



DATE: January 13, 2025
TO: Council Sustainability Committee
FROM: Director of Public Works
SUBJECT: Solid Waste and Recycling Franchise Agreement - Update on Implementation

RECOMMENDATION

That the Council Sustainability Committee (CSC) review and comment on this report regarding implementation of the Solid Waste and Recycling Franchise Agreement between the City and Waste Management of Alameda County (WMAC).

SUMMARY

The City's franchise agreement with WMAC to provide solid waste, recycling, and organic materials collection & processing services is a 10-year agreement and year three will start on March 1, 2025. The agreement includes elements to help the City, its businesses, and its residents comply with SB 1383 requirements and to also reduce contamination in the recycling and organics streams. Staff and WMAC have been performing outreach to help achieve these goals.

With help from WMAC, staff increased outreach efforts in 2024 compared to 2023. Commercial customer compliance rates with SB 1383's organics service subscription requirement increased from 76% at the end of 2023 to 92% in 2024. Staff expects to finish initial outreach to the remaining 8% in the next year. WMAC also increased its digital outreach efforts in 2024 to educate the public on the bulky pick-up program and proper sorting practices. However, almost half of compostable organics generated in Alameda County still go to landfill. In 2025, staff will continue outreach efforts to increase the diversion of organic material.

BACKGROUND

WMAC has been the City's solid waste and recycling services franchisee since at least the mid-1970s, and for the past thirty years has subcontracted with Tri-CED Community Recycling for residential recycling services. The current franchise agreement includes new elements to offer customers more services, reduce litter, help Hayward send less waste to landfill, and help the City comply with California's Short Lived Climate Pollutant (SLCP) law, also known as SB 1383.

SB 1383 requires businesses to either subscribe to organics services or receive a waiver from needing service. The Alameda County Waste Management Authority, also known as StopWaste, manages the enforcement of SB 1383 in Alameda County and grants waivers when appropriate. Enforcement efforts include monitoring businesses for subscription to services and issuing fines to non-compliant businesses. Waivers are granted to businesses that generate little organic waste or that do not have enough space to accommodate an organics container. To help businesses avoid fines, StopWaste hired an outreach consultant who teams with WMAC outreach specialists and Hayward's Sustainability Service Corps Recycling Outreach Fellow to perform outreach to noncompliant businesses.

In addition to SB 1383-focused outreach, the franchise agreement includes significant outreach efforts to help Hayward reduce waste sent to landfill and to assist Hayward businesses and residents to make use of the services offered to them through the agreement. The following update highlights outreach efforts to help Hayward comply with state laws and send less waste to landfill.

DISCUSSION

StopWaste conducts periodic waste characterizations to learn the types and amounts of material disposed of in Alameda County. StopWaste recently published its latest findings from the Waste Characterization Study of 2023-2024¹. The most recent previous waste characterization study was conducted in 2017-2018. This latest study cites over-consumption, contamination of recycling and organics streams, and improperly diverting organic waste as challenges facing Alameda County. The study also notes a promising trend in the reduction of overall waste in the County.

The study found that half of all plastic waste is film plastic (palette wrap, shrink-wrap, etc.), which is a particularly problematic material because it gets caught in recycling machinery, is difficult to remove from the recycling and organics streams, is resource-intensive to recover, and has little value. The study also noted that film plastic bags comprise a small component of the waste stream and will likely become less prevalent in the future. Beginning in January 2026, California's updated plastic bag ban will no longer allow thicker, supposedly reusable, plastic bags to be distributed. Stores will be able to offer paper bags if they have at least 40% recycled material, and customers will be able to bring their own reusable bags.

While Hayward's outreach efforts have helped businesses and residents properly sort their organic waste (food scraps, yard waste, etc.), a significant amount of organic material still ends up in the landfill. The 2023-2024 waste characterization study found that, "nearly half of the total compostable organics generated in the County still go to landfill." When organics are buried in a landfill, they produce methane, a powerful greenhouse gas that contributes significantly to climate change.

¹ <https://www.stopwaste.org/resource/alameda-county-waste-characterization-study-findings-october-2024>

Direct and General Outreach

In 2024, staff, WMAC, and StopWaste contacted approximately 1,200 businesses to assist in the SB1383 compliance process. Methods included phone calls and emails to prompt and assist businesses in signing up for service or applying for a waiver, as well as technical assistance provided through in-person trainings at customer sites. Nearly 600 business and property managers in Hayward signed up for service or were approved for a waiver, an approximately 30% increase from those that were helped to comply in 2023. Currently 92% of Hayward businesses are compliant with SB1383.

