



CENTRAL CONTRA COSTA SOLID WASTE AUTHORITY

Board of Directors Strategic Planning Workshop Focus on Commercial Recycling Harriette Heibel, Facilitator February 25, 2010 Break Out Group Notes

Commercial Recycling Franchise Option 1 SINGLE FRANCHISE

Dave Trotter, Candace Andersen, Steve Glazer, Carol Federighi
Bart Carr, Janna McKay, Harriette Heibel

Board Wants to Know

1. What is the rate impact?
2. What is the impact on current permitted recyclers who would lose business?
3. What do local businesses think?
4. What type of revenue can be expected?
5. What is the volume of local businesses that current permitted recyclers are handling?
6. What is working/not working for current permit system/permit holders?

Considerations

- Cost of services
- Blended rate available (Example: Pleasant Hill)
- Self haul still allowed (Prop 218 is not impacted)
- Stakeholder input
- Trade-off between permitted recyclers needs and diversion rate

Franchise Decision

- Open to considering asking franchisees for Commercial Recycling proposals
- RFP would/might provide more innovation
- Stop-gap approach gives the Authority greatest latitude
- Not ready to commit to Commercial Recycling bundling approach

Advantages	Disadvantages
Franchise fee – positive	Perception of a monopoly
Businesses can opt out of services	
Easy work load for CCCSWA staff	

**Commercial Recycling Franchise Option 2
GEOGRAPHIC AREA**

Karen Mendonca, Gary Skrel, Karen Stepper
Lois Courchaine, Janelle Cameron, Paul Morsen

Board Wants to Know

1. Should commodity be something we research more about?

Considerations

- Part of this option is already happening – Lamorinda (Davis) and I-680 (Pacific Rim)
- Concentration should be on new types of waste
- Owning our own facility (organics)
- Effect of trucks on service area roads
- Need to have an agreement that’s flexible
- Consider destinations for waste

Franchise Decision

- YES to eliminating or modifying current Commercial Recycling permit system
- Does not want to consider asking franchisees to submit separate Commercial Recycling proposals for 2012 start
- Commercial Recycling should be bundled with future franchising
- We need a unifying theme on diversion
- No matter what option the Board chooses, implementation needs to be in 2015
- Align 2015 franchise with fiscal year

Advantages	Disadvantages
Services are specific to needs of geographic area/market	Requires more oversight by CCCSWA staff and higher costs
There is backup if one service provider is unable to abide by the contract	Less centralized data collection and reporting

**Commercial Recycling Franchise Option 3
MULTIPLE FRANCHISING BY SIZE OR EQUIPMENT**

Victoria Smith, Mike Anderson, Gayle Ulkema
Kent Alm, Ashley Louisiana, Gary Liss

Board Wants to Know

1. Should we franchise by material type?
2. Can residential reuse/cleanup days be counted as commercial as well? Can we change this classification now?
3. How do we classify commercial?
4. What franchisee would get reuse/cleanup program?
5. How many service providers are out there? Who services other counties around us?
6. Which ones are legal service providers?
7. What are the Union implications?
8. Staff needs to bring back dollar (\$\$\$) amounts for each option
9. How much of the permit system do we want to change before new franchise?
10. How do we assist member agencies with funding cleanup services for materials (junk) left on streets? How can we stop this? – BIG PROBLEM

Considerations

- Consider different service cycles (one week paper, one day cardboard, etc.)
- Contract with one company to monitor all franchisees (LA community college district)
- Commercial rates need to be bundled like residential rates (if it costs more businesses tend to not pay or start services)
- Mandate Commercial Recycling NOW
- Commercial Recycling is bigger than just the permit system
- Orinda: Rate base on debris boxes – could set up separate C&D franchise
- Cross subsidy v. specialized/targeted service providers
- Supplemental services if franchisees do not provide service (Food Waste Program)
- Want flexibility – Do not want to be completely locked into something

Franchise Decision

- Need to make permit system easier to use for generators
- Long Term – Include some type of permit system in franchise
- Short Term – Modify & improve permit system (if a lot of staff time isn't involved)
- Must bundle rates!
- Each member agency must reach 50% diversion goal
- Not one service provider but one system

Advantages	Disadvantages
Inter company charges for rates is easier	Less centralized data collection
Multi-Franchise will allow for smaller, more creative companies	Can't bundle rates
Flexibility	Having multiple franchises is less efficient
Multi-Franchise will allow specific services for generator needs	Multi-Franchise can cause management issues

Parking Lot

- Fund for member agencies who have a lot of illegal dumping
- Information on franchise fees
- What's the criteria for procurement process?
- What's the criteria for permitted recyclers?
- What's the rate impact on moving from permit system to franchise?
- Garbage/Recycling 101 over the course of the next year – Definitions of different equipment
- Understanding the current and future market of recyclables/Commercial Recycling
- Attach dollar (\$\$\$) amount to all options
- Extending franchise by two years (2015-2017): Pros and Cons
- Get stakeholder input
- More exact information for options
- Air District – Look into financial assistance and make sure franchising timeline matches with their deadlines
- Multi Family: Commercial or Residential?

Board Comments on Workshop

- Liked shorter day
- Liked how there is one topic to focus on
- Really liked the breakout groups
 - Good interaction
 - More ideas generated
 - Easier to share in smaller groups
 - Maximize this approach

Public Comments

Susan Hurl – Allied Waste Services

- No teeth in current permit system
- Keep wood as a viable commodity
- Need to figure out small waste generator program
- Pleasant Hill Commercial Recycling Program works well: allows for blended rates, additional services and pays for recycling coordinator to oversee program
- Request diversion goals from permitted recyclers

Michael Biagini – Biagini Waste Reduction

- Smaller company looks for best deal
- Smaller companies are motivated and innovative
- Smaller companies have more flexibility – do not have national/corporation regulations
- Need steady flow of revenue (San Francisco)
 - How can Commercial Recycling be subsidized?