

OFFICE OF THE CITY CLERK
CITY OF OAKLAND
PRODUCED BY COUNCIL MEMBER _____

Robert T. ...
CITY ATTORNEY

2004 MAY 13 PM 4:19

OAKLAND CITY COUNCIL

REVISED
5-13-04

AMENDMENT TO ORDINANCE NO. 11820 G.M.S. INCREASING RATES CHARGED FOR SOLID WASTE COLLECTION AND DISPOSAL FOR MULTI FAMILY AND SINGLE FAMILY RATEPAYERS, INCREASING CITY FEES PAID BY WASTE MANAGEMENT OF ALAMEDA COUNTY TO THE CITY OF OAKLAND AND AUTHORIZING THE FIFTH AMENDMENT TO THE FRANCHISE AGREEMENT FOR SOLID WASTE AND YARD WASTE COLLECTION AND DISPOSAL SERVICES TO INCLUDE WEEKLY SINGLE STREAM RESIDENTIAL RECYCLING AND PROCESSING SERVICES IN THE SOUTHERN HALF OF THE CITY (\$926,000), AND CITY-WIDE WEEKLY YARD WASTE COLLECTION AND RESIDENTIAL FOOD SCRAPS RECYCLING IN AN INITIAL AMOUNT OF APPROXIMATELY \$2,031,000 PER YEAR

WHEREAS, the Council of the City of Oakland passed Resolution No. 77500 C.M.S. on October 29, 2002 which established a goal of 75% waste reduction going to landfills in alliance with the countywide 75% waste reduction goal; and

WHEREAS, Ordinance No. 11820 C.M.S. was adopted on July 25, 1995 to enter into a Franchise Agreement for Solid Waste and Yard Waste Collection and Disposal Services with Waste Management of Alameda County, Inc. (WMAC); and establish rates and procedures to adjust the rates; and

WHEREAS, Section 8.28.020 of the Oakland Municipal Code allows the City Council to make Non-Consumer Price Index related rate adjustments in the exercise of its legislative discretion and to attach a surcharge on solid waste fees collected by WMAC to compensate the City for some or all of the costs of programs to reduce solid waste going to landfills; and

WHEREAS, Section 8.3.4 of the Franchise Agreement obligates the City to increase garbage rates to generate a sufficient amount of revenue to cover any increase in fees remitted to the City; and

WHEREAS, the City wishes to increase solid waste rates paid by multi-family and single-family ratepayers by 1.92% effective July 1, 2004 to generate approximately \$750,000 annually beginning July 1, 2004, and by an additional 1.92% effective July 1, 2005 to generate an additional approximately \$750,000 annually beginning July 1, 2005. for the Recycling Fund for changes to residential recycling programs, including implementing weekly citywide cart-based single stream recycling collection, in order to reduce solid waste going to landfills; and

WHEREAS, single-family residential backyard premium collection currently includes service for Solid Waste and Yard Waste carts, and implementing cart-based single stream recycling collection requires that recycling cart collection be added to residential backyard premium services and that the backyard premium surcharge be increased to cover the cost of doing so; and

WHEREAS, the City wishes to increase solid waste rates paid by single-family ratepayers by 4.02% effective July 1, 2004, and by an additional 4.02% effective July 1, 2005, in order for WMAC to increase Yard Waste collection services to single-family dwellings from bi-weekly to weekly collection services and to add Food Waste to materials collected as Yard Waste, in order to reduce solid waste going to landfills; and

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WHEREAS, the City Council must amend Ordinance No. 11820 C.S.M. to authorize an increase of the City fees and to increase the garbage rates to generate a sufficient amount of revenue to cover the increased City fees and Yard Waste collection service enhancements; and

WHEREAS, the City Council finds that the services provided pursuant to the Franchise Agreement authorized hereunder are of a professional, scientific or technical nature; and

WHEREAS, the City Council finds that this Agreement shall not result in the loss of employment or salary by any person having permanent status in the competitive service; and

WHEREAS, this Ordinance has been duly processed with proper public notice;

NOW THEREFORE, THE CITY COUNCIL FOR THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:

SECTION 1. Effective July 1, 2004 Ordinance 11820 C.S.M Section 5 is amended to provide that:

- (1) WMAC is duly authorized to increase the single-family residential backyard premium surcharge by 50% in order to add recycling cart collection to existing residential backyard premium services for Solid Waste and Yard Waste. Accordingly monthly backyard premium base rates, to which the total July 1, 2004 rate adjustment and all future total annual rate adjustments apply, shall be:

	Contractor Supplied Carts	Customer Supplied Cans
Mini Can Rate - 20 Gallon	\$28.82	\$25.99
35 Cart	\$34.32	\$31.49
64 Cart	\$59.76	\$56.94
96 Cart	\$85.22	\$82.38

- (2) WMAC is duly authorized to increase the annual rate that its multi-family and single-family customers are charged by 1.92% in order to increase the payment of City fees to the City of Oakland to implement weekly citywide cart-based single stream recycling collection.
- (3) WMAC is duly authorized to increase the annual rate that its single-family customers are charged by 4.02% in order to implement enhancements in Yard Waste collection services.
- (4) WMAC is required to pass through to the City the \$750,000 in revenue generated by the 1.92% increase in multi-family and single-family rates for FY 2004-05.
- (5) The additional revenues generated shall be remitted to the City in twelve equal payments following procedures contained in Section 8.3.4 of the Franchise Agreement.

