

COLLECTION RATES AND DIVERSION PROGRAMS

TRENDS FROM LOS ANGELES COUNTY

Presented at **SWANA's 51st Western Regional Symposium and Trade Show**

April 6, 2022

April Hamud
Project Manager
(949) 251-8586

Samantha Irwin
Associate Analyst
(949) 418-9273

HF&H Consultants
www.hfh-consultants.com





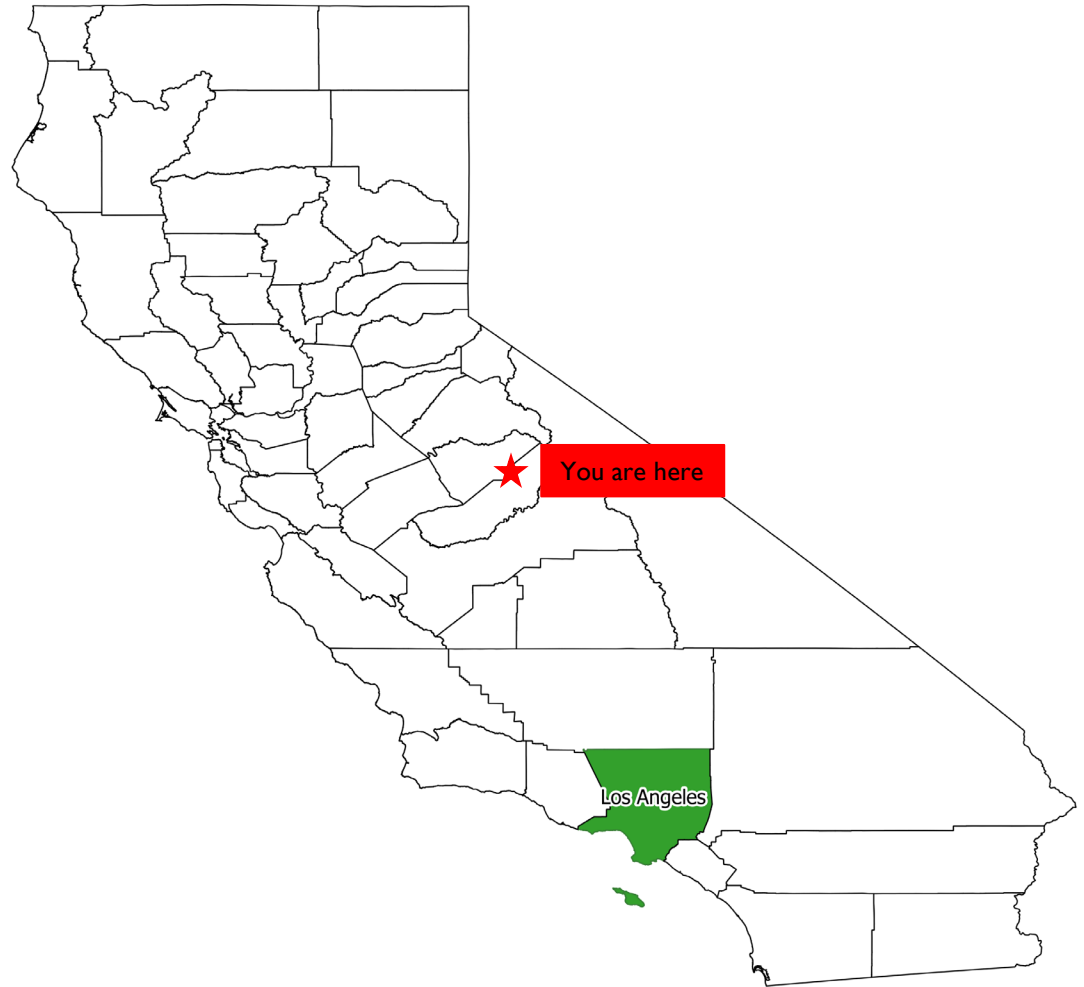
PREVIEW

- Overview of survey region
- Progress in implementing organics programs
- Organics rate structures
- Range of rates being charged
- Hauler market share trends
- Comparison of refuse rate increases to CPI
- General industry observations



WHERE IS LOS ANGELES COUNTY?

- 88 Incorporated Cities
- Total Population: 10 Million
- City populations range from under 500 to nearly 4 million
- Approximately 1.4 million business establishments in 2018/2019





METHODOLOGY



Initially contacted all 88 cities within Los Angeles County through emails and telephone calls.



Gathered the franchise agreement, amendments, and rate schedules as of July 1, 2021.



Verified all city completed surveys with the city's franchise agreement and rate schedule to ensure accuracy.



Gathered survey data from non-responsive cities using the franchise agreement, amendments, rate schedules obtained through public records requests, and/or City and hauler websites.



Compiled results and analyzed data.





RATE DIFFERENCES

Differences in rates may be due to the following:

- Route density
- Access to solid waste facilities
- Solid waste quantities
- Rate structures
- Fees retained by cities
- Timing of compliance with SB 1383 requirements
- Special services (bulky items, street sweeping, city-wide clean up days)
- Cost allocation decisions
- Phase-in strategies
- Contracting approach





