

From: [Bolotina, Olga](#)
To: [Gardner, Henry](#); [Levin, Brooke A.](#); [Quan, Jean](#); [Kernighan, Pat](#); [Parker, Barbara](#)
Cc: [Kaplan, Rebecca](#); [McElhaney, Lynette](#); [Kalb, Dan](#); [Chan, Ada](#); [Jones-Taylor, Audree V.](#); [Wald, Zachary](#); [Farmer, Casey](#); [Bolotina, Olga](#)
Subject: Zero Waste franchise agreement Memo from Councilmembers McElhaney, Kaplan and Kalb
Date: Monday, September 22, 2014 4:28:41 PM
Attachments: [Memo Zero Waste Agreement 9.22.2014.docx](#)

Dear Mr. Gardner,

Please see the attached memo regarding the pending Zero Waste franchise agreement(s).

On behalf of Councilmembers McElhaney, Kaplan and Kalb, thank you for considering and responding to our thoughts and questions.

With best regards,

Olga

Olga A. Bolotina
Community Outreach Director
Office of District One City Councilmember Dan Kalb
City of Oakland
1 Frank H. Ogawa Plaza, Suite 230, Oakland, CA 94612
Direct: 510-238-7240
obolotina@oaklandnet.com



CITY HALL ■ 1 FRANK H. OGAWA PLAZA, 2nd Floor ■ OAKLAND, CALIFORNIA 94612

Dan Kalb (510) 238 – 7001
COUNCILMEMBER ~ DISTRICT 1

Rebecca Kaplan (510) 238 - 7008
COUNCILMEMBER ~ DISTRICT AT LARGE

Lynette Gibson McElhaney (510) 238 – 7003
COUNCILMEMBER ~ DISTRICT 3

September 22, 2014

Henry Gardner
City Administrator

Greetings Henry,

We hope and request that the following information be made available *today* in order to better inform our decision-making:

- **Redline Copy** of the Contract clearly identifying changes made between the Contract with CWS authorized by the Council on August 13th 2014 and proposed contract with CWS and WMAC.
- **The new rate tables** for Commercial, Multi-family and Roll-off with a comparison to the previous contract price with CWS.
- Any **changes (omissions)** we are asked to agree to. Please clarify omissions on pages 66-69 of the proposed contract, including provisions for dealing with "**sharps**" and "**hazardous waste**".

In reviewing the MOU signed by CWS and WMAC we are requesting that:

- **Section #1**
"WMAC will dismiss with prejudice its lawsuit against CWS and the City of Oakland (the City), with a corresponding release and/ or forbearance of any and all claims CWS and/or the City have, or could assert, against WMAC and/or its affiliate"

Language needs to be tightened up to clearly reflect that all the complaints restrictions for the city apply only to the current lawsuits and not to any future agreements.

- **Section #4**
"WMAC will perform all MMO and Disposal services, subject to the negotiation of a mutually acceptable contract and rate terms between WMAC and the City of Oakland. CWS will perform RR services, subject to the negotiation of a mutually acceptable contract and rate terms between CWS; and the City of Oakland. As discussed with City, it is contemplated by the



Parties that the total rates from CWS and WMAC will not exceed the amount of revenue in WMAC's August 12, 2014 final written proposal to the City."

*Statement that "the total rates from CWS and WMAC will not exceed the amount of revenue in **WMAC's August 12, 2014 final written proposal to the City.**" needs to be revised to say "the total rates from CWS and WMAC will not exceed the amount of revenue in **CWS's August 12, 2014 final written proposal to the City.**"*

▪ **Section #6**

"WMAC expects to negotiate a mutually acceptable contract with the City that contemplates revised commercial, multifamily, and roll off rates but WMAC shall not exceed the residential rates approved by the City for the CWS MMO contract and the Disposal Contract."

Multifamily residential rates should be excluded from additional increases and all the other rates should be specified.

▪ **Section #7:**

"WMAC will work with Civicorps and EBMUD as CWS was directed by prior City action."

Specific language to be added: The Franchisee shall deliver all commercial and multi-family source-separated organics to East Bay Municipal Utility District as collected, and shall enter into a separate processing agreement with EBMUD for these materials, subject to approval by the City Administrator. The Franchisee will discuss with EBMUD to develop a long-term approach for converting the single-family organic stream to energy at the EBMUD facility, and by July 1, 2018 shall develop a separate processing agreement with EBMUD for delivering these materials, subject to approval by the City Administrator. Civicorps will act as a subcontractor for picking up commercial organic materials from Oakland commercial establishments and businesses.

