



CITY OF HAYWARD
AGENDA REPORT

AGENDA DATE 01/09/07
AGENDA ITEM 4
WORK SESSION ITEM _____

TO: Mayor and City Council
FROM: Director of Public Works
SUBJECT: WMAC Franchise Agreement Approval and Revised Garbage and Recycling Rates

RECOMMENDATION:

It is recommended that the City Council introduce the attached ordinance granting an exclusive franchise to WMAC (Waste Management of Alameda County) incorporating the proposed Franchise Agreement; and approve the attached Resolution authorizing the City Manager to execute an extension to the current Memorandum of Understanding (MOU) with the Oro Loma Sanitary District (OLSD) and WMAC.

BACKGROUND:

As reported previously to Council, the City's Franchise Agreement with WMAC was to expire in May 2007. At its February 14, 2006, meeting, Council authorized a one-year extension to the Franchise Agreement to allow additional time in anticipation of issuing a request for proposals. At that same meeting, the Council authorized the City Manager to continue negotiations with WMAC in the near term in order to determine whether a mutually beneficial extension to the current Agreement could be agreed upon.

At its May 23, 2006, meeting, the Council approved the business terms of a Franchise Agreement with WMAC. That report (see Exhibit A) addressed the proposed term, service enhancements, rates for residential services, the additional costs to use Alternative Fuel Vehicles (AFV) for residential collection of garbage, yard trimmings and recyclables, the provisions for annual rate adjustments for all services, and an annual adjustment for fuel to account for the future impact of rising energy costs.

Following Council's approval of the business terms of the Franchise Agreement, as presented in the May 23, 2006, report, staff completed its negotiations with WMAC, developed the complete rate schedule and prepared a new Franchise Agreement for Council consideration and action. As noted in the May 23, 2006, report, more time was needed to refine the scope of services and funding structure for the commercial recycling programs which are presented in this report along with an overview of the new Franchise Agreement.

Residential Services: Enhancements and Rates

Proposed residential services would provide for a variety of enhancements to current services, as well as implementation of new services. All existing services would be maintained. Service

enhancements are summarized below and further described in the May 23 Council Agenda report:

- Co-Mingled Recyclables Collection Using Carts: All single-family households would be provided a two-wheeled cart with hinged-lid to collect their co-mingled recyclables, thereby eliminating the need to separate their recyclables and carry their bins to the curb. This should result in a more convenient service and a substantial increase in the materials recycled.
- AFVs for Separate Collection of Garbage, Recyclables, and Yard Trimmings: Use of environmentally superior clean-burning alternative fuel vehicles by both WMAC and its subcontractor, Tri-CED, would significantly and immediately reduce particulate matter and nitric oxide emissions.
- Annual Bulky Item Clean-Up Service: The current popular annual bulky waste appointment service would continue with several enhancements. All bulky waste would continue to be removed on the scheduled appointment day. Under the terms of the new Agreement, unscheduled setouts in the immediate vicinity of all scheduled setouts will be removed in order to reduce illegal dumping and the potential for scavenging. WMAC would also sort all such loads of garbage for processing in order to remove and recycle items such as metals and clean wood.
- Free Disposal of Two Cubic Yards of Self-Hauled Waste: WMAC will offer 1200 coupons annually for free disposal of two cubic yards of waste by residents who choose to deliver it to the Davis Street Transfer Station.
- Batteries Collection: In response to a recent state law prohibiting disposal of batteries, residents will be able to recycle "disposable" batteries, such as those used in flash lights and cameras, by putting them in plastic bags and setting them next to their recycling cart, similar to how used oil filters are recycled.

Collection of recyclables would continue to be provided by Tri-CED each week on the same day as garbage collection. Tri-CED, which is a local, community-based non-profit organization, has been providing residential recycling services in the City since the inception of the service in 1991. WMAC would continue to provide separate collection of garbage and yard trimmings on a weekly basis.

The increase in the rates is primarily due to the additional costs to use AFVs for residential collection services, street sweeping fees to mitigate the effects of debris that may have been left behind after the garbage trucks have completed their routes, increased fuel costs, and the fees to sort bulky waste loads. It also provides for a reasonable rate of return to the service provider

New Commercial Recycling Services

As a significant service enhancement, the proposed Franchise Agreement would offer services to collect recyclables and organic materials from businesses in order to encourage more recycling. Such services are not included in the existing Franchise Agreement. Expanding the scope of

commercial recycling services to include provision of this service to all businesses is necessary in order to continue to meet the state mandate to divert 50 percent of all waste disposed and to prepare to meet the higher goal of 75% diversion adopted by the Alameda County Waste Management Authority's Waste Reduction and Recycling Board. Based on reports submitted by WMAC, about 78 percent of the City's total disposed waste is generated by businesses and, based on a waste characterization survey conducted for StopWaste.Org, as much as 40 percent of the waste generated by those businesses consists of easily recyclable materials (e.g., paper, yard trimmings, food waste, and wood).

Under the terms of the proposed Agreement, businesses would have access to recycling services at no additional cost and access to organics recycling services at a rate set at 50 percent of comparable rates for garbage service. This rate structure is similar to what is in effect for residential services in that the service is available to all residential customers free of additional charge. The intent is to encourage participation by a large number of businesses and thereby increase diversion.

The proposed services include separate collection of recyclables (e.g., cardboard, paper, scrap metal, bottles and cans) and organic materials (e.g., green waste, food waste, wood waste and low-grade paper) using wheeled carts and bins with capacity ranging from 1 to 7 cubic yards. The costs for the commercial recycling and half of the costs for organics services are included in the proposed commercial garbage rates. Businesses subscribing to the organic materials collection service will pay an additional monthly rate for that service. The rate for commercial organics service will be equivalent to 50 percent of the garbage rate for the same level of service (e.g., the rate for a 2 cubic yard bin of organics collected once per week will be half the rate for a 2 cubic yard bin of garbage collected once per week). Staff recommends partially funding this program by adding a separate rate in order to preserve existing diversion programs that include using organic materials as feed for livestock and to reduce the impact on commercial garbage rates. As part of the overall commercial recycling program, WMAC will also add sorting of designated loads of trash from bins, large roll-off boxes and compactors for processing in order to increase recovery of recyclables and organic materials.

The current Franchise Agreement between WMAC and the City establishes an open market for commercial collection of recyclables and organic materials in that it allows a business to select a service provider to collect materials for recycling and pay that service provider. If the proposed Franchise Agreement is approved, businesses will be required to pay the commercial garbage rates charged by WMAC even if a business elects not to participate in any of the new services offered. In that respect, the imposition of rates sufficient to provide for collection of recyclables and organics from businesses is similar to the services and rates for residents. Businesses may continue to contract with service providers other than WMAC and may wish to do so if that provider offers services that include materials not listed as acceptable recyclable materials (e.g., large quantities of plastic film) or provide collection for individual floors within a building, for example.

Proposed Residential and Commercial Rate Increases and Comparison with Other Jurisdictions

Adding the free or reduced rate commercial recycling programs would result in an increase of approximately 3.5 percent to the commercial bin service rates that were projected in May of last year. No increase was made to the projected roll-off rates. An updated comparison table of rates

for residential, commercial bin and roll-off services among other jurisdictions in Alameda County and the City is attached for reference (see Exhibit B). The jurisdictions selected are those with comparable services and include Alameda, Albany, Castro Valley Sanitary District, Fremont, Oakland, Oro Loma Sanitary District, San Leandro and Union City. The commercial services listed are two of the most common service levels. This comparison shows that if the proposed rates are approved, Hayward would continue to have rates for garbage service that are in the mid-range when compared to neighboring jurisdictions even after inclusion of the new commercial recycling program.

Determining estimated expenses to collect and process commercial recyclables and organic materials is difficult since the rate should, in part, be based on the level of participation in each program, and that information is not known until the program has been in place for a few years. Future rate adjustments for the commercial recycling and composting programs will be based on tons collected above base tonnage amounts. Once program tonnages exceed established amounts, the revenue requirement for each program will be increased on a per ton basis and the rate per ton will be adjusted each year by 80% of the Consumer Price Index (CPI). Because of the uncertainty in future compost facility processing fees for organic materials, these costs are treated as a pass-through once the base tonnage is exceeded.

Franchise Agreement

The amount of the franchise fee remitted to the City will continue to be 12.5 percent of the rate revenue received by WMAC. As previously reported, a 2.5% street sweeping fee will also be remitted. Overall, the Franchise Agreement requires various services to be performed, the standards to be met, and identifies the reports that will assist in monitoring those services. As previously reported, annual rate adjustments for non-fuel costs would continue at 80% of CPI for all services. To account for the future impact of rising energy costs, a separate adjustment would be made to the fuel component of the rates. Each year, the total costs of diesel fuel and LNG would be reported and reviewed by staff, and the rates adjusted to account for 75 percent of the past year's change in fuel costs. Additionally, the federal, state and local fees charged on each ton disposed will, as in the present Agreement, continue to be treated as a pass-through. The revenue requirements for commercial recycling and organics services would be adjusted as described in the preceding section. Each future year rate adjustment is limited to a maximum of 5 percent, excluding federal, state or local fee increases. Because of its length, a copy of the new Franchise Agreement is available for review in the City Clerk's Office.