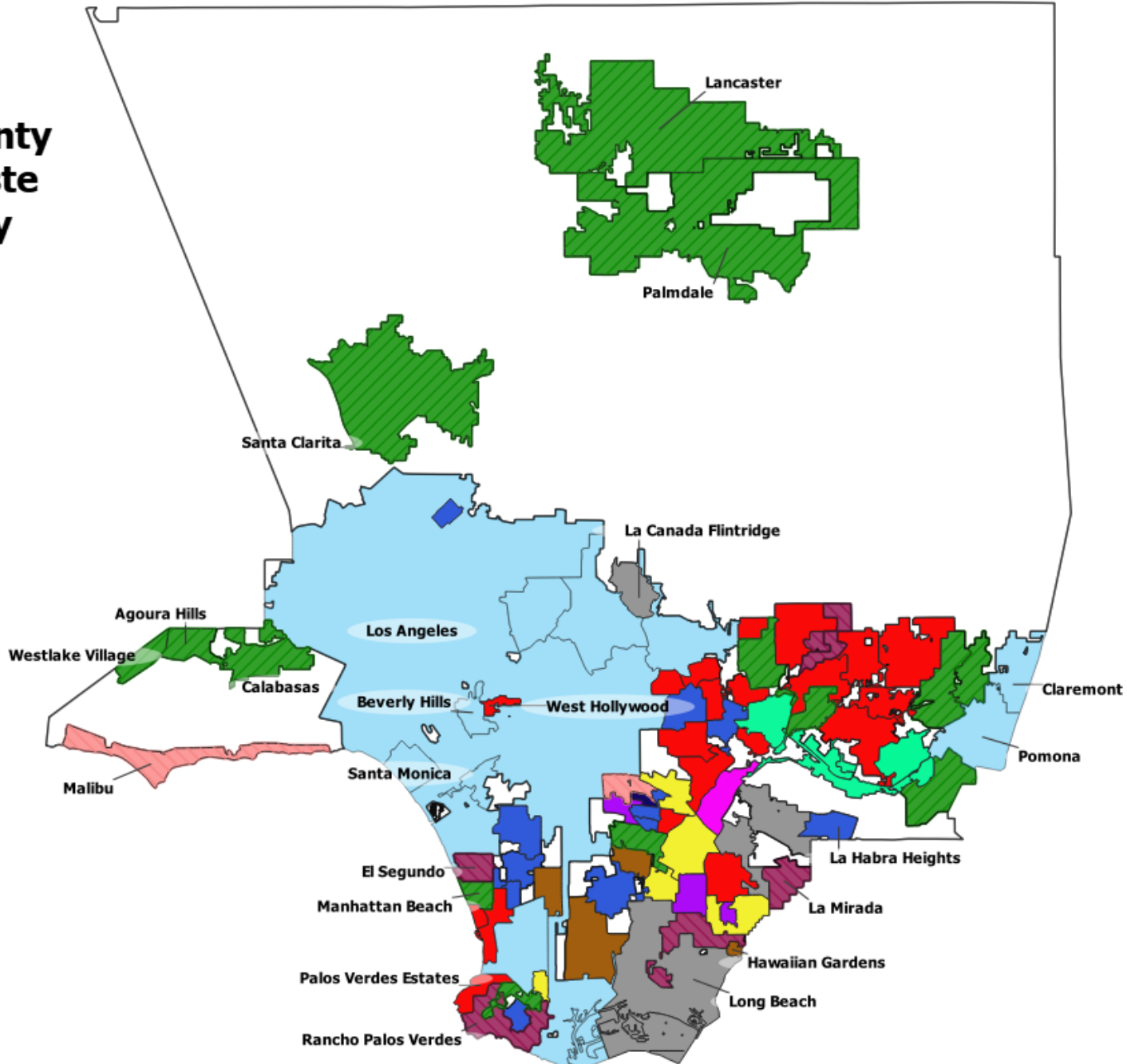
Residential Results



Los Angeles County Residential Waste Haulers by City

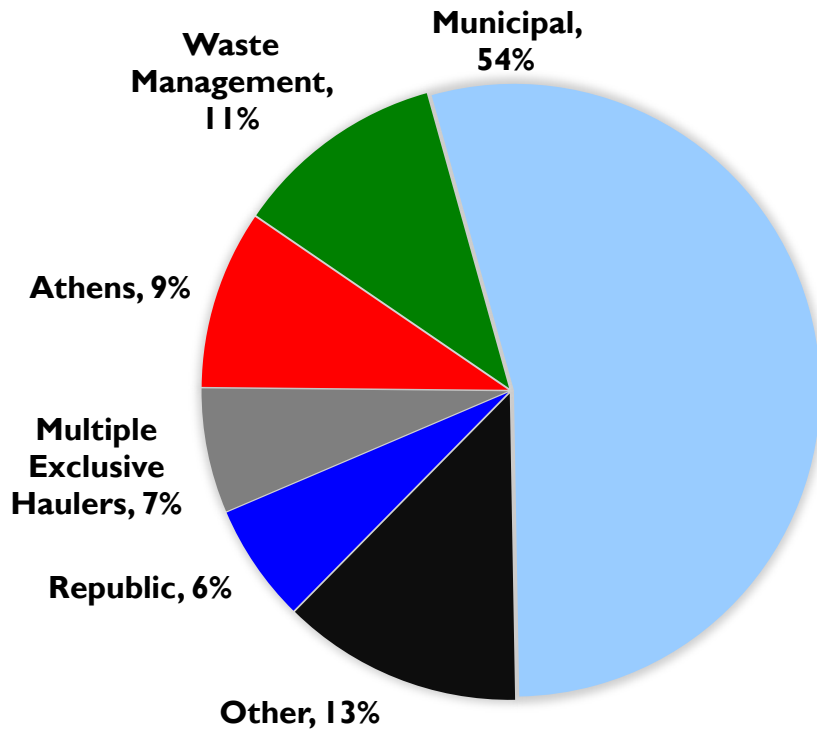
Haulers

- Municipal
- Non-Exclusive / Competitive
- Multiple Exclusive Haulers
- Waste Management
- Athens Services
- Republic Services
- Waste Resources
- CalMet
- CR&R
- EDCO / Burtec
- Valley Vista
- NASA Services
- Universal Waste Services
- Unincorporated Areas

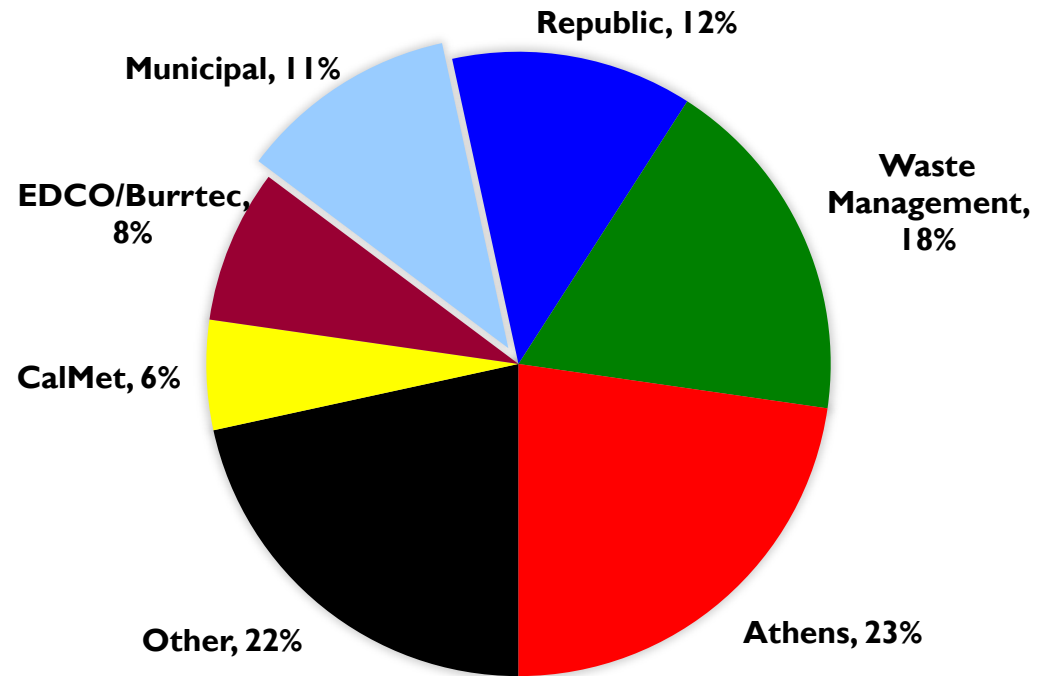


RESIDENTIAL MARKET SHARE WITHIN LA COUNTY AS OF JULY 1, 2021

By Population



By Number of Cities



TYPES OF RESIDENTIAL ORGANICS PROGRAMS AS OF JULY 1, 2021

Out of 88 Cities:



20 Cities (23%) have a residential food waste diversion program



19 Cities collect residential food waste and green waste in the same Organics container (with no bag required)



1 City recovers food waste from the mixed waste stream



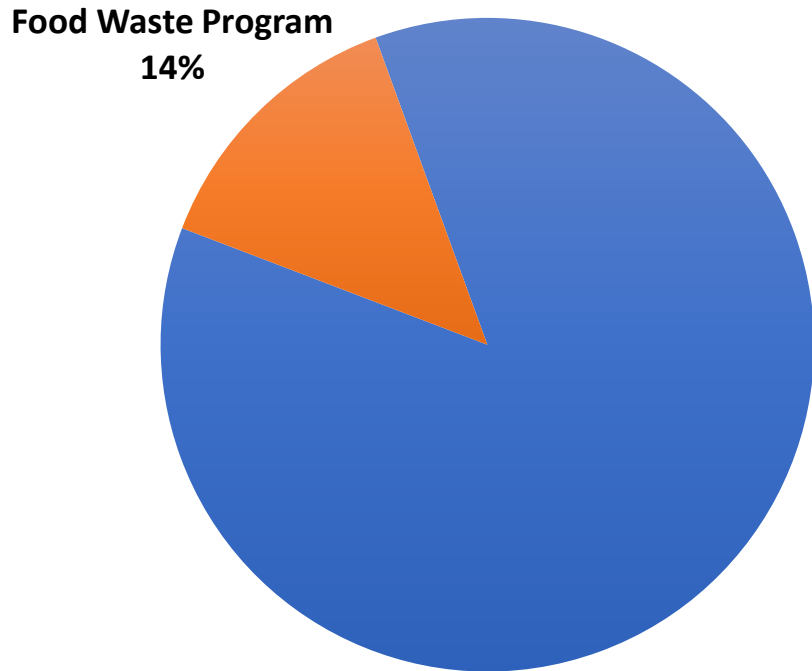
68 Cities (77%) do not have a residential food waste diversion program