▪ **Section #15**

"WMAC will acquire a ten year Right of First Refusal (ROFR) for any of CWS recycling businesses in Alameda County for a total value and purchase price of \$12,500,000. Payment will be \$2,500,000 upon execution of the ROFR upon City approval of MMO, RR and Disposal as provided herein. The balance with interest at the rate of 3.5% per annum will be payable in level payments over ten years, commencing of July 1, 2015."

This section needs to be removed from the agreement. Or be modified to include the words "at least" before the \$12.5M figure.

▪ **Additional Sections not included in the agreement to be added:**

- WMAC needs to sign the **labor agreement with ILWU** before any contract with the City is executed.
- WMAC needs to sign a **binding agreement of direct or indirect non-interference** with CWS business.

In reviewing the contract we are requesting that:



- CWS had clearly indicated that they are not asking for relief from liquidated damages due to a company-initiated 'lock-out'. We want to make sure that WMAC is held to that same standard.
- **Section 10.03 - MFD Organic Materials Collection Service** of the proposed contract is modified—see Appendix A.
- **In County Call Center** staffed and services by human operators be included into the contract
- **Civicorps** – The Franchisee shall allocate citywide commercial source-separated organics collection and disposal services to Civicorps to be handled at the EBMUD local waste-to-energy facility;
- **EBMUD** - The Franchisee shall deliver all commercial and multi-family source-separated organics to East Bay Municipal Utility District as collected, and shall enter into a separate processing agreement with EBMUD for these materials, subject to approval by the City Administrator.
- **WMAC initial MM&O and Disposal contracts to be authorized for 10 years** with possibility of two five year extensions at the City's discretion. CWS had agreed to this.
- **CWS to be paid the MMO overage rates for RR bins** that are contaminated rather than that work and fees going to WMAC.
- WMAC compensates the **City for legal fees** specified by the City Attorney.
- WMAC specifies ways of how they will deal with "**Sharps**" and "**Hazardous Waste**"
- Any agreement(s) **allow for the extension** of any Zero Waste Franchise agreements by the City of Oakland.

Respectfully,



Dan Kalb
Councilmember, District 1



Lynette Gibson McElhaney
Councilmember, District 3



Rebecca Kaplan
Councilmember At-large

cc: Mayor Jean Quan
Council President Pat Kernighan
Brooke Levin, Director, Oakland Public Works
Barbara Parker, City Attorney

Appendix A. Proposed modifications to sections in contract on multi-family Organics collection

10.03 MFD Organic Materials Collection Service. This service will be governed by the following terms and conditions: *[this may change depending on final Council decision]*

10.03.1 Containerized Organic Materials. CONTRACTOR shall provide MFD Organic Materials Collection Service to all MFD Customers in the Service Area ~~who request such service and~~ whose Organic Materials are properly containerized in Organic Materials Carts or Bins, except as set forth in Sections 10.03.5 and 10.04, regardless of whether the lids are closed. CONTRACTOR shall provide all



MFD Customers requesting this service with a written copy of the provisions of Section 10.03.7 regarding [possible surcharge due to excessive contamination of Organics carts](#) ~~discontinuance of service~~.

10.03.2 Service Frequency. CONTRACTOR shall provide MFD Organic Materials Collection Service one (1) time per week. However, in those instances where the scheduled Collection day falls on a holiday as set forth in Section 6.11 herein, the Collection day may be adjusted in a manner agreed to between the Service Recipient and CONTRACTOR as long as service is received a minimum of one (1) time per week.

10.03.3 Container Sizes. Except as set forth in Section 10.03.6 CONTRACTOR shall offer Organic Materials Containers in 32, and 64 gallon nominal Cart sizes.

10.03.4 Minimum Capacity. At a minimum, CONTRACTOR shall provide one (1) 32 gallon Organic Materials Cart to any MFD of twelve (12) or fewer Dwelling Units, and one (1) 64 gallon Organic Materials Cart to any MFD of thirteen or (13) more Dwelling Units.

10.03.5 Collection of Organic Materials Overages. CONTRACTOR shall be required to Collect all Organic Materials that are set out for Collection regardless of whether or not the Organic Materials are contained in an Organic Materials Cart. CONTRACTOR shall be entitled to additional compensation for the Collection of Organic Materials Overages in accordance with the approved "Overage" surcharge as provided in Exhibit 1 or as may be adjusted under the terms of this Contract.

10.03.6 Additional Organic Materials Capacity. Upon notification to CONTRACTOR by CITY or a Customer that additional Organic Materials capacity is requested, CONTRACTOR shall deliver such Organic Materials Containers as are needed to meet the capacity requirements of the Service Address by the next regularly scheduled Collection day or within six (6) Work Days (whichever is later). CONTRACTOR must provide additional Container capacity if requested by the MFD Customer.

