

**DATE:** July 10, 2017

**TO:** Council Sustainability Committee

**FROM:** Director of Utilities & Environmental Services

**SUBJECT** Annual Update on City's Waste Reduction and Recycling Programs

## RECOMMENDATION

That the Committee reviews and comments on this report.

### **SUMMARY**

This report provides an update on the solid waste, recycling, and organic materials services that Waste Management of Alameda County (WMAC) provides Hayward residents and businesses under the City's contract that commenced March 1, 2015. This report also provides updates on WMAC's progress toward meeting contractual performance targets as well as a summary of the City's compliance with Alameda County Waste Management Authority's (ACWMA) mandatory recycling ordinance. The report further provides an overview of outreach activities conducted to inform residents, businesses, and multi-family property managers about the variety of services available under the City's contract with WMAC.

## **BACKGROUND**

In accordance with the requirements of Measure D, a County Charter initiative amendment passed in 1990, the Alameda County Recycling Board established the goal of at least 75% diversion of all discarded materials in Alameda County by 2010. In 2007, in response to a recommendation from the ACWMA Board, Hayward City Council adopted a goal of diverting at least 75% of waste from the landfill by 2010 and in 2015, the City's actual diversion rate was 73%. The City's contract with WMAC establishes diversion goals based on the tons of material collected as recyclables, organics, or solid waste to be landfilled. The diversion goals identified in the WMAC contract are designed to help the City achieve an 80% diversion rate by 2018. In conjunction with the City's contract with WMAC, staff manages a variety of programs intended to help the City achieve its diversion goals. The last report on solid waste reduction and recycling was presented to the Committee on January 9, 2017.

<u>General Plan Policies</u> – Hayward's General Plan, adopted on July 1, 2014, includes the following policies related to solid waste, recycling and organics collection:

**Public Facilities and Services, Policy 7.4 Solid Waste Diversion** – The City shall comply with State goals regarding diversion from landfill, and strive to comply with the provisions approved by the Alameda County Waste Management Authority (ACWMA).

**Public Facilities and Services, Policy 7.21: Mandatory Recycling** – The City shall implement mandatory recycling for commercial and multifamily uses and work with ACWMA to increase participation in this program.

**Public Facilities and Services, Policy 7.14 Commercial Recycling** – The City shall encourage increased participation in commercial and industrial recycling programs, and strive to comply with the recycling provisions approved by the ACWMAB. The City shall work with ACWMA to provide technical assistance to businesses to implement mandatory recycling.

The current WMAC Franchise Agreement (Agreement) commenced March 1, 2015 and includes several provisions WMAC must follow to improve solid waste management in Hayward and ensure the City, its residents, and businesses comply with State and County waste management regulations. Some provisions include: Franchise Recovery Rate targets and increased diversion of material from landfill; dedicated outreach resources; enhanced bulky items collection services; and compost giveaway events.

<u>Mandatory Recycling Ordinance</u> – The ACWMA enacts and implements County-wide ordinances and diversion programs to help member agencies achieve their waste reduction and diversion goals. In January 2012, the ACWMA Board approved a mandatory recycling ordinance, which includes a goal to reduce the amount of recyclable and compostable materials landfilled to no more than 10% by 2020.

The ordinance consists of two phases: the first phase required larger businesses and all multifamily properties to arrange for collection of recyclables; the second phase required all multifamily properties, and all businesses that generate a significant amount of food scraps and food-soiled paper, such as such as restaurants, food processors, and grocers, to implement separate organics collection. The second phase also required all businesses, regardless of size, to subscribe to recycling services. Multi-family properties are defined in the ordinance as properties having five units or more.

Enforcement of the ordinance is performed by ACWMA inspectors or staff from participating municipalities. However, ACWMA may only issue notices after receiving written approval by staff from participating municipalities. ACWMA assumes all costs to implement the enforcement program, including inspection, enforcement procedures, and assistance to businesses to implement required programs. After allowing a grace period of all affected entities to implement required services, the ACWMA started actively enforcing all phases of the ordinance on January 1, 2017.