It is noted that several of the existing and proposed service enhancements are consistent with and help further the Council's interest in improving the appearance of the community. For example, as mentioned earlier, use of AFVs for residential services will help to provide cleaner air. Also, 50 additional litter cans have been added to the current 250 and will be serviced by WMAC. The new street sweeping fee would allow the City to enhance its street cleaning program to sweep and clean the streets and remove any trash left behind as a result of the garbage and recycling services. In order to help reduce illegal dumping and the potential for scavenging, WMAC would also begin collecting improperly prepared but otherwise acceptable bulky waste items and removing unscheduled items in the immediate vicinity of scheduled setouts. Residents may continue to schedule an annual appointment to remove two electronic waste items. The appointment can be scheduled on a day separate from other bulky items and also removed by WMAC. Residents may also recycle small household appliances, such as irons or toasters, by

placing them in their new carts, and placing common household batteries next to their carts. These services offer a convenient means for residents to safely and effectively remove and recycle unwanted electronic wastes, other bulky items and common household batteries.

Noticing Requirements

One change in the required processing for this rate increase involves the noticing requirements. In addition to the normal newspaper notices for a public hearing and pursuant to recent case law, it was determined that the proposed increase in rates for garbage and recycling services are subject to the noticing requirements of Proposition 218. Staff prepared and mailed a Notice of Public Hearing (see Exhibit C) to property owners for approximately 35,000 parcels. The notice described the proposed rate increases for garbage and recycling services and included the rates in effect from June 1, 2006, through May 31, 2007, as well as the rates proposed for June 1, 2007, through May 31, 2008. Per Proposition 218, the notice identified the property owner's right to protest the rate increases and even provided a form for that purpose; however, Proposition 218 stipulates that only if a majority protest of over 50 percent is received will Council be prohibited from taking action to approve the Franchise Agreement and its proposed rates.

To date, a total of 556 protests (1.5 percent) of the total have been received. Most had no comments; but of the remaining comments the majority simply indicated that the rates were too high or were not warranted by the services. However, 12 protests specifically indicated that they are on a limited income or are disabled. In response to those comments, staff has mailed a letter that describes the discount for garbage service that is available to low-income residents whose gross annual income is no more than established levels. The letter also describes provisions for side yard collection at no additional charge for residents who are disabled, or 65 years of age or older, and who have no able-bodied adults living in their home, as that service will continue. Staff has also received about 50 calls, virtually all of which were from residents who wanted to confirm that the annual bulky item removal service or their side yard collection service would continue. The balance of the calls received related to recycling services for multi-family dwellings and small businesses.

Staff has also mailed a letter to a number of recycling service providers with current or potential service interests in the City in order to advise them of the proposed services that would be offered to all businesses in the City. A total of ten service providers were sent letters, some of whom included Alameda County Industries, Allied/Browning-Ferris Industries, Northern California Paper Recyclers, Secondary Fibre, The Sutta Company, and Weyerhaeuser Paper.

Memorandum of Understanding with WMAC and OLSD

The Council approved a Memorandum of Understanding (MOU) in 1997 between the Oro Loma Sanitary District (OLSD), WMAC and the City regarding an area in Hayward that has historically been served by OLSD for sewer and refuse services. This area, which includes about 3,500 single-family and multi-family residences in five locations, generally located in the north between A and Longwood Streets and along Foothill Boulevard north of City Center Drive (see Exhibit D). The garbage, green waste and recycling services provided under the agreements offered by OLSD and the City are currently very similar except that the City's recycling service is provided on a weekly basis while OLSD's service is provided every other week. The MOU provides for weekly recycling services to these residential customers. Staff requests approval to

extend the current MOU in order to continue to ensure that all of the City's residents are offered the same service for the duration of the proposed Franchise Agreement.

Prepared by:



Alex Ameri, Deputy Director of Public Works/Utilities

Recommended by:



Robert A. Bauman, Director of Public Works

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Approved by:



Jesús Armas, City Manager

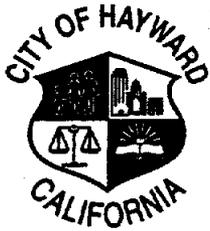
Attachments:

Exhibit A: May 23, 2006, Council Agenda Report regarding the Business Terms of the Franchise Agreement for Solid Waste and Recycling Services

Exhibit B: Notice of Public Hearing: Proposed Rate Increases for Garbage and Recycling Services, dated November 21, 2006

Exhibit C: Comparison of Residential, Commercial and Roll-Off Rates for Selected Jurisdictions in Alameda County

Exhibit D: Oro Loma Sanitary District Service Areas Located within Incorporated Hayward



CITY OF HAYWARD
AGENDA REPORT

AGENDA DATE 05/23/06
AGENDA ITEM 14
WORK SESSION ITEM _____

TO: Mayor and City Council
FROM: Director of Public Works
SUBJECT: Business Terms of Franchise Agreement for Solid Waste and Recycling Services

RECOMMENDATION:

It is recommended that the City Council adopt the attached resolution approving the business terms to be included in a Franchise Agreement with Waste Management of Alameda County (WMAC).

BACKGROUND:

At its February 14 meeting, the Council authorized a one-year extension to the existing Franchise Agreement with WMAC, to May 2008, in order to allow time for the City to take proposals for solid waste services and allow for a possible transition to a new service provider. However, the Council also authorized the City Manager to continue negotiations with WMAC to determine whether a mutually beneficial extension to the current contract could be agreed upon.

At the February meeting, the Council provided direction to staff with regard to service components to be addressed during the negotiation process. In addition, at the Council's direction, staff solicited comments from residents and businesses on a new Franchise Agreement via a published notice in the *Daily Review*. To date, no comments have been received. Placement of a notice as a bill insert was not possible, since negotiations would be completed before the next bill insert would be received by residents and businesses.

As a result of the negotiations, staff and WMAC have reached an agreement on the business terms of a new Franchise Agreement. This report describes these proposed business terms for residential and commercial services and the corresponding rate adjustments.

In the negotiation process, WMAC requested an increase in rates for current services based on the representation that the current rates have failed to keep pace with actual costs. Staff reviewed the results of recent negotiations and "requests for proposal" (RFP) processes by neighboring jurisdictions. Based on this review, staff determined that recently approved Franchise Agreements have resulted in rate increases of between 20% and 30%; in some instances, higher ranges were also approved. It appears that jurisdictions that went through the RFP process did not ultimately end up with lower rates than those jurisdictions that negotiated directly with their service provider.

Proposed Term, Service Enhancements, and Rates

Staff has also determined that enhancements to current services are necessary and desirable in order to keep pace with changes in the solid waste and recycling industry. These enhancements have been negotiated into the proposed business terms. The proposed Franchise Agreement would become effective June 1, 2007, and would continue for seven years with three one-year extension options at the City's discretion. All existing services would be maintained. Proposed service enhancements are summarized below:

Residential Services:

- **Continue Current Services Using Existing Carts:** Single-family residents would continue to use their existing garbage and green waste carts. Carts would continue to be placed at the curb, not in the street, in order to allow street sweeping services to continue with minimal interruptions. New 20-gallon wheeled carts would be provided to those customers requesting that service.
- **Co-Mingled Recyclables Collection Using Carts:** All single-family households would be provided a two-wheeled cart with hinged-lid to collect their co-mingled recyclables. Collection services would continue to be provided by Tri-CED each week on the same day as garbage collection. Residents would be provided a 64-gallon cart, unless they request a 35-gallon cart. Carts present advantages over bins, including larger capacity, easy maneuverability, and the lid reduces litter. Additionally, this should help reduce the amount of illegal scavenging currently experienced in some neighborhoods.
- **Annual Residential Clean-Up Service:** The current annual bulky waste appointment service would continue without any changes; all bulky waste would continue to be removed on the scheduled appointment day. Additionally, improperly prepared but otherwise acceptable items would also be removed for a fee approved by the City. New services would include removal of unscheduled setouts in the immediate vicinity of all scheduled setouts in order to reduce illegal dumping and the potential for scavenging. WMAC would also sort all such loads of garbage for processing in order to remove and recycle metals and clean wood.
- **Free Disposal of Two Cubic Yards of Self-Hauled Waste:** WMAC would offer annual coupons to all Hayward residential customers subscribing to individual cart service, which would allow a one-time delivery of up to two cubic yards of garbage for free disposal at the Davis Street Transfer Station. In order to be able to offer this service at no additional cost to rate payers, it would be limited to the first 1200 coupons redeemed each year.
- **Batteries Collection:** Effective February 2006, California Universal Waste Rule prohibits disposal of certain waste, including household batteries, in the trash. Under the proposed Agreement, residential customers would be able to recycle common household batteries, such as those used in flash lights and cameras, by putting them in plastic bags and setting them next to their recycling container, similar to how used oil filters are recycled.