10.03.7 Reduction or Discontinuation of Service. CONTRACTOR shall retain the right to temporarily reduce capacity of or ~~discontinue provision~~ levy a surcharge on ~~of~~ Organic Materials Collection Service to Service Addresses under the following circumstances.

10.03.7.1 [After June 30, 2016](#), ~~If~~ the Organics Cart is found to be contaminated through the inclusion of more than ten (10) percent of materials that are not Organic Materials as defined herein more than ~~four~~ ten (4-10) times in any twelve (12) month period. Upon finding a ~~fourth~~ tenth instance of such contamination in any twelve (12) month period CONTRACTOR shall notify the MFD Customer in writing that an additional violation of the contamination requirements of the program ~~will~~ may result in ~~the discontinuance of service~~ [an additional surcharge for Organic Materials Collection Service. Prior to levying any such surcharge, CONTRACTOR must conduct additional outreach to MFD residents to educate them about the separation of Organic Materials at their building.](#)

10.03.8 Organic Materials Processing Facility. CONTRACTOR shall deliver all Collected Organic Materials to a fully permitted Organic Materials Processing Facility. All expenses related to Organic Materials Processing and marketing will be the sole responsibility of CONTRACTOR.



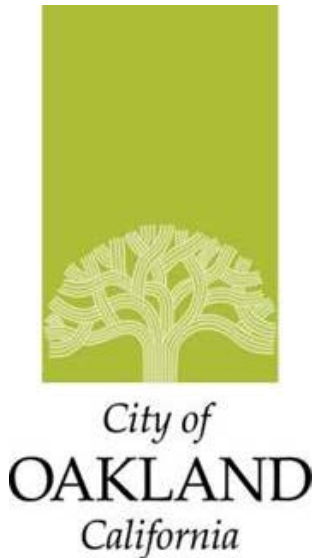
10.03.9 Organic Materials Processing Services. Except for Organic Materials Residue or as otherwise provided in Section 30 of this Contract, CONTRACTOR shall ensure that all Organic Materials Collected pursuant to this Contract are Diverted [consistent with definitions in all relevant state, county, and municipal laws.](#)



From: [Maher, Sean](#)
Subject: PRESS RELEASE: Oakland Recycles Launches New Services
Date: Thursday, June 25, 2015 2:58:17 PM
Attachments: [Oakland Recycles Launches New Services Media Release.pdf](#)

Colleagues, media professionals: For those who couldn't join us this morning, here is the full press release for today's rollout of Oakland's new trash, compost and recycling services.

Cheers,
Sean Maher



Media Contacts:

Sean Maher
Oakland Recycles
(510) 238-7968
smaher@oaklandnet.com

Kristine Shaff
Oakland Public Works
(510) 238-2966
kshaff@oaklandnet.com

News from: City of Oakland

FOR IMMEDIATE RELEASE
June 25, 2015

"Oakland Recycles" Launches Major New Trash, Compost and Recycling Services

Oakland, CA – Oakland Recycles will launch important new trash, compost and recycling services on July 1 as Oakland takes a huge step toward its Zero Waste goal to keep all recyclable and compostable material out of landfills.

The new services and features include new natural gas-powered service trucks that run cleaner and quieter; new ways for all residents to easily dispose of mattresses, furniture and other bulky items; and for the first time ever, guaranteed compost service for condo and apartment residents.

"I'm proud of Oakland for once more demonstrating world-class leadership to protect our environment," Mayor Libby Schaaf said. "What is most important about this next step is that we're taking it together: these efforts to protect our environment can only be successful with the remarkable commitment and participation of Oakland's residents and businesses."

Effective July 1, Waste Management of Alameda County, Inc. (WMAC) will be the exclusive provider of trash and compost service for Oakland residents and businesses. California Waste Solutions (CWS) will be the exclusive provider of recycling service for residents. Recycling for businesses remains an open market in which Oakland business owners can shop for the recycling service provider they prefer.

The new services also include important partnerships with Civicorps and the East Bay Municipal Utility District (EBMUD). Civicorps is an Oakland non-profit that has worked since 1983 to provide meaningful environmental work experiences and educational opportunities for local youth. Civicorps and WMAC are working together to provide Oakland youths with job training opportunities in operations and administrative services that can lead to good-paying union jobs in Alameda County. In addition, EBMUD, a regional

utility headquartered in Oakland, is working with the City and WMAC to process the compostable material collected from local businesses right here in Oakland.