The City's contract with WMAC includes organics and recycling collection service to multifamily properties. The contract also offers organics service to businesses at 50% of the comparable garbage rate and recycling to businesses at 30% the cost of comparable garbage service.

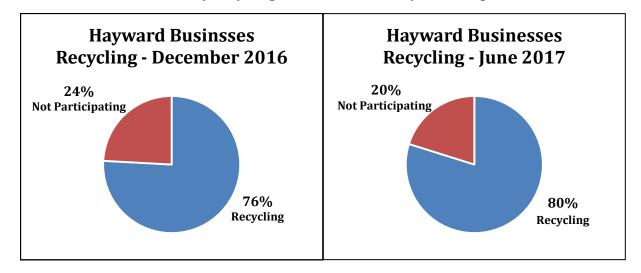
## DISCUSSION

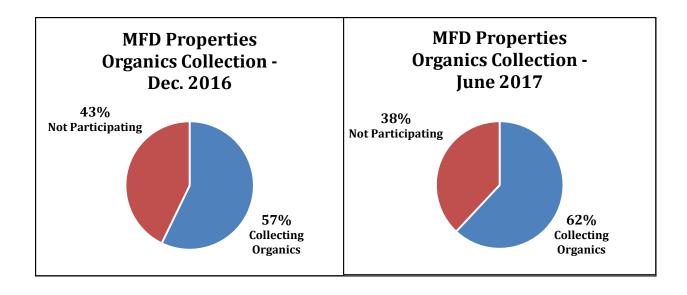
City and WMAC staff work with multi-family properties and businesses to help them meet all provisions of the ordinance. Currently, 93% of Hayward multi-family properties with five or more units participate in the recycling program by subscribing to services and 62% of multi-family properties participate in organics collection program by subscribing to services. Currently, 80% of all Hayward businesses subscribe to recycling services, and the number of Hayward businesses subscribing to organics collection services increased by 4% since December 2016. Since January 2017, the total number of businesses in Hayward subscribing to recycling services increased by about 4%.

The pie charts below summarize, as of December 2016 and June 2017, the percent increase in Hayward businesses that have arranged for collection of recyclables, and the percent increase in Hayward multi-family properties that have arranged for organics collection through WMAC. The information is based on data provided by WMAC. Businesses and multi-family properties may also comply with the ordinance by arranging with other service providers, or self-hauling their recyclables and organics.

The growth in the number of businesses and multi-family properties recycling has slowed as the percentage of those already recycling has increased. The remaining businesses and multifamily properties have been more difficult to contact, or more reluctant to initiate service than those currently recycling.

# Mandatory Recycling Ordinance: Summary of Participation





At the commencement of the Agreement, WMAC was very slow to implement the required additional level of staffing dedicated to perform outreach. This additional WMAC staff is mandated by the Agreement and paid for by pass-through costs. WMAC staff, including two interns dedicated to Hayward, as well as City staff, continue to perform outreach and provideassistance to businesses and multi-family properties so they can implement both services and comply with the ordinance.

<u>Outreach to Multi-Family Properties</u> – In 2016, and through the first half of 2017, ACWMA has performed outreach to multi-family properties through social media and email. City and WMAC staff also continue to work with property managers and owners to improve organics sorting/collection and facilitate bulky item removal. WMAC staff meet one-on-one with property managers and make presentations to tenants to provide program details and explain proper sorting. Brochures have also been distributed at Hayward Downtown Street Parties and to the Keep Hayward Clean & Green Task Force. In addition, the City and WMAC collaborate to design and send bill inserts and mailings throughout the year to help inform residents of program parameters.

<u>Outreach to Businesses</u> – WMAC representatives offer Hayward businesses waste assessments and employee training to help facilitate implementation of programs. City assistance includes offering labels for containers and posters for reference by employees and patrons. City staff will continue to disseminate informational materials to businesses via field visits and inserts with bills issued by WMAC, and to inform businesses that recyclables collection is available at 30% of the comparable garbage rate, and organics collection is available at half the price of regular garbage collection. Although not always the case, some businesses, including restaurants, grocers, and food processors, have been able to reduce garbage service and cost after implementing one or both services.

