

WESTWOOD NEIGHBORHOOD COUNCIL

September 12, 2012

Agenda Item #5(F)2

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MOTION REGARDING TRASH COLLECTION

Dear City Officials,

We are writing to you today as representatives of a wide spectrum of neighborhood councils to share our concerns with a proposal by the City of Los Angeles to franchise multifamily and commercial waste hauling services. Simply put, you're going to put many of our stakeholders - local businesses, apartment owners and residents at a financial risk by limiting the competition of waste haulers. A proposal moved forward by the Board of Public Works, at the urging of special interest group LAANE, calls for creating a system where only one waste hauler will serve large portions of the City with severe limits to the numbers of haulers City wide. The proposal calls for one or two haulers for the entire City, which is now served by 140 different companies.

We know from evidence in other cities with exclusive franchises that these systems raise prices and eliminate high quality customer service. Our stakeholders thrive on the flexibility that their current waste haulers and recycling programs are providing. For many of our stakeholders (including restaurants), it is crucial that they are provided with seven day pick-up and trash management services. If the City were to move forward with additional mandates their costs would increase in these trying economic times.

Our stakeholders are also concerned on a loss of group discounts on multiple properties that customers currently enjoy. Many residential and commercial property owners manage different buildings throughout the City, which under the proposed plan could potentially lie in different waste sheds. By limiting which haulers can operate in certain waste sheds, property owners may lose group discounts for multiple properties that benefit both tenants and property owners. The City needs to conduct an economic impact study to understand the ramifications on costs, jobs and property owners.

Finally, there are not enough facilities available to allow for a single waste hauler to successfully consolidate all citywide operations. We fear that this will mean more trash transfer facilities in local neighborhoods and a VAST increase in trash coming to existing facilities in impacted communities in the San Fernando Valley. In fact, if one hauler, Waste Management were to get the exclusive franchise – ALL TRASH IN LOS ANGELES COULD COME TO THE VALLEY! This is unconscionable and has not been analyzed in any Environmental Impact Reports.

The City of Los Angeles should look at the franchise systems that other cities, such as Long Beach and the County of Los Angeles, have implemented. The plans in place in these areas set certain criteria and allow groups that meet those criteria to compete. In the City of Long Beach, there are sixteen franchised haulers that collect waste and recycling from commercial and multifamily customers that generate more than thirty ten-gallon containers of refuse.

We are asking the City to consider a plan that allows for flexibility:

- Seven day pick-up and trash management services are crucial for many businesses such as restaurants, hospitals, hotels and apartments. Having a trash provider with workforce available 7 days a week is an important component of business operations for many businesses throughout the city.

- We support recycling mandates and clean trucks. An open citywide franchise system should set those requirements for any franchise holder to meet.
- The program should be flexible enough to allow the negotiation of contracts that are tailored to the needs of businesses, both large and small.
- Don't trash the San Fernando Valley! The LAANE proposal could mean that one waste hauler, like Waste Management, with facilities in the San Fernando Valley, could end up taking ALL of the trash which is currently managed at facilities citywide to their operations in the Valley. This means vast increases in truck traffic, pollution, and garbage coming to communities which are already over-impacted by waste.
- Unnecessary mandates on waste haulers' business practices can have a very serious impact on operations and will result in significantly higher costs for Los Angeles business owners and apartment owners and residents – producing a downward spiral which will negatively impact wages and jobs across a wide variety of sectors. In addition, the City and its residents face significant risk if uniformity of labor requirements leads to strikes or other work stoppages. A recent Waste Management trash strike in Seattle impacted one million customers; a 2007 strike in Oakland affected nearly 200,000 residents; and a 2003 strike in Chicago impacted over one million apartment dwellers and commercial businesses. These impacts are real and can devastate the local economy, not to mention potential public health impacts.
- We urge that the City focus on not creating a system which encourages fraud and abuse and which leaves the consumer with costs and challenges they do not currently face. Don't make it harder to responsibly manage waste. The franchising of the City's waste hauling services will have wide impacts throughout our city and we feel that it is our duty, as community leaders, to stand up for our neighborhoods. Please consider all the implications before you franchise the waste in Los Angeles.