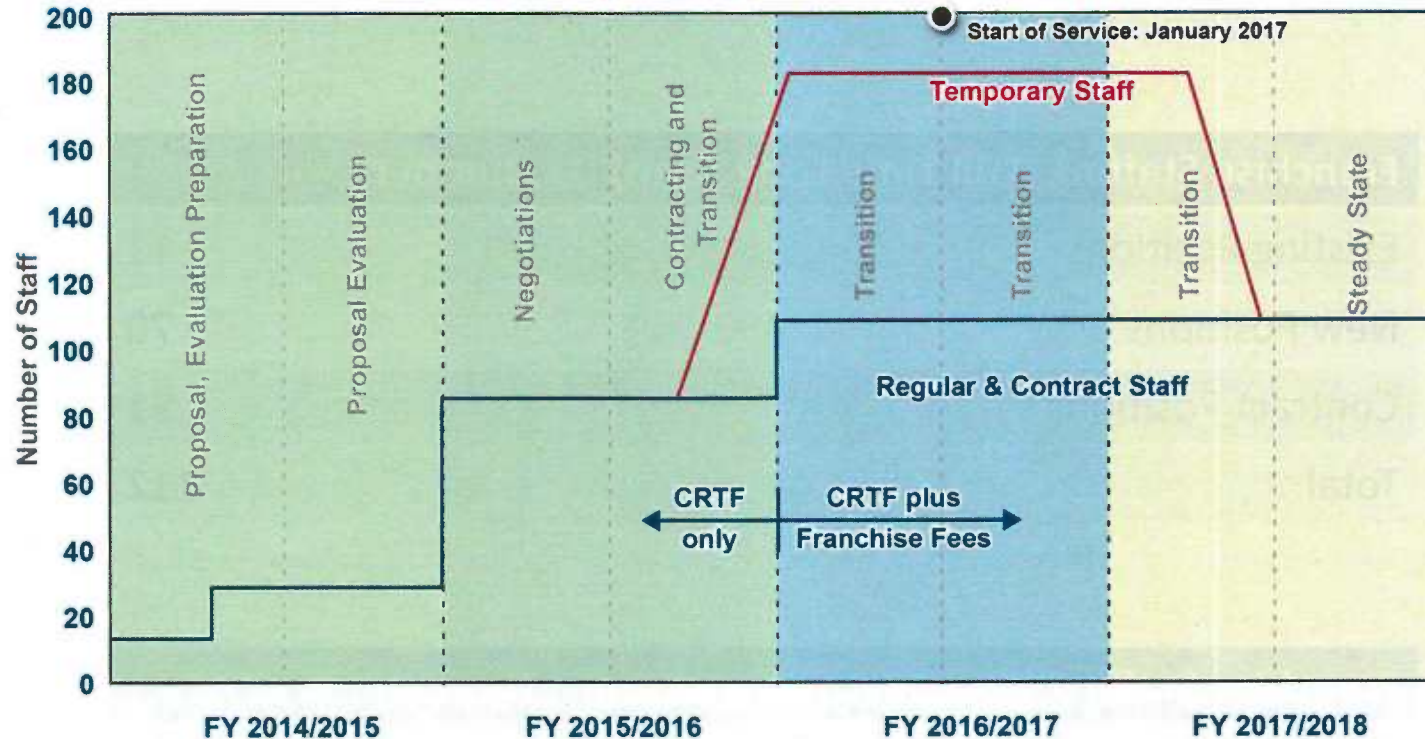
Current Franchise staff, with assistance from other LASAN staff and CH2M Hill, will be evaluating, negotiating, developing and awarding franchise contracts until late 2016

Zero Waste LA Staffing Summary

Franchise Staffing (Full Time Long Term)	Number
Existing Positions	11
New Positions	70
Contract Positions	31
Total	112

Franchise Staffing (Short Term Transition)	Number
Call Center as-needed	41
Field staff as-needed	37
Other as-needed	7
Total	85

LASAN's 3-Phase Plan



Phase I (January 2015)

(Current Fiscal Year Request)

- 16 Resolution Authorities

Phase II (Fiscal Year 2015-16)

(Requested in 15-16 budget)

- 36 Additional Staff
- Continuation of Resolution Authorities

Phase III (Fiscal Year 2016-17)

(Requested in 16-17 budget)

- 18 Additional Staff
- Continuation of Resolution Authorities



Note: "Temporary Staff" will be utilized as needed