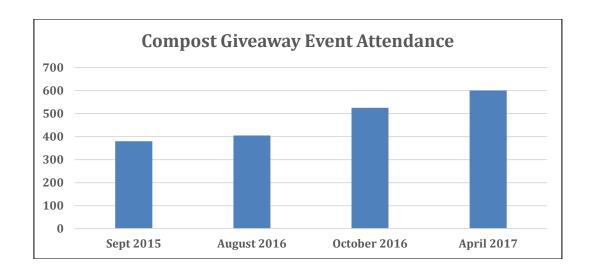
<u>Outreach to Single-Family Residents</u> – The mandatory recycling ordinance does not apply to single-family households. However, staff conducts outreach to single-family households to

help residents properly sort recyclables and increase their organics diversion by placing food scraps and food-soiled paper in the green bin. Informational materials to single-family residents include bill inserts that highlight the twice-annual bulky item appointments and the variety of other services that continue to be offered. Additionally, the City's website and WMAC's website each offer residents and businesses extensive information regarding recycling and available services. WMAC and City staff have recently designed Facebook ads to promote services available to residents. WMAC also mails postcards to all households describing removal of bulky items, and sends holiday tree removal instruction postcards to all residents.

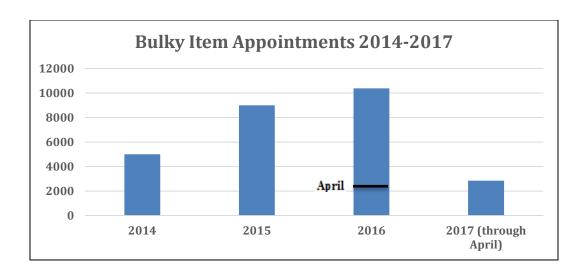
<u>Pioneers for Sustainable Communities</u> – In addition to outreach conducted with WMAC, staff worked with Cal State East Bay classes as part of the pilot Sustainable City Year Program to design and conduct outreach for Hayward residents. The Sustainable City Year Program is a collaboration between Cal State East Bay and the City of Hayward. The primary goals are: to provide students with real-world research experience; to apply the intellectual horsepower of faculty and the energy of students to projects of significant importance to the community, and to facilitate progress toward a more sustainable, desirable, and inclusive world. In the spring of 2017, Cal State Sustainable City Year Program students placed hang tag flyers on the garbage carts of approximately 6,000 single-family homes. The tags reminded residents to place food scraps in the green yard trimmings cart and not in the garbage. Cal State students are also completing the design of an interactive video game for outreach events, in which game participants sort recyclables. Cal State students also are completing a project to create informational videos regarding the problems illegal dumping causes Hayward, and the availability of bulky collections.

<u>ACWMA's Benchmark Fee Removal</u> – In July of 2013, ACWMA began collecting a fee from residents and businesses to fund the analysis of waste and the preparation of informational literature promoting recycling. As of July 1, 2017, the fee is no longer be charged. City and WMAC staff ensured Hayward rates were appropriately adjusted to reflect the elimination of the fee. Information regarding the fee removal has also been posted on the WMAC, Hayward, and Stopwaste websites.

<u>Compost Giveaways</u> – A provision of the WMAC Agreement requires WMAC to provide Hayward residents with 5,000 one cubic-foot bags of compost annually. The City distributes these bags of compost to residents by means of compost giveaway events held twice a year on Saturdays. During these events, residents drive to a designated venue and City staff loads bags of compost into residents' vehicles. Since the inception of the contract in March 2015, the City has hosted four events and given roughly 9,000 bags of compost to more than 1,800 residents. The events are promoted via inserts in garbage bills, emails, flyers at libraries, and by way of Nextdoor.com. Surveys conducted at the events indicate a very positive response from residents.



