



February 18, 2020

Mayor Marilyn Ezzy Ashcraft
Vice Mayor John Knox White
Councilmember Tony Daysog
Councilmember Jim Oddie
Councilmember Malia Vella

RE: Support for Consent Calendar Agenda Item 5-H - Recommendation to Authorize the City Manager to Approve a Two-Step Procurement Process for Integrated Waste Franchise by First Entering into Sole Source Negotiations with Alameda County Industries

Dear Members of the City Council:

Community Action for a Sustainable Alameda (CASA) supports the staff recommendation to proceed with a two-step procurement process and enter into negotiations with Alameda County Industries (ACI). ACI has been a strong partner with the City in providing collection programs to residents and businesses in Alameda.

As acknowledged in the staff report, the franchise agreement was developed over 20 years ago and requires modifications. In addition to convening a community advisory panel as described in the staff report, we recommend convening a peer review panel of collection franchise specialists to review the franchise agreement and make recommendations to improve the document. A peer review process was conducted by the City prior to entering into the current franchise agreement. This will allow the City hear from experts in addition to HFH and learn from the variety of approaches that are undertaken by peer communities throughout the Bay Area.

We also make the following observations that should be addressed in the new franchise agreement:

- 1) As a Zero Waste Community, Alameda should enter into a “Zero Waste” Franchise. The concept of “Integrated Waste” is outdated and does not accurately reflect Alameda’s goals or aspirations. The City’s Zero Waste Implementation Plan calls for a “High Diversion” Franchise. We think Alameda can do better.
- 2) Construction and demolition debris collection – ACI collects most construction and demolition debris in Alameda and there is a barrier to entry for construction debris recyclers, providing a de facto monopoly. ACI takes construction debris to local processors (primarily Waste Management’s Davis Street Transfer Station) and provides no added value to contractors (such as source separated recycling of construction materials – dry wall, plastic, wood, etc. or deconstruction assistance). ACI also pays no franchise fees on construction and demolition debris collection. We recommend removing the monopoly provisions in the franchise agreement and leveling the playing field for construction debris recyclers or significantly increasing the recycling

requirements for ACI and requiring payment of franchise fees on construction and demolition debris collection.

- 3) Commercial recycling and organics collection – Similar to construction and demolition debris, ACI has a monopoly on commercial recycling and organics collection (except for a limited number of grandfathered accounts that use Biagini Waste Services or Waste Management). However, ACI pays no franchise fees on commercial recycling or organics collection. No other recyclers or organics collectors may offer collection services and Biagini and Waste Management cannot expand beyond their existing accounts. As identified in the Zero Waste Implementation Plan Update, the commercial recycling rate is very low 22-26%. We recommend either removing the monopoly provisions in the franchise agreement and leveling the playing field for recycling and compost collectors or significantly increasing the recycling and organics diversion requirements for ACI and requiring payment of franchise fees on commercial (and multi-family) recycling and organics collection.
- 4) We also agree with the recommendations in the Zero Waste Implementation Plan Update to: establish a franchise diversion goal, create a rate setting methodology that incentivizes diversion and disincentivizes disposal, require a higher level of outreach and education in the community by trained Zero Waste professionals, and establish contamination fees for customers that place trash in the recycling or compost or place recycling or compost in the trash.
- 5) We strongly discourage the City from moving forward with mixed waste processing as the approach undermines the Zero Waste culture that Alameda is striving to achieve, creates materials of low value to recycling markets, and create low quality compost that can't be used on farms or fields.

CASA is eager to support the City as it moves forward to achieve its ambitious goals in greenhouse gas emissions reduction, resiliency and Zero Waste.

Sincerely,



Ruth Abbe, Steering Committee
Community Action for a Sustainable Alameda
415-235-1356