



San HaulerFranchise <san.franchisecomments@lacity.org>

Resent Re: Request for information by January 16, 2013 in regards to Franchise Implementation Plan

Eric Casper <eric@californiawasteservices.com>

Thu, Jan 10, 2013 at 2:27 PM

To: San HaulerFranchise <san.franchisecomments@lacity.org>

See answers below Erin.

Eric Casper
President
California Waste Services, LLC
621 W. 152nd St.
Gardena, CA. 90247

Phone: 310-538-5998 Ext. 101
Fax: 310-538-9040
Cell: 310-962-9458
<http://www.californiawasteservices.com>



Confidentiality Notice

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names of the firms granted operational rights, yet they control all using the old names as fronts.

3. The maximum number of zones a hauler may be awarded;

In the first period, I believe that no firm should be able to have more than 6 zones. This will allow the greatest number of participants in the original period. It could be raised or lowered if the system isn't working. The majors will howl as they always do, but the mid-size and smaller firms will survive and give majors a challenge. Smaller firms are more nimble and responsive to customers. This constitutes a reasonable transition from the open market now. Rates should not be needed when evaluating the prospective franchise winners. The market will naturally reduce rates to the lowest possible.

4. Ideas to increase the collection and recycling of organic material (food waste and green waste);

This is evolving with the market. Crown and Athens do it. Make it conditional of the franchise that the material must go to a MRF and the whole industry will expand. I would build a facility if you did this.

5. The length of transition needed once the Franchise agreements are executed;

I am not in MSW. Thus I cannot answer this competently.

6. Ideas on a dynamic data interchange between vendor's computer systems and the City in order for the city to track vendor's vehicles in real time; and

This is a question for a waste industry municipal auditing firm.

7. Any other items you would like the City to consider in the implementation plan.

The absolute most important thing is to make sure the majors and mid-majors cannot roll-up other competitors and consolidate the market by buying the firm and operating them as separate entities or as a shell. They can buy another firm while not holding more than six zones, yet in the zone where they are buying; another designated alternate may enter that zone in the absence of the lost franchise holder.

Please limit your entire response to three pages. Responses can be emailed to san.franchisecomments@lacity.org or mail your Franchise Comments to:

Franchise Comments, Attn: Erin Knight

SRCRD M/S # 944

1149 South Broadway, 5th Floor

Los Angeles, CA 90015

We look forward to receiving your response by January 16, 2013.

Sincerely,

ALEXANDER E. HELOU, Assistant Director

Bureau of Sanitation

--

Thank you for contacting
Solid Resources Citywide Recycling Division
Bureau of Sanitation
City of Los Angeles

From: erin.knight@lacity.org [mailto:erin.knight@lacity.org] **On Behalf Of** San HaulerFranchise

Sent: Wednesday, January 09, 2013 9:18 AM

To: Erin Knight

Subject: Resent Re: Request for information by January 16, 2013 in regards to Franchise Implementation Plan

January 8, 2013

The Los Angeles City Council (Council) directed the Bureau of Sanitation (Sanitation) to prepare an implementation plan for an exclusive commercial franchise system. Sanitation began this task and will present a preliminary plan to the Council by the middle of February 2013.

Sanitation is seeking your input on the following topics:

1. The number of Franchise zones you suggest for the City;

11 is logical. These are rough zones but provide the basic geography.

North Valley: Northridge, North Hills, Sun Valley, Pacoima.

SW Valley: West Hills, Warner Center, Recida, Encino

SE Valley: Sherman Oaks, Van Nuys, Studio City, Universal City.

West LA: Century City, Bel Air, West LA, Westwood, Brentwood, Palisades.

Venice: Venice, Westchester, LAX, Playa Vista, Palms.

San Pedro: Harbor Gateway South, Wilmington, San Pedro, Port Complex

South Central: Harbor Gateway North, Watts, Labrea Park, Hyde Park, Jefferson Park, USC.

Hollywood: Park Labrea, Beverly Center, Hollywood, Hollywood Hills, Loz Feliz, Silver Lake, Mt. Olympus.

Mid-town: Miracle Mile, Korea Town, Hancock Park, Mid-City, Country Club Park

Downtown: Downtown, China Town, Boyle Heights

Eagle Rock: Lincoln Heights, Atwater village, El Serino, Mnt. Washington, Eagle Rock.

2. The number of accounts per zone;

To maintain robust competition, you need to have at least four, however, you also must carve out space for Small Business designation and Women and Minority business designation. Thus, I think five is the right number. The most important condition you must adopt is that a firm must perform the actual work. They cannot be a shell company holding the franchise and then broker the work to other franchise holders. In addition, if a firm is purchased (bought out) or fails due to BK, breach, etc, an pre-designated alternate firm is then allowed to enter the market. Most importantly, if a firm is sold, the name cannot be retained as a shell and then owned by another franchise holder or entity of another franchise holder. Look to Long Beach as an example of this abuse. One company owns multiple franchise licenses under the original



San HaulerFranchise <san.franchisecomments@lacity.org>

Inquiry from New York City Business Integrity Commission

Kairam, Jayant <JKairam@bic.nyc.gov>
To: san.franchisecomments@lacity.org

Fri, Jan 11, 2013 at 3:18 PM

Hello,

I'm reaching out on behalf of the NYC Business Integrity Commission. We are the City agency that regulates the commercial waste sector in the five boroughs. I was hoping to speak to somebody in your office regarding the private hauler franchise initiative.

I look forward to hearing from you soon. My contact information is below.

