

ENERGY, CLIMATE CHANGE, AND ENVIRONMENTAL JUSTICE and BUDGET AND FINANCE COMMITTEES' REPORT relative to authorizing the Board of Public Works (BPW) to execute amendments to Personal Services Contracts with RecycLA service providers.

Recommendations for Council action:

1. AUTHORIZE the President or two Board Members of the BPW, or designee, to execute amendments to Personal Service Contracts for exclusive franchise to provide collection, transfer, processing and disposal for solid resources to commercial establishments and applicable multifamily establishments (RecycLA) with:
 - a. CalMet Services, Inc.
 - b. NASA Services, Inc.
 - c. Ware Disposal, Inc.
 - d. USA Waste of California, Inc., dba Waste Management
 - e. Arakelian Enterprises, Inc., dba Athens Services
 - f. Consolidated Disposal Service, LLC, dba Republic Services
 - g. Universal Waste Systems, Inc.
2. INSTRUCT the Chief Legislative Analyst (CLA) and the City Administrative Officer (CAO) to closely monitor the City's share of expenditures associated with the Removing Barriers to Recycling Program and report on its status at the end of each fiscal year (FY).

Fiscal Impact Statement: The BPW reports that the Citywide Recycling Trust Fund will have sufficient funds to support the Removing Barriers to Recycling Program through FY 2019-20. There will be no funding required from the General Fund through FY 2019-20.

Community Impact Statement: None submitted.

TIME LIMIT FILE - APRIL 16, 2019

(LAST DAY FOR COUNCIL ACTION - APRIL 16, 2019)

SUMMARY

At a Joint meeting held on February 19, 2019, the Energy, Climate Change, and Environmental Justice and the Budget and Finance Committees considered a BPW report dated February 15, 2019, relative to authorizing the President or two Board Members of the BPW, or designee, to execute amendments to Personal Service Contracts for RecycLA with: Calmet Services, Inc., NASA Services, Inc., Ware Disposal, Inc., USA Waste of California, Inc., Arakelian Enterprises, Inc., Consolidated Disposal Service, LLC and Universal Waste Systems, Inc.

During the course of the meeting, there was robust participation from the public during the public comment period amounting to 22 speaker cards on this particular item. Leadership and staff from the Bureau of Sanitation presented to the Committees on key points regarding the amendments to the Personal Service Contracts with the various RecycLA service providers. While the majority of the members voted to approve the item before them, there was consensus on a desire for future action steps to improve the program and address key underlying issues.

During the discussion, Councilmember Koretz stated his interest to introduce legislation in the coming days to launch an Organics Implementation Team that would address educational efforts for both customers and waste haulers so that by 2020, the City would roll out a world-class organics program. An organics program would provide an option for high grade compost which can be used by farmers, thereby decreasing methane leaks and pollutants to nearby neighborhoods. Councilmember Koretz also emphasized the importance of a consistent and strong organics education message across the City, so that all those involved are speaking with one voice. Finally, Councilmember Koretz also commented on the importance of closely monitoring the City's share of expenditures associated with the Removing Barriers to Recycling Program and conducting an administrative and financial review of RecycLA during the Rates Look Back period to determine RecycLA's effectiveness, rate status and ratepayer impacts.

Toward the end of the discussion, the Energy, Climate Change, and Environmental Justice Committee Chair, Nury Martinez, added an instruction to direct the CLA and CAO to closely monitor the City's share of expenditures associated with the Removing Barriers to Recycling Program requesting reports on its status at the end of each fiscal year, as detailed in recommendation no. 2 above.

After providing an opportunity for public comment, the Committees moved to approve the recommendations contained in BPW report as amended, as detailed above. This matter is now transmitted to the Council for its consideration.

Respectfully Submitted,

ENERGY, CLIMATE CHANGE, AND ENVIRONMENTAL JUSTICE COMMITTEE

| <u>MEMBER</u> | <u>VOTE</u> |
|----------------------|--------------------|
| MARTINEZ: | YES |
| KORETZ: | NO |
| KREKORIAN: | YES |
| CEDILLO | YES |
| O'FARRELL | YES |

BUDGET AND FINANCE COMMITTEE

| <u>MEMBER</u> | <u>VOTE</u> |
|---------------|-------------|
| KREKORIAN: | YES |
| PRICE JR: | YES |
| KORETZ: | NO |
| BONIN: | YES |
| BLUMENFIELD: | YES |

LC 02/19/19

-NOT OFFICIAL UNTIL COUNCIL ACTS-