In addition to the targeted outreach stated above, more general outreach is also conducted to reach the public and inform them of best practices in managing their waste. For example, WMAC sends mailers such as bill inserts and recycling guides to Hayward customers. Staff and WMAC also table at many Hayward community events throughout the year including the Cinco de Mayo festival, Downtown Street Parties, the Mariachi Festival, and the new South Hayward Market.

Digital Outreach

Outreach efforts were expanded in 2024 to include more digital media. Hayward's Department of Motor Vehicles office runs educational videos promoting proper sorting as well as using the bulky collection service. These videos are also used as YouTube ads, alongside a related search and website ad campaign. StopWaste and WMAC also run social media accounts dedicated to promoting best practices regarding reducing waste.

The Environmental Services Division publishes a newsletter, called The Leaflet, every other month that includes articles on local sustainability topics and events. The Leaflet is sent to about one tenth the subscription base of Hayward's larger newsletter, The Stack, but The Leaflet's audience is about twice as likely to open an article or follow a link from it. Staff are investigating and implementing new ways to increase subscriptions to The Leaflet.

Compost Distribution

Another component of SB 1383 directs jurisdictions such as Hayward to procure compost or mulch. The City's franchise agreement with WMAC includes an allocation of 10,000 bags of compost for distribution to residents. Staff is experimenting with different ways to equitably and efficiently distribute the compost. In 2024, staff completed three giveaway events that were attended by approximately 2,000 residents and distributed all the bags. While there, staff distributed handouts intended to educate residents on environmental programs and best waste-sorting practices. Staff is also working with HARD to prepare a Memorandum of Understanding to develop a compost hub at the Hayward Community Garden on Whitman Street. A compost hub is a location where compost is offered on a self-serve basis to residents for free. Compost for this effort is included in the franchise agreement, but not currently being used.

Bulky Service and Illegal Dumping Collections

The Bulky collection service remains popular and well used, however, for the past two years the number of appointments has decreased. Hayward staff believes the decrease is related to the City's Disposal Days program where Hayward residents can drop unwanted material off for free at a City yard. The every-other month program has been operating for about two years. The decrease in bulky service appointments coincides with the start of the program. In addition, the number of illegal dumping collections performed by WMAC has decreased since the start of the franchise agreement. This decrease also coincides with the hiring of two new employees dedicated to illegal dumping collection shortly before the start of this franchise agreement.

Contamination and Overage Monitoring

Hayward's franchise agreement with WMAC also includes a program that monitors recycling and organics containers for contamination and simultaneously looks for overfilled containers. After receiving two warning letters, customers are assessed a surcharge as shown in Table 1 and Table 2. An example of overage can be observed in Figure 1.

Table 1: Residential Surcharge Rates

Recycling & Organics Contamination (after 2 warnings)	Garbage Overage (after 2 warnings)
\$25.93	\$10.37

Table 2: Multi-Family & Commercial Surcharge Rates

	Carts (after 2 warnings)	Bins (after 2 warnings)
Recycling & Organics Contamination	\$25.93	\$77.80
Garbage Overage	\$10.37	\$77.80
Multi-Family Recycling Overage (no overage charge for organics)	\$0	\$36.31
Commercial Recycling & Organics Overage	\$10.37	\$36.31