“Oaklanders care about the environment. The new Zero Waste services call on Oaklanders and businesses to abide by standards that will improve our air quality, our neighborhoods and our environmental footprint,” City Council President Lynette Gibson McElhaney said. “I know my constituents are especially excited for increased services to address the illegal dumping epidemic.”

Highlights of new services include:

- Compost service to recycle food scraps and yard trimmings now covering all residences, including apartment buildings and condos over five units.
- Four free bulky drop-off events for residents to take place each year, on the first Saturday of every February, May, August and November.
- New bulky pickup service for condo and apartment buildings.
- Wider variety of cart-size options for residents to right-size containers for all materials, including 20-gallon carts for trash, compost and recycling.
- Brand new collection trucks powered by natural gas to improve air quality and reduce noise.

In addition to the new services under Oakland’s leadership, WMAC will build and operate Alameda County’s first large-scale compost facility, to compost material not just from Oakland, but from around the region.

Full service information including Frequently Asked Questions (FAQs), rate tables, dates of informational meetings and other ways to communicate with service providers is available at www.OaklandRecycles.com.

Background: Current trash, compost and recycling franchise agreements with the City of Oakland will expire on June 30, 2015. In 2012, the City of Oakland issued a request for proposals to set ambitious goals for improving the City’s Zero Waste services, inviting service providers to bid competitively in an open process. At the end of a long bidding and negotiating process, in September 2014, the City Council voted to split the service agreements between CWS and WMAC.

Service rates have seen some incremental CPI-based increases since 1995, but these increases have not kept pace with the increases to the costs of providing services. The current contracts, originally set to expire at the end of 2010, were extended by the City twice, preserving the existing, lower rates for a total of four-and-a-half years. Services and rates under the new contracts will begin July 1, 2015.

Customer Type	Sample Monthly Rate	Percentage Change
Single-family, 32-gallon cart	\$36.82	23.6% increase

20-unit apartment building	\$616.90	30.1% increase
Commercial customer, 1 cubic-yard trash bin	\$194.10	38.7% increase

Across Alameda County, other cities have also seen similar recent rate increases as new service contracts have been implemented:

City	Year	Increase
Albany	2011	45%
Berkeley	2009	25%
Berkeley	2014	25% (cumulative 50%)
Castro Valley	2009	45%
Dublin	2011	27%
Emeryville	2011	45%
Hayward	2007	32%
Livermore	2011	38%

With these new contracts, Oakland will divert significantly more material from landfill disposal through increased recycling and composting, enhancing Oakland's leadership in sustainability. For more staff reports and links to related project documents, please visit www.ZeroWasteOakland.com.

For more information about the new services in Oakland, please visit www.oaklandrecycles.com. And thank you to everyone taking the pledge to recycle right! Together we can make a difference.

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From: [Kalb, Dan](#)
To: [Kattchee, Susan](#)
Cc: [Levin, Brooke A.](#); [Bolotina, Olga](#); [Kaplan, Rebecca](#); [Slote, Peter](#); [Gagliardi, Mark](#)
Subject: Re: Green Cart/Bin service at M-FBs
Date: Thursday, July 24, 2014 12:35:40 PM

Thanks Susan.

-Dan Kalb
City Councilmember
District One
Oakland, CA
510-238-7001

On Jul 24, 2014, at 11:39 AM, "Kattchee, Susan" <skattchee@oaklandnet.com> wrote:

CM Kalb-

As we discussed yesterday we will correct the numbering of the green waste options for MF, provide a a set of rate tables for the opt- out option, show in a table the impact for a couple different unit buildings, and provide language for a motion for regarding Local 6 wages - reduction in cost to Oakland if other cities begin to pay their fair share. Thanks Susan

Sent from my iPhone

On Jul 23, 2014, at 1:58 PM, "Kalb, Dan" <DKalb@oaklandnet.com> wrote:

Hi Brooke, Susan –

On pages 14-16 of the staff report (for the zero waste franchise agreements), you discuss the organics ('green') cart/bin options for multi-family buildings (5 units and up). In the Rate Option B Table, you list \$60.20 (for a 20-unit building) as the additional cost for the Opt-out (alt. 3). However, the \$60.20 is actually for alt. 4 (the mandatory option).

According to the information you presented on May 29th, the Opt-out alternative (alt. 3) through Waste Management would be \$57.41. It is my understanding that California Waste Solutions incorporated the source-separated organics bin/cart service into their base rates for multi-family buildings.

So, for a 20-unit building, the additional charge through Waste Management for the Opt-out alternative would be \$2.87 per unit.

You had mentioned previously that different size multi-family buildings have somewhat different rate structures. Can you tell me where I can find that information as it relates to the organics 'green' cart/bin. For example, what would be the additional cost for the Opt-out alternative for an 8-unit multi-family building? ...for a 50-unit multi-family building?

I look forward to getting this information prior to July 30th.
Thanks for all your work.

-Dan
On behalf of Councilmembers Kalb and Kaplan

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DAN KALB
Oakland City Councilmember, District One
One Frank Ogawa Plaza, 2nd floor
Oakland, CA 94612

510-238-7001
<http://www2.oaklandnet.com/Government/o/CityCouncil/o/District1/index.htm>

To sign up for my District One Community Newsletter, please [click here](#).

From: [Kattchee, Susan](#)
To: [Kalb, Dan](#); [Levin, Brooke A.](#)
Subject: RE: Waste Management rate increase
Date: Wednesday, July 01, 2015 11:23:16 AM

Thanks for sharing.

Susan Kattchee

Assistant Director Bureau of Facilities and Environment
City of Oakland | Public Works | APWA Accredited Agency
250 Frank H Ogawa Plaza, Ste 5301 | Oakland, CA 94612
(510) 238-6382

Report A Problem | Public Works Call Center | (510) 615-5566
www.oaklandpw.com | pwacallcenter@oaklandnet.com | **Mobile app:** [SeeClickFix](#)

 **Go Green!** Please consider the environment before printing this email.

From: Kalb, Dan
Sent: Wednesday, July 01, 2015 10:14 AM
To: Kattchee, Susan; Levin, Brooke A.
Subject: Fwd: Waste Management rate increase

FYI

-Dan Kalb
Oakland City Councilmember
510-238-7001

Begin forwarded message:

From: Christine Acker <ctoc1@sbcglobal.net>
Date: July 1, 2015 at 9:22:31 AM PDT
To: "Kalb, Dan" <DKalb@oaklandnet.com>
Cc: <officeofthemayor@oaklandnet.com>
Subject: **Waste Management rate increase**

I recently looked at the card sent out to all households on which the new quarterly rates for Waste Management are printed. I Compared the rates with the amount I have been paying through the end of June 2015. I see that there has been approximately a one-third increase in the rates, rising from, for example, \$66 to \$96 per quarter (the amount depends on the size of one's garbage can). The new rates take effect on July 1st.

I feel I must protest this increase. The cost of living goes up everywhere. But an increase of this size does seem far too much.

Christine Acker


Oakland 94618

From: [Maher, Sean](#)
To: [Kalb, Dan](#); [Levin, Brooke A.](#)
Cc: [Kattchee, Susan](#); [Dowdakin, Becky](#)
Subject: RE: WM Rate Increase
Date: Wednesday, July 01, 2015 8:26:01 AM
Attachments: [Oakland Recycles Launches New Services Media Release June 25.pdf](#)

Councilmember, it might be helpful to reference the table on the second page of our press release, identifying similar percentage increases to rates in several Alameda County in the last few years. Percentage increases vary across service levels, but in most cases I believe you'll still find them comparable to the increases in our neighboring cities.

It might also be worth noting that Oakland actually extended our old rates twice, maintaining those low older rates for an additional 4 ½ years.

From: Kalb, Dan
Sent: Tuesday, June 30, 2015 6:44 PM
To: Levin, Brooke A.
Cc: Kattchee, Susan; Dowdakin, Becky; Maher, Sean
Subject: Re: WM Rate Increase

So the 20-gal can used to be a lot cheaper??

-Dan Kalb
Oakland City Councilmember
510-238-7001

On Jun 30, 2015, at 6:09 PM, "Levin, Brooke A." <blevin@oaklandnet.com> wrote:

The 24% increase is for the typical (majority of SFD customers). This customer has a mini can, the increase is higher.

Brooke A. Levin
Director
Oakland Public Works

On Jun 30, 2015, at 5:47 PM, Kalb, Dan <DKalb@oaklandnet.com> wrote:

Does this sound correct? I thought the residential rate increase was closer to 25-30%.

-DK

-Dan Kalb
Oakland City Councilmember
510-238-7001

Begin forwarded message:

From: Michael Babcock <mbabco@earthlink.net>
Date: June 30, 2015 at 5:08:47 PM PDT
To: Dan Kalb <dkalb@oaklandnet.com>
Subject: WM Rate Increase

June 21, 2015

Mr. Kalb,

My last Waste Management bill for three months was for \$67.08.

I just received my Waste Management bill for the next three months: \$96.30.

A 43.6% increase? Really.

Was that really the best you could negotiate?

Really?

Michael Babcock
[REDACTED]
Oakland, CA 94611 [REDACTED]
(510) [REDACTED]
mbabco@earthlink.net