- Discount for "Sharps" Disposal: Proper disposal of syringes, hypodermic needles and other "sharps" would be less expensive for Hayward residents through a 30% discount being provided by WMAC at participating drug stores.
- Christmas Tree Collection: Curbside collection from single- and multi-family dwellings, up to 25 units, would continue. New services would include collection from multi-family dwellings of more than 25 units, using large-capacity boxes that would be delivered for placement in parking lots or other mutually agreeable locations.
- Public Litter Cans: An additional 50 litter cans would be available for service around the City.
- Free Compost: WMAC would provide 4,000 one-cubic-foot bags of compost, which would be offered by the City to residents at no charge during an annual one-day event on a selected weekend.
- Food Waste Collection: At the City's option, food waste collection from single-family homes could be implemented in 2009-2010. The food waste would be co-mingled with the green waste already collected and delivered to a facility to be identified for composting. The customer would not see any increase in cost for this service.
- Dirt and Debris: Increase in the amount of City generated dirt and debris that may be delivered to WMAC for disposal from 500 to 3,000 tons annually.
- Biosolids Disposal: Disposal of up to 6,000 tons per year of biosolids and 250 tons of grit from the City's Water Pollution Control Facility.

Commercial Recycling Services

- While significant progress has been made in defining both the scope and funding for the addition of a commercial recycling program, more time is needed to develop the specifics. Acceptable materials would include co-mingled food scraps, yard trimmings, soiled paper products, waxed cardboard and clean wood from businesses for composting. Details on both how the program will be implemented and corresponding rates will be provided with the final recommended Franchise Agreement.

Alternative Fuel Vehicles

- Compressed/Liquid Natural Gas: At the February Council meeting, interest was expressed in the use of AFV for residential collection and recycling services. Use of alternative fuel vehicles would result in a significant and immediate reduction in both Particulate Matter emissions (PM) and Nitric Oxide (NOx) emissions. PM emissions have been identified by the California Air Resources Board as a toxic air contaminant. In addition, NOx is also a significant contributor to smog and a source of poor air quality.

Accordingly, staff asked WMAC to estimate the cost of using such vehicles. The use of alternative fuel vehicles would result in a 4.15 % additional increase in cost of service for

all customers. This added cost does reflect the continued availability of grants for AFVs from the Bay Area Air Quality Management District. For a typical 35-gal cart residential customer, this would add \$.93 per month to their rates. Staff believes this added cost is reasonable and is a positive step the City can take toward improving the environment. Therefore, staff recommends this alternative, which would result in either new Compressed Natural Gas (CNG) or new Liquid Natural Gas (LNG) equipment for the entire residential fleet beginning June 2007. WMAC has indicated there is a large backlog in getting new AFV vehicles and that it would need to start ordering 12 months in advance of delivery dates. Thus, it is critical to be able to confirm this aspect of the Franchise.

- Clean-Burning Diesel Trucks: If the AFV alternative is not acceptable, WMAC proposes to phase in new clean-burning diesel vehicles for residential refuse and green waste collection over the first four years of the proposed Franchise Agreement, with 3 to 4 new or retrofitted vehicles each year. For the residential recycling program, new recycling trucks would be required in June 2007 because of the new cart collection method; these trucks would all use clean-burning diesel. In all cases WMAC would be responsible for meeting all air quality control board requirements during the term of the Agreement.

Proposed Rate Increases and Comparison with Other Jurisdictions

- Residential Rate Increase: Currently, 72% of Hayward residential customers subscribe to weekly 35-gallon service. Under the existing Agreement, residential rates for this service are scheduled to rise to \$17.69 effective June 1, 2006. Approval of the residential services described above, including the AFV alternative, would increase monthly rates from \$17.69 for a 35-gallon cart to \$23.28, beginning June 1, 2007. A comparison of residential rates among other jurisdictions in Alameda County is attached for reference (See Exhibit A). This comparison shows that if the proposed rates are approved, Hayward would continue to have reasonable rates for refuse service when compared to neighboring jurisdictions. The exhibit also indicates the resultant rates if the alternative fuel vehicle proposal was not selected.
- Commercial and Roll-Off Rate Increase: Preliminary commercial and roll-off rates would have similar increases. A comparison of typical commercial and roll-off rates by jurisdiction is also included in Exhibit A, for information purposes. However, these rates do not yet address the commercial recycling program. As noted earlier, staff will require additional information to complete its review of the commercial recycling services and proposed costs and will include its final recommendation in a report to Council that will describe the provisions of a new Franchise Agreement.
- CPI Rate Adjustments: Annual rate adjustments for non-fuel costs would continue at 80% of CPI for all services. Additionally, to account for the future impact of rising energy costs, a separate adjustment would be made to the fuel component of the rates. Each year the total costs of diesel fuel, LNG and CNG would be reported and reviewed by staff, and the rates adjusted to account for 75% of the past year's change in fuel cost.

- Street Sweeping Fee: WMAC would remit to the City a fee that would be used to offset a portion of the City's street sweeping and cleaning costs due to the debris that is usually left behind after the garbage trucks have completed their routes. The fee will be 2.5% of WMAC's gross revenue.

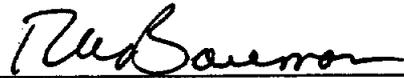
Assuming the Council approves the proposed business terms for a new Franchise Agreement, staff will finalize negotiations and prepare a new Franchise Agreement for the Council's consideration by mid-September 2006.

Prepared by:



Alex Ameri, Deputy Director of Public Works/Utilities

Recommended by:



Robert A. Bauman, Director of Public Works

Approved by:



Jesús Armas, City Manager

Attachments:

Exhibit A – Comparison of Residential and Commercial Rates in Alameda County

**Comparison of Residential, Commercial and Roll-Off Rates
for Selected Jurisdictions in Alameda County:
Rates are projected for March – September 2007**

<u>Jurisdiction</u>	<u>Monthly Residential Rate 32 – 35 Gal Cart</u>	<u>Monthly Commercial 1 Cubic Yard</u>	<u>Service Rate Roll-Off 30 Cubic Yards</u>
Union City	\$28.43	\$86.90	\$524.35
Oakland	\$26.00	\$122.01	\$762.77
Fremont	\$24.28	\$63.90	\$390.64
Alameda	\$24.26	\$91.85	\$1,107.38
Hayward (proposed)	\$23.28	\$98.45	\$547.12
Albany	\$22.99	\$93.80	\$547.99
Hayward (without AFVs)	\$22.35	\$93.64	\$519.36
San Leandro*	\$19.37	\$84.90	\$531.62
Castro Valley Sanitary District**	\$18.90	\$79.66	\$440.84
Hayward (existing eff. June 1, 2006)	\$17.69	\$72.95	\$399.16
Oro Loma Sanitary District*	\$15.82	\$72.57	\$472.05

*Residential recycling services are provided every other week.

**Franchise expires in 2009

Note: Hayward commercial and roll-off rates are preliminary estimates and subject to further review.

HAYWARD CITY COUNCIL

RESOLUTION NO. 06-069

Introduced by Council Member Henson

RESOLUTION APPROVING THE BUSINESS TERMS IN THE
FRANCHISE AGREEMENT WITH WASTE MANAGEMENT
OF ALAMEDA COUNTY (WMAC)

WHEREAS, on February 14, 2006 the City Council of the City of Hayward authorized a one-year extension to the existing Franchise Agreement with WMAC to negotiate the terms of a new Franchise Agreement; and

WHEREAS, staff and WMAC have reached an agreement on the business terms of a new Franchise Agreement which will become effective June 1, 2007, and continue for seven years with three one-year extension options at the City's discretion. All existing services will be maintained.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Hayward hereby approves the business terms to be included in the Franchise Agreement with Waste Management of Alameda County as negotiated by staff and WMAC.

IN COUNCIL, HAYWARD, CALIFORNIA May 23, 2006

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS: Jimenez, Quirk, Halliday, Ward, Dowling, Henson
MAYOR: Cooper

NOES: COUNCIL MEMBERS: None

ABSTAIN: COUNCIL MEMBERS: None

ABSENT: COUNCIL MEMBERS: None

ATTEST: Angela Papp
City Clerk of the City of Hayward

APPROVED AS TO FORM:

[Signature]
City Attorney of the City of Hayward



CITY OF
HAYWARD
HEART OF THE BAY

November 21, 2006

NAME
ADDRESS
CITY, STATE ZIP

Assessor's Parcel Number(s):
XXX-XX-XXX
Property Owner of:
ADDRESS

**NOTICE OF PUBLIC HEARING: PROPOSED RATE INCREASES FOR GARBAGE
AND RECYCLING SERVICES**

Dear Property Owner:

A public hearing will be held regarding a new franchise agreement with Waste Management of Alameda County (WMAC) and proposed increases to City of Hayward rates for garbage and recycling services by the Hayward City Council at its meeting that begins at 8:00 p.m. on **Tuesday, January 9, 2007**. The meeting will be held in the City Council Chambers in **Hayward City Hall, 777 B Street**.