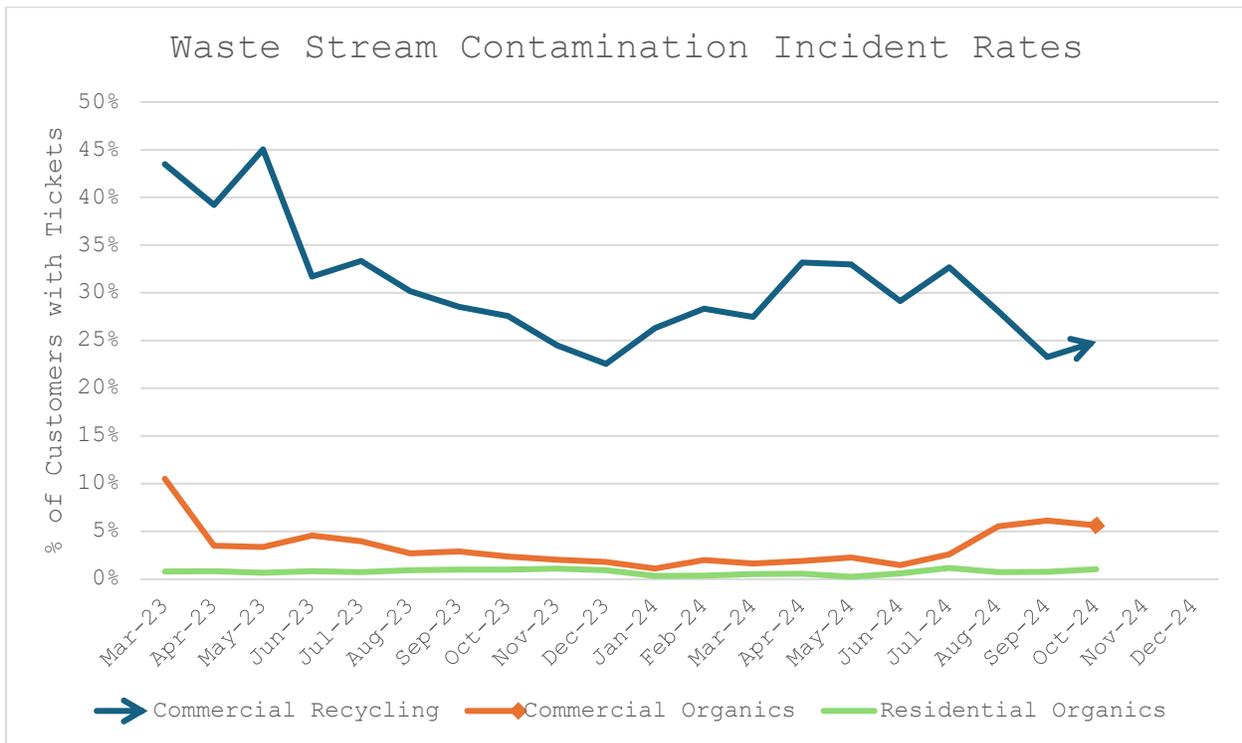
Figure 1: Landfill Bins With Overage



The proportion of customers who received warnings or surcharges issued for contamination or overages in the garbage, recycling, and organics containers of businesses, multi-family dwellings, and single-family homes since the start of the program in March of 2023 are listed in Figure 2 and Figure 3.

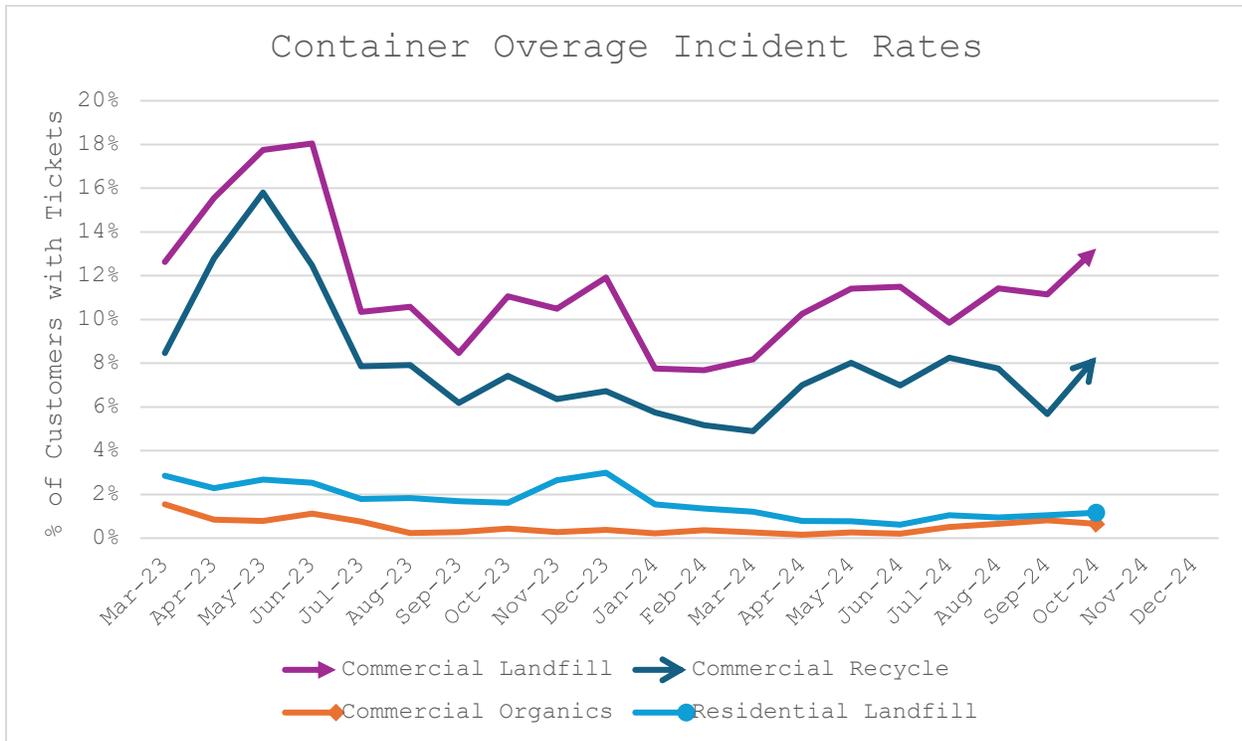
Residential recycling was not monitored for overage or contamination because Tri-CED's new trucks were not set up with the observation system until recently. Residents are currently receiving courtesy warning notices for recycling contamination. Surcharges are expected to start being assessed in early 2025.

