

From: Wendy Gutshall <Wendy.Gutshall@safeway.com>

Sent: Tuesday, February 25, 2020 9:22 AM

To: Drew, Kevin (ENV) <kevin.drew@sfgov.org>

Cc: Steve Gaines <Steve.Gaines@SaveMart.com>; tom@sustainablebizness.com; Ron Lee <Ron.Lee4@safeway.com>; pknowles@rainbow.coop; deborah.rafael@sfgov.org

Subject: SF CRV Alliance Call

Hi Kevin,

As a follow-up to the Alliance call on February 14, Ron and I would like to re-iterate Safeway's position on the pilot program. First off, we appreciate your time and energy to help get the pilot program off the ground. We know there's a lot that goes out behind the scenes and we value our partnership.

We strongly believe the pilot investment should come from CalRecycle to build and sustain operations in order to fully vet the long-term viability of the strategy. Post pilot, all stakeholders, including retailers and the City, need to have "fair & equitable" role in the program. We agree with the direction to secure as much state funds as available to support the pilot.

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.

We look forward to continuing the discussion and hearing about the takeaways from the CalRecycle meeting. Thanks.

Wendy Gutshall

Director, Public and Government Affairs

Safeway - Northern California Division

Office: (925)467-3523

From: Steve Gaines <Steve.Gaines@SaveMart.com>

Sent: Tuesday, February 25, 2020 10:18 AM

To: Wendy Gutshall <Wendy.Gutshall@safeway.com>; Drew, Kevin (ENV) <kevin.drew@sfgov.org>;

Raphael, Deborah (ENV) <deborah.rafael@sfgov.org>

Cc: greenmission2020@gmail.com <tom@sustainablebizness.com>; Ron Lee <Ron.Lee4@safeway.com>; pknowles@rainbow.coop

Subject: RE: SF CRV Alliance Call

Wendy,

Thank you for clearly articulating Safeway's position, which is in sync with Save Mart/Lucky and the Alliance.

Debbie,

Ahead of your meeting with CalRecycle, there are a few additional points that the Alliance Board believes are critical to our ability to keep the momentum going toward a successful Pilot and sustainable Post-Pilot solution for CRV Redemption.

- Save Mart/Lucky and Safeway/Albertsons each operate across the State (with 600 and 200 stores respectively) and are looking at the SF Pilot as a model for many other jurisdictions
- The purpose of the Pilot legislation is to provide an incentive for innovation to address the CRV problem, not re-tool an obsolete law
- CalRecycle's collection of Option-B In Lieu Fees has been inconsistently and arbitrarily enforced
- o CalRecycle's SF Option-B collected to date could be used to support the Pilot
- SB458 needs an amendment to extend timelines for pilot jurisdictions accepted by June 30, 2020
- AB54 needs an amendment to increase funds to support accepted pilots
- With Pilot acceptance, Grocers need clear and definitive dates in which stores are considered "Served"

Thank You, and make this day COUNT!

Steve Gaines

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