The new franchise agreement includes new services and establishes the rate setting procedures for the seven years of the franchise agreement and three option years. The recommended agreement includes revised rates for all residents and businesses which would become effective June 1, 2007. The new rate will be reflected in the billing statement beginning June 1, 2007. Future rate increases during the term of the franchise agreement will be based on Consumer Price Index increases and other factors, but are limited to a maximum of 5% per year, excluding federal, state, and local fees. For proposed June 1, 2007 rates, please refer to the attached proposed rate schedules. Rates are based on the size of your garbage container and/or frequency of service.

The proposed rates would pay for a variety of enhancements to current services, as well as new services for single-family homes with individual cart service. The services would include co-mingled collection of recyclables using two-wheeled carts with a hinged lid replacing the existing bins; alternative fuel vehicles which will be used to collect garbage, yard trimmings and recyclables; free disposal of two cubic yards of self-hauled waste delivered to WMAC's Davis Street Transfer Station (limited to the first 1,200 coupons redeemed each year); and curbside collection of common household batteries. Other new services offered single-family residents would include residential food waste collection in 2009-2010 at the City's option; an annual compost giveaway event where WMAC would provide 4,000 one-cubic-foot bags of compost which would be offered by the City on a selected weekend; and a 30% discount at participating drug stores for proper disposal of hypodermic needles, syringes, and other "sharps."

Exhibit B

Businesses will also be offered new services that would include separate collection of recyclables (e.g., cardboard, paper, scrap metal, bottles and cans) and organic materials (e.g., green waste, food waste, wood waste and low-grade paper) for composting. Recyclables and organic materials will be separately collected in wheeled carts and bins with capacity ranging from 1 to 7 cubic yards. The costs for the commercial recycling service will be included in the garbage rates. Businesses subscribing to the organic materials collection service will pay a separate monthly rate for that service. The rate for commercial organics service will be equivalent to 50% of the garbage rate for the same level of service (e.g. the rate for a 2 cubic yard bin of organics collected once per week will be half the rate for a 2 cubic yard bin of garbage collected once per week). WMAC will also sort for processing designated loads of garbage from bins and large roll-off boxes and compactors in order to recover recyclables and organic materials. The proposed recycling and composting programs are needed in an effort to comply with the state mandate to divert 50% of all waste disposed.

Hayward's current residential rate for a 32-gallon cart (the most common service level) is 18.9% lower than the average of the rates charged by eight other jurisdictions in Alameda County with comparable services. Those jurisdictions are Alameda, Albany, Castro Valley Sanitary District, Fremont, Oakland, Oro Loma Sanitary District, San Leandro and Union City. The proposed residential rates would place the City of Hayward's rate at the mid-point of those same jurisdictions' projected rates, and 3.3% above their average. Similarly, Hayward's current monthly rate for a 3-cubic-yard bin serviced once per week (one of the most common commercial service levels) is 17% less than the average of the rates charged by the jurisdictions listed above; the proposed rates would be 9.6% higher than the average of the projected rates for the other jurisdictions. Hayward's current rate for a 30-cubic-yard box is 31.6% less than the average of the rates charged; the proposed rates would be 8.7% less than the average of the projected rates for the other jurisdictions.

If you wish to protest the proposed service rate increases, the City must receive your written protest by mail or hand delivered before the close of the public hearing on January 9, 2007. For your convenience, a form is enclosed for your use, or you may prepare your own response. Mail or deliver written protests to: Solid Waste Rate Increase, City Clerk, 777 B Street, Hayward, California 94541. For your protest to be counted, you must indicate the Assessor's Parcel Number(s) of the property(ies) you own that are subject to the proposed rate adjustment. For your convenience, this parcel number(s) is printed at the top of this letter.

If you need assistance to determine the impact of the proposed rate adjustments, please call the Public Works Department at (510) 583-4725.

Assistance will be provided to those requiring accommodations for disabilities in compliance with the Americans with Disabilities Act of 1990. Interested persons must request the accommodation at least 48 hours in advance of the meeting by contacting the City Clerk at (510) 583-4400 or TDD (510) 247-3340.

**Schedule of CURRENT RATES Effective June 1, 2006 through May 31, 2007
and PROPOSED RATES Effective June 1, 2007 through May 31, 2008**

City of Hayward Residential Refuse Rates (includes up to 4 Units)

Weekly Curbside Service	Monthly Rates for June 1, 2006 through May 31, 2007	Proposed Monthly Rates for June 1, 2007 through May 31, 2008
20 gallon	\$ 12.09	\$ 15.93
32 gallon	\$ 17.69	\$ 23.28
64 gallon	\$ 31.57	\$ 41.53
96 gallon	\$ 45.43	\$ 59.74
Premium Backyard Service *		
20 gallon	\$ 19.96	\$ 31.43
32 gallon	\$ 25.56	\$ 38.78
64 gallon	\$ 39.44	\$ 57.03
96 gallon	\$ 53.30	\$ 75.24
*Charge per account is	\$ 7.87	\$ 15.50
Extra Services		
Same day as regular service, per 32-gallon equivalent	\$ 3.66	\$ 4.81
Other than regular scheduled day, per 32-gallon equivalent	\$ 13.86	\$ 18.22
Bag-it bags (prepaid extra service bags)		
Rate per bag	\$ 3.09	\$ 4.06
Rate per package (5 bags)	\$ 15.46	\$ 20.32
Removal of Large Appliances, per Unit Rate (up to 3 are allowed for the Annual Bulky Item Appointment; examples include washers, dryers, refrigerators, freezers)	\$ 36.35	\$ 48.51
Low Income Discount	\$ 4.60	\$ 6.04
Mobile Home Parks & Multi-Family (Includes 5 or More Units with Single Bill for Residents)		
Per unit 20 gallon	\$ 8.31	\$ 10.96
Extra pick up on a scheduled pick up day, per 32-gallon equivalent	\$ 3.67	\$ 4.81
Extra pick up on a day other than a scheduled pick up day, per 32-gallon equivalent	\$ 13.86	\$ 18.22
Recycling Fee per Multi-Family Dwelling Unit	\$ 3.73	\$ 4.90
Lock for Garbage Bin	\$ 13.78	\$ 18.10
Key for Lock to Garbage Bin	\$ 1.57	\$ 2.12
Special Pick Up of Non-containerized Garbage (Flat Rate)	\$ 33.15	\$ 43.56
Plus per cubic yard rate	\$ 13.87	\$ 18.22

City of Hayward Multi-Family Garbage Rates; Recycling Rates are on page 3.

Current Rates, June 1, 2006 through May 31, 2007

All Carts are 32-Gallon Size

Number of Units	Service Frequency				
	1 x week	2 x week	3 x week	4 x week	5 x week
Base Rate for 1 Cart	\$ 12.49	\$ 24.99	\$ 37.48	\$ 49.96	\$ 62.47

See page 3 for residential rates up to 4 units.

5	\$ 62.47	\$ 124.94	\$ 187.41	\$ 249.80	\$ 312.35
6	\$ 74.96	\$ 149.93	\$ 224.89	\$ 299.76	\$ 374.82
7	\$ 87.46	\$ 174.92	\$ 262.37	\$ 349.72	\$ 437.29
8	\$ 99.95	\$ 199.90	\$ 299.86	\$ 399.68	\$ 499.76
9	\$ 112.45	\$ 224.89	\$ 337.34	\$ 449.64	\$ 562.23
10	\$ 124.94	\$ 249.88	\$ 374.82	\$ 499.60	\$ 624.70
11	\$ 137.43	\$ 274.87	\$ 412.30	\$ 549.56	\$ 687.17
12	\$ 149.93	\$ 299.86	\$ 449.78	\$ 599.52	\$ 749.64
13	\$ 162.42	\$ 324.84	\$ 487.27	\$ 649.48	\$ 812.11
14	\$ 174.92	\$ 349.83	\$ 524.75	\$ 699.44	\$ 874.58
15	\$ 187.41	\$ 374.82	\$ 562.23	\$ 749.40	\$ 937.05
16	\$ 199.90	\$ 399.81	\$ 599.71	\$ 799.36	\$ 999.52
17	\$ 212.40	\$ 424.80	\$ 637.20	\$ 849.32	\$1,061.99
18	\$ 224.89	\$ 449.78	\$ 674.68	\$ 899.28	\$1,124.46
19	\$ 237.39	\$ 474.77	\$ 712.16	\$ 949.24	\$1,186.93
20	\$ 249.88	\$ 499.76	\$ 749.64	\$ 999.20	\$1,249.40

Proposed Rates, June 1, 2007 through May 31, 2008

All Carts are 32-Gallon Size

Number of Units	Service Frequency				
	1 x week	2 x week	3 x week	4 x week	5 x week
Base Rate for 1 Cart	\$ 16.46	\$ 32.88	\$ 49.29	\$ 65.71	\$ 82.13

See page 3 for residential rates up to 4 units.