Figure 2: Waste Stream Contamination Incident Rates



Contamination warning letters and surcharges have stayed relatively stable since the sharp decline following the start of the program. About 29% of commercial customers received notices from WMAC for recycling contamination in the last year. About 3% of commercial customers received notices for organics contamination in the last year, and only 0.6% of residential customers received organics contamination notifications.

Figure 3: Container Overage Incident Rates



Overage of waste collection containers for residential containers have steadily decreased over the last year. About 11% of commercial customers received a landfill overage notification in the last year, while 1% of residential customers received a landfill overage notification. Approximately 7% of commercial customers received recycling container overage notification, and 0.4% received an organics container overage notice.

New Public Litter Cans

Through the ten-year term of the franchise agreement, Hayward will increase the total number of public litter cans citywide from about 300 cans to more than 400. These new cans are the Big Belly brand dual container (trash & recycling) stations and are being strategically placed to address litter hot spots and replace older cans.

In the second year of the agreement, 35 stations were installed in South Hayward and Downtown, including stations near the new Raising Cane’s and In-N-Out Burger locations. The installations in 2025 will add another 35 cans. The following five years are scheduled to include ten new stations each year.

FISCAL/ECONOMIC IMPACTS

The City’s contract with WMAC includes annual rate adjustments based on the consumer price index (CPI) to maintain service levels as costs increase, not to exceed 6% or below 3%. The next rate adjustment, which may be an increase of 3 to 4%, is scheduled to take effect on March 1, 2025.

Properties that fail to comply with SB 1383, have contaminated their waste streams, or overfill their containers may receive surcharges. City, StopWaste, and WMAC employees will continue to work with property managers to avoid surcharges and resolve issues quickly.

STRATEGIC ROADMAP

This agenda item does not directly relate to any of the projects listed in the Council's Strategic Roadmap, however the recycling and litter prevention programs that are part of the WMAC franchise agreement support the priorities to *Support Quality of Life* and *Confront Climate Crisis & Champion Environmental Justice*.

SUSTAINABILITY FEATURES

Solid waste management involves the safe and responsible management of discarded material from generation through processing to disposal. Reducing waste landfilled by maximizing the reuse, recycling, and composting of materials increases diversion, conserves natural resources, and plays an important role in making a community sustainable. CalRecycle's latest annual diversion calculations indicate Hayward diverted 72% of its waste from landfill in 2023.

PUBLIC CONTACT

No public contact was made specifically for this agenda item. Staff, WMAC, and StopWaste will continue to conduct targeted SB 1383 outreach to customers not in compliance. Staff and WMAC will also continue to provide general outreach including bill inserts, tabling at community events and digital outreach throughout the year.

NEXT STEPS

Staff will continue to work with WMAC to implement the franchise agreement, helping residents and businesses with SB 1383 compliance and continuing to conduct outreach about the contamination and overage program.

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