

ORDINANCE NO. _____

An ordinance amending Sections 66.33 through 66.33.10 of Article 6, Chapter VI of the Los Angeles Municipal Code relating to the collection of solid waste from commercial establishments and multifamily dwellings.

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section 1. Section 66.33 of the Los Angeles Municipal Code is amended in its entirety to read as follows:

SEC. 66.33. PURPOSE.

Under the City's RENEW LA Plan, the City committed to reaching Zero Waste by diverting 70 percent of the solid waste generated in the City by 2013, diverting 90 percent by 2025, and becoming a Zero Waste city by 2030. State law currently requires at least 50 percent solid waste diversion and establishes a state-wide goal of 75 percent diversion by 2020. Moreover, state law requires mandatory commercial recycling in all businesses and multifamily complexes and imposes additional reporting requirements on local agencies, including the City. In order to meet these requirements and goals, increasing recycling and diversion in the commercial and multifamily waste sectors is imperative. The commercial and multifamily sectors produce most of the City's solid waste. Currently, a significant amount of commercial and multifamily solid waste generated in the City, including recyclables and organics, is going to landfills, resulting in unnecessary greenhouse gas emissions. The City has a responsibility under state law to ensure effective and efficient waste and recycling service for its businesses and residents. The City will fulfill that responsibility most successfully, and also meet its own Zero Waste policy goals, by ensuring that its solid waste, including recyclables and organics, are collected, transported and processed in a manner that reduces environmental and social impacts on the City and the region.

An exclusive, competitive franchise system for the collection, transportation and processing of commercial and multifamily solid waste will aid the City in meeting its diversion goals by, among other things: (i) requiring franchisees to meet diversion targets; (ii) increasing the capacity for partnership between the City and solid waste haulers; (iii) allowing the City to establish consistent methods for diversion of recyclables and organics; (iv) increasing the City's ability to track diversion, which will enable required reporting and monitoring of state mandated commercial and multifamily recycling; (v) increasing the City's ability to ensure diversion quality in the processing facilities handling its waste and recyclables; and (vi) increasing the City's capacity to enforce compliance with federal, state, county and local standards.

An exclusive, competitive franchise system will also have other beneficial effects, including a reduction in adverse environmental impacts — unnecessary solid waste truck traffic as well as emissions and street degradation — and also protection of ratepayers, ensuring high customer service standards, and increase in solid waste hauler accountability.

As the City moves towards its Zero Waste goals through an exclusive franchise system, technology also should improve over the course of time to increase source reduction, recycling and composting, and diversion opportunities and capabilities. Relatedly, so too should the opportunities increase in number and diversity of qualified subcontractors to perform work industry-wide, including opportunities for development and mentoring of franchisees and subcontractors. The City has an interest in increasing the number and diversity of qualified personnel in the solid waste and recycling industry, especially as to those individuals available to service the City.

While the move to an exclusive franchise system will generate many benefits for the City and its residents, the change also will increase the risk that a labor dispute will interfere with collection services. To protect the City's interest in efficient and uninterrupted collection services, the City will require franchisees to produce evidence that they are parties to written, enforceable agreements that prohibit labor organizations and their members from engaging in picketing, work stoppages, boycotts or other economic interference with collection services.

Sec. 2. A new Section 66.33.7 is added to Article 6, Chapter VI of the Los Angeles Municipal to read as follows, and all subsequent sections are renumbered:

SEC. 66.33.7. SUBCONTRACTOR INFORMATION.

(a) Subcontractor utilization relating to each Franchisee's provision of collection services in its Franchise Zone(s) must be performed and reported consistent with the following requirements:

(1) Each Franchisee must submit quarterly reports to the Bureau of Sanitation regarding its use of subcontractors: subcontractor's name, address, phone number, status (such as Minority Business Enterprise, Women Business Enterprise, Emerging Business Enterprise, Disabled Veterans Business Enterprise, Small Business Enterprise, and all other business enterprises), subcontractor's City of Los Angeles Business Tax Registration Certificate number, dollar amount of subcontract work to be performed, description of subcontract work to be performed, and any other additional information as specified by the Bureau of Sanitation in writing not less than 60 days in advance of the report deadline;

(2) Each Franchisee must perform subcontractor outreach consistent with rules and regulations adopted by the Department of Public Works, Bureau of Contract Administration as the Designated Administrative Agency (DAA) to

define the outreach and/or good faith effort for and evaluations of any subcontractor additions and/or subcontractor substitutions for which prior written approval by the City is required, and subject to applicable law; and

(3) Each Franchisee must submit, at a minimum, quarterly reports to the Bureau of Sanitation of any current or anticipated subcontracting opportunities during the term of the franchise. Each Franchisee must use its best efforts to identify these additional subcontracting opportunities.

- i. The Bureau of Sanitation shall evaluate quarterly each Franchisee's performance in achieving best efforts to identify additional subcontracting opportunities to increase participation by subcontractors. The Bureau of Sanitation shall develop rules and regulations as to how to determine whether each Franchisee has made these best efforts and to assign monetary penalties for failure of any Franchisee to demonstrate best efforts. These rules and regulations shall be presented for approval to the Board.

(b) The City shall not exercise any option to renew a Franchise Agreement with a Franchisee who has not complied with the requirements in Subsection (a), or who has not made efforts to develop and mentor its subcontractors, conduct any additional outreach consistent with the operative rules and regulations since the award of the Franchise Agreement to increase and balance the diversity of its utilized subcontractors, or to meet or exceed the pledged participation of each subcontractor listed at award or added as a result of any additional outreach efforts.

Sec. 3. Section 66.33.10 (previously Section 66.33.9) of the Los Angeles Municipal Code is amended by changing the reference to 66.33.8 to 66.33.9.

Sec. 4. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that this ordinance was passed by the Council of the City of Los Angeles, at its meeting of _____.

HOLLY L. WOLCOTT, City Clerk

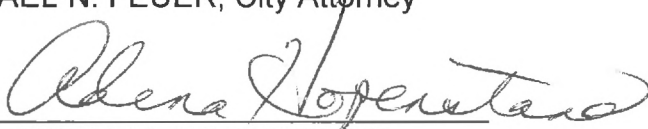
By _____ Deputy

Approved _____

Mayor

Approved as to Form and Legality

MICHAEL N. FEUER, City Attorney

By 
ADENA M. HOPENSTAND
Deputy City Attorney

Date 12/6/16

File No. _____