Best,

Jay

Jayant Kairam

Assistant Commissioner, Policy, Planning & Operations

Business Integrity Commission

100 Church St, 20th Fl

New York, NY 10007

(o): 212-676-1881

(m): 347-538-0552

Law Offices of
Michael Millman & Associates

January 14, 2013

Mailing Address: P.O. Box 64637
2100 Sawtelle Boulevard, Suite 105
Los Angeles, California 90064

(310) 477-1201
FAX (310) 477-0260

Alexandra Helou, Assistant Director
Bureau of Sanitation
1149 S. Broadway
Ninth Floor
Los Angeles, CA 90015

Franchise Comments
Aaron Knight
SRCRDMS
No. 944
1149 S. Broadway
Fifth Floor
Los Angeles, CA 90015

Re: Franchise System

1. Franchise zones per city 25
2. Number of haulers per zone 15
3. Each qualified hauler may compete in every zone without limitation or exception.
4. Demand and require that every Tenant in every apartment building subject to the RSO be responsible for all responsibilities and obligations in connection with food waste. After all, they live at building; not the Owner.
5. Nine months.
6. No opinion.
7. Fairness. The cost associated with hauling should be the exclusive responsibility of the Tenant. Whatever the precise costs of the contract to be issued to an Apartment Owner for a building, the costs should be calculated wherein the number of units are divided into the monthly costs and Tenants pay 90%. 10% would be allocated to the Owner for some trash associated with common areas. For example, for a 10-unit building in West Los Angeles with a metal medium-sized bin wherein service is once a week, the cost is merely \$99 per month. With water increasing at 18% per year, sewer charges at 28% per year, and the Bureau of Sanitation suggesting that solid waste trash will go up 44% there needs to be a mechanism wherein the Tenants pay for trash. After all, under the current RSO the Owners may only increase rent by only 3% per year. This is unfair.

Thank you, Very truly yours,

Michael Millman,
On behalf of Small Apartment Owners in West Los Angeles/Mar Vista

Law Offices of
Michael Millman & Associates

January 14, 2013

Mailing Address: P.O. Box 64637
2100 Sawtelle Boulevard, Suite 105
Los Angeles, California 90064

(310) 477-1201
FAX (310) 477-0260

Alexandra Helou, Assistant Director
Bureau of Sanitation
1149 S. Broadway
Ninth Floor
Los Angeles, CA 90015

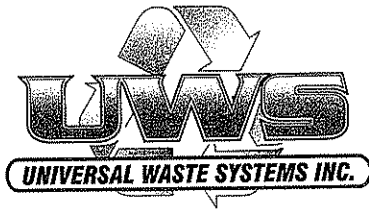
Franchise Comments
Aaron Knight
SRCRDMS
No. 944
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Re: Franchise System

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Thank you, Very truly yours,

Michael Millman,
On behalf of Small Apartment Owners in West Los Angeles/Mar Vista



Universal Waste Systems, Inc.
P.O. BOX 3038 • WHITTIER, CA 90605 • (800) 631-7016

Telephone: (562) 941-4900 • Fax: (562) 941-4915

Erin Knight

1/15/2013

SRCRD M/S #944

1149 S. Broadway, 5th Floor

Los Angeles, CA 90015

Ms. Knight:

I would like to start by thanking you and the Bureau for the opportunity to provide our feedback on such an important project. Universal Waste Systems Inc and my family have been servicing Los Angeles since 1963. Our company has taken great strides and continues to transform to this continually changing industry. UWS operates our trucks for Los Angeles out of our LA yard located at 2460 E. 24th St., Los Angeles CA complete with a transfer station for our solid waste and recycling and a CNG station that is in the process of being completed. UWS has replaced half of our fleet to compressed natural gas and has plans to be 100% CNG in the next few years. UWS has been very proactive in dealing with disposal options and has plans to be self sufficient in terms of our ability to offer disposal, recycling, and specialized collection and processing services in the very near future.

In response to your questions I have outline our current ideas and look forward to providing more input as this process begins to take shape.

1) The number of Franchise zones for the City:

UWS favors multiple zones of varying size and density that would allow various sized companies to bid and work in the City. If we start with 11 zones and break several of the larger zones into sub-zones that smaller sized haulers could be able to compete for and be competitive.

2) The number of accounts per zone:

This question clearly depends on questions number 1 depending on the size of the zones and how many if any sub zones. It is our experience that the average zone would consist of between 5,000 to 10,000 business and multifamily buildings depending on the area. This data alone is larger than any City that I am familiar with and we believe is another reason for breaking the zones in to sub zones.

- 3) Maximum number of zones a hauler may be awarded.

This question again reverts back to questions number 1. We don't believe that any hauler should have more than the equivalent of 1 large zone or around 10% of the City. There is a wide range of qualified companies in the City. It is our belief that the more haulers (in their own zone) will give the City the most flexibility and control. For example if there are 11 zones and the larger companies are allowed 2 or more zones you could very well have the whole City controlled by 3 to 4 companies. We believe that this approach will eliminate competition and the City will basically be under the control of the larger companies with no alternatives. Having 15 to 20 haulers in their own zones will give the City a lot more options and keep rates competitive and service levels at a higher level.

- 4) Ideas to increase the collection and recycling of organic material.

Green waste collection is an important component of a collection program and should continue to be so. UWS realizes that with the closure of Puente Hills Landfill in November and probable loss of ADC credits, this material is going to be much more expensive to recycle or dispose of. That is why our company is working internally and with another company to be able to process and reuse the material we collect. We believe that with proper planning and established partnerships this material can be utilized for compost and other beneficial uses.

Food waste is also becoming an important component of a waste collection program. The challenge is disposal. There are very few disposal options available. UWS is currently working some alternative technologies and is confident that shortly we will be able to be more competitive in this market.