SECTION 2. Effective July 1, 2005 Ordinance 11820 C.S.M Section 5 is amended to provide that:

- (1) WMAC is duly authorized to increase the annual rate that its multi-family and single-family customers are charged by an additional 1.92% in order to increase the payment of City fees to the City of Oakland to implement weekly citywide cart-based single stream recycling collection.
- (2) WMAC is duly authorized to increase the annual rate that its single-family customers are charged by an additional 4.02% in order to implement enhancements in Yard Waste collection services.
- (3) WMAC is required to pass through to the City the additional \$750,000 in revenue generated by the 1.92% increase in multi-family and single-family rates for FY 2005-06
- (4) The additional revenues generated shall be remitted to the City in twelve equal payments following procedures contained in Section 8.3.4 of the Franchise Agreement.
- (5) For future years, effective July 1, 2005, WMAC is required to pass through to the City 1.92% established July 1, 2004, compounded annually by future total annual rate adjustments, of the

total revenue generated by multi-family and single-family rates in the immediately preceding fiscal year, which shall be remitted to the City pursuant to Section 8.3.4 of the Franchise Agreement.

SECTION 3. Effective July 1, 2006 Ordinance 11820 C.S.M Section 5 is amended to provide that:

- (1) For future years, effective July 1, 2006, WMAC is required to pass through to the City the additional 1.92% established July 1, 2005, compounded annually by future total annual rate adjustments, of the total revenue generated by multi-family and single-family rates in the immediately preceding fiscal year, which shall be remitted to the City pursuant to Section 8.3.4 of the Franchise Agreement.

SECTION 4. This Amendment will take effect upon the dates shown in Sections 1-3 above.

SECTION 5. The City Manager is hereby authorized and empowered to execute the Fifth Amendment to the Franchise Agreement for Solid Waste and Yard Waste Collection and Disposal Services with Waste Management of Alameda County to provide weekly single stream residential recycling collection and processing services in the Southern half of the City (\$926,000); and City-wide weekly yard waste collection and residential food scraps recycling (\$2,031,000) and to approve any subsequent amendments to or extensions of said Franchise Agreement with the exception of those related to an increase in compensation for work not included in said Franchise Agreement or for increases in compensation beyond the procedures the City has set forth in the Franchise Agreement, provided that such agreements and amendments or extensions shall be approved by the City Attorney's Office and shall be filed with the City Clerk's Office.

SECTION 6. The Council establishes a base rate to be paid to WMAC of \$3.20 per household by the City which rate shall be adjusted annually by the Consumer Price Index based on the formula contained in the Franchise Agreement.

SECTION 7. A copy of the Fifth Amendment to the Franchise Agreement will be on file with the City Clerk's Office and will be approved for form and legality by the Office of the City Attorney.

SECTION 8. The City Council finds and determines that:

- (a) This amendment is necessary to protect the public health, safety, and welfare;
- (b) The foregoing recitals are true and correct and are an integral part of this Amendment.

IN COUNCIL, OAKLAND, CALIFORNIA, JUNE 1, 2004

PASSED BY THE FOLLOWING VOTE:

AYES –

NOES –

ABSENT –

ABSTENTION –

ATTEST _____

CEDA FLOYD

City Clerk and Clerk of the Council

of the City of Oakland, California

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OAKLAND COUNCIL
JUN 15 2004

AMENDMENT TO ORDINANCE NO. 11820 C.M.S. INCREASING RATES CHARGED FOR SOLID WASTE COLLECTION AND DISPOSAL FOR MULTI FAMILY AND SINGLE FAMILY RATEPAYERS, INCREASING CITY FEES PAID BY WASTE MANAGEMENT OF ALAMEDA COUNTY TO THE CITY OF OAKLAND AND AUTHORIZING THE FIFTH AMENDMENT TO THE FRANCHISE AGREEMENT FOR SOLID WASTE AND YARD WASTE COLLECTION AND DISPOSAL SERVICES TO INCLUDE WEEKLY SINGLE STREAM RESIDENTIAL RECYCLING AND PROCESSING SERVICES IN THE SOUTHERN HALF OF THE CITY (\$926,000), AND CITY-WIDE WEEKLY YARD WASTE COLLECTION AND RESIDENTIAL FOOD SCRAPS RECYCLING IN AN INITIAL AMOUNT OF APPROXIMATELY \$2,031,000 PER YEAR

NOTICE AND DIGEST

This Ordinance authorizes Waste Management of Alameda County (WMAC) to increase the annual rates charged to its multi-family and single-family customers by 1.92% effective July 1, 2004 and by an additional 1.92% effective July 1, 2005, and directs WMAC to remit the revenues resulting from both 1.92% increases in fees to the City of Oakland; and authorizes WMAC to increase the annual rates charged to its single-family customers by an additional 4.02% effective July 1, 2004 and by an additional 4.02% effective July 1, 2005.

For a 35-gallon single-family garbage container, the rate increases will result in a monthly rate of \$22.86 from \$21.58 effective July 1, 2004, and a monthly rate of 24.22 from \$22.86 effective July 1, 2005. For each multi-family unit, the rate increases will result in a monthly rate of \$18.87 from \$18.51 effective July 1, 2004, and a monthly rate of \$19.23 from \$18.87 effective July 1, 2005.

This Ordinance also authorizes WMAC to provide weekly single stream residential recycling collection and processing services in the Southern half of the City (\$926,000), and City-wide weekly yard waste collection and residential food scraps recycling in an initial amount of approximately \$2,031,000 per year.

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