

ATHENS COMMERCIAL TRASH SERVICE CUSTOMERS **ISSUE OVERVIEW**

Background

- In October 2014, Governor Brown signed AB 1826 into law, which mandates the implementation of an organic waste diversion program for all commercial businesses and all multi-family dwellings with 5 or more units.
 - Ultimately, the law requires that by 2020, organic waste must be reduced by 50% of the level of disposal during 2014
 - Organic waste refers to food waste, green waste, landscape / pruning waste, wood waste, and food-soiled paper waste.
 - AB 1826 was developed based on the directives of AB 32, the California Global Warming Solutions Act of 2006. That legislation identified that reducing the amount of organic waste sent to landfills and increasing the production of compost and mulch were important requirements, because organic waste in landfills served as a significant source of greenhouse gas emissions.
- Based the requirements of AB 1826, the City has coordinated with Athens to develop a comprehensive closed loop organics recycling program that is compliant with the new State regulations, and also provides an enhanced level of service for commercial customers
- The new agreement with Athens was considered by the City Council and approved on June 21, 2016

New AB 1826 Organics Recycling Program

- Pursuant to the agreement, the new AB 1826 Organics program that has been developed will include a closed loop organics recycling component, and overall program details include the following components:
 - Through this program, every commercial customer will have access to the special organics collection system required under AB 1826
 - The costs associated with the commercial organics program were developed to ensure that every customer who requires organics services will have immediate and on-demand access to an AB 1826 compliant organics recycling without needing to pay any additional costs
 - To that end, Athens will offer new organics barrels at no additional cost to those commercial customers who need to comply with the new regulation
 - Athens customer service representatives will work with each customer to customize their service to ensure that the proper trash service levels are engaged

New Costs Associated with New Organics Recycling Program

- During the past week or two, new bills that reflect increased trash service costs were distributed to commercial customers
- No one likes to pay more for any service
- However, given new State recycling mandates pursuant to AB 1826, we have made every attempt to balance compliance with achieving added value / benefit for our commercial customers
- To that end, your updated trash bill includes a new monthly service charge identified as “Cal AB1826 Organic Charge”
 - The monthly cost for the new organics recycling program for commercial customers is \$21.91 / month
- Outside of the new charge for the organics program, the new monthly cost for trash services for the typical commercial customer includes a base monthly cost increase of \$9.69 / month to take into account the new California minimum wage cost and required CPI cost adjustments
- In total, this means that the monthly cost for the typical 3-yard bin that requires pick-up once per week is \$167.94 / month
 - For comparative purposes, costs for the same level of service from around the region are as follows:

• Sierra Madre	\$154.80
• West Hollywood	\$161.66
• Covina	\$163.51
• Monterey Park	\$164.68
• Monrovia	\$167.94
• Glendora	\$169.34
• West Covina	\$183.13
• Temple City	\$199.99
• San Gabriel	\$202.82
• South El Monte	\$210.98
• Irwindale	\$221.20
- As the above cost overview illustrates, even with the new organics program implemented, we still have one of the lower commercial trash service costs in the area

Other Considerations Regarding the New Contract with Athens

- In addition to the organics recycling program that will be provided to commercial customers, the new contract with Athens also includes the following provisions:
 - Future trash service rate adjustment controls
 - Any future rate increases subject to City oversight and review

- Any requested increase of more than 5% specifically requires City Council review and approval, and can be denied by the City Council
- Athens will provide the City with unlimited abandoned bulky item pick-up services
 - The City receives many complaints regarding abandoned bulky items located throughout the City
 - The new contract with Athens allows the City to make unlimited requests to pick-up bulky items / trash that are left on the side of the street
 - This means that if you see any bulky items left on the street (couches, mattresses, furniture, etc.), please call the City's Public Works Division at (626) 932-5575, and we'll take care of it
- The new agreement allows the City to control the cost for street sweeping services, which are also provided by Athens
- Athens will implement a closed loop system by taking the organic materials collected and convert that material into compost / mulch for reuse in Monrovia
- If you should have any questions, please contact Alex Tachiki, Management Assistant, at atachiki@ci.monrovia.ca.us, or via phone at (626) 932-5553