- 5) The length of transition needed once the Franchise agreements are executed:

UWS believes that this again depends on the size of the zones, number of zones, and the number of zones per hauler. We have a fleet of existing CNG vehicles, we make our own containers, and have experience in the market place. However, it is our belief that transition will be the most complicated part of this process. There is no database that has complete access information, container size, container quantity, billing, service levels, service address, special or customized containers, collection times, etc that can be handed over. So there will have to be extensive time spent in the field gathering and collecting data, then routing and delivering. We believe the process of actually transition depends on how the City breaks up the zones in the City. At this point we don't feel we have enough information to give an accurate estimate.

- 6) Ideas on a dynamic data interchange between vendor's computer systems and the City in order for the City to track vendor's vehicles in real time.

UWS has a fully operational GPS system on our vehicles and very comprehensive billing systems. However, we see this as a very large undertaking on the City part. Tracking what we believe to be between 600-700 vehicles by between 10 and 30 companies on a daily basis. Trying to account for break downs, truck replacements, etc. This could be very difficult

and cause more confusion then simply requesting customer service reports on a monthly or quarterly basis. However, UWS would be willing to provide access if necessary or required.

We believe that this is going to be a very complex process, and appreciate being able to provide the above information as you begin to gather and put together this proposal. We definitely are in support of higher operational standards, higher worker standards, and expanding service for the businesses of Los Angeles. We look forward to being able to continue to submit responses to the questions that you come across as the process progresses.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark Blackburn', with a stylized, flowing script.

Mark Blackburn

Universal Waste Systems Inc.



San HaulerFranchise <san.franchisecomments@lacity.org>

Comments from Waste Resources in regards to Franchise Implementation Plan

David Oeffling <DOeffling@wasteresources.com>
To: san.franchisecomments@lacity.org

Wed, Jan 16, 2013 at 11:09 AM

Hi Erin Knight:

Thank you for the opportunity to comment on your Franchise Implementation Plan. We believe that if there are 11 zones in the City, then a hauler may be awarded no more than one zone.

Thank you,

-Dave

Best Regards,

David Oeffling

Waste Resources, Inc.

Cell (805) 404-9575

Office (310) 366-7600

Email doeffling@wasteresources.com

P.O. Box 2410, Gardena, CA 90247

Web www.wasteresources.com

From: Tony Thomas

Sent: Wednesday, January 09, 2013 11:08 AM

To: Tommy Gendal (AOL); David Oeffling

Subject: FW: Resent Re: Request for information by January 16, 2013 in regards to Franchise Implementation Plan

We look forward to receiving your response by January 16, 2013.

Sincerely,

ALEXANDER E. HELOU, Assistant Director

Bureau of Sanitation

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Thank you for contacting
Solid Resources Citywide Recycling Division
Bureau of Sanitation
City of Los Angeles

LOS ANGELES COUNTY DISPOSAL ASSOCIATION

January 16, 2013

Attn: Erin Knight
SRCRD M/S #944
1149 South Broadway, 5th Floor
Los Angeles, CA 90015

The Los Angeles County Disposal Association (LACDA) has taken the position that a Non-Exclusive Franchise System, with increased standards and environmental regulations, represents the best commercial waste franchise system to serve the more than 110,000 Los Angeles businesses. We support competition as the best system to keep collection rates low and service levels high.

LACDA looks forward to continue working with the Bureau of Sanitation in anticipation of a commercial franchise system in Los Angeles, including the promised full Environmental Impact Report study.

Attached are the LACDA comments in response to your January 8, 2013 letter requesting input on the following questions:

1. The number of Franchise zones you suggest for the City:

In a City as diverse as Los Angeles creating any near equality in zones is next to impossible. The existing waste shed areas do not reflect any kind of balance in numbers and types of businesses, and just dividing these waste sheds in half would only create a greater imbalance. LACDA along with others familiar with the current system in Los Angeles recognizes that there are many unregulated waste haulers operating in the City and we support a franchise system which sets and enforces waste hauler standards and allows **all** qualified waste haulers, irregardless of size, an opportunity to compete for business and work in the City.

In this respect, under an exclusive system, the more zones the better. Based on discussion of current proposals, if five of the six existing waste sheds were divided that would create 11 zones. Of these zones several would be much larger than others based on the number of businesses and multi-family units in a particular zone. The larger zones should be divided into "sub-zones" that would allow qualified private, locally owned and managed waste haulers to operate in these exclusive areas.

Adding a provision to each Franchise that a percentage of the work in that Franchise be sub-contracted to waste haulers who currently are permitted to work in the City is not opposed, but it should be recognized that strict guidelines be imposed. Success of this sub-contractor participation is vital to the overall success of the program. The sub-contractors should be selected by the City, meet City requirements, and should be able to operate independently of the Franchisee, while following all Franchise requirements, to insure their ability to service a range of accounts in a specific geographic area at established rates that will allow them the ability to make a profit.

where it becomes cost prohibitive. However, this seems to be a challenge that must be met. LACDA believes that adding a food waste collection component to the franchise requirements must be done in a gradual manner in order for the technology to progress. This is not material that can be stored or even allowed to sit for very long. Most commercial food waste, from markets, many restaurants, wholesale markets, etc., is already being recycled. The residential sector is where the real challenge is. The City should work with industry to expand new facilities for this material. This would include site selection and approvals, assist with funding, and working with State agencies to insure the practicality of proposing a facility. This is another topic which requires a thorough analysis through an EIR study, including impacts on the San Fernando area due to the concentration of landfills.

5. The length of transition needed once the Franchise agreements are executed.

We could go into a lot of details, however LACDA believes to adequately transition the entire City this could take as long as five years. Consider that EVERY business is going to change waste haulers, and each and EVERY business has varying collection requirements. We have seen much smaller Cities who have changed waste haulers who are still struggling to eliminate commercial collection problems after several years.

6. Ideas on a dynamic data interchange between vendor's computer systems and the City in order for the City to track vendor's vehicles in real time.

We are not sure this is necessary. Under existing systems in every area we are aware of, if a complaint comes in, that complaint immediately is forwarded to the company representative who is charged with managing collection in a specific area, and usually under the franchise agreement a company is given a time limit, say 24 hours, to investigate/correct the situation with the customer. How is this response system going to be improved with the City tracking waste vehicles? There will probably be over 600 vehicles involved in City commercial collection. How large of a staff is the City planning on employing to monitor this program?

7. Other items to consider in the implementation plan.

One of the things not covered in this set of questions, but VERY important to our industry is "What criteria will be used to select the franchisees?" We would assume that the criteria for privately owned local companies would be somewhat different than that used for larger public companies. Also it is important that those current City commercial waste haulers who can meet the increased standards and have a good track record with the City will have scoring advantages over those haulers who are not active in the City. Who will be selecting the franchise areas? The full EIR study must study this.

LACDA recognizes that this is a huge undertaking and thousands of questions will need answers before this is finalized. We look forward to working with the City and the Bureau of Sanitation in working through this process.

L.A. County Disposal Association
Ron Saldana, Executive Director

cc. Los Angeles City Council



San HaulerFranchise <san.franchisecomments@lacity.org>

Franchise Input

2 messages

Richard Nino <rnino@burrtec.com>
To: san.franchisecomments@lacity.org
Cc: "Rnino@Burrtec.Com" <rnino@burrtec.com>

Wed, Jan 16, 2013 at 3:04 PM

Attached please find input on the exclusive commercial franchise system.

Please confirm receipt.

Thank you.

Richard Niño

Director, Municipal Services

Burrtec Waste Industries

"We'll Take Care Of It"



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29K

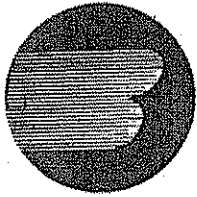
San HaulerFranchise <san.franchisecomments@lacity.org>
To: Richard Nino <rnino@burrtec.com>

Wed, Jan 16, 2013 at 4:05 PM

Mr. Niño:

Thank you for contacting Solid Resources Citywide Recycling Division, Bureau of Sanitation, City of Los Angeles.

We have received your input re: Request for information by January 16, 2013 in regards to Franchise Implementation Plan.



BURRTEC

WASTE INDUSTRIES, INC.

"We'll Take Care Of It"

January 16, 2013

Alexander e. Helou
Bureau of Sanitation
City of Los Angeles
1149 South Broadway
Los Angeles, CA 90015

RE: Exclusive Commercial Franchise System Implementation Input

Dear Mr Helou:

Thank you for the opportunity to provide input as the City develops the implementation plan for an exclusive commercial franchise system. We welcome the solicitation for input and look forward to ongoing dialogue with the City as it works toward establishing the system.

1. The number of Franchise zones you suggest for the City.
Eight to ten Franchise zones is the suggested number in order to effectively manage all aspects of the franchise.
2. The number of accounts per zone.
The number of accounts per zone should not be a particular concern given that the process is certain to identify companies that are capable and fully qualified to effectively offer solid waste collection and recycling services to a large commercial and multi-family customer base. Zones could be delineated in such a way that the number of customers is equal (to the extent possible and reasonable) in each respective zone.
3. The maximum number of zones a hauler may be awarded.
A hauler should be awarded no more than one zone for the initial term and consideration for multiple zones in subsequent terms based on performance and program compliance.
4. Ideas to increase the collection and recycling of organic material (food waste and green waste).
The collection and recycling of organic material can increase through a combination of measures including the following: a) Require organics material generators to subscribe to organics collection program, b) Develop a rate structure for organics waste collection and recycling that is partially subsidized by the trash collection rates, c) offer initial incentives that equate to monetary benefits.



San HaulerFranchise <san.franchisecomments@lacity.org>

Request For Information In regards to Franchise Implementation

Passantino, Susanne <SPassantino@republicservices.com>

Wed, Jan 16, 2013 at 5:05 PM

To: "erin.knight@lacity.org" <erin.knight@lacity.org>, "san.franchisecomments@lacity.org" <san.franchisecomments@lacity.org>

Good Afternoon Erin,

Please find attached Republic's response to the City's request for Information regarding the commercial franchise implementation. I appreciate the opportunity to submit this letter with our input the Exclusive Commercial Franchise System (Franchise System) currently being planned for waste hauling in the City of Los Angeles (City).

Please fee free to contact me directly with any questions or for any further detail.

Sincerely,



Susanne Passantino | Senior Area Municipal Services Manager | Los Angeles Area
o. 818.683.1607 c. 818.974.5136 f. 866.224.0985 spassantino@republicservices.com

P Please consider the environment before printing this email



Republic Services Input on Commercial Franchise.pdf
36K



January 16, 2013

Franchise Comments, Attn: Erin Knight
SRCRD M/S # 944
1149 South Broadway, 5th Floor
Los Angeles, CA 90015

SUBJECT: Input on Exclusive Commercial Franchise System

Dear Ms. Knight,

On behalf of Republic Services, I appreciate the opportunity to submit this letter with our input on the Exclusive Commercial Franchise System (Franchise System) currently being planned for waste hauling in the City of Los Angeles (City). Republic Services (Republic) is the City's largest provider of commercial and multi-family residential waste hauling services, providing more than 34% of the waste hauling service to these customers throughout the City.

As the waste hauler providing more service than any other in Los Angeles County (County), Republic holds long-term exclusive solid waste collection contracts with 30 municipalities, non-exclusive contracts or permits for residential and/or commercial solid waste collection in 21 jurisdictions/municipalities and 34,000 open area commercial/industrial accounts, all in the County. Additionally, in the greater Los Angeles area, Republic owns or operates six transfer stations, two materials recycling facilities, a landfill and a driver training .