5	\$ 82.13	\$ 164.22	\$ 246.30	\$ 328.39	\$ 410.48
6	\$ 98.55	\$ 197.05	\$ 295.56	\$ 394.06	\$ 492.57
7	\$ 114.96	\$ 229.89	\$ 344.81	\$ 459.73	\$ 574.65
8	\$ 131.38	\$ 262.72	\$ 394.06	\$ 525.40	\$ 656.74
9	\$ 147.80	\$ 295.56	\$ 443.31	\$ 591.07	\$ 738.83
10	\$ 164.22	\$ 328.39	\$ 492.57	\$ 656.74	\$ 820.92
11	\$ 180.63	\$ 361.23	\$ 541.82	\$ 722.41	\$ 903.00
12	\$ 197.05	\$ 394.06	\$ 591.07	\$ 788.08	\$ 985.09
13	\$ 213.47	\$ 426.90	\$ 640.32	\$ 853.75	\$1,067.18
14	\$ 229.89	\$ 459.73	\$ 689.58	\$ 919.42	\$1,149.27
15	\$ 246.30	\$ 492.57	\$ 738.83	\$ 985.09	\$1,231.36
16	\$ 262.72	\$ 525.40	\$ 788.08	\$1,050.76	\$1,313.44
17	\$ 279.14	\$ 558.24	\$ 837.33	\$1,116.43	\$1,395.53
18	\$ 295.56	\$ 591.07	\$ 886.59	\$1,182.10	\$1,477.62
19	\$ 311.97	\$ 623.91	\$ 935.84	\$1,247.77	\$1,559.71
20	\$ 328.39	\$ 656.74	\$ 985.09	\$1,313.44	\$1,641.79

City of Hayward Commercial Cart Service for Businesses

Current Rates, June 1, 2006 through May 31, 2007

Base Rate for 20-Gallon Service = \$ 8.31

Cart Size	Number of Carts	Service Frequency					
		1 x week	2 x week	3 x week	4 x week	5 x week	6 x week
20-Gallon	1	\$ 8.31	\$ 16.62	\$ 24.93	\$ 33.24	\$ 41.55	\$ 49.86

Base Rate for 32-Gallon Service = \$ 13.88

Cart Size	Number of Carts	Service Frequency					
		1 x week	2 x week	3 x week	4 x week	5 x week	6 x week
32-Gallon	1	\$ 13.88	\$ 27.76	\$ 41.64	\$ 55.52	\$ 69.40	\$ 83.28
	2	\$ 27.76	\$ 55.52	\$ 83.28	\$ 111.04	\$ 138.80	\$ 166.56
	3	\$ 41.64	\$ 83.28	\$ 124.92	\$ 166.56	\$ 208.20	\$ 249.84
	4	\$ 55.52	\$ 111.04	\$ 166.56	\$ 222.08	\$ 277.60	\$ 333.12
	5	\$ 69.40	\$ 138.80	\$ 208.20	\$ 277.60	\$ 347.00	\$ 416.40
	6	\$ 83.28	\$ 166.56	\$ 249.84	\$ 333.12	\$ 416.40	\$ 499.68
	7	\$ 97.16	\$ 194.32	\$ 291.48	\$ 388.64	\$ 485.80	\$ 582.96
	8	\$ 111.04	\$ 222.08	\$ 333.12	\$ 444.16	\$ 555.20	\$ 666.24
	9	\$ 124.92	\$ 249.84	\$ 374.76	\$ 499.68	\$ 624.60	\$ 749.52
	10	\$ 138.80	\$ 277.60	\$ 416.40	\$ 555.20	\$ 694.00	\$ 832.80

Extra Services:

Extra pick up on the same day as scheduled collections, per 32-gallon equivalent:	\$ 3.67
Extra pick up on a day other than scheduled pick up days, per 32-gallon equivalent:	\$ 13.88

Proposed Rates, June 1, 2007 through May 31, 2008

Base Rate for 20-Gallon Service = \$ 11.61

Cart Size	Number of Carts	Service Frequency					
		1 x week	2 x week	3 x week	4 x week	5 x week	6 x week
20-Gallon	1	\$ 11.61	\$ 23.22	\$ 34.83	\$ 46.44	\$ 58.05	\$ 69.66

Base Rate for 32-Gallon Service = \$ 19.37

Cart Size	Number of Carts	Service Frequency					
		1 x week	2 x week	3 x week	4 x week	5 x week	6 x week
32-Gallon	1	\$ 19.37	\$ 38.74	\$ 58.11	\$ 77.48	\$ 96.85	\$ 116.22
	2	\$ 38.74	\$ 55.52	\$ 116.22	\$ 154.96	\$ 193.70	\$ 232.44
	3	\$ 58.11	\$ 83.28	\$ 174.33	\$ 232.44	\$ 290.55	\$ 348.66
	4	\$ 77.48	\$ 111.04	\$ 232.44	\$ 309.92	\$ 387.40	\$ 464.88
	5	\$ 96.85	\$ 138.80	\$ 290.55	\$ 387.40	\$ 484.25	\$ 581.10
	6	\$ 116.22	\$ 166.56	\$ 348.66	\$ 464.88	\$ 581.10	\$ 697.32
	7	\$ 135.59	\$ 194.32	\$ 406.77	\$ 542.36	\$ 677.95	\$ 813.54
	8	\$ 154.96	\$ 222.08	\$ 464.88	\$ 619.84	\$ 774.80	\$ 929.76
	9	\$ 174.33	\$ 249.84	\$ 522.99	\$ 697.32	\$ 871.65	\$ 1,045.98
	10	\$ 193.70	\$ 277.60	\$ 581.10	\$ 774.80	\$ 968.50	\$ 1,162.20

Extra Services:

Extra pick up on the same day as scheduled collections, per 32-gallon equivalent:	\$ 4.89
Extra pick up on a day other than scheduled pick up days, per 32-gallon equivalent:	\$ 18.52

City of Hayward Commercial Cart Service for Businesses

Current Rates, June 1, 2006 through May 31, 2007

Base Rate for 64-Gallon Service = \$ 27.77

Cart Size	Number of Carts	Service Frequency					
		1 x week	2 x week	3 x week	4 x week	5 x week	6 x week
64-Gallon	1	\$ 27.77	\$ 55.54	\$ 83.31	\$ 111.08	\$ 138.85	\$ 166.62
	2	\$ 55.54	\$ 111.08	\$ 166.62	\$ 222.16	\$ 277.70	\$ 333.24
	3	\$ 83.31	\$ 166.62	\$ 249.93	\$ 333.24	\$ 416.55	\$ 499.86
	4	\$ 111.08	\$ 222.16	\$ 333.24	\$ 444.32	\$ 555.40	\$ 666.48
	5	\$ 138.85	\$ 277.70	\$ 416.55	\$ 555.40	\$ 694.25	\$ 833.10
	6	\$ 166.62	\$ 333.24	\$ 499.86	\$ 666.48	\$ 833.10	\$ 999.72
	7	\$ 194.39	\$ 388.78	\$ 583.17	\$ 777.56	\$ 971.95	\$1,166.34
	8	\$ 222.16	\$ 444.32	\$ 666.48	\$ 888.64	\$1,110.80	\$1,332.96
	9	\$ 249.93	\$ 499.86	\$ 749.79	\$ 999.72	\$1,249.65	\$1,499.58
	10	\$ 277.70	\$ 555.40	\$ 833.10	\$1,110.80	\$1,388.50	\$1,666.20

Proposed Rates, June 1, 2007 through May 31, 2008

Base Rate for 64-Gallon Service = \$ 38.77

Cart Size	Number of Carts	Service Frequency					
		1 x week	2 x week	3 x week	4 x week	5 x week	6 x week
64-Gallon	1	\$ 38.77	\$ 77.54	\$ 116.31	\$ 155.08	\$ 193.85	\$ 232.62
	2	\$ 77.54	\$ 155.08	\$ 232.62	\$ 310.16	\$ 387.70	\$ 465.24
	3	\$ 116.31	\$ 232.62	\$ 348.93	\$ 465.24	\$ 581.55	\$ 697.86
	4	\$ 155.08	\$ 310.16	\$ 465.24	\$ 620.32	\$ 775.40	\$ 930.48
	5	\$ 193.85	\$ 387.70	\$ 581.55	\$ 775.40	\$ 969.25	\$1,163.10
	6	\$ 232.62	\$ 465.24	\$ 697.86	\$ 930.48	\$1,163.10	\$1,395.72
	7	\$ 271.39	\$ 542.78	\$ 814.17	\$1,085.56	\$1,356.95	\$1,628.34
	8	\$ 310.16	\$ 620.32	\$ 930.48	\$1,240.64	\$1,550.80	\$1,860.96
	9	\$ 348.93	\$ 697.86	\$1,046.79	\$1,395.72	\$1,744.65	\$2,093.58
	10	\$ 387.70	\$ 775.40	\$1,163.10	\$1,550.80	\$1,938.50	\$2,326.20

