

**LOS ANGELES COUNTY
WASTE MANAGEMENT ASSOCIATION**

1851 East First Street, Suite 1220
Santa Ana, CA 92705-4052

March 11, 2013

Capri Maddox, President
City of Los Angeles
Board of Public Works
200 North Spring Street, Suite 361
Mail Stop 464
Los Angeles, California 90012-4801

Re: Franchise Implementation Plan

Dear Ms. Maddox

The members of our Association were very grateful for the opportunity to meet with you and Bureau of Sanitation staff on February 12th to generally discuss our concerns regarding the proposed exclusive franchise system for commercial solid waste collection. These same concerns were set forth in our letter of January 29, 2013 to Erin Knight, a copy of which was supplied to you.

At that time, we also learned from BOS staff that a draft of their proposed implementation plan was due to be formally released on February 20th as part of the staff presentation before a joint meeting of the Energy and Environment Committee and the Ad Hoc Committee on Waste Reduction and Recycling. Based on our review of the draft Implementation Plan, and testimony given at the February 20th hearing, we wish to offer the following additional comments and observations. This communication is intended to supplement our February 12 correspondence.

Zone Design. We submit that an effective and efficient system can only be crafted with the direct participation of the waste haulers themselves, for only they know where the boundary lines should be drawn achieve, to the extent possible, an equitable distribution of accounts and account revenue. Our members have an estimated 85% of the commercial waste business in the City of Los Angeles, and are uniquely suited to contribute to the design of the zone framework. That has not yet occurred.

Rates. Second, because the zones themselves will not be uniform (even those zones that may generate similar revenue will have a different account density and varying proximity to landfills and recycling centers), it is impractical for the City to seek uniform rates. Our

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members urge that allowance be made for differential rates, rates which are tailored to meet true costs, rather than utilizing a "one size fits all" approach which inevitably means some accounts or entire areas will subsidize others.

Subcontracting. While our members firmly support creating opportunities for small hauler participation in the new system, any system that relies on the subcontracting of waste collection service per se is likely to create a number of liability issues. Waste collection activity, including the operation of heavy duty vehicles, frequently entails a lot of contact with the general public. It must be undertaken with a great deal of care. Our members do not want to be placed in the position of having to answer for the carelessness of a subcontractor that may perform collection service improperly. The prime contractor would have no practical ability to control the subcontractor's use of equipment, nor effectively manage his/her personnel or performance. Accordingly, any subcontracting requirement should be limited to those aspects of the service that are unrelated to collection.

Similarly, we believe that any waste collector/hauler, regardless of size, should have a direct contractual relationship with the City. Small haulers can be easily accommodated by creating more, smaller franchise zones.

Incumbency. This issue is of such singular importance to us that we want to reinforce it here again. The LACWMA strongly urges that this franchise procurement either be limited to candidates with at least 5 years continuous service in the City of Los Angeles, or that their incumbency be recognized by an award of substantial extra credit in the ranking process. It is vital that the 5 years continuous service requirement should extend to the parent company (to dissuade someone from buying their way into incumbency by simply acquiring an existing permittee).

Mixed Waste Processing. Given the GHG emissions reductions and reduced vehicular traffic objectives of this franchise effort, we would urge that mixed waste processing remain eligible as one of several options available to a franchisee. That is, the City should remain neutral on the issue, and there should be no preference expressed for source –separated collection systems, provided the mixed waste alternative can demonstrate comparable diversion results on a system-wide basis.

Finally, we recognize that the City must follow a fairly aggressive time line if it is to have any chance of accomplishing its objectives in the near future. That being said, the LACWMA respectfully requests additional opportunities to meet with Bureau staff to discuss the issues listed above, those identified in our prior letter, and the general

LOS ANGELES COUNTY WASTE MANAGEMENT ASSOCIATION

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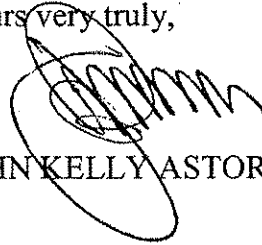
March 11, 2013

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structure of the new system which the City Council has directed staff to design and implement.

Please do not hesitate to call if you wish to discuss the contents of this letter.

Yours very truly,

A handwritten signature in black ink, appearing to read "John Kelly Astor", is written over a circular stamp or seal. The signature is fluid and cursive.