7 additional cities planned to divert residential food waste by January 1, 2022

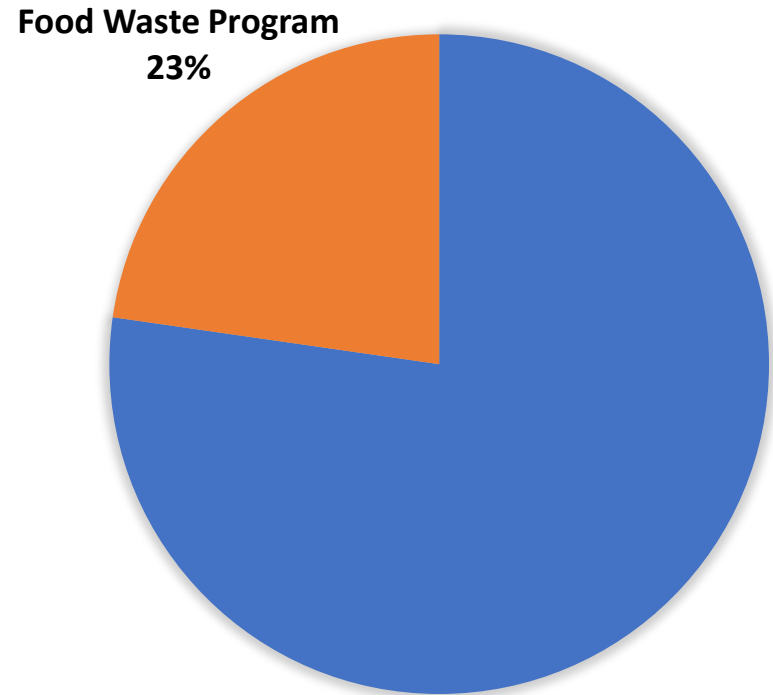
CITIES REPORTING RESIDENTIAL FOOD WASTE DIVERSION PROGRAM *

2018



**No Food Waste Program
86%**

2021



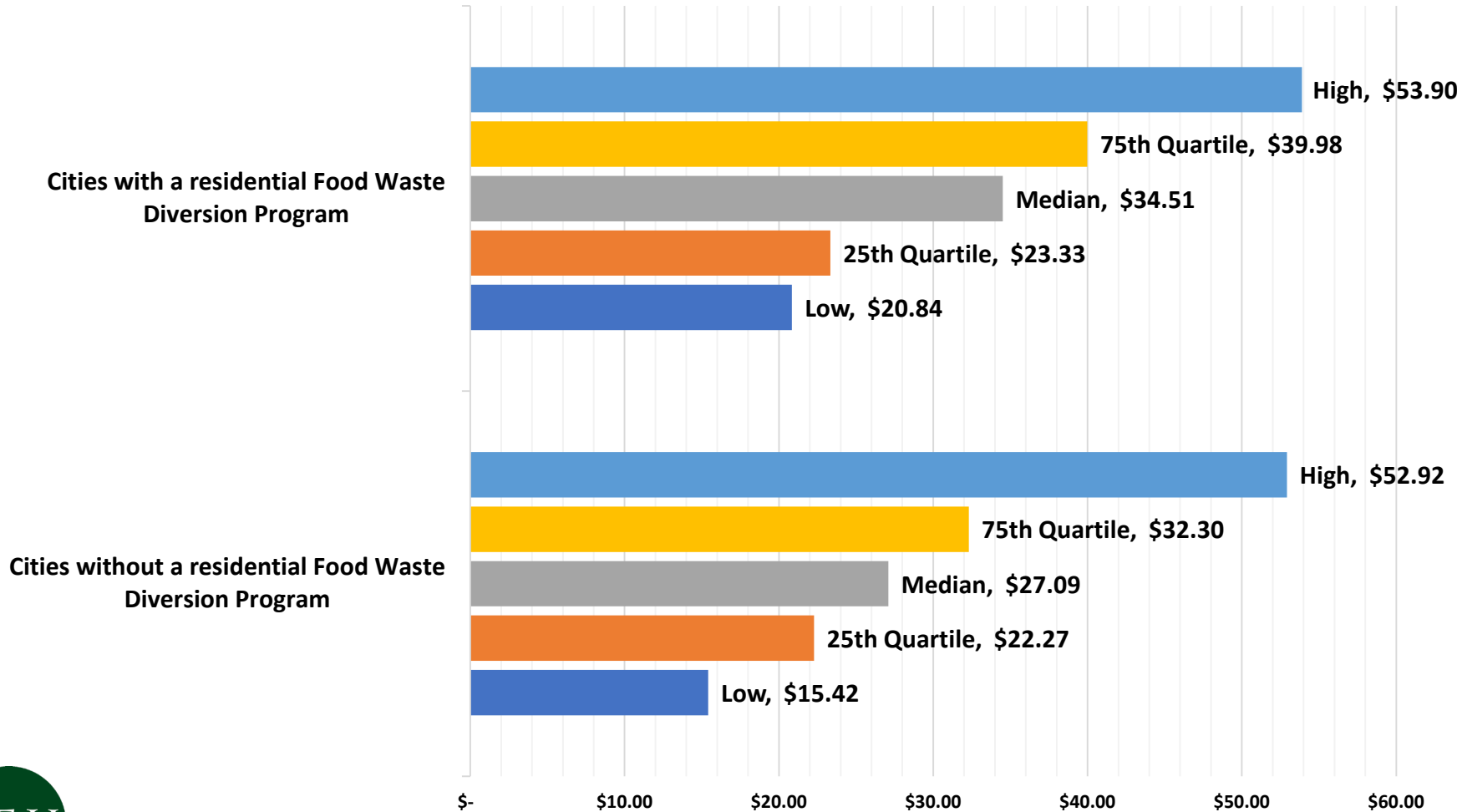
**No Food Waste Program
77%**

*Based on number of cities.