City of Hayward Commercial Cart Service for Businesses

Current Rates, June 1, 2006 through May 31, 2007

Base Rate for 96-Gallon Service = \$ 41.54

Cart Size	Number of Carts	Service Frequency					
		1 x week	2 x week	3 x week	4 x week	5 x week	6 x week
96-Gallon	1	\$ 41.54	\$ 83.08	\$ 124.62	\$ 166.16	\$ 207.70	\$ 249.24
	2	\$ 83.08	\$ 162.24	\$ 249.24	\$ 332.32	\$ 415.40	\$ 498.48
	3	\$ 124.62	\$ 243.36	\$ 373.86	\$ 498.48	\$ 623.10	\$ 747.72
	4	\$ 166.16	\$ 324.48	\$ 498.48	\$ 664.64	\$ 830.80	\$ 996.96
	5	\$ 207.70	\$ 405.60	\$ 623.10	\$ 830.80	\$1,038.50	\$1,246.20
	6	\$ 249.24	\$ 486.72	\$ 747.72	\$ 996.96	\$1,246.20	\$1,495.44
	7	\$ 290.78	\$ 567.84	\$ 872.34	\$1,163.12	\$1,453.90	\$1,744.68
	8	\$ 332.32	\$ 648.96	\$ 996.96	\$1,329.28	\$1,661.60	\$1,993.92
	9	\$ 373.86	\$ 730.08	\$1,121.58	\$1,495.44	\$1,869.30	\$2,243.16
	10	\$ 415.40	\$ 811.20	\$1,246.20	\$1,661.60	\$2,077.00	\$2,492.40

Proposed Rates, June 1, 2007 through May 31, 2008

Base Rate for 96-Gallon Service = \$ 57.99

Cart Size	Number of Carts	Service Frequency					
		1 x week	2 x week	3 x week	4 x week	5 x week	6 x week
96-Gallon	1	\$ 57.99	\$ 115.98	\$ 173.97	\$ 231.96	\$ 289.95	\$ 347.94
	2	\$ 115.98	\$ 231.96	\$ 347.94	\$ 463.92	\$ 579.90	\$ 695.88
	3	\$ 173.97	\$ 347.94	\$ 521.91	\$ 695.88	\$ 869.85	\$1,043.82
	4	\$ 231.96	\$ 463.92	\$ 695.88	\$ 927.84	\$1,159.80	\$1,391.76
	5	\$ 289.95	\$ 579.90	\$ 869.85	\$1,159.80	\$1,449.75	\$1,739.70
	6	\$ 347.94	\$ 695.88	\$1,043.82	\$1,391.76	\$1,739.70	\$2,087.64
	7	\$ 405.93	\$ 811.86	\$1,217.79	\$1,623.72	\$2,029.65	\$2,435.58
	8	\$ 463.92	\$ 927.84	\$1,391.76	\$1,855.68	\$2,319.60	\$2,783.52
	9	\$ 521.91	\$1,043.82	\$1,565.73	\$2,087.64	\$2,609.55	\$3,131.46
	10	\$ 579.90	\$1,159.80	\$1,739.70	\$2,319.60	\$2,899.50	\$3,479.40

City of Hayward

Commercial Front Loader Bin Rates

Current Rates, June 1, 2006 through May 31, 2007

Bin Size	Service Frequency					
	1 x week	2 x week	3 x week	4 x week	5 x week	6 x week
1 cubic yard	\$ 72.95	\$ 145.93	\$ 203.59	\$ 261.32	\$ 318.98	\$ 376.68
2 cubic yard	\$ 134.47	\$ 249.90	\$ 365.21	\$ 480.56	\$ 595.88	\$ 711.31
3 cubic yard	\$ 193.26	\$ 366.33	\$ 539.33	\$ 712.40	\$ 885.42	\$1,058.41
4 cubic yard	\$ 255.33	\$ 486.00	\$ 716.74	\$ 947.43	\$ 1,178.16	\$1,408.84
6 cubic yard	\$ 374.93	\$ 721.03	\$ 1,067.04	\$ 1,413.10	\$ 1,759.19	\$2,105.25
7 cubic yard	\$ 438.60	\$ 842.36	\$ 1,246.09	\$ 1,649.84	\$ 2,053.60	\$2,457.33

Rates are per additional pick up provided on the scheduled pick up day.

1 cubic yard	2 cubic yard	3 cubic yard	4 cubic yard	6 cubic yard	7 cubic yard
\$ 13.30	\$ 26.62	\$ 39.92	\$ 53.23	\$ 79.85	\$ 93.15

Rates are per additional pick up provided on other than the scheduled pick up day.

1 cubic yard	2 cubic yard	3 cubic yard	4 cubic yard	6 cubic yard	7 cubic yard
\$ 22.38	\$ 34.86	\$ 47.18	\$ 59.30	\$ 84.10	\$ 96.37

Steam clean bin:	\$ 49.30
Special Pick Up of Non-containerized Garbage (flat rate) (Add cubic yard rate listed above)	\$ 34.43
Lock for Garbage Bin:	\$ 13.78
Key for Lock to Garbage Bin:	\$ 1.57

Proposed Rates, June 1, 2007 through May 31, 2008

Bin Size	Service Frequency					
	1 x week	2 x week	3 x week	4 x week	5 x week	6 x week
1 cubic yard	\$ 101.87	\$ 199.29	\$ 276.25	\$ 353.30	\$ 430.26	\$ 507.28
2 cubic yard	\$ 184.00	\$ 338.06	\$ 491.97	\$ 645.93	\$ 799.85	\$ 953.92
3 cubic yard	\$ 262.46	\$ 493.46	\$ 724.37	\$ 955.38	\$ 1,186.30	\$1,417.19
4 cubic yard	\$ 345.31	\$ 653.19	\$ 961.16	\$ 1,269.07	\$ 1,577.03	\$1,884.94
6 cubic yard	\$ 504.95	\$ 966.89	\$ 1,428.72	\$ 1,890.63	\$ 2,352.56	\$2,814.46
7 cubic yard	\$ 589.93	\$ 1,128.84	\$ 1,667.71	\$ 2,206.60	\$ 2,745.51	\$3,284.39

Rates are per additional pick up provided on the scheduled pick up day.

1 cubic yard	2 cubic yard	3 cubic yard	4 cubic yard	6 cubic yard	7 cubic yard
\$ 17.76	\$ 35.54	\$ 53.30	\$ 71.06	\$ 106.60	\$ 124.36

Rates are per additional pick up provided on other than the scheduled pick up day.

1 cubic yard	2 cubic yard	3 cubic yard	4 cubic yard	6 cubic yard	7 cubic yard
\$ 29.88	\$ 46.54	\$ 62.98	\$ 79.17	\$ 112.27	\$ 128.65

Steam clean bin:	\$ 65.80
Special Pick Up of Non-containerized Garbage (flat rate) (Add cubic yard rate listed above)	\$ 45.96
Lock for Garbage Bin:	\$ 18.10
Key for Lock to Garbage Bin:	\$ 2.12

City of Hayward

Commercial Front-Loader Compactor Bin Rates

Current Rates, June 1, 2006 through May 31, 2007

Bin Size	Service Frequency					
	1 x week	2 x week	3 x week	4 x week	5 x week	6 x week
1 cubic yard	\$ 145.92	\$ 291.88	\$ 407.19	\$ 522.63	\$ 637.99	\$ 753.31
2 cubic yard	\$ 268.96	\$ 499.80	\$ 732.65	\$ 961.13	\$ 1,191.77	\$ 1,422.62
3 cubic yard	\$ 386.51	\$ 732.65	\$ 1,078.67	\$ 1,424.79	\$ 1,770.82	\$ 2,116.80
4 cubic yard	\$ 510.68	\$ 971.99	\$ 1,433.49	\$ 1,894.85	\$ 2,356.32	\$ 2,817.69
6 cubic yard	\$ 749.88	\$ 1,442.08	\$ 2,134.09	\$ 2,826.23	\$ 3,518.38	\$ 4,210.53
7 cubic yard	\$ 877.22	\$ 1,684.73	\$ 2,492.18	\$ 3,299.69	\$ 4,107.20	\$ 4,914.67

Proposed Rates, June 1, 2007 through May 31, 2008

Bin Size	Service Frequency					
	1 x week	2 x week	3 x week	4 x week	5 x week	6 x week
1 cubic yard	\$ 199.28	\$ 394.09	\$ 548.00	\$ 702.08	\$ 856.06	\$ 1,009.97
2 cubic yard	\$ 363.50	\$ 671.61	\$ 982.40	\$ 1,287.36	\$ 1,595.20	\$ 1,903.33
3 cubic yard	\$ 520.39	\$ 982.40	\$ 1,444.25	\$ 1,906.22	\$ 2,368.09	\$ 2,829.88
4 cubic yard	\$ 686.13	\$ 1,301.86	\$ 1,917.84	\$ 2,533.63	\$ 3,149.57	\$ 3,765.37
6 cubic yard	\$ 1,005.40	\$ 1,929.30	\$ 2,852.95	\$ 3,776.77	\$ 4,700.60	\$ 5,624.44
7 cubic yard	\$ 1,175.37	\$ 2,253.17	\$ 3,330.90	\$ 4,408.72	\$ 5,486.53	\$ 6,564.28