JOHN KELLY ASTOR

JKA:ag

cc: Enrique Zaldivar
Alex Helou
Karen Coca
Dan Meyer
LACWMA Board of Directors

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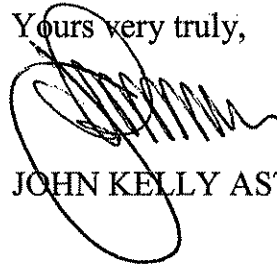
Finally, we recognize that the City must follow a fairly aggressive time line if it is to have any chance of accomplishing its objectives in the near future. That being said, we do not believe that the very waste industry members who are now providing this service throughout most of the City have been adequately involved in shaping the new system. We do not seek to place blame, only to reinforce the thought expressed at our last meeting with you, namely, that LACWMA members are a unique resource that should not be overlooked if the City of Los Angeles hopes to avoid a difficult transition and to streamline the evolution to a zoned system of collection.

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March 5, 2013
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Yours very truly,

A handwritten signature in black ink, appearing to read "John Kelly Astor", is written over a large, hand-drawn oval. The signature is somewhat stylized and cursive.

JOHN KELLY ASTOR

JKA:ag

cc: Enrique Zaldivar
Alex Helou
Karen Coca
Dan Meyers
LACWMA Board of Directors

March 20, 2013

Mr. Daniel K. Meyers, Assistant Division Manager
City of Los Angeles, Department of Public Works
Bureau of Sanitation
Solid Resources Recycling Division
1149 S. Broadway, 5th Floor, MS#944
Los Angeles, CA 90015-2213

E-Mail: san.franchisecomments@lacity.org

Subject: Notice of Preparation (NOP) of an Environmental Impact Report (EIR) for City Ordinance: City-Wide Exclusive Franchise System for Municipal Solid Waste Collection and Handling

Dear Mr. Meyers:

We are pleased to submit our written comments in response to the Notice of Preparation (NOP) concerning the City-wide Exclusive Franchise System for Municipal Solid Waste Collection and Handling. We applaud the City's desire to maximize environmental and economic efficiency generated by conformance with AB 341.

To achieve goals established in NOP the City has the option to proceed with Multi-Stream Collection, Single Stream Collection, or Mixed Waste Collection. The Draft Environmental Impact Report (DEIR) needs to thoroughly evaluate the environmental impacts of the three systems. In addition the DEIR needs to evaluate the materials processing options driven by the collection system alternatives. Items that need to be evaluated include, but are not limited to:

Transportation and Traffic

With the three base collection systems there will be the requirement for one, two or multiple trucks to service an individual site. What will be the differential in traffic, traffic congestion, and road maintenance requirements, for the three base collection systems? What will be the annual total truck miles driven differential for the three base systems?

Often a front-loader truck is used to service commercial and multi-family establishments. When the front-loader truck is servicing a site it often obstructs movement of other vehicles on the site. At times this obstructs traffic flow on the public street. What would be the differential impact of multi-can collection as opposed to mixed waste collection?

Air Quality

With the three base collection systems there will be the requirement for one, two or multiple trucks to service a site. What will be the differential in collection truck emissions for the base collection systems?

US-EPA has developed the Waste Reduction Model (WARM) for solid waste diversion. What will be the CO²e emission differential for organic waste that would eventually be disposed of in a landfill as a result of the three base collection systems and their associated processing systems. Substantial divertible materials are often inadvertently or overtly placed in black bin thereby missing the opportunity for diversion leading to eventual fugitive methane emission from a landfill. Also there are CO₂e emissions resulting from production and transportation of new materials that would have been offset with material recovered in the waste stream if it had not been placed in a black bin? What combination of collection and processing would minimize CO²e emission?

Noise

With the three base collection systems there will be the requirement for one, two or multiple trucks to service an individual site. It could be assumed that most of the commercial and multi-family sites will be serviced with front-loader trucks. There is substantial noise pollution created when bins are moved and emptied. What will be the differential in the number of noise incidence for the three base collection systems? With the potential for substantial increase in noise incidence will there be the need for additional requirements for hours of operation to minimize impact on sensitive receptors during traditional sleep hours?

Going from an existing single bin to a multiple bin system may require expansion of trash enclosures to contain two or more bins. If bins are serviced with a front-loader truck the trash enclosure may need to be more than the total width of all bins plus standard clearances. This will require substantial expansion of trash enclosures. Often trash enclosures are masonry requiring pneumatic (jack-hammer) removal and replacement. What will be the environmental effect of removal and expansion of thousands of trash enclosures?

Parking

With possible required expansion of trash enclosures due to multi-can collection, there is often a loss of adjacent parking spaces. Parking at existing commercial and multi-family establishments is often in short supply. A loss of a single parking space can push a business below minimum municipal parking requirements. What will be the cumulative effect of loss of parking spaces?