<u>Bulky Item Collection</u> – The WMAC Agreement offers Hayward single-family households and multi-family properties free collections annually of four cubic yards per dwelling unit of bulky items such as furniture, mattresses, and appliances. While the participation by Hayward residents in the program has increased over the first few years of the new contract with WMAC, residents only utilize about one-quarter of the appointments allowed by the contract. Also, about 20% of bulky appointments are second collections for the same address. Staff has continued to prioritize promoting bulky item collection in 2017. Through April of 2017, 2,717 collections have occurred from single-family homes, and 126 from multi-family properties. In the first four months of 2016, 2,640 collections had occurred from single-family homes, and sixty-one from multi-family properties.



generated within Hayward's boundaries, some of which is not hauled by WMAC. The Franchise Recovery Rate is an annual benchmark included in the WMAC Agreement to track WMAC's performance diverting material from landfill. It measures only the material collected and managed by Waste Management and the required Franchise Recovery Rate gradually increases each year of the contract to reach 80% by 2024, the final year of the Agreement. In calendar year 2016, WMAC achieved a Franchise Recovery Rate of 37%, well below the target of 50% for 2016. However, staff has continued to work closely with WMAC and their outreach team, and as of April 2017, WMAC increased the Franchise Recovery Rate to 42%.

WMAC periodically experienced challenges fully staffing its outreach team since the Agreement began in 2015, but has more effectively stabilized its staffing in 2017, and should reach more businesses and multi-family properties in 2017. In addition to more outreach, other factors that have positively affected the Franchise Recovery Rate include a larger amount of organics collected in 2017 than the first four months of 2016, and WMAC worked with some large industrial accounts to increase their recycling.

### 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, and conserves natural, resources. Separating organics for composting instead of disposing of them can significantly reduce greenhouse gas emissions from landfills. Proper management of solid waste plays an important role in making a community sustainable.

## **FISCAL IMPACT**

Solid Waste Program staff will continue to work with the ACWMA and WMAC to coordinate implementation and enforcement of the mandatory recycling ordinance. Recycling Fund monies will be used to fund these activities, so there will be no impact to the General Fund. These funds are based on tons of garbage disposed at the landfill, and are collected and disbursed by ACWMA. Currently, there is sufficient revenue in the Recycling Fund balance to pay costs associated with implementing the ordinance. However, funds have decreased by about 50% from several years ago, as tons landfilled has decreased, see Figure 1 below. To replenish the City's Recycling Fund, additional funds will be remitted to the City by WMAC per the terms of the franchise agreement starting in FY2018-2019.

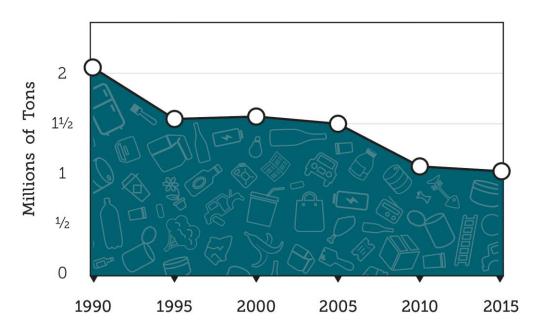


Figure 1, Alameda County Landfill Tonnages 1990-2015

## **NEXT STEPS**

City staff will continue to offer assistance to businesses and multi-family properties to implement separate collection of recyclables and organics. Outreach efforts will continue through a variety of channels, including the Rental Housing Owners Association, special events, and the Chamber of Commerce.

In the Fall of 2017, staff will implement the new Construction and Demolition Debris (C&D) Ordinance. The C&D Ordinance was updated to better align with new State requirements and increase diversion of material from landfill.

In June 2017, City staff started following the Agreement rate-setting procedures and began the process of conducting an evaluation of WMAC's operating costs for 2016, the second year of the Contract. The cost analysis is part of the 2018 rate-setting process and will be presented to Council this fall.

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