



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

Cover Memo

File #: PH 22-036, **Version:** 1

DATE: June 28, 2022

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT

New Solid Waste and Recycling Franchise Agreement: Approval of New Franchise Agreement and New Refuse, Recycling, and Organics Services Rates - Introduction of Ordinance

RECOMMENDATION

That Council:

1. Adopts a resolution (Attachment II) authorizing the City Manager to execute a new Franchise Agreement with Waste Management of Alameda County (WMAC); and
2. Introduces an ordinance (Attachment III) granting an exclusive franchise to WMAC incorporating the proposed Franchise Agreement; and
3. Adopts a resolution (Attachment IV) authorizing the City Manager to execute an extension to the current Memorandum of Understanding (MOU) with the Oro Loma Sanitary District (OLSD) and WMAC.

SUMMARY

The City holds a franchise agreement with WMAC to provide solid waste, recycling, and organic materials collection, and processing services. The current agreement commenced March 1, 2015 and was scheduled to expire March 1, 2022. The agreement includes the option to extend for three, 12-month periods, and on January 18, 2022, Council opted to extend the contract for one year. If the City extends the contract the maximum numbers of times, the agreement would expire March 1, 2025. Most recently, on January 18, 2022, staff requested from Council and was granted an extension of the exclusive negotiating period until June 30, 2022.

Staff recently completed negotiating with WMAC as authorized by Council. Key elements of the new contract include: acquisition of state-required new blue recycling containers and black trash containers; new public litter cans; surcharges for contamination and overages; and a new fleet of trucks for residential recycling provider Tri-CED. The tentative agreement recommended by staff includes maximum possible rate increase of 14.27%, effective March 1, 2023. This includes a maximum base rate adjustment of 8.27% and a consumer price index (CPI) portion of up to 6%.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Resolution Authorizing the City Manager to execute a new Franchise Agreement with WMAC
Attachment III	Ordinance
Attachment IV	Resolution Authorizing the City Manager to execute MOU with OLSD and WMAC
Attachment V	OLSD Maps
Attachment VI	Schedule of Warnings and Surcharges
Attachment VII	Rate Comparisons