Resources

One of the greatest concentrations of resources in the World today is the US waste stream. Waste placed in a bin that does not go to diversion processing is not only lost, but must be replaced with virgin sources, and often results in methane generation to the environment. A number of studies have shown exceedingly large usable commodity value contained in black bin waste. What is the potential resource value of this lost material, the cost to the environment to replace it with virgin sources, and the CO²e generation from its disposal? Cal Recycle has stated in a recent AB 341 meeting, that all material may need to be processed in a material recovery facility (MRF) due to the large volume of usable materials in black bin waste. They went on to say, without processing of black bin waste the goal of 75% diversion may not be obtainable. What is the cumulative environmental effect of usable materials contained in black bin waste in multi-bin collection systems in which the material is not processed and diverted? This should include a discussion on all organic materials.

Odors

With a combination of multiple can collection and front-loader trucks, bins may be serviced only partially full resulting in inefficient collection, or bins will wait to be serviced until full possibly resulting in odors. Single can collection results in much faster turnover of material with less opportunity for odor generation. Odors from all collection systems need to be evaluated along with the net environmental effect of servicing of bins that are not full, in an effort to avoid odors.

Combined Effects and Other Items

In many congested areas of the World waste is collected at night to avoid traffic issues. The downside to night collection is noise created by automated collection during times of heightened sensitive receptors (people sleeping). Lifting and dumping a front-loader bin results in significant metal-to-metal impact creating high frequency, high decibel, objectionable noise that can travel for significant distance. Multi-bin collection will multiply the problem. What will be the net noise, and traffic impact of the different collection options?

To maximize collection efficiency and minimize environmental impact bins must be full or near full when serviced. Also the bin should be as large as practical to again minimize cycles of service. However the longer the material sits in a bin the more there is a heightened opportunity for vectors (rodents, insects) and odors. The document should evaluate bin size, cycle of service, odor generation, and CO₂e emission resulting from cycle of service for the various collection systems.

With multi-bin collection there will be a degree of segregated commodities in concentrated form that will encourage scavenging. This concentration at commercial and multi-residential will be much greater than with single-family residential. Scavenging often results in litter and at times safety and security problems for workers, patrons, and residences in the vicinity. Litter, safety and security needs to be evaluated for the various collection methods.

Public participation is often an issue with multi-can collection in single-family residential programs. What will be the participation when there is an anonymity to participation or the lack thereof. What will be the contamination in multi-bin collection?

Can 75% diversion of multi-family and commercial waste be achieved without processing of the entire waste stream? If processing of the entire waste stream is required, why have multi-can collection? Would multi-can collection be considered to be a significant environmental impact that is avoidable?

What will be the multi-family infrastructure requirements for transferring segregated materials from the living unit to the place of deposit? Older complexes have garbage shoots that do not have the ability to facilitate segregation.

What will be the environmental effect from expansion of thousands of trash enclosures? What will be the loss of marginal financial businesses when forced to pay for trash enclosure expansion?

Again, thank you for the opportunity to comment.

Sincerely,

A handwritten signature in black ink, appearing to read 'Larry T. Buckle', with a long horizontal flourish extending to the right.

Larry T. Buckle, PE
President and CEO
International Engineering Services, Inc.



MITCHELL ENGLANDER

LOS ANGELES CITY COUNCILMEMBER, TWELFTH DISTRICT

March 26, 2013

Daniel K. Meyers, Assistant Division Manager
Solid Resources Citywide Recycling Division
City of Los Angeles Department of Public Works
Bureau of Sanitation
1149 S. Broadway, 5th Floor
Los Angeles, CA 90015-2213

RE: WASTE FRANCHISE IMPLEMENTATION /SCOPING PLAN

Dear Mr. Meyers:

As Councilmember for the district that hosts one of largest landfills in the United States, Sunshine Canyon, I have had the misfortune of hosting the final resting place for the entire city's single-family residential waste stream.

It is my fear that the proposed waste franchise will add the additional burden of the city's multi-family and commercial waste residual to the mix. Doing so would increase exponentially the truck traffic that traverses the north San Fernando Valley on its way to the landfill, as well as many other negative impacts – including odors, pollution and methane emissions.

As you may be aware, the Sunshine Canyon Landfill is already the subject of a Stipulated Order of Abatement for Odors, issued by the South Coast Air Quality Management District.

It is my strong desire and that of the residents of Granada Hills to not see even one additional ton of trash dumped in the landfill until these odor issues are resolved once and for all. However, enduring the additional traffic, pollution, odors and other negative impacts of this program cannot be tolerated, period.