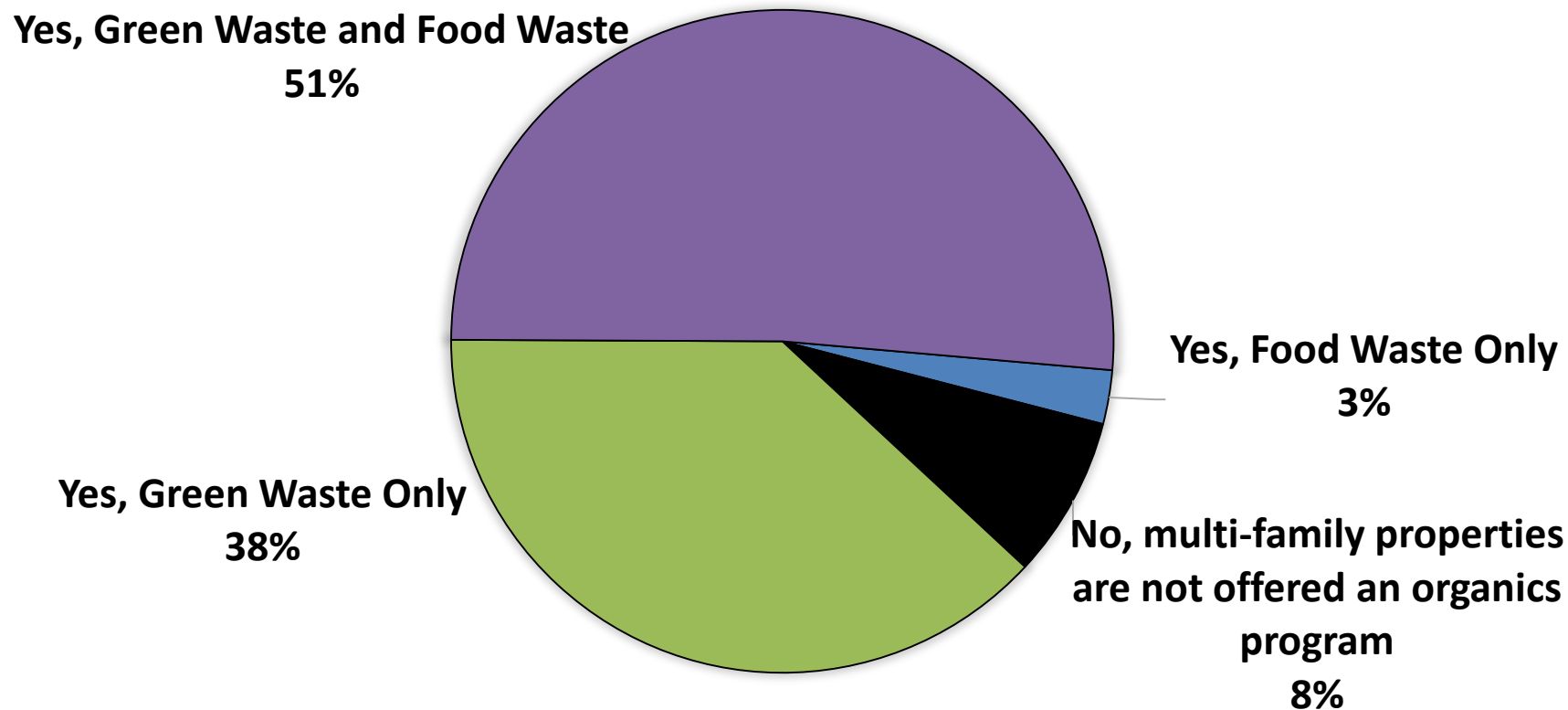
MONTHLY RESIDENTIAL RATES

BASED ON A 95 GALLON REFUSE CONTAINER, AS OF JULY 1, 2021





DOES YOUR CITY OFFER A MULTI-FAMILY ORGANICS PROGRAM? AS OF JULY 1, 2021



*Based on number of cities



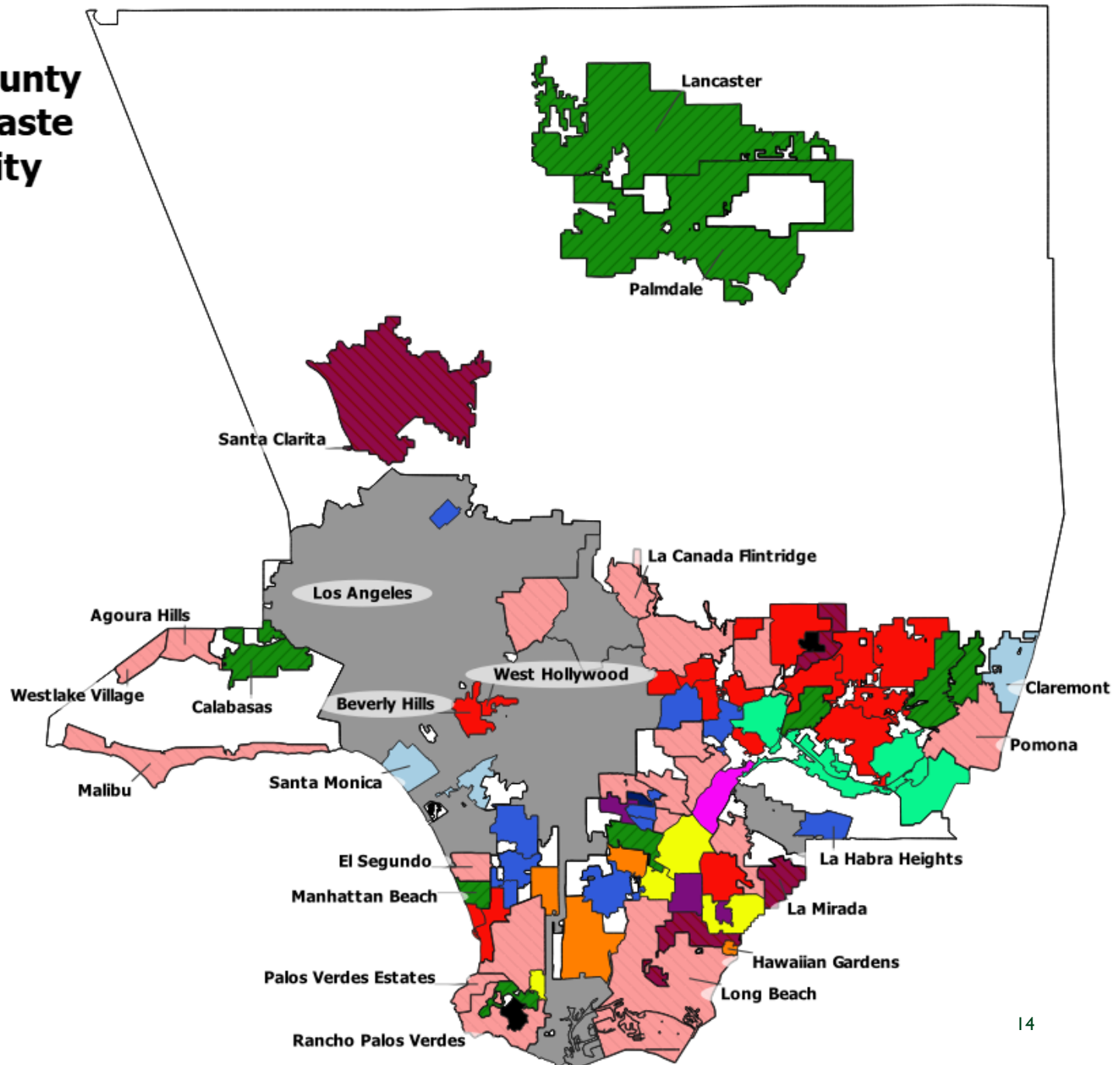
Commercial Results



Los Angeles County Commercial Waste Haulers by City

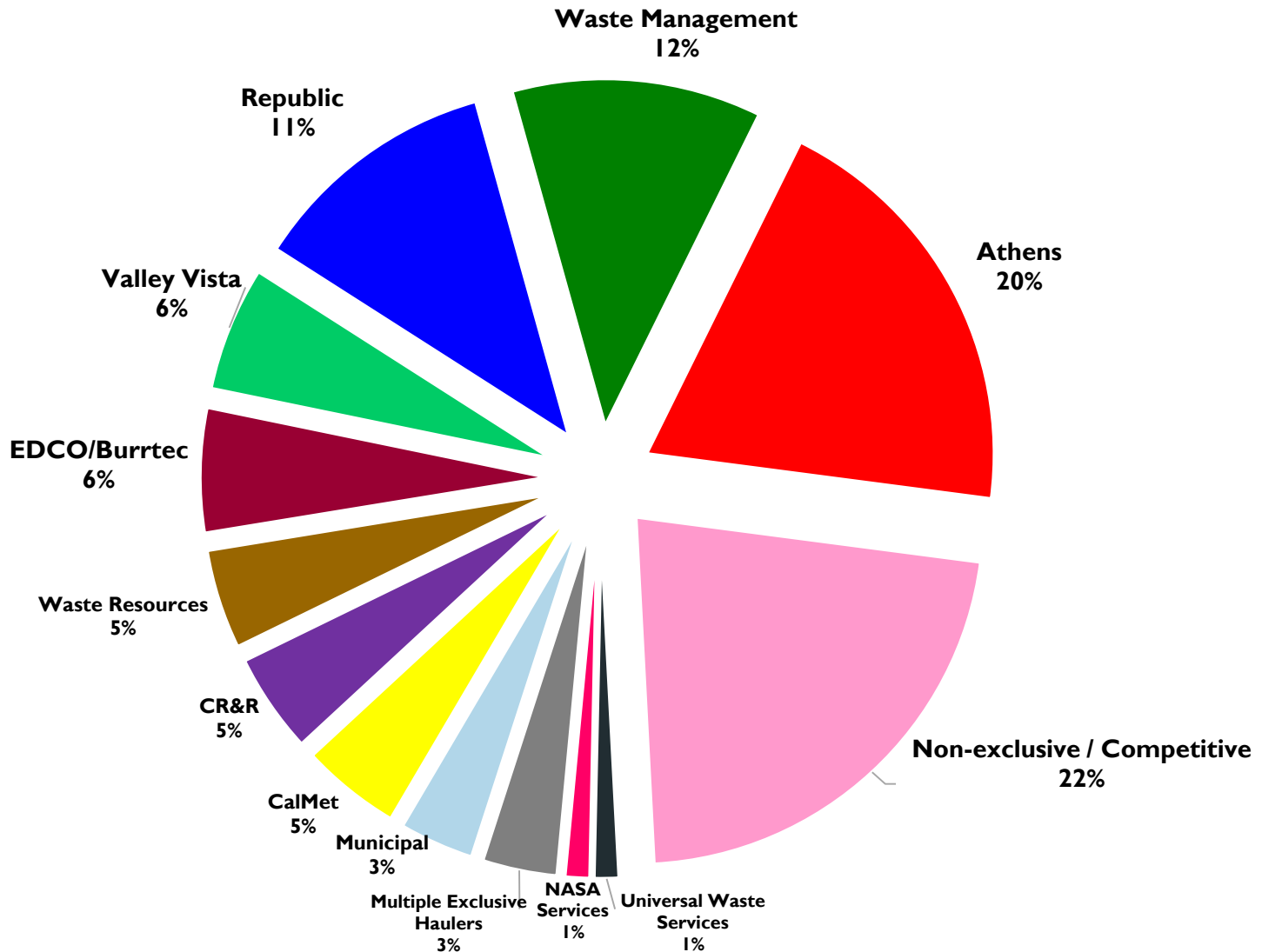
Haulers

- Municipal
- Multiple Exclusive Haulers
- Non-Exclusive / Competitive
- Athens Services
- Waste Management
- Republic Services
- EDCO / Burretec
- Valley Vista
- CalMet
- CR&R
- Waste Resources
- NASA Services
- Universal Waste Services
- No Commercial Service
- Unincorporated Areas



