

MINUTES
HUNTINGTON PARK CITY COUNCIL
A Special Meeting held in the City Council Chambers,
6550 Miles Avenue, Huntington Park, California
Monday – July 28, 2014 - 6:00 p.m.

CALL TO ORDER

Mayor Perez called the meeting to order at 6:22 p.m.

FLAG SALUTE

The Pledge of Allegiance to the Flag was led by Vice Mayor Macias.

ROLL CALL

Present: Council Member Valentin Palos Amezcuita
Council Member Mario Gomez
Council Member Ofelia Hernandez
Vice Mayor Karina Macias
Mayor Rosa E. Perez

PUBLIC COMMENTS (CLOSED SESSION ITEMS ONLY)

Mayor Perez invited public comments for Closed Session items.

Seeing and hearing no one wishing to address City Council, Mayor Perez closed public comments on Closed Session items.

Interim City Attorney Ann Levin announced that City Council will recess into Closed Session at this time (6:24 p.m.) to discuss the item listed under the Closed Session agenda.

CLOSED SESSION

Pursuant to Government Code Section 54957;
Public Employment
Title: City Attorney

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION,
significant exposure to litigation per Government Code 54956.9 (d) (2) and (e) (1)

City Council reconvened at 7:15 p.m. with all Council Members present.

Interim City Attorney Ann Levin reported that City Council met in Closed Session and that no reportable action was taken.

END OF CLOSED SESSION

PUBLIC COMMENTS

Mayor Perez opened public comments, indicating that this was the time for anyone in the audience to address the City Council on any matter of City business.

Cynthia Landaverde commented on the importance of environmental, economic and social standards and spoke in support of Waste and Recycling Services (WRS). She addressed their "Helping Hands" program and noted that its management cares for the City and would therefore, be good for the City.

Silvia Ortiz, community activist, reported she is familiar with contracts and commented in favor of United Pacific Waste (UPW). She addressed the importance of transparency and reported that inappropriate flyers were placed near copies of the meeting agendas.

MINUTES
HUNTINGTON PARK CITY COUNCIL
Monday – July 28, 2014 - 6:00 p.m.

She noted the need for Council to look at what will benefit the community at-large and commented on FPCC forms 460 noting the importance of Council Members not accepting large sums of money from potential providers and supporting same.

Maria Perez spoke in support of UPW as the City's waste and recycling hauler.

Brenda Diaz spoke in support of UPW as the City's waste and recycling hauler.

Jessica Esquivel questioned why the lowest bidder was not chosen for the next step in the process and spoke in support of UPW.

Cathy Hernandez spoke in support of UPW as the City's waste and recycling hauler.

Javier Casillas spoke in support of UPW as the City's waste and recycling hauler.

Kendra Walker spoke in support of UPW as the City's waste and recycling hauler.

Martha Barajas questioned why the lowest bidder was not considered and asked Council to consider what is best for the community. She asked that Council represent residents and not trash companies.

Sergio Sanchez complained about the current waste hauler and suggested awarding the contract to a small company that will be economical and help residents with jobs.

Alicia Rojas commented on the waste contract and encouraged Council to choose a company that will be good for the City. She suggested that Council consider the company with the lowest rates and that will help and demonstrate that they are willing to work for the community. She asked that Council not choose a large company like Athens or a small company like WRS, but a mid-sized company that will charge low rates.

Rita Aguilar asked that Council consider a small company that cares for the City, provides jobs to City residents, respects their workers and will provide low rates to residents.

Enedina Gonzalez reported that UPW was kicked out of the City of El Monte and Los Angeles County. She noted that residents of the City are low-income and asked that Council choose a company that will offer low rates, without rate hikes and provide job opportunities for residents.

Leonor Gonzalez expressed concerns with the existing waste hauler and asked that City Council choose a company with low rates and that will benefit the community.

Leonor Espinoza urged City Council to choose a company with low rates.

Marlene Leon asked that City Council choose a company that will provide low rates and not one of the more expensive companies.

Patricia Velasquez expressed concerns that Council represents their own interests and asked that Council choose a company that offers low rates. She expressed concerns with some of the finalists chosen. Specifically, she reported that Mario Beltran of NASA was kicked out of the City of Bell Gardens. She urged Council not to associate itself with the company.

Elba Romo shared emails she received in support of WRS. She expressed concerns with high rates and noted that the rates offered to the City are posted online.

Edmundo Perez commented on the average cost of waste hauling services during the last three (3) years and on weekly pick-up service. Additionally, he commented on the City's present financial challenges and suggested the only solution to be bankruptcy with the goal of reorganization.