For these reasons, I strongly believe that only waste generated in the San Fernando Valley should be eligible for tipping at the Sunshine Canyon Landfill – and I would like to see any RFP that is issued reflect that intention prior to its issuance and contain provisions for verifying the origin of tipped waste subsequent to its award.

I appreciate your attention to and consideration of these comments.

Sincerely,


MITCHELL ENGLANDER
Councilmember, Twelfth District

City Hall Office • 200 N. Spring Street, Room 405 • Los Angeles, CA 90012 • Phone (213) 473-7012 • Fax (213) 473-6925
Chatsworth Office • 9207 Oakdale Ave. • Chatsworth, CA 91311 • Phone (818) 882-1212 • Fax (818) 701-5254

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March 18, 2013

Steve Nutter
City of Los Angeles
Board of Public Works
200 North Spring Street, Room 361
Los Angeles, CA 90012-4801

Subject: **Commercial Waste Franchise System**

Dear Commissioner Nutter:

Southern California Disposal (SCD) appreciates the opportunity to submit this comment letter regarding the proposed exclusive commercial waste collection franchise system. We recognize that this is a complex and controversial issue and want to acknowledge the Bureau of Sanitation (BOS) for the good work done to date to begin mapping out the implementation plan.

As you are aware, SCD has been and continues to be one of the City's key contractors in good standing and has participated in the Shared Sacrifice program to help the City at a time of need. SCD has provided waste transfer services to your Western Wasteshed out of our Santa Monica transfer station for over 15 years. We are also a small commercial hauler providing collection services to the west LA area. As one of the local family businesses serving Los Angeles since 1962, we are concerned about the ability of companies such as ours to compete for one of the franchise zones as they are currently configured.

As we understand in the current BOS draft plan, there would be 11 franchise zones of which three would be set aside for small haulers only, clustered around the CLARTS facility just south of downtown LA. If we assume that the largest companies may get two of the eight large zones apiece, there will be very few zones left. Secondly, with the small zones all located in one part of the City, it will make it very difficult, if not impossible, for the small haulers located in other areas of the City, such as SCD, to bid effectively on areas so distant from their yards.

To enable a more distributed and expanded means for small haulers to participate, the BOS draft plan also suggests establishing "sub-contracts" for small haulers in the larger zones with the major companies as prime contractors. Although this sounds practical on paper, it is problematic in several ways:

1. These companies have been historic competitors and there is concern that the small companies will be subject to undesirable and/or uneconomical service opportunities.
2. The small haulers may be relegated to collect the poorest accounts, or provide back-up services only.
3. Sub-contractors would need to invest a lot of capital under any agreement with one of the large haulers, which would be very risky; so much so that it could limit the number of small haulers willing to participate.
4. It may also be much more difficult to finance truck and bin purchases as a sub-contractor to a hauler compared to a prime contractor for the City.

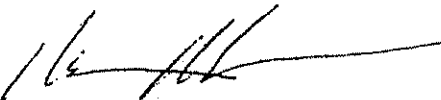
A much better solution across the board for the small haulers would be the establishment of additional small zones across the City. We envision perhaps 12 small zones overall, bringing the total zones to 20. Three can remain clustered around CLARTS, but the remaining nine small zones would be dispersed in all the wastesheds, including one on the west side.

In this scenario, there need be no sub-contracting and a greater portion of our dedicated local companies would have a chance to win a zone and thus stay in business; companies such as SCD that has a corporate office, yard and transfer station in the West Los Angeles area and offers value and benefits only a local hauler can offer. These values and benefits would be lost with the proposed language which would unintentionally prohibit or exclude SCD as a potential contractor. The administrative burden on the BOS should not be any greater under this scenario.

By keeping more companies in business and in the franchise system, the City is better buffered against dependence on a single major hauler in a given area. With as many as 12 small companies as part of the mix, it would be easier to compensate for a dispute or other service disruption involving one of the major haulers.

We appreciate the opportunity to comment and look forward to continuing the dialogue as the plan moves forward.

Best Regards,



Mike Matosian
Vice-President



Daniel Meyers <daniel.meyers@lacity.org>

Exclusive Waste Shed

1 message

Jaime Garcia <jgarcia@hasc.org>

Tue, Mar 19, 2013 at 5:49 PM

To: "Capri Maddox (capri.maddox@lacity.org)" <capri.maddox@lacity.org>

Cc: "Daniel Meyers (daniel.meyers@lacity.org)" <daniel.meyers@lacity.org>, "alex.helou@lacity.org" <alex.helou@lacity.org>

Board President Capri Maddox,

First, thank you and the Bureau staff for taking time to meet with me and a few hospitals to discuss our ongoing concerns with the proposed exclusive franchise ordinance. As a follow-up, attached is a document that outlines issues we've discussed. This document was compiled based on solicited feedback from our hospital workgroup.

Please feel free to contact me at 213-538-0702 should you have any questions.

Best regards,

-Jaime

Jaime Garcia

Regional Vice President - Greater Los Angeles Area

Hospital Association of Southern California

Ph. 213-538-0702 | Fax 213-629-4272 | Cell 213-200-4280



Hospital RFP 3-18-13 (3).pdf

72K

Hospitals are unique service providers that operate in a highly regulated environment. Unlike an office or retail store in the commercial sector, hospitals have a very low threshold for tolerating the accumulation of trash on their loading dock which can expose them to a Public Health violation. The accumulation of trash not only creates an unsanitary condition, but can also have dramatic negative impact on the overall operation of a hospital. Therefore, superior customer service and prior experience with working with hospitals is required.

On the financial front, the Affordable Care Act (ACA) transforms the delivery system with coverage expansion, changes the reimbursement model and promotes efficiency. Coverage expansion is being achieved with payment reductions to hospitals nationwide. To address this cut, as well as additional cuts made by state government, hospitals need to implement efficiencies that can help drive down costs as well address their revenue shortfall. It's estimated that hospital unreimbursed costs in 2012 from government sponsored health programs and indigent care totaled slightly over \$4 billion in Los Angeles County. This total does not include the additional two-percent cut to Medicare under the federal sequester. Identification and implementation of operational efficiencies that yield savings becomes a key strategy for a hospital to transform and survive post-ACA. However, this proposed ordinance impedes a hospital's ability to structure itself in a manner that affords the flexibility to comply with the federal goals associated with health care reform.

There is not one single Request for Proposal (RFP) that is widely used by all hospitals, including those who operate outpatient medical offices across the City of Los Angeles. RFPs are customized to the individual needs of a hospital or hospital system. Therefore, the RFP which the City and hauler agree upon must NOT undermine the current hospital efforts underway in terms of service, safety, sustainability, penalties and revenue guarantees. Below is a list of identified issues.

Service

- Vendor familiarity with hospital campus
- Consistent pick-up hours (within 1-hour of negotiated time)
- 24/7 Customer Service (cell phone contact) with the ability to perform urgent pick-ups within 4-hours
- Deployment of personnel by hauler to assist with collection of recyclable material (up to five days per week). Needs to include the removal of recycling bins from all areas of the hospital (offices, patient care units, etc.)
- Allow schedule modifications to account for waste volume due to hospital activity (up or down) on short notice.
- Monthly reports and charts documenting waste volume by pickup; recycling volume by category; and total diversion as percentage of total waste. Comparison with prior period to show trend.
- Designated back-up hauler to step-in should it be needed at a moment's notice at no additional charge.

Liquidated Damages

- (Dollar amount will vary by hospital)

Penalties

- Associated with late pick-ups two-hours or greater from scheduled times
- Activation of back-up service at hospital discretion if more than two-hours late

Revenue

- Preserve hospital revenue from the sale of recyclable material – (It cannot be reduced nor eliminated.) Minus the cost of hauler's staff to collect recyclables at the hospital.

Arbitration Process

- City must ensure a timely and efficient process that does not exceed one week from the issue occurrence

Administrative Oversight

- RFP must not increase hospital administrative cost (Important to hospital/hospital systems with multiple offsite medical office buildings. Increased cost counters the federal mandate under ACA to reduce costs and improve efficiencies).
- Must provide alternative hauler within six-hours of labor actions taken against the exclusive hauler
- RFP must stipulate that current levels of service at each hospital must not be reduced.
- RFP cannot slow down innovation and ability of hospital, medical offices, specialty facilities to innovate and reduce waste, reduce costs and achieve environmental stewardship goals.
- Need to preserve ability to send solid waste to waste-to-energy and incineration facilities – or other sort of destruction/conversion facilities as technology develops to make such processes a realistic alternative to a landfill. This could lead to arrangements outside of an exclusive hauler.
- Ability to use waste-to-energy facilities or other upcoming technologies without prohibitions or excessive hauling charges. Or, will this waste stream be exempted from solid waste?
- Ability to inspect or audit a waste hauler and their facilities to ensure that waste is being properly handled. If not, corrective action/penalties for the hauler, and protection for the hospitals that entrusted the material to the hauler.