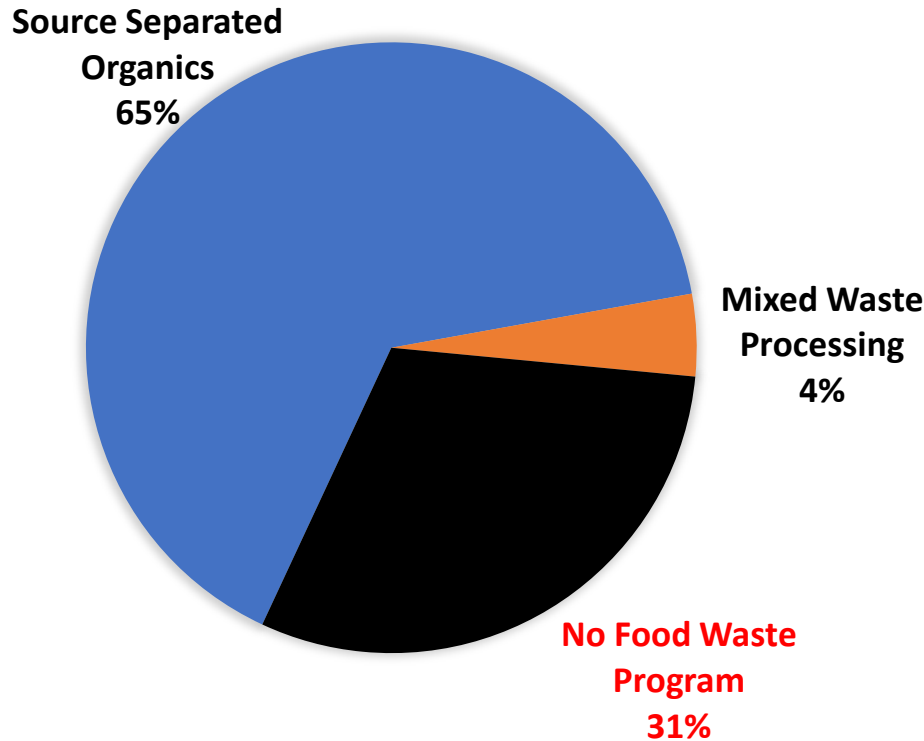
COMMERCIAL MARKET SHARE WITHIN LA COUNTY

BASED ON NUMBER OF CITIES, AS OF JULY 1, 2021

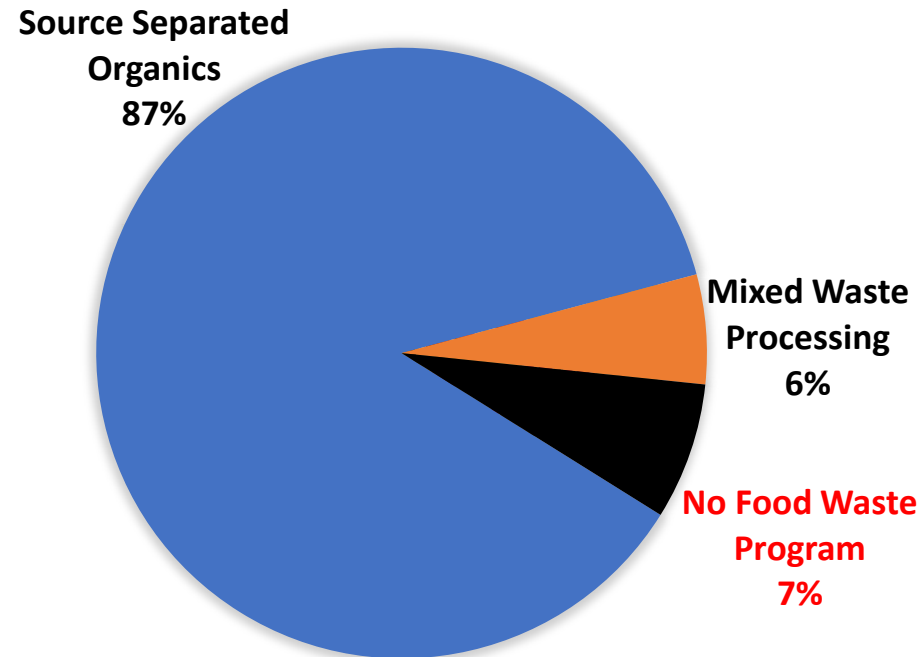


COMMERCIAL FOOD WASTE DIVERSION PROGRAMS* 2018 AND 2021

2018



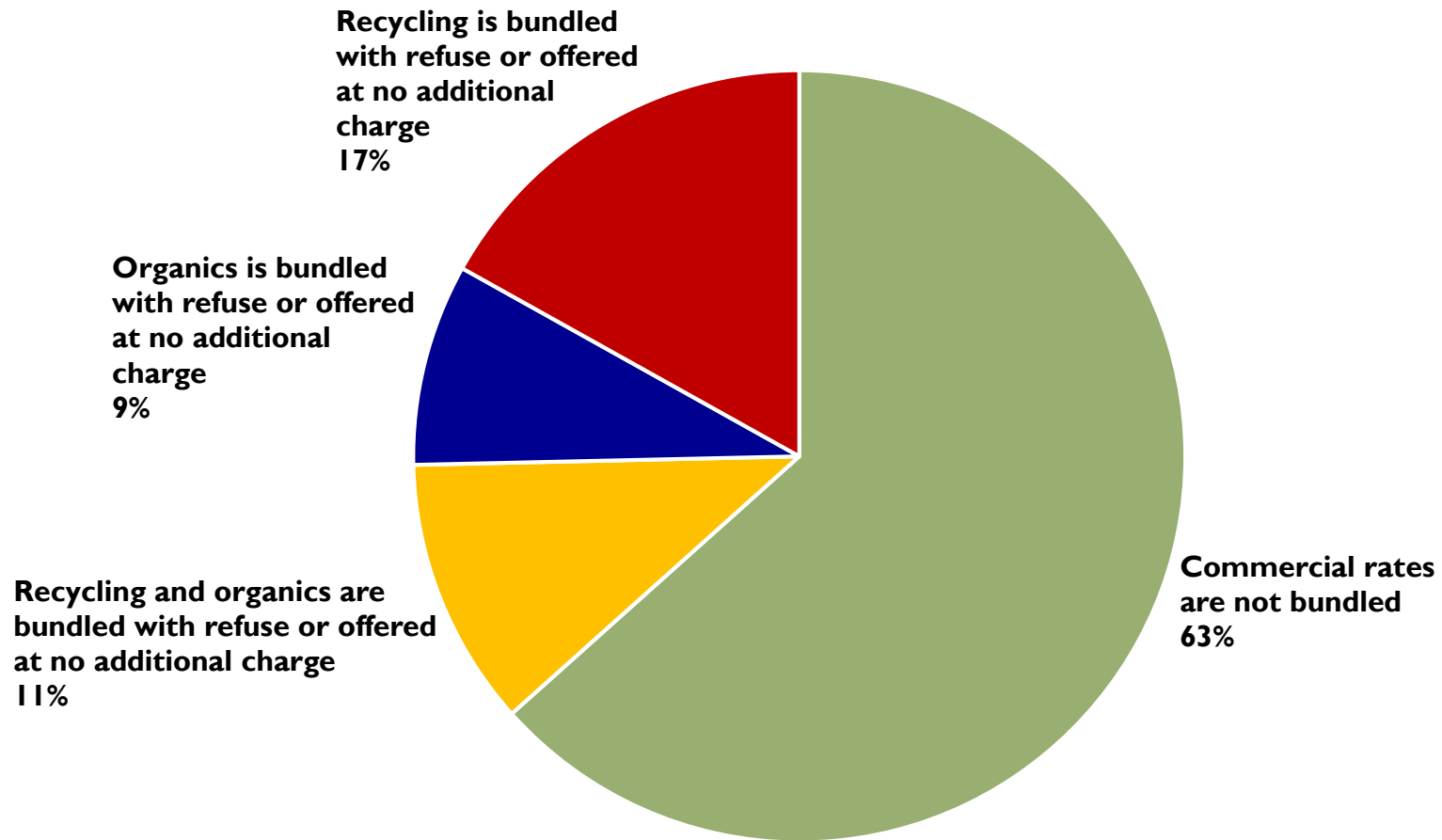
2021



*Based on 69 Cities whose commercial food waste diversion program (or lack thereof) could be determined in both 2018 and 2021.

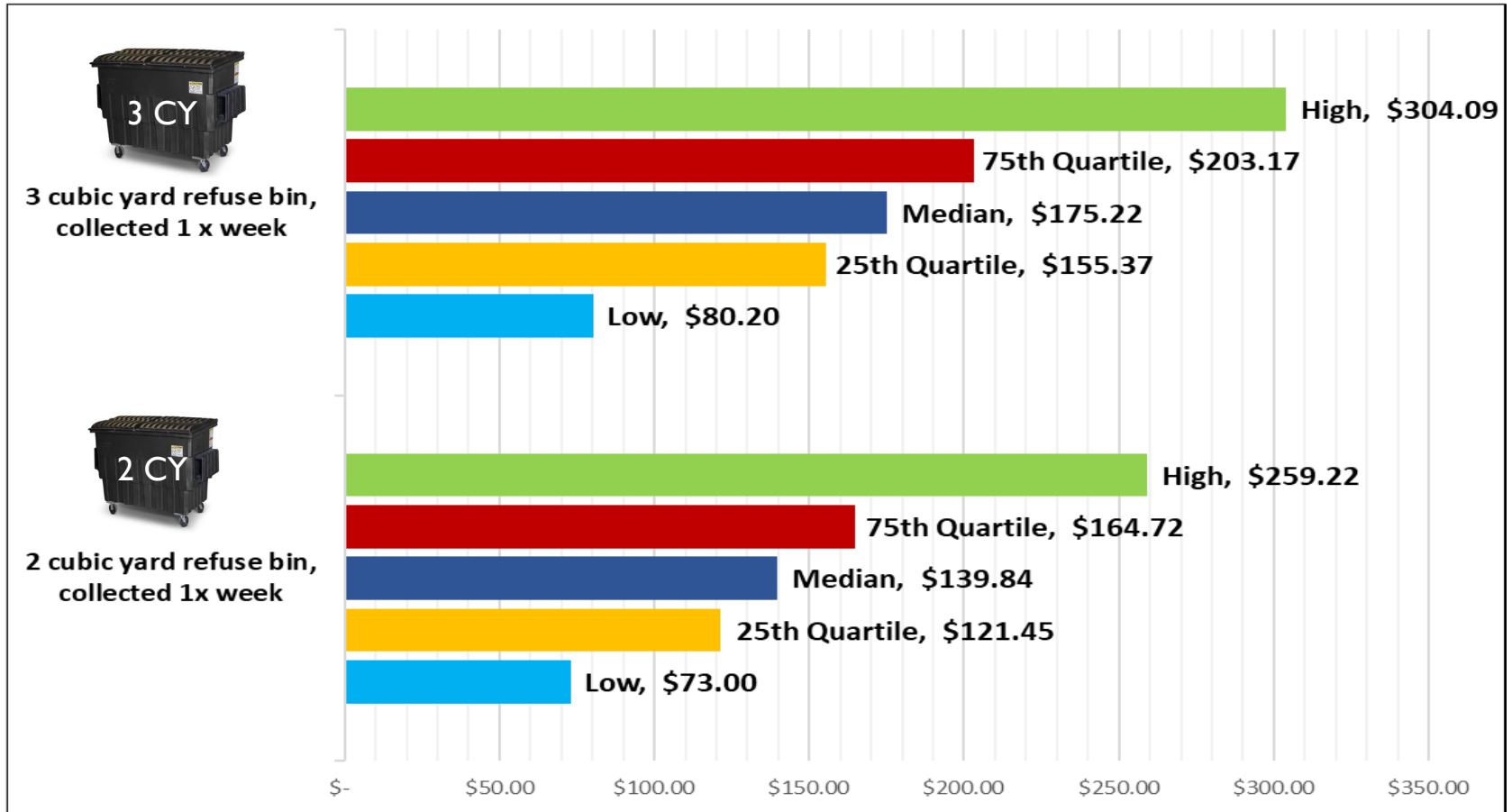


ARE EXCLUSIVE FRANCHISE COMMERCIAL RATES BUNDLED?



MONTHLY COMMERCIAL REFUSE RATES

AS OF JULY 1, 2021





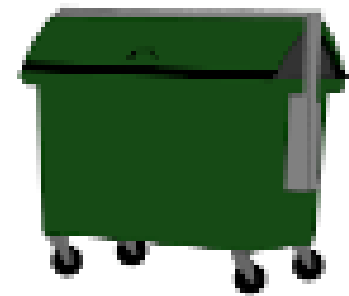
MONTHLY COMMERCIAL RATES

AS OF JULY 1, 2021



Refuse Bin

HIGHER
OR
LOWER

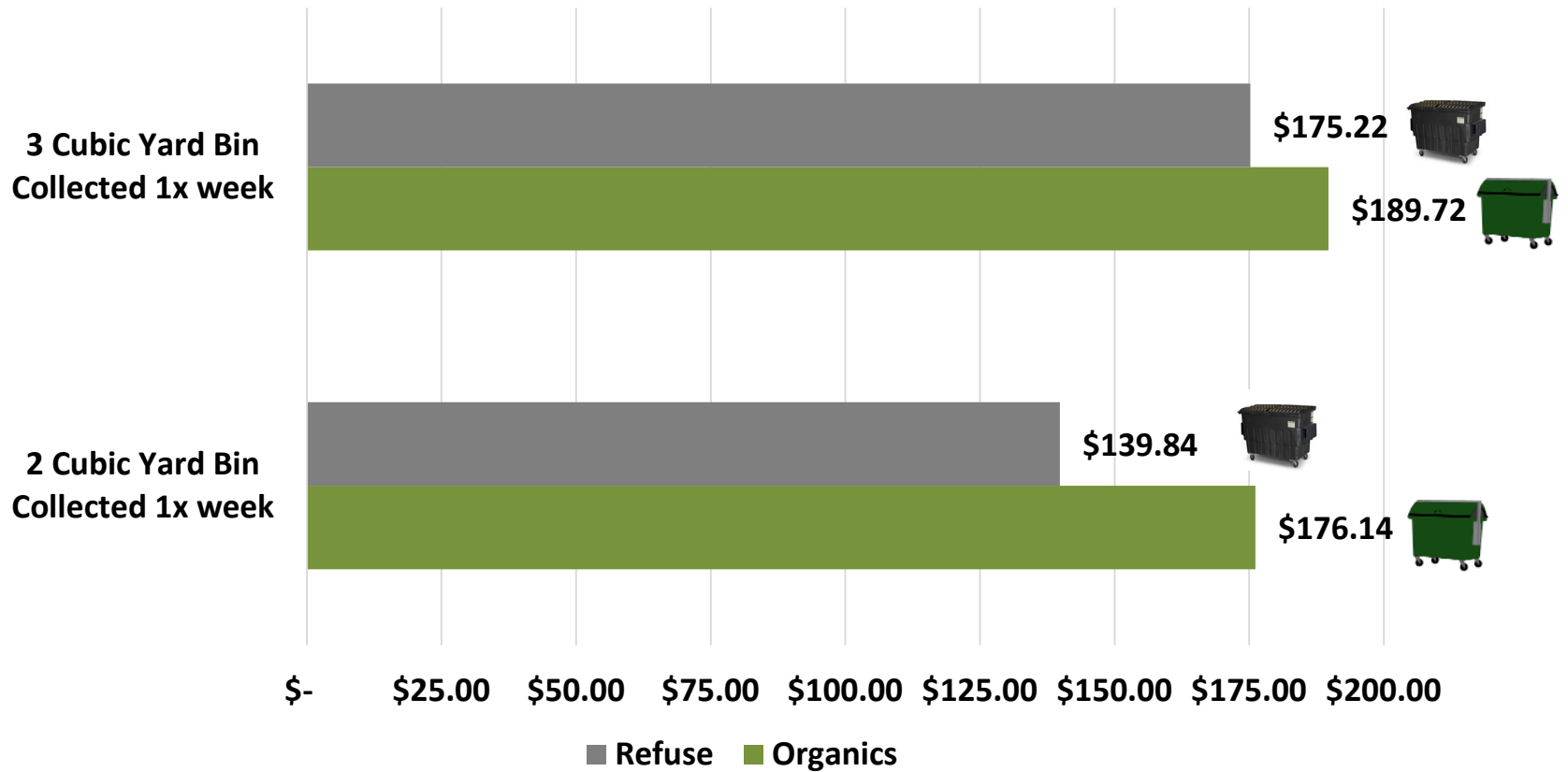


Organics Bin



MEDIAN MONTHLY COMMERCIAL RATES

AS OF JULY 1, 2021

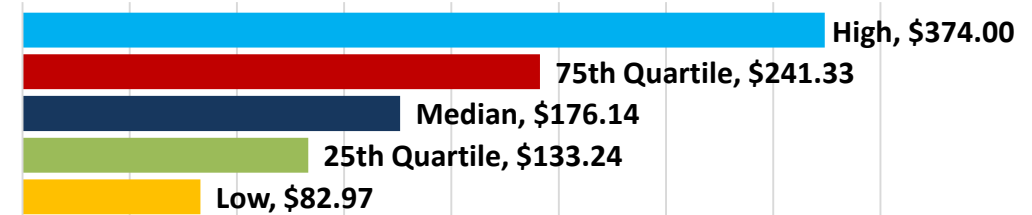


MONTHLY COMMERCIAL ORGANICS RATES

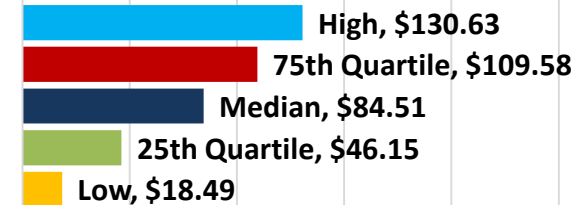
AS OF JULY 1, 2021



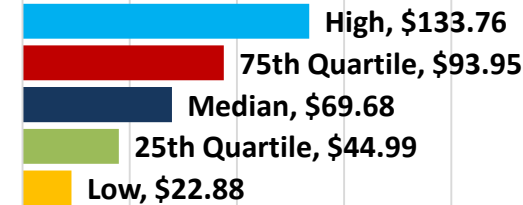
Monthly rate for 2 cubic yard organics bin,
collected 1x/week



Monthly Rate for 96-gal organics cart,
collected 1x/week



Monthly rate for 65-gal organics cart,
collected 1x/week



\$0 \$50 \$100 \$150 \$200 \$250 \$300 \$350 \$400



REFUSE RATE INCREASES: 1997 VS 2021 24-YEAR TREND

Category	1997	2021	Average Annual Change
Avg. Annual CPI (1)	160.0	289.2	2.5%
Median Residential Rate (2)	\$ 12.91	\$ 27.23	3.2%
Median Commercial Refuse Rate for 3-CY Bin 1x Per Week (3)	\$ 80.12	\$ 178.69	3.4%

- (1) CPI for All Urban Consumers, All items in Los Angeles-Long Beach-Anaheim, CA (CUUSS49ASA0)
- (2) Based on the median rate for 66 participating cities with rates from 1997 and 2021.
- (3) Based on the median rate for 36 participating cities with rates from 1997 and 2021.

REFUSE RATE INCREASES: 2018 VS 2021

3-YEAR TREND

Category	2018	2021	Average Annual Change
Avg. Annual CPI (1)	266.0	289.2	2.8%
Median Residential Rate (2)	\$ 24.43	\$ 28.35	5.1%
Median Commercial Refuse Rate for 3-CY Bin 1x Per Week (3)	\$ 154.23	\$ 176.51	4.6%

- (1) CPI for All Urban Consumers, All items in Los Angeles-Long Beach-Anaheim, CA (CUUSS49ASA0)
- (2) Based on 68 participating cities with rates from 2018 and 2021.
- (3) Based on 55 participating cities with rates from 2018 and 2021.



GENERAL INDUSTRY OBSERVATIONS

- SB 1383 regulations
- Organics processing costs
- Recycling commodity revenues
- Labor costs (union and minimum wage)
- Covid impacts
- Consolidation/competition



THANK YOU!

**JUST BECAUSE
YOU'RE TRASH
DOESN'T MEAN
YOU CAN'T DO
GREAT THINGS.**

**IT IS CALLED
GARBAGE CAN,
NOT GARBAGE
CAN'T**



CONTACT US



April Hamud
Project Manager

ahamud@hfh-consultants.com

(949) 251-8586



Laith Ezzet
Senior Vice President

lezzet@hfh-consultants.com

(949) 251-8902

Sam Irwin
Associate Analyst

sirwin@hfh-consultants.com

(949) 418-9273