City of Hayward

Roll-off Drop Box Rates

Current Rates, June 1, 2006 through May 31, 2007

Flasher Charge:	\$	16.31
Placement Charge:	\$	32.72
Relocation Fee:	\$	48.75
Steam Clean Fee:	\$	66.89

Box Size (Open Top)	Base Rate (Pick Up and Return for Current Customers)	Base Rate Plus Flasher (for On-Street Delivery)	Base Rate Plus Placement Charge (for New Customers)	Base Rate Plus Flasher Plus Placement Charge
6 cubic yard	\$186.33	\$202.64	\$219.05	\$235.36
14 cubic yard	\$186.33	\$202.64	\$219.05	\$235.36
20 cubic yard	\$266.10	\$282.41	\$298.82	\$315.13
30 cubic yard	\$399.16	\$415.47	\$431.88	\$448.19
40 cubic yard	\$532.21	\$548.52	\$564.93	\$581.24
50 cubic yard	\$665.27	\$681.58	\$697.99	\$714.30

Proposed Rates, June 1, 2007 through May 31, 2008

Flasher Charge:	\$	22.14
Placement Charge:	\$	44.41
Relocation Fee:	\$	66.16
Steam Clean Fee:	\$	90.79
Stand-by Rate Per Hour:	\$	100.00
Cancellation Fee (if less than 24 hours notice):	\$	75.00

Box Size (Open Top)	Base Rate (Pick Up and Return for Current Customers)	Base Rate Plus Flasher (for On-Street Delivery)	Base Rate Plus Placement Charge (for New Customers)	Base Rate Plus Flasher Plus Placement Charge
6 cubic yard	\$258.26	\$280.40	\$302.67	\$324.81
14 cubic yard	\$258.26	\$280.40	\$302.67	\$324.81
20 cubic yard	\$366.52	\$388.66	\$410.93	\$433.07
30 cubic yard	\$547.11	\$569.25	\$591.53	\$613.67
40 cubic yard	\$727.71	\$749.85	\$772.12	\$794.26
50 cubic yard	\$908.30	\$930.44	\$952.71	\$974.85

City of Hayward

Roll-off Compactor Rates

Current Rates, June 1, 2006 through May 31, 2007

Compactor Size	Base Rate (Pick Up and Return for Current Customers)	Base Rate Plus Placement Charge of \$32.72 (for New Customers)
15	\$ 399.32	\$ 432.04
20	\$ 532.43	\$ 565.15
21	\$ 559.06	\$ 591.78
22	\$ 585.67	\$ 618.39
23	\$ 612.29	\$ 645.01
24	\$ 638.91	\$ 671.63
25	\$ 665.53	\$ 698.25
26	\$ 713.63	\$ 746.35
27	\$ 729.52	\$ 762.24
28	\$ 745.40	\$ 778.12
30	\$ 798.64	\$ 831.36
32	\$ 851.89	\$ 884.61
34	\$ 905.12	\$ 937.84
35	\$ 931.75	\$ 964.47
36	\$ 958.36	\$ 991.08
37	\$ 984.99	\$1,017.71
38	\$1,011.61	\$1,044.33
40	\$1,064.85	\$1,097.57

Proposed Rates, June 1, 2007 through May 31, 2008

Compactor Size	Base Rate (Pick Up and Return for Current Customers)	Base Rate Plus Placement Charge of \$44.41 (for New Customers)
15	\$ 547.33	\$ 591.74
20	\$ 728.00	\$ 772.41
21	\$ 764.14	\$ 808.55
22	\$ 800.27	\$ 844.68
23	\$ 836.40	\$ 880.81
24	\$ 872.53	\$ 916.94
25	\$ 908.66	\$ 953.07
26	\$ 973.95	\$1,018.36
27	\$ 995.50	\$1,039.91
28	\$1,017.06	\$1,061.47
30	\$1,089.32	\$1,133.74
32	\$1,161.59	\$1,206.00
34	\$1,233.85	\$1,278.26
35	\$1,269.99	\$1,314.40
36	\$1,306.12	\$1,350.53
37	\$1,342.25	\$1,386.67
38	\$1,378.39	\$1,422.80
40	\$1,450.65	\$1,495.06

CITY OF HAYWARD

Protest Form

for

Proposed Rate Increase for Garbage and Recycling Services

If you wish to protest the proposed rate increases described in the enclosed Notice of Public Hearing and the rate schedule, please either complete this form and return it or prepare your own response. If you use this form, put a check mark in the box, sign and return it. For your protest to be counted, your response must indicate the Assessor's Parcel Number(s) of the property(ies) you own that are subject to the proposed rate adjustment. For your convenience, this parcel number(s) is printed at the top of the Notice of Public Hearing.

The City must receive your written protest by mail or hand delivered before the close of the public hearing, which is scheduled to begin at 8:00 p.m. on January 9, 2007, in the City Council Chambers at 777 B Street, Hayward, California.

I hereby protest against the adoption of the proposed garbage and recycling rate increases effective June 1, 2007, as listed in the attached rate schedule.

You may mail or deliver your protest form to:

Solid Waste Rate Increase
City Clerk
777 B Street
Hayward, California 94541.

Please seal your envelope prior to mailing or delivery. If you return the protest form by mail, be sure to allow sufficient time for mail delivery.

Signed:

Signature of Record Owner or Authorized Representative

Name:

Printed Name of Record Owner or Authorized Representative

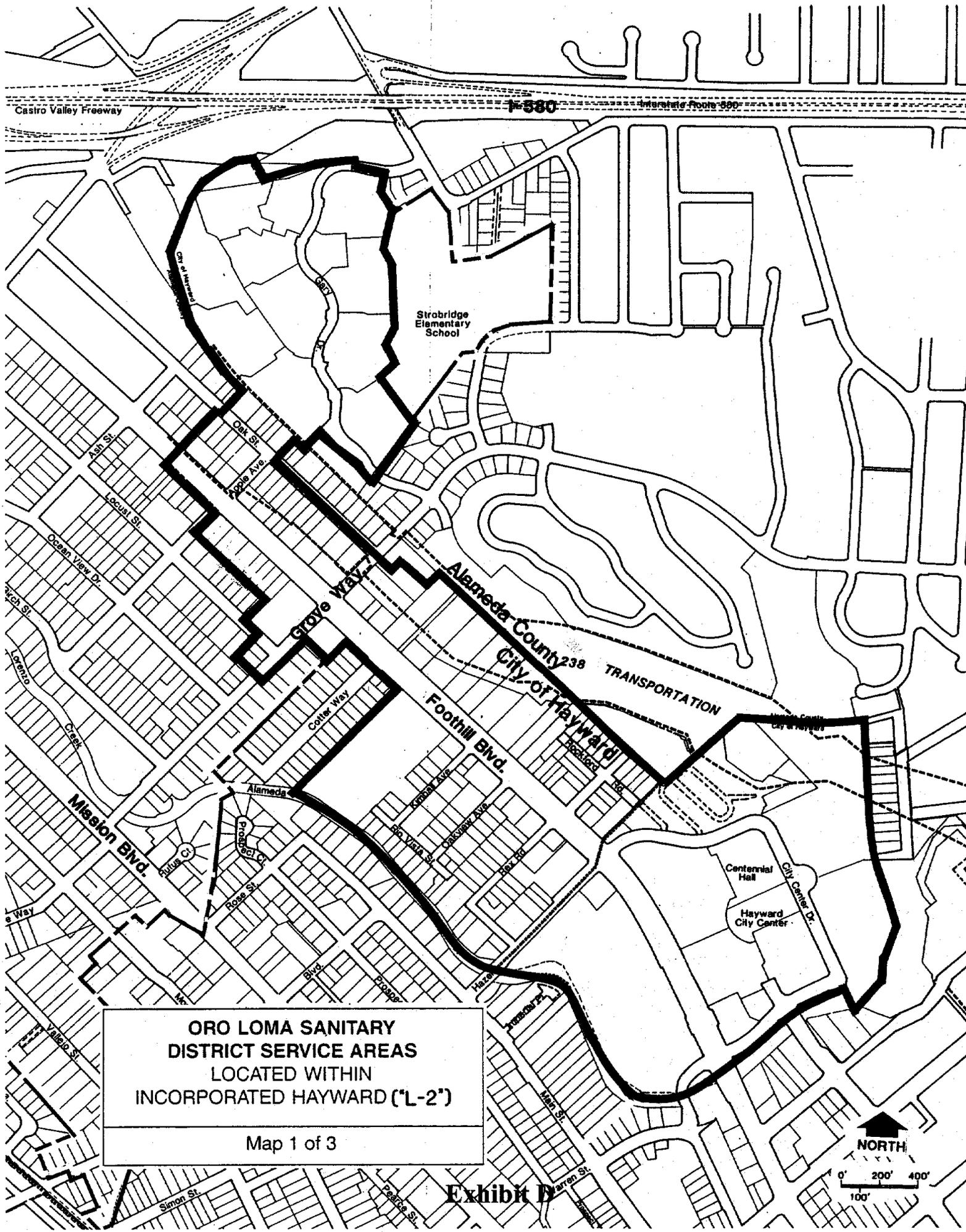
(Name/Address of Property Owner)	(Data to be inserted by Property Owner) Assessor Parcel No (s):
_____	_____
_____	_____
_____	_____
_____	Property Address(es): _____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