As the City and the Department of Sanitation (Sanitation) begin to prepare plans for the operating structure for the Franchise System, we believe there are some highly important principles and practices that should be embodied in this system.

High Rates of Diversion – As the City seeks to prepare policies to achieve the goal of “Zero Waste”, Republic believes that mandating high rates of diversion of recyclable and compostable materials away from landfills will be an essential component of this effort. We support the City's goals towards zero waste and high diversion requirements in the Request For Proposal (RFP) process for qualify haulers for participation in the Franchise System.

Strict Environmental Standards – Republic believes that one of the benefits of the Franchise System will be the ability to reduce the green house gases currently emitted by older trucks. We support the establishment of stringent clean truck standards that reduce green house gas emissions by requiring significant percentages of truck fleets to be powered by Liquefied Natural Gas or Compressed Natural Gas.

Maximum Number of Zones a Hauler May Be Awarded – Republic believes that the City, its residents and its businesses deserve the highest level of service the marketplace can provide. One of the benefits of the City's proposal is that each zone will have its hauler selected by way of a



San HaulerFranchise <san.franchisecomments@lacity.org>

re: Comments from Waste & Recycling Services, Inc.

Diana Klistoff <wasterecycserv@gmail.com>
To: san.franchisecomments@lacity.org

Wed, Jan 16, 2013 at 6:06 PM

Hello! Please see attached.

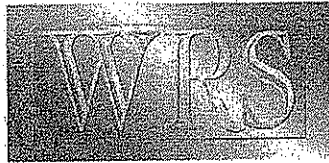
Thank you!

--

Sincerely,

Diana Klistoff
Waste & Recycling Services, Inc.
13714 Chestnut Street
Whittier, CA. 90605
Direct: (562) 760-3048
Business Phone: (562) 945-2688
Fax: (562) 945-4311
e-mail: wasterecycserv@gmail.com

Franchise Comments.pdf
220K



For all your waste needs

Waste & Recycling Services, Inc.

January 16, 2013

Franchise Comments, Attn: Erin Knight
SRCRD M/S # 944
1149 South Broadway, 5th Floor
Los Angeles, CA. 90015

In response to the letter we received, below is my input.

1. The number of Franchise zones you suggest for the city: There should be enough zones so that each hauler that has a license in the city can be awarded one zone
2. The number of accounts per zone: depends on what type of zone
3. The maximum number of zones a hauler may be awarded: One

Respectfully,

Mark Klistoff

Mark Klistoff, President



San HaulerFranchise <san.franchisecomments@lacity.org>

FRANCHISE COMMENTS FROM LACDA

rsal212@aol.com <rsal212@aol.com>

Wed, Jan 16, 2013 at 6:16 PM

To: SAN.FRANCHISECOMMENTS@lacity.org

Erin, attached are the comments to your January 8 letter from the Los Angeles County Disposal Association. We recognize various association company members may have differing points of view and we have encouraged all of our members operating in Los Angeles to offer individual comments. Myself and our association members look forward to working with you and the Bureau during this franchise process. Please let me know if I can offer any help or input along the way.
Ron Saldana, LACDA Executive Director



Franchise 1.odt
28K



San HaulerFranchise <san.franchisecomments@lacity.org>

Los Angeles City Exclusive Commercial Franchise System - response to January 8, 2013 request for comments

2 messages

Corcoran, Doug <dcorcora@wm.com>

Wed, Jan 16, 2013 at 9:55 PM

To: "san.franchisecomments@lacity.org" <san.franchisecomments@lacity.org>, "Erin.Knight@lacity.org" <Erin.Knight@lacity.org>

Cc: "Cassin, Joe" <JCassin@wm.com>, "Moulton, Susan" <SMoulton@wm.com>, "Metter, Larry" <Lmetter@wm.com>

Waste Management of California is pleased to offer the following input.

Los Angeles City Exclusive Commercial Franchise System - response to January 8, 2013 request for comments

Hauler Response Jan 2013 x

Corcoran, Doug 9:55 PM (14 hours ago)

to san.franchisec., me, Joe, Susan, Larry

Waste Management of California is pleased to offer the following input.

Responses to City questions

- | | |
|--|--|
| 1. Number of Franchise zones | 9 – 11 |
| 2. Number of accounts per zone | Up to two zones with 5,000+/- account to provide opportunity for small and medium sized haulers; All others with 10,000 to 15,000+/- accounts |
| 3. Maximum number of zones per hauler | Up to 3 |
| 4. Ideas to increase collection/recycling of organic material | Enact a mandatory organics recycling ordinance, giving time for viable outlets to become established |
| 5. Length of transition needed once Franchise agreements executed | 6 months for smaller zones, up to 1 year for larger zones |
| 6. Ideas on dynamic data interchange to allow City to track vendor vehicles in real time | Make this a mandatory element of each successful bidder. |
| 7. Any other items | <p>The following elements should be made part of the proposal evaluation criteria, and part of the Franchise Agreement</p> <ul style="list-style-type: none">• Safety - Vigorous standards for Safety including written safety programs, robust and comprehensive training programs, demonstrated history of safe operations, inspection of contractor facilities, vehicles and work practices must confirm safety culture of proposer |
-

providing service in the City in order to be eligible; Firms who own facilities in Los Angeles to receive up to 10 points credit for proposal evaluation purposes

- **Source separated recycling using single-stream facilities versus Dirty MRFs** – Require recyclables to be source separated and processed in Single Stream processing facilities versus Dirty MRF facilities which are known throughout the industry to provide inferior recyclable recovery performance

- **Indemnifications** – Selected franchisees must provide indemnification for Superfund liability at disposal sites utilized

We thank the City for providing this opportunity to comment on the process. WM looks forward to further communication and collaboration with the City. We will forward additional comments as we continue to identify issues, suggestions and concerns.

Please contact Doug Corcoran, Director of Public Sector for Waste Management if you have any questions. I can be reached at 818/252-3147 or by email at dcorcora@wm.com



San HaulerFranchise <san.franchisecomments@lacity.org>

Input for Implementation Plan for an Exclusive Franchise System

Phillip <Phillip@aaarubbish.com>
To: san.franchisecomments@lacity.org

Thu, Jan 17, 2013 at 12:03 PM

Ms. Knight:

I hope you are doing well. Attached AAA's input for the implementation plan for an Exclusive Franchise System. We thank you for the opportunity to provide our input. If you have any questions please feel free to contact me anytime.

Sincerely, Phillip Kotanjian



DOCCity of Los Angeles.PDF
1744K



AAA Rubbish, Incorporated

"Where every customer is a priority, not just a number" since 1924

January 17, 2013

Franchise Comments, Attn: Erin Knight
SRCRD M/S #944
1149 South Broadway, 5th Floor
Los Angeles, CA 90015

Re: Input for implementation plan for an Exclusive Franchise System

Ms. Knight:

AAA Rubbish would like to thank the City of Los Angeles Bureau of Sanitation for the opportunity to provide our input for the implementation plan for an Exclusive Franchise System. Our company's 90 year history in the City of Los Angeles has provided us with invaluable industry experience and knowledge of all the complex intricacies of the City's waste and recycling needs, placing AAA in a unique position to take an active role in working with the City to achieve its zero waste goal.

AAA Rubbish supports the City of Los Angeles implementation of an Exclusive Franchise System. As a waste and recycling company that is environmentally conscious we recognize the need for change in the current system and would like to work with the City revolutionize the waste and recycling industry. As fourth generation Angelinos we take great pride in our City, and share the City of Los Angeles desire for a clean and safe environment for future generations.

The number of Franchise zone you suggest for the City:

AAA supports the City's plan for eleven Franchise zones. However, we would like the City of Los Angeles to consider fifteen Franchise zones, establishing one zone for each of the fifteen Council Districts. We believe that a fifteen zone system would help streamline the needs and demands of customers, while maintaining the City's highest environmental standards. Furthermore, basing the Franchise zones in each council district provides the City with a standardized map system and eliminates the necessity to create an arbitrary map system.

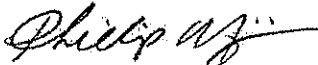
In addition, we urge the Bureau of Sanitation to consider incorporating medium zones in both the City's original plan and our suggested fifteen zone plan. These medium zones would incorporate all the same processes, Request for Proposal (RFP) and standards as any other zone but are sized geographically to create opportunities for responsible mid-size companies. We are not suggesting that such medium zones be of sub-contracted basis, we are suggesting that these medium zones be directly franchised between the City and the hauler. These medium sized zones will act as an incubator for good actors to develop and grow and potentially take on RFP's for the larger zones in the future. This will provide the City with more hauler options for future RFP's thus giving the City leverage during negotiations for Franchise zones.

Any other items you would like the City to consider in the implementation plan

We would like the City to consider medium size zones for mid-size companies to compete in. We strongly believe that such zones would serve as incubators for good actors to compete for larger zones in the future. Such incubator zones will allow the medium-size haulers to develop, grow, and establish an excellent track record with the City. The City will benefit from an increased number of good acting haulers, potentially six to eight as opposed to two to three, providing greater leverage for the City in future RFP negotiations.

We thank the Bureau of Sanitation again for allowing our input. We look forward to continuing our relationship during this implantation process.

Sincerely,



Phillip Kotanjan
General Manager



San HaulerFranchise <san.franchisecomments@lacity.org>

Resent Re: Request for information by January 16, 2013 in regards to Franchise Implementation Plan

jack <jack@nasaservices.com>

Thu, Jan 17, 2013 at 12:06 PM

To: San HaulerFranchise <san.franchisecomments@lacity.org>, Erin Knight <erin.knight@lacity.org>

Mr, Helou

Attached is our comments for the implementation plan for an exclusive commercial franchise system. Please do not hesitate to contact me should you have any questions.

NASA Services, Inc looks forward to working with the Bureau of Sanitation and the City of Los Angeles on this monumental and exciting undertaking.

Thanks,

Jack Tepalian



1701 Gage Rd

Montebello, CA 90640

888-888-0388 phone

323-888-0398 fax

www.nasaservices.com

From: erin.knight@lacity.org [mailto:erin.knight@lacity.org] **On Behalf Of** San HaulerFranchise

Sent: Wednesday, January 09, 2013 9:18 AM

To: Erin Knight

Subject: Resent Re: Request for information by January 16, 2013 in regards to Franchise Implementation Plan

January 8, 2013

[Quoted text hidden]



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COLLECTION • RECYCLING • TRANSFER
1701 Sage Road, Montebello, CA 90640



January 16, 2013

Franchise Comments, Attn: Erin Knight
SRCRD M/S #944
1149 South Broadway, 5th Floor
Los Angeles, CA 90015

Dear Mr. Helou and Staff;

Thank you for the opportunity to provide comments on the implementation plan for the commercial franchise system. We have provided some brief comments on these key issues for your review and would be happy to further discuss these ideas and other options as you move forward.

1. **The number of Franchise zones you suggest for the City;** - In order to maintain a healthy balance and opportunity for local independent haulers, the City should consider at least 15-20 zones.
2. **The number of accounts per zone;** - To assure that zones do not become too large, a maximum number of 5000 accounts, or something in that range is preferable. Additionally, looking at zones of varying sizes, including some smaller zones is a means to help provide opportunity for local independent haulers to bid during the process. (see item 7.a for more details)
3. **The maximum number of zones a hauler may be awarded;** - A maximum of 1-2 zones should be awarded per company (including subsidiaries). This is a critical point. If multiple zones are awarded, it is possible that publicly owned large companies could dominate the contract award, which would decrease competitiveness and also put many locally owned businesses out of business. Currently there are a large number of permitted and qualified haulers in Los Angeles. There should be an emphasis in this process to ensure that these haulers are allowed to continue to operate in the City and that the process, designed to simplify the City's over site and raise funds, does not ultimately put local businesses out of business and cause a huge increase in rates to the customers.

TELEPHONE

888-0398

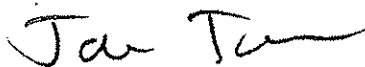
888-888-0398

We are not aware of any City that tracks contractor vehicles in real time and doing so would require a huge amount of City staff time to oversee. Further details on the specific need of this information by the City would be useful to help determine exactly what data is needed to be tracked and therefore the most useful computer system to use. It would be great to develop more simple computerized systems for monthly reporting and data tracking (other than vehicles).

7. **Any other items you would like the City to consider in the implementation plan. – Two key things.**
- a. One of the key items not listed is the method for determining which companies may be considered for award of a contract. It is NASA's position, that award of contracts should only be offered to existing, current City of Los Angeles permit holders, that are current with all reporting and fees. The worst thing for the City of Los Angeles and its existing haulers is to have multiple companies and organizations propose on the contracts when they have not been actively working in Los Angeles. In order to ensure a smooth transition, haulers need to have adequate experience, not just in collections but specifically in the Los Angeles area. We respectfully request that the Call for Proposals does not allow non-permitted, non-local companies to participate, especially in light of the fact that a 5-year notice has been provided, which allows the City to exclude haulers which have not been grandfathered into the process.
 - b. One other item for consideration is what was discussed during the council meeting, in which there would be some sort of requirement that awarded contractors would sub-contract with smaller companies on a minimal portion of the zone. It's been long stated that this franchise would kill all small, independent companies currently operating. Many of these companies will not have the financial means or resources to bid on a zone; therefore, some mechanism to ensure the ability of small businesses to participate should be included.

Thank you for your consideration.

Sincerely,



Jack Topalian
General Manager



San HaulerFranchise <san.franchisecomments@lacity.org>

Resent Re: Request for information by January 16, 2013 in regards to Franchise Implementation Plan

George Nazaroff <rexnaz@verizon.net>
To: San HaulerFranchise <san.franchisecomments@lacity.org>

Mon, Jan 21, 2013 at 9:11 AM

Erin

Nothing I can input will do me any good!

The City has made a decision that is putting me OUT OF BUSINESS!

My company is small and there is no way I would qualify for a waste shed.

Shouldn't you people have a plan already?

Why do you keep asking the Independent Hauler for help when you know we don't have a chance?

You have not listened to any of our ideas for the City.

The small owners have been working WITH the city for over 50 years and together we have handled all the trash needs.

And now you are saying you don't need us anymore!

George Nazaroff

From: erin.knight@lacity.org [mailto:erin.knight@lacity.org] **On Behalf Of** San HaulerFranchise
Sent: Wednesday, January 09, 2013 9:18 AM
To: Erin Knight
Subject: Resent Re: Request for information by January 16, 2013 in regards to Franchise Implementation Plan

January 8, 2013

[Quoted text hidden]



San HaulerFranchise <san.franchisecomments@lacity.org>

comments

Greg Loughnane <GLoughnane@athensservices.com>

Thu, Jan 24, 2013 at 11:17 AM

To: "san.franchisecomments@lacity.org" <san.franchisecomments@lacity.org>

We apologize for the tardiness- there have been several illnesses to reckon with.

<u>Greg Loughnane</u>	<u>Athens</u> <u>Services</u>
Executive Vice President	Valley Office
Cellular (626) 255-8121	14048
Office: (626) 855-7233	Valley
gloughnane@athensservices.com	Bld.
	La
	Puente,
	CA.91746
	Fax: (626)
	513-0984

Got Trash? Visit www.athensservices.com**Jan1.16.13 Cityresponse.pdf**

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2 of 2

14048 Valley Blvd.
P.O. Box 60009
City of Industry, CA 91716-0009
Fax (626) 330-4686
(626) 336-3636

January 16, 2013

To: franchise Comments- City of LA

From: Greg Loughnane - Athens Services

Response to City of Los Angeles

1. The City has proposed dividing the 6 Sanitation collection areas of the City into 11 zones. Athens has no objections to this as long as there is no maximum number of zones a hauler can be rewarded. Athens also believes the City should have 2 or 3 haulers per zone to compete for the business. This will allay fears from business owners that there is no competition for their business.
2. Let the geographical divisions of the zones dictate the number of accounts.
3. See item 1- there should no maximum. Winners should be chosen on merit and value added-price and service offering. Awards should be based on choosing the companies with the best responses to the RFP that meets the goals of the City and its stakeholders. Consideration and preference in the RFP should be given to companies with experience, tenure and market share. Specifically only haulers who have 5 years of experience hauling with a business license in the City of LA should be allowed to participate in the RFP process. Companies who have been processing waste in the City or in LA County should also be given preference, as well as companies that use technology to provide the most diversion with the fewest number of trucks on the street.
4. If the City wants to increase food waste diversion, they should select companies through the RFP which have experience in food waste collection as well as recycling infrastructure in their selection process.
5. The City should not transition the entire City to exclusive at one time. The City should take into consideration that using haulers who are best qualified and already have prominent market share will greatly simplify the transition program and will take considerably less time to implement the exclusive arrangement.
6. There is not enough information or time allotted to address this question.



Providing Solid Waste and Recycling Services Since 1968

25 January 2013

Ms Erin Knight
SRCRD MS 944
1149 South Broadway, 5th Floor
Los Angeles, California 90015 2238

RE: Comments to Exclusive Commercial Franchise System Request of 8 January 2013

Dear Ms Knight:

Ware Disposal Inc. has received your agency's 8 January 2013 request for input regarding seven specific topics related to the implementation plan for the exclusive commercial franchise system.

Ware Disposal Inc. believes offering specific comments to the seven topics at this time without additional information related to the design of the exclusive commercial franchise system would be imprudent considering the fact the CEQA work on the project has yet to be completed. When certain variables become constants in this process, Ware Disposal Inc. will be able to comment more effectively at that time.

Ware Disposal Inc. appreciates the opportunity to participate in both the project's overall design, as well as the final delivery system to the City's commercial sector. As a City provider over the last forty-five (45) years (and established in the City of Los Angeles), Ware Disposal Inc. desires to (at the very least) maintain a relationship with the City in the new system.

As always, if you should have any additional questions and/or concerns, please feel free to contact me.

Sincerely,



JUDITH WARE
President
Ware Disposal Inc.



Erin Knight <erin.knight@lacity.org>

Franchise Implementation Plan

Aide Gaytan <AG@astor-kingsland.com>

Mon, Feb 4, 2013 at 3:47 PM

To: "erin.knight@lacity.org" <erin.knight@lacity.org>

Please find attached the Los Angeles County Waste Management Association's comment letter with regard to the franchise implementation plan. Thank you.

Aide Gaytan, Legal Assistant

ASTOR & KINGSLAND

1851 East First Street, Suite 1220

Santa Ana, California 92705-4052

Telephone: (714) 245-0995

Facsimile: (714) 245-0171

ag@astor-kingsland.com

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Letter to Knight - Franchise Comments.pdf

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**LOS ANGELES COUNTY
WASTE MANAGEMENT ASSOCIATION**

February 4, 2013

Franchise Comments
Attn: Erin Knight
SRCRD M/S #944
1149 South Broadway, 5th Floor
Los Angeles, CA 90015

Dear Ms. Knight:

I am responding to your letter of January 8, 2013 requesting input on several topics relating to the City's plan for an exclusive franchise system. The Los Angeles County Waste Management Association is comprised of companies who haul the majority of private collected tonnage in the City of Los Angeles. Please excuse the delay in submitting these comments, but our Association Board only recently met to review and consider your request.

1. Los Angeles County Waste Management Association favors 11 zones.
2. Los Angeles County Waste Management Association has no opinion on the number of accounts per zone, but urges that the number take into consideration demographics of the area to be served and the number and size of commercial businesses, rather than artificial geographic boundaries.
3. Our Board generally agreed that a hauler should be eligible for as many as 3 zones, with some suggesting no limits whatsoever.
4. Each member of the Association will incorporate organics collection and recycling recommendations as part of their individual responses.
5. Up to 12 months, depending on the size of the zone and the extent to which accounts in that zone are already serviced by the hauler selected as the franchisee.
6. More information is needed regarding this topic. We do believe that any data interchange requirement should be applied to all franchisees.
7. We have several additional comments to offer for your consideration. First, we feel it is imperative that existing service providers be given a preference over all others who may now have an interest. These incumbents have demonstrated success in delivering this critical service in a highly competitive environment, and have done so in a

Ms. Erin Knight
February 4, 2013
Page 2

manner that enabled the City to comply with AB 939. The reward for that commitment should NOT be to divest them of their hard earned role in the City. We propose a minimum experience level of 5 years by the parent entity as a permitted hauler within the City in order to qualify for incumbent status. The amount of weight to be given for incumbency is an open question for us, but we believe it should be substantial, perhaps 15% or more.

Similarly, we urge that the City structure the procurement in a fashion that also recognizes existing market share, and that endeavors to sustain current market share wherever possible. Again, incumbent haulers deserve that much for their many years of service, and we are confident that commercial customers would prefer access to their existing hauler where possible. This has the added benefit of limiting the transition period required.

The award of a franchise should also consider the availability of extra or bonus credit for those companies with waste processing facilities in the County of Los Angeles.

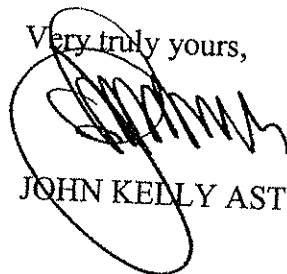
Merit and performance should be the overriding selection criteria, rather than political considerations or the existence or absence of a collective bargaining agreement. Simply requiring adherence to the City's living wage law will be sufficient.

Finally, we would simply note that State law authorizes the City to design a new system and select from the pool of incumbent haulers without resort to a competitive bid process. In past years, the Counties of Orange and San Bernardino and Santa Barbara, to name but a few, opted to simply negotiate new franchise agreements in this way, thereby avoiding additional delay and the expense of an openly competitive procurement.

Whatever course the City ultimately selects, due regard for those that have many years of successful operations in the City is a must.

We appreciate this opportunity to communicate on a matter of such importance and look forward to continuing the dialog in the near future.

Very truly yours,



JOHN KELLY ASTOR

JKA:ag

**LOS ANGELES COUNTY
WASTE MANAGEMENT ASSOCIATION**

February 4, 2013

Franchise Comments
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SRCRD M/S #944
1149 South Broadway, 5th Floor
Los Angeles, CA 90015

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Ms. Erin Knight
February 4, 2013
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Very truly yours,



JOHN KELLY ASTOR

JKA:ag