MINUTES
HUNTINGTON PARK CITY COUNCIL
Monday – July 28, 2014 - 6:00 p.m.

Ricardo Gastelum expressed concerns that Council has chosen companies with high rates and asked that Council choose a company that offers low rates and has a good track record. He expressed concerns with the public having to wait until Council has gone into Closed Session and opined that meetings should be public and transparent.

Bertalina Chava commented on the need for better communication from the City and asked that Council choose a waste hauler that offers low rates. He asked for improved communication from the City and better disbursement of information.

Edgar Gordilla asked for increased transparency and for Council to choose a small company that provides low rates, wants to work, has good trucks and will provide jobs to the community.

Sandra Orozco, community activist, suggested tabling this matter as many residents were not advised of this matter. She commented on the various RFP responses and noted the need for better communication with the community.

Rodolfo Cruz expressed concerns that a sixth company is being added to the list of potential providers. He suggested that Council choose an honest company and asked regarding evaluation of the various proposals. He alleged abuse and opined that the community should be part of the evaluation process.

C. Pando commented on problems with the current waste hauler and asked that Council choose a company that offers the best service at the best price.

Henry Garcia noted that Council is capable of choosing the right company for the City. He reported that he prefers good service and not necessarily the lowest price. He reiterated that Council is capable of making the right choice for the City.

Council Member Amezquita promised he would fight to choose the best company adding that the new contract has to benefit residents of the City.

Irvine Pacheco hoped that Council will make the right decision. He noted that the City deserves the best and urged Council to ensure that whichever company is chosen will be a good corporate citizen.

Leticia Martinez, Executive Director of the Huntington Park Chamber of Commerce, thanked Council for the process and asked that Council consider commercial rates as well as residential rates.

Seeing and hearing no others wishing to address Council, Mayor Perez closed public comments.

RECESS/RECONVENE

Mayor Perez called a recess at 8:15 p.m. The assembly reconvened at 8:30 p.m. with all Members, present.

DISCUSSION AND POTENTIAL ACTION ITEM

Potential addition of United Pacific Waste & Recycling Services (UPW) to list of haulers to be interviewed for City's Solid Waste Handling Request for Proposals.

Council Member Hernandez reported that during the last meeting, she had chosen UPW as a preferred company but that she mistakenly marked another company. She requested adding UPW to the list of haulers to be interviewed and considered.

Interim City Manager Morales clarified what occurred during the last meeting.

**MINUTES
HUNTINGTON PARK CITY COUNCIL
Monday – July 28, 2014 - 6:00 p.m.**

Motion by Hernandez, seconded by Gomez, to add UPW to the list of waste haulers to be interviewed and considered, carried as follows: Ayes: Council Member Amezcuita, Council Member Gomez, Council Member Hernandez and Mayor Perez; Noes: Vice Mayor Macias; Absent: None

Mayor Perez commented on the process and addressed notification of the public. She reported that Council and staff has worked very hard to ensure that this has been a transparent process and that Council is charged with doing what is best for the community.

Council Member Amezcuita reported that he voted for UPW on the second round of tallying during the last meeting. He requested adding Valley Vista to the list of potential haulers.

Vice Mayor Macias commented against adding any more vendors to the list noting that the process needs to be transparent and done with integrity.

Motion by Amezcuita, seconded by Hernandez, to add Valley Vista to the list of waste haulers to be interviewed and considered, failed as follows: Ayes: Council Member Amezcuita, Council Member Hernandez; Noes: Council Member Gomez, Vice Mayor Macias and Mayor Perez; Absent: None

Interview of haulers for City's Solid Waste Handling Services Request for Proposals and selection of Solid Waste hauler.

Interim City Manager Morales introduced the item and listed the order in which companies will be interviewed. He reported that questions were distributed to proposers to allow them to prepare responses and that each proposer will be allowed a maximum of twenty (20) minutes to present and respond to questions from Council. He noted a correction to the report and entered it into the record.

A representative from HF&H, the City's consultant, noted that selected proposals are available for public review on the City's website.

Laith Ezzet, Sr. Vice President, HF&H, reviewed overall cost competitiveness and addressed customer rates, revenues and franchise fees. He clarified the connection between rates and franchise fees.

Interim City Manager Morales noted that the higher the customer rates, the higher the franchise fees and reported that overall, the City would be better off with a lower cost provider and he noted the importance of transparency and clarity in the process.

Mr. Ezzet addressed the RFP requirements and key services and noted that all proposals had to include all of the RFP requirements. UPW would provide a discount by using refurbished bins and he added that multi-family customers would be part of the commercial system. He addressed bulky-item collection, key terms and reported that Athens is offering a grant of \$500,000 to the City. Additionally, he provided a summary of the proposals. Mr. Ezzet addressed the contract as a percentage of company revenues and highlighted WRS noting that the contract would represent a large amount of growth over a short period of time and that the question is whether they have the resources available to perform. He explained issues needing to be considered. He commented on re-balancing and the effects of rate adjustments on rate payers.

Council Member Amezcuita noted that the numbers are not fixed.

Interim City Manager Morales reported that the RFP respondents were asked to provide their best and final offer.

Mayor Perez noted the need to move forward in order to choose a company adding that further negotiations can occur at a later date.

**MINUTES
HUNTINGTON PARK CITY COUNCIL
Monday – July 28, 2014 - 6:00 p.m.**

Mayor Perez called on representatives of WRS.

Elba Romo, WRS, commented on the company's access to a transformation facility and offers increased diversion rates. She stated that the company is at the forefront of current technology, does not landfill waste and that 100% of the waste goes to a Materials Recovery Facility (MRF) or a transportation facility. She added that the company has over 650 accounts.

Mayor Perez expressed concerns over the number of customers and questioned whether WRS would be able to service over 7,000 customers. She wondered about the company's capacity and ability to perform. Furthermore, it was noted that the company does not have exclusive franchises and that it has between eight (8) and twelve (12) employees.

Council Member Gomez questioned the judgment of distributing a communication and Ms. Romo using her position as a former Council Member to promote the company.

Ms. Romo indicated that she does not promote WRS when she speaks as a resident. She added that the mailer has the City website address and that the company has the lowest, non-subsidized rates. Additionally, she commented on the inclusion of a food waste program. She addressed how the company would handle transition and reported they have been successful with transitioning in the City of La Cañada. The company has eight (8) certified drivers and between eight (8) and twelve (12) employees.

Council Member Amequita stated that the company would have to start somewhere, and asked regarding their capacity to perform. He added that the contract would be their first exclusive franchise and that the City would receive all of the company's attention. He commented on the company's low liability-to-asset ratio and its financial position.

Mayor Perez called on representatives of Universal Waste Systems (UWS).

Mark Blackburn, Universal Waste Systems, reported that they are 100% in support of the City's recycling goals and confident in their recycling program. He provided information regarding their organic facility in the City of South Gate and commented on full-circle recycling. The company has between 50,000 and 100,000 customers and has performed seven (7) transitions in the last five (5) years. They have seven (7) exclusive residential franchises. Mr. Blackburn addressed their billing process and reported that they process approximately 250,000 invoices per year. He noted the importance of offering good rates to residents and addressed their equipment, bins, and carts and reported there will be no finance charges in connection with the contract. Presently, the company is in the permitting process for a MRF in the City of Santa Fe Springs and confirmed they will establish an office in the City of Huntington Park if they are awarded the contract. The company is big enough, but not massive, and they are eager to be part of the community offering low residential rates. He reported they are planning ahead and ready for the future in terms of recyclables and will save customers money. He addressed the benefits of choosing UWS and commented positively on the process.

Mayor Perez called on representatives of United Pacific Waste and Recycling Services (UPW).

Michael Kandilian, United Pacific Waste and Recycling Services, expressed confidence that they will be able to meet the City's diversion rate and that this will be achievable through the various programs the company offers. UPW has the infrastructure for billing, will offer bins for multi-family recycling and offers the lowest commercial rates.

Council Member Amequita commended them for being competitive in commercial rates.

Mr. Kandilian addressed impacts of State mandates regarding organic recycling and their transition implementation plan. Regarding the latter, he reported that it will take

**MINUTES
HUNTINGTON PARK CITY COUNCIL
Monday – July 28, 2014 - 6:00 p.m.**

approximately two (2) weeks to deliver carts and they will work with the existing vendor to coordinate removal of old and delivery of new carts at the same time. He commented on their analysis to develop their costs, and built in a modest profit. Regarding the number of necessary trucks, they studied the City to generate same and many factors came into play.

He thanked Council for allowing them to participate in the process and Council Member Hernandez for acknowledging the mistake. Additionally, he stressed that the company is offering the best, overall, cost savings for the City and expressed his appreciation for the process. Finally, he noted that by offering refurbished containers, residents will save \$1.25 per month, adding that refurbished containers are just like new containers.

RECESS/RECONVENE

Mayor Perez called for a recess at 10:00 p.m. The assembly reconvened at 10:12 p.m., with all Members, present.

Mayor Perez called on representatives of NASA.

Representatives of NASA, indicated they would guarantee the diversion rate. They addressed transition in the City of Pico Rivera noting that then went from 22% to 35% diversion. They will use the same model for the City of Huntington Park and noted they have had other transitions including the City of Los Angeles. They addressed multi-family recycling and reported they are one (1) of three (3) non-exclusive haulers in the City of La Cañada, will handle their own billing and have the necessary infrastructure to perform successfully. Additionally, it was reported that NASA has approximately 650 customers and representatives addressed organics and noted that the rates will not be impacted, that they are aware of upcoming legislation and are prepared to move forward with organics processing. They addressed the phase-in process and reported that although they do not own a MRF, they use a facility in the City of La Puente Hills and do not use landfills. They addressed transitioning and distributed details of their implementation plan. They addressed employment opportunities for City residents, community outreach and the average salary range for drivers. Finally, they commented positively on the company and noted they are a perfect fit for the community.

Mayor Perez called on representatives from CR&R.

Dean Ruffridge, CR&R, introduced team member Maria Lazaruk and commented on their diversion rate noting that it will be a 50% increase and that the City is currently at a 65% to 72% diversion. He reported that the company has 49 franchises in Southern California and is more than capable of guaranteeing the diversion rate by their performance. Additionally, CR&R has its own processing center processing approximately, 2,000 tons per day. Their commercial customers can save money by source-separation and that the company will allow organics in their recycling containers from day 1. Organics will include green waste and food scraps. The City of Huntington Park will be treated as a jewel and the company will offer \$50/ton on residential with no additional charge for organics. Mr. Ruffridge addressed the company's current exclusive franchises, location of operations and added that it has taken over twelve (12) franchises in the last ten (10) years. In terms of transitioning, he reported that the City of Avalon was transitioned in one (1) week from Consolidated.

Mr. Ruffridge addressed their billing systems and hiring drivers from Waste Management and Consolidated. CR&R has doubled in size over the last ten (10) years and Mr. Ruffridge noted the benefits of being a regional company. Additionally, the company will guarantee large boxes in cases of natural disasters and noted that it is ethical, has no legal issues and controls its own destiny. It invests in infrastructure, offers fair and competitive pricing, is ethical and has had a commercial compost program since 2008.

Mayor Perez called on representatives of Athens.

**MINUTES
HUNTINGTON PARK CITY COUNCIL
Monday – July 28, 2014 - 6:00 p.m.**

Gary Clifford, Athens, reported that the company guarantees its diversion rate, has lower overall prices, and is growing its diversion and that no services are contracted out. Athens has grown by providing outstanding service and owns multiple MRFs. He indicated that Athens has never defaulted on a contract and bills approximately half-a-million customers per year. The company has its own billing system, an appropriate infrastructure and has successfully completed over seven (7) municipal transitions. Athens participates in job fairs, is a privately-held, family-owned company and hires many Huntington Park residents. Mr. Clifford addressed processing of organics, green waste and bio-fuel, customer services and bill-paying assistance. Athens rated the highest in terms of customer service and Mr. Clifford presented letters of recommendation from various cities.

Brief discussion followed regarding legal disclosures.

Assistant to the City Manager, Danny Bueno presented the finalist selection process.

Brief discussion followed regarding choosing three (3) instead of two (2) providers.

Motion by Amezcua to choose one provider and two backup providers (a total of three). The motion failed for lack of a second.

RECESS/RECONVENE

Mayor Perez called for a recess at 11:15 p.m. The assembly reconvened at 11:25 p.m., with all Members, present.

After two (2) rounds of voting and tallying, Council selected two preferred vendors.

Interim City Manager Morales provided details of the process and options available to Council.

Motion by Gomez, seconded by Hernandez, to award a contract for waste and recycling services to United Pacific Waste and Recycling Services (UPW) and CR&R as the backup, carried as follows: Ayes: Council Member Gomez, Council Member Hernandez and Mayor Perez; Noes: Vice Mayor Macias, Council Member Amezcua; Absent: None

ADJOURNMENT

There being no further business to come before the Huntington Park City Council, Mayor Perez adjourned the meeting at 11:30 p.m.

NEXT SPECIAL MEETING OF THE
CITY OF HUNTINGTON PARK CITY COUNCIL
WEDNESDAY, JULY 30, 2014 at 5:00 p.m.

Rosa E. Perez, Mayor

(INSERT NAME AND TITLE)