

Excerpts from Retailer Emails Showing Non-Participation in SF BottleBank Pilot.

Chronological Order:

Feb 2020 email from Safeway Representative Wendy Gutshall to the City and CRV Alliance Members:

Retail parking in the City is a critical competitive element of a successful operation and we do not support hosting mobile recycling sites in our parking lots. We understand there's a potential financial incentive to host a mobile site and it would only be for a limited period of time; but it's cumbersome for our operations. We also have received negative responses in certain neighborhoods when select stores had a recycling center in their parking lot and we closed a few of them to address community concerns.

As we previously shared, we cannot accommodate a mobile recycling drop off at certain locations for various reasons because of parking space limitations or community sensitivity. In good faith, we are open to the idea of hosting one or two possible mobile sites at select Safeway locations, upon further discussion with our senior leadership. We also suggest the City and Alliance pursue alternative locations previously discussed (churches, schools, parks, etc.) and not fully rely on the retail community to serve as mobile sites.

Jan 6, 2021 email from Tom Wright to retailers and the city. This email reflects no buy in from retailers at all. It mentions that RVMs will create a bar coded chit of transaction and that the user "needs a retail outlet" to read that code and give store credit or actual cash. Nothing in agenda indicates that retailers are on board. But milking the state for "full funding" is on the agenda with the ask being \$1.5 Million per. Year through June 30, 2025:

The SF CRV Convenience Alliance has a role to play in the PILOT :

- 1) the brand BottleBank™ for the Pilot CRV redemption system;
- 2) the website sfbottlebank.org (therefore can own or license smartphone app)
- 3) At the fixed site at 250 13th St., the Reverse Vending Machines will create a bar coded chit of the transaction:**
the user needs a retail outlet to read that bar code and either give credit toward a purchase or the actual cash

The nearby larger retailers are:

- a) SmartFoodservice (170 S. Van Ness Ave)
- b) CostCo
- c) Rainbow Grocery
- d) FoodsCo
- e) Whole Foods Market at 2001 Market St.
- f) Safeway at 2020 Market St.

4) The "BottleBank blue bag" for the bag drop will be a retail sku sold at SF beverage retailers, probably a 5 to 8 pack.

5) Work with the mayor's office to craft the ordinance

6) Work with CalRecycle and the SF Politicians: Asm Ting and Sen Wiener to assure extension of the PILOT to June 30, 2025, and the full funding of the PILOT (approx. \$1.5 million per year).

February 2021 email from Kevin Drew to retailers and other colleagues laid out role of City and County. Retailers did not do the items bolded below:

CCSF During the Pilot

1- Regular reporting to CR and CCSF on progress of Pilot

2- Continued support financially, staffing, and advocacy with communities and electeds

3- Assistance from CCSF Departments on siting, traffic, equity, and other issues

4- Assistance from CRV Alliance and other beverage dealers in siting Bag Drop locations

5- Assistance from CRV Alliance in providing "cash out" option for Bag Drop members at Alliance locations and from fixed RVM site redemption

6- Assistance from CRV Alliance and other beverage dealers in distribution of bags and promotion of program

-7 Oversight of OBRC on complete implementation of Oregon-style Bag Drop in SF and key pilot partners - OPR and SFCC and others as needed

-8 Arbiter of Pilot issues and disputes, as needed, including all beverage dealers concerns

-9 Oversight of conclusions reached through the course of the Pilot ----- Assure that Pilot participants and CR are in alignment on ongoing SF CRV system

10-Transition from OBRC system to independent system operator prior to conclusion of pilot
City of San Francisco -

CCSF Post- pilot

1- Oversight of Pilot conclusions and implementation of continuing CRV recycling operations, to end within 12 months of Pilot conclusion

2- Assist CR and/or CA legislature in transition rule-making for the SF CRV system or compatible statewide adoption

From Kevin Drew to Tom Wright in an email about Roles and Responsibilities from an email dated March 1, 2021.

SFE	SFCC & OBRC	State Elected Partners	Grocers
• Sustain Funding • Track number of containers recycled by district • Track sites added per year • Implement needed changes	• Run staff hiring process • Track customer, SFCC Worker, and location satisfaction • Observe customer retention • Registration rates by district	• Transition into ownership of the program • Create a statewide expansion through statewide legislation	• Amend AB 2020 to include the Bag Drop and other innovations

The grocers specifically were to:

Grocers

Support the Pilot through stores promotion and stocking bags

Provide easily accessible means for CRV consumers to redeem value

Spearhead statewide expansion and financial support for Bag Drop

NONE OF THIS HAS HAPPENED

Project timeline hyperlinked in an email from March 8, 2021

<https://drive.google.com/file/d/1xPtKpR5U251fCyOjNYCT4siToMJCvdee/view>

Timeline sent from Kevin Drew to Charles Sheehan.

Note: timeline indicates a “draft circulating” of an SFCC/SFE MOU with due date of March 15.

The timeline mentions an SFE/Our Planet MOU by 4/15 with no status update. MOUs were to be signed with sties/and financial arrangements made with sites by 4.30 and 6/1. No updates.

From Tom Wright to Kevin Drew et al in an email on April 5, 2021, three months before CalRecycle approved \$1 million for the pilot, it is clear that they don’t have it together, no retailer buy in.

Thanks Kevin,

Per our conversation today the SF CRV Alliance would like to engage the rest of the SF beverage retailer community in the launch and maintenance of the PILOT.

Could SFE, asap, call together a ZOOM meeting with the other retailers?

1) Small Business

2) Arab Grocers

The Alliance and/or SFE could also invite Walgreen's, CVS, Mollie Stones, Grocery Outlet,

Shell, and 7-11 -- if the Mayor office has contacts for those stores that would help.

CalRecycle responded to my request, we will have their SF beverage retailer Database....

The ZOOM meeting would have 2 agenda items:

1) Discussing the pre-competitive nature of a citywide beverage retailer Alliance and how that works for this PILOT's success.

(includes reminding retailers that Options A and B are suspended during the Pilot)

2) A BottleBank Mobile CRV Redemption Blue Bag Drop sign in every store window by _____.

This 11 x 17 4-color sign, placed in each store's front window, would include a QR code, website, customer service number, and a few details of "How to Redeem your CRV" with a bag drop.

This would be executed at approximately 700 beverage dealers citywide.

That may take retail associations and chains some time to plan a timely PILOT launch BottleBank sign posting.

Best regards,

Tom W.