**Comparison of Residential, Commercial and Roll-Off Rates
for Selected Jurisdictions in Alameda County:
Rates are Projected for March 2007 – January 2008**

<u>Jurisdiction</u>	<u>Monthly Residential Rate 32-35 Gal Cart</u>	<u>Monthly Commercial 3 Cubic Yard Served Weekly</u>	<u>Service Rate Roll-Off 30 Cubic Yards</u>
Union City	\$28.51	\$227.72	\$523.96
Oakland	\$25.83	\$317.87	\$757.95
Fremont	\$24.28	\$156.01	\$424.24
Alameda	\$24.31	\$276.15	\$1,109.81
Albany	\$23.36	\$279.38	\$544.05
Hayward (proposed)	\$23.28	\$262.46	\$547.11
San Leandro**	\$19.06	\$250.78	\$511.08
Castro Valley Sanitary District*	\$18.90	\$212.12	\$440.84
Hayward (rates effective June 1, 2006)	\$17.69	\$193.26	\$399.16
Oro Loma Sanitary District**	\$15.88	\$196.24	\$479.59

*Franchise expires in 2009

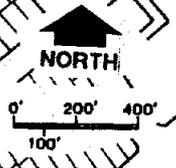
**Residential recycling services are provided every other week.

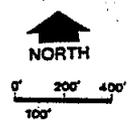
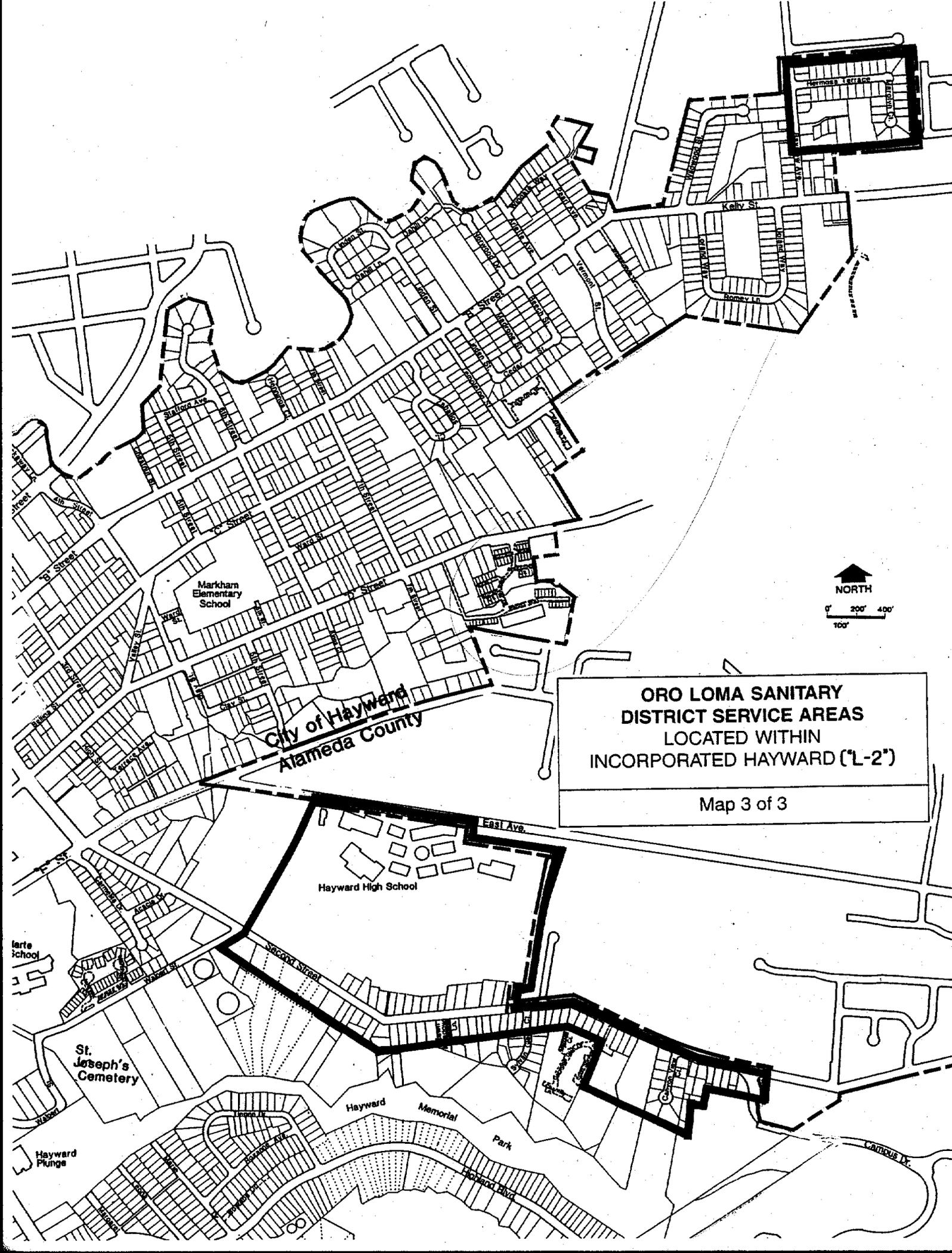


**ORO LOMA SANITARY
DISTRICT SERVICE AREAS
LOCATED WITHIN
INCORPORATED HAYWARD ("L-2")**

Map 1 of 3

Exhibit D





**ORO LOMA SANITARY
DISTRICT SERVICE AREAS
LOCATED WITHIN
INCORPORATED HAYWARD ("L-2')**

Map 3 of 3

City of Hayward
Alameda County

Hayward High School

St. Joseph's
Cemetery

Hayward Memorial
Park

Hayward
Plunge

DRAFT

OK
11/9/07

ORDINANCE NO. _____

**AN ORDINANCE GRANTING EXCLUSIVE FRANCHISE TO
WASTE MANAGEMENT OF ALAMEDA COUNTY FOR
SOLID WASTE, RECYCLABLE MATERIALS AND ORGANIC
MATERIALS SERVICES**

**THE CITY COUNCIL OF THE CITY OF HAYWARD DOES ORDAIN AS
FOLLOWS:**

Section 1. Pursuant to the authority granted under Hayward Municipal Charter Article XV, Franchises, and Hayward Municipal Code sections 11-1.00 et seq., the City Council hereby grants an exclusive franchise to Waste Management of Alameda County for solid waste, recyclable materials, and organic materials according to the terms and conditions set forth in the "Franchise Agreement for Solid Waste, Recyclable Materials, and Organic Materials Services between the City of Hayward and Waste Management of Alameda County, Inc.", a copy of which is attached hereto as Exhibit "A."

Section 2. The provisions contained herein describe and constitute all rights and obligations granted under the franchise, and supercede any prior agreements.

Section 3. The effective date of this ordinance shall be 30 days following adoption by the City Council. The franchise granted hereby shall not become effective until written acceptance thereof by Waste Management of Alameda County, Inc., shall have been filed with the City Clerk.

INTRODUCED at a regular meeting of the City Council of the City of Hayward,
held the _____ day of _____, 2007, by Council Member _____ .

ADOPTED at a regular meeting of the City Council of the City of Hayward held
the _____ day of _____, 2007, by the following votes of member of said City Council.

AYES: COUNCIL MEMBERS:
MAYOR :

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS;

APPROVED: _____
Mayor of the City of Hayward

DATE: _____

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward

DRAFT

HAYWARD CITY COUNCIL

RESOLUTION NO. 07-

Introduced by Council Member

RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN EXTENSION TO THE CURRENT MEMORANDUM OF UNDERSTANDING WITH ORO LOMA SANITARY DISTRICT AND WASTE MANAGEMENT OF ALAMEDA COUNTY RELATED TO RESIDENTIAL RECYCLING PROGRAMS

BE IT RESOLVED by the City Council of the City of Hayward that the City Manager is hereby authorized and directed to execute on behalf of the City of Hayward an extension to the Memorandum of Understanding (MOU) with Oro Loma Sanitary District and Waste Management of Alameda County related to residential recycling programs in substantially the form of the MOU on file in the office of the City Clerk.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2007

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

_____ City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward