



CITY OF  
**HAYWARD**  
HEART OF THE BAY

**MEMORANDUM**

**DATE:** January 20, 2015  
**TO:** Mayor and City Council  
**FROM:** City Manager  
**SUBJECT:** Recycling Worker Wages

The attached letter has been prepared to be sent to Waste Management of Alameda County to respond to Tri-CED's request for a confirmation of the City's position related to recycling workers wage increases. The letter will be hand delivered this evening if Council approves the Franchise Agreement.



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**HAYWARD**  
HEART OF THE BAY

January 20, 2015

Alex Oseguera, Vice President and General Manager  
Waste Management of Alameda County  
172 98<sup>th</sup> Avenue  
Oakland, CA 94603-1004

**RE: Recycling Worker Wages**

Dear Mr. Oseguera,

This letter serves to memorialize that the proposed rates that will be presented to the City Council tonight include a \$0.06 increase on all residential customers to cover the wage increase for recycling workers for Waste Management of Alameda County's residential recycling contractor Tri