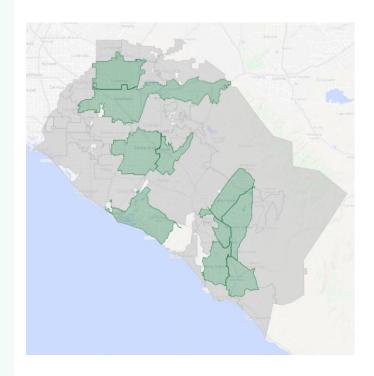


A regional perspective on SB 1383...

EcoNomics, Inc. specializes in assisting local governments with implementing cost-effective diversion programs to exceed state diversion mandates via:

- Competitive procurement
- · Contract negotiations
- Program implementation

EcoNomics Client Cities in Orange County





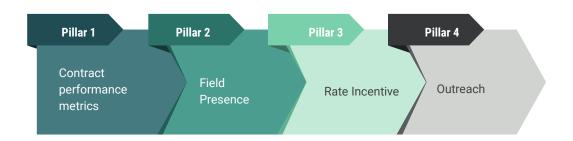
SB 1383 is very program heavy...

SB 1383 will require all single- and multi-family households and businesses to implement organics recycling programs on or before January 1, 2022 or face monetary penalties.

Per SB 1383, these programs must be quality and cannot have high levels of cross-contamination (i.e. trash in organics stream and vice versa).

How are we going to implement all these programs required by SB 1383!?!?!

Four Pillars of SB 1383 Program Success





Pillar 1: Contract Performance Metrics Aligned with SB 1383 Compliance Requirements

Moving away from diversion requirements in favor of...

- Generator participation requirements (100% compliance)
- Caps on contamination (10% max contamination in recycling and organics streams)
- Referral process for non-compliance

Compliance attainment incentivized by performance-based term extensions.

Performance Metrics Example – Phase 1/Phase 2 Model with Participation Rates

Phase 1 - 2018-2022

If hauler attains 100% AB 1826 and AB 341 compliance by 2022, it receives a 1-year extension to its 8-year base term Phase 2 - 2022-2025

If hauler attains 100% SB 1383 multi-family compliance and <%10 contamination by 2025 , it receives an second 1-year extension

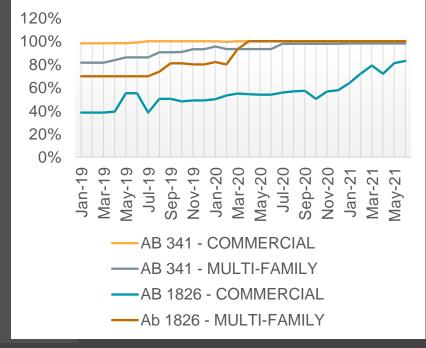
Assessment Periods

Contract clearly outlines goal assessment period and methodology to verify attainment

So how's that working out?

- AB 341 and AB 1826 attainment in City with 2 phase model
- 100% compliance required by 2022

AB 341 and AB 1826 Compliance Jan 2019 – June 2021





To attain performance metrics and compliance requirements, the City needs 'boots on the ground'

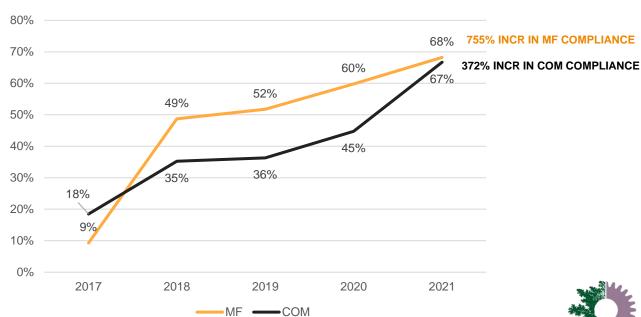
Some of our contracts require the hauler to...

- Provide 2 dedicated full-time recycling coordinators to the City
- Provide City-funding to hire staff or consultants
- Fund a collaborative approach that involves City, hauler, and consultant staff
- Staffing costs incorporated into rate structure

If hauler-provided staff, specific qualifications and scope of work written into contract to ensure hauler provides top talent

IMPACT OF CONSULTANT FIELD PRESENCE ON AB 341 COMPLIANCE RATE

AB 341 COMPLIANCE RATE



EcoNomics



To attain performance metrics and compliance requirements, rate incentives are critical

We recommend a rate incentive where recycling and organics is 50% the cost of equivalent trash to...

- Incentivize desired behavior (i.e. compliance program implementation)
- Disincentivize undesired behavior (i.e. disposal)
- Softens the blow of mandatory participation ordinance
- Business friendly

Align City's compliance requirement with haulers profit incentive and generators cost-reduction incentive

	Number of Cities	Average AB 1826 Compliance Rate
Commercial Organics Service Costs <u>Less than</u> Trash	9	60-80%
Commercial Organics Service Costs Same as, or More, than Trash	12	20-40%

2018 analysis of OC cities AB 1826 T1-T2 compliance correlated with organics rate structure.





To comply with SB 1383, effective outreach is critical

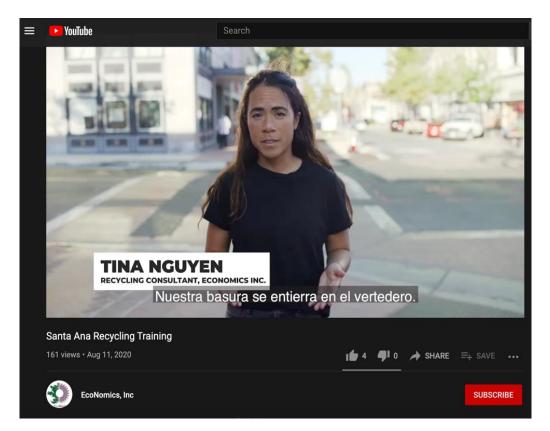
To maximize participation in SB 1383 programs, we recommend that the City:

- Provide door-to-door outreach for residential and multi-family organics programs
- Provide each household a kitchen pail
- Generate social media content for distribution via City channels
- Develop 'how-to' videos for distribution via social media

SB 1383 requires massive behavior change across all sectors. Creative and engaging outreach and marketing is required to accomplish this.









RECOGNIZE THIS BIN?



GREEN CART FOR **ORGANICS**



PLACE **FOOD WASTE INSIDE YOUR GREEN CART!**



IT'S KIND OF A BIG DILL

Each year, the food wasted by Anaheim's food service establishments would be sufficient to serve over 3.3 million meals! That's enough food to provide 3,000 individuals with 3 meals a day for an entire year. Participating in the Anaheim Food Regeneration and Recycling Program makes a big difference in your community.

For a waste evaluation or to set up an organics recycling program please contact:

Organics@anaheim.net | 714-765-6802









Four Pillars of SB 1383 Program Success

