

**TO THE COUNCIL OF THE
CITY OF LOS ANGELES**

Your

**ENERGY AND ENVIRONMENT
and
AD HOC ON WASTE REDUCTION AND RECYCLING Committees**

reports as follows:

ENERGY AND ENVIRONMENT and AD HOC ON WASTE REDUCTION AND RECYCLING COMMITTEES' REPORT relative to the Final Implementation Plan for an Exclusive Commercial and Multifamily Solid Waste Franchise Hauling System.

Recommendations for Council action:

1. ADOPT the following goals and actions for the Exclusive Commercial Franchise System, Final Implementation Plan as detailed in the April 12, 2013 Bureau of Sanitation (BOS) report as follows:
 - a. Meet the City's Zero Waste Goals.
 - 1) Blue Bin recycling, at minimum, at every customer site
 - 2) Preserve existing organic waste separation and recycling programs
 - 3) Offer green waste collection to all Multifamily customers
 - 4) Include Landfill disposal reduction targets in Franchise agreements with accountability for performance including liquidated damages
 - b. Meet and Exceed State requirements for waste diversion and mandatory recycling.
 - 1) Phase in Citywide organics diversion programs
 - 2) Encourage, through Request for Proposals (RFP) evaluation criteria, proposers to exceed required targets in their proposals by including innovative programs and new technologies.
 - c. Improve Health and Safety for Solid Waste Workers enforced by provisions in Franchise Agreements.
 - 1) City certification and inspection of all facilities
 - 2) Right to inspect facilities for compliance with appropriate rules and regulation
 - 3) Require compliance with Living Wage Ordinance provisions
 - 4) Require compliance with Service Contract Workers Retention Ordinance and First Source Hiring Ordinance
 - 5) Establish a City hotline for employee complaints, and protection from retaliation for reporting problems
 - d. Improve Efficiency of the City's solid waste system.
 - 1) Adopt the Exclusive Commercial Franchise Zone Map with 11 zones
 - 2) Require routing efficiencies in proposals, and monitor Vehicle Miles Traveled in franchise agreements

- e. Improve the City's air quality.
 - 1) Require late model low emission clean fuel vehicles
- f. Provide the highest level of Customer Service.
 - 1) Require contractors to use all forms of communication with their customers (call center, online, etc)
 - 2) Require extensive, ongoing outreach programs
 - 3) Include Customer needs and specialized services in RFP and franchise agreements
 - 4) Provide access to customer service data by Sanitation in order to evaluate performance and customer satisfaction
 - 5) Address Hospital and other special needs in the Franchise service requirements, and through continuing stakeholder involvement
 - 6) Establish an alternative for studios with the requirements to:
 - i. Use one of the franchise haulers
 - ii. Meet all franchise requirements such as, but not limited to, waste diversion, accurate reporting, payment of fees, and clean air vehicles
 - iii. Require third party auditing of all standards
- g. Create a consistent clearly defined system, fair and equitable rates and contingency plans to ensure reliable service.
 - 1) Include only a capped cost of living increase in franchise agreements
 - 2) Designate the uniform rate model as the preferred alternative, and allow Sanitation to negotiate the best practical and achievable model
 - 3) Include detailed contingency plans in each franchise agreement, and requirements that they be updated annually. Contingency plans shall include, at minimum:
 - i. Backup provisions in franchise agreements for each service zone
 - ii. Monetary penalties for a lapse in service in franchise agreements, such as performance bonds and liquidated damages provisions
 - 4) Exempt material types from the Exclusive Commercial Franchise System, including:
 - i. Medical waste
 - ii. Hazardous waste
 - iii. Radioactive waste
 - iv. Pharmaceutical waste
 - v. Construction and Demolition Debris
- h. Create a system that ensures Long Term Competition.
 - 1) Require compliance with City's Business Inclusion Program (MBE/WBE/OBE/DVE/EB Subcontracting)
 - 2) Designate three small Exclusive Franchise Zones geared towards smaller waste haulers
 - 3) Designate that no more than 49 percent of service may be performed by one company
- i. Ensure Sufficient Staffing to meet Program Goals.
 - 1) Continue AB939 fee as currently adopted
 - 2) Designate a City Franchise fee to achieve the City's fiscal goals

j. Ensure reliable system infrastructure to provide uninterrupted service to Customers.

- 1) Provide for infrastructure development sufficient for management of solid waste
2. DIRECT the BOS to begin the development of a RFP.
3. DIRECT the BOS to complete the California Environmental Quality Act (CEQA) process.
4. DIRECT the BOS to finalize the RFP as necessary upon Council consideration and approval of the CEQA documentation and Ordinance.

Fiscal Impact Statement: Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted.

SUMMARY:

At a joint meeting of the Energy and Environment and Ad Hoc on Waste Reduction and Recycling Committees on April 17, 2013, the Committees considered the April 12, 2013 BOS report relative to the Final Implementation Plan for an Exclusive Commercial and Multifamily Solid Waste Franchise Hauling System.

During the Committees discussion, representatives of the Board of Public Works and the BOS provided an overview and additional clarification on the BOS's Final Implementation Plan for an Exclusive Commercial and Multifamily Solid Waste Franchise Hauling System and responded to related questions from Committee members. After an opportunity for public comment and further consideration, the Committee members voted to approve the recommendations contained in the April 12, 2013 BOS report with the amendment to add the additional instructions as reflected on this report. This matter is now forwarded to the Council for its consideration.

Respectfully submitted,

ENERGY AND ENVIRONMENT
COMMITTEE

AD HOC ON WASTE REDUCTION AND
RECYCLING COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
HUIZAR:	YES
ZINE:	YES
LABONGE:	ABSENT
ALARCÓN:	YES
KORETZ:	ABSENT

<u>MEMBER</u>	<u>VOTE</u>
ALARCÓN:	YES
HUIZAR:	YES
KORETZ:	YES
KREKORIAN:	ABSENT