

## **Los Angeles County Public Works Proposed Exclusive Commercial Franchise System**

### **Questions and answers following the Workshop {December 16, 2020}**

1. Clarify the Multi-family 5+ units with all carts – states it is included which would require the hauler to run multiple trucks.

- The County plans include service for multi-family complexes with 5 or more units in the Proposed Exclusive Commercial Franchise, regardless if those complexes prefer and request cart service for trash. We expect most multi-family complexes with 5 or more units to utilize a trash dumpster, so we do not foresee an issue; however, we understand the inefficiencies with running an extra truck for 1 or a few customers if this circumstance occurs. Thus, there will be a provision that the County, commercial waste hauler, and residential waste hauler will work together in such circumstances to determine the most efficient option of service.

2. Need to understand the County's theory on creating and managing a system of micro-haulers for the collection of organic waste. The CWRA believes this could create an opportunity for illegal hauling and disposal of organics.

- The County is creating a system for micro-haulers as there is a benefit to the community to allow for de-centralized local solutions to manage organic waste, specifically through community composting. We believe a diverse portfolio of options including both local and regional solutions is needed to achieve maximum organic waste recycling. The County is developing an official mechanism such as a contract or license for micro-haulers to ensure they are meeting all requirements of SB 1383, reporting to the County, and providing safe and legal service. The County plans to include criteria in the micro-hauling requirements so that there is a limit on the amount of organics they collectively can collect within a commercial zone so that there is negligible impact on to the feedstock allotted to the exclusive commercial franchise hauler.

3. Self-haul should be for customers below a certain threshold generation of waste per week (example: customers that generate less than 65 gallons of waste per week can apply for an exemption).

- The County plans to maintain the current ability for any customer regardless of quantity of material generated to self-haul or back-haul material if they so choose. It is understood that back-hauling is a typical process for large corporate grocery stores that allows for proper and adequate management of the material. The County plans to inspect and require justification to ensure self-haulers are meeting State and local requirements. Franchise waste haulers will be required to assist the County in determining customers that self-haul. The County is planning to develop criteria so that micro-haulers can only provide service to customers below a certain threshold.

4. The County is preparing an ordinance to accompany the new exclusive franchise system and we need to see this prior to finalizing the agreement.

- The County's proposed ordinance will follow what is required of the County per the SB 1383 regulations where the County plans to exhaust all notification and outreach steps before implementing penalties on generators for non-compliance and within the timelines allowed in the regulations. While we will attempt to provide the draft Ordinance to the County Board of Supervisors prior to the Commercial Franchise agreement, it is not guaranteed.

5. Review the Micro-hauler requirements (our members do not recommend this option as it will create the potential for illegal hauling in the franchise areas as well as create difficulty in meeting the requirements of SB1383. Please explain why the County favors this option for organics collection and processing).

- The County did not indicate it favors one option over the other, but rather sees the need for both community and regional scale options as indicated in response to question #2. Micro-hauling criteria shall be stringent to ensure SB 1383 regulations are met and negligible impact on franchise haulers. The requirements are under review with Counsel but can be expected to include only taking the organics to a community composting hub using a zero-emission vehicle or bicycle. Transport to transfer station or MRF will not be allowed and may be limited to 150 tons per year per zone.

6. Ability for a customer to apply for a waiver from SB1383 – what does this mean exactly.

- The SB 1383 regulations allow jurisdictions to provide waivers to generators under certain circumstance so that they will not be required to receive organic waste collection service. The following are waivers that the County is considering:
  - De Minimus Waiver.
    - What this waiver does:
      - Allows commercial generators that produce little to no organic waste to not subscribe to organic service.
    - How commercial generators may qualify:
      - They generate more than 2 cubic yards of Solid Waste per week and less than then 20 gallons of organics per week that; or
      - They generate less than 2 cubic yards per week of Solid Waste and less than 10 gallons of organics per week.
  - Physical Space Waiver
    - What this waiver does:
      - Allows generators without space for an additional separate organics container to temporary waive their requirement for organic services. This is not a permanent solution for compliance.
    - How generators may qualify or apply:
      - The generator must demonstrate that the premises lacks adequate space for multiple containers to comply with organic services. Only generators whose haulers provide 2-container, 3-container, may apply.

- The County is also considering a waiver for customers that self-haul, back-haul, self-manage, or sign up for micro-hauling service to not be required to receive organic waste collection service from the franchise waste hauler.

7. Map of Proposed Zones

- a. Foothill – small hauler only zone (4086 yards)
- b. San Gabriel West – small hauler only zone (4,032 yards)
- c. Whittier – Could this be consider a small hauler zone (5,641 yards)
- Thank you for your recommendations, we will consider your suggestion for those zones to be designated small hauler zones.
- d. How will the small hauler criteria be enforced for the RFP process.
- To meet the requirements of a "small hauler", we are considering utilizing the existing Los Angeles's County Local Small Business Enterprise certification process, which the business/proposer would need to be certified.

8. Outside of the potential for a very limited self-haul exemption, will the County require the franchise areas to be mandatory for waste, recycling and organics collection.

- Yes, recycling and organics services will be mandatory and enforceable under the County's proposed ordinance; however, hauler may propose alternate collection methods such as mixed-waste processing.

9. We request that you allow input from the haulers regarding the proposed bulky-item collection in the agreement as this has become a large issue for the haulers. We believe there should be limits on the number of pickups per year and the number of items.

- The presentation at the workshop indicated that the Request for Proposals will include two options for the County to consider, one option being a tiered approach with the number of free pick-ups depending on the number of units in the multi-family complex, and the other option being an unlimited number of free pick-ups.

10. Vehicles to run on Renewable Natural Gas (RNG) – this may not be available to all the haulers.

- Waste Haulers' reports to the County indicates that the majority of all waste haulers' fleets run on natural gas. It is our understanding that those same trucks can run on RNG with no modification as the gas is the same but just a different source. The County will consider alternative plans from the franchise hauler to assist the County in meeting the SB 1383 procurement requirements if SB 1383 compliant RNG is not available. However, information from one anaerobic digestion facility initiating operation indicates that over 4 million diesel gallon equivalents per year is available in the very near term. County procurement requirements are estimated to be less than 2MDGE/yr.

11. One franchise area per hauler as there are only 8 zones.

- The County is considering criteria to limit the number of zones that one hauler can win.

12. Would it make sense to have the County mirror the residential franchise areas and bid them as the residential contracts expire.

- The Residential Franchise contracts all have a different start and end date. It will not be feasible to start new commercial franchise agreements at those varying times to ensure compliance with SB 1383.

13. Will the County set the rates and will they be the same in all areas.

- The County will be requesting a rate table to be completed from each proposing hauler for each zone as indicated in the workshop presentation. The rate will be uniform for each customer in each zone but may differ per zone.

14. All the large franchise areas should have a small hauler sub-contract affiliation for specific services (example: In order to allow the small haulers in the County that have been servicing the County for in some cases 40 to 50 years, we recommend that some of the services within the large franchise areas could be offered to the smaller haulers through an affiliation in a specific franchise area).

- Thank you for your suggestion. We do expect to provide additional points for small business enterprise, including sub-contractors, in evaluating proposals.

15. Please explain the flow control for organics.

- The County reserves the right to implement flow control at any time during the life of the contract. The language is expected to be similar to that already executed in residential franchise contracts, where the hauler and County shall determine rate adjustments considering the change in tip fee and transportation costs. This is to allow for the consideration of supporting new local infrastructure, or alternative infrastructure such as high-diversion processing.

16. Was there discussion on the call that the County is requesting that the Organics rates would be half of the trash rates. Need to discuss.

- The workshop presented the idea of organics rates being equal to that of trash and recycling rates would be half the rate of trash. The purpose of this concept is to incentivize the separation and use of organics and recycling containers, and ensure customers subscribe to service that fits their actual generation.

17. We would like to request that the County consider including fats, oils and grease (FOG) as part of the overall organics collection program. We understand that these items are being considered as acceptable materials by CalRecycle in an organics compliant SB1383 program.

- The County does not intend to limit the types of organic materials accepted in the haulers collection so long as the hauler utilizes a facility that adequately processes the material and meets the requirements of SB 1383 regulations. While FOG may be collected by the franchise hauler, it shall not retain the exclusive right to collecting FOG as many businesses subscribe to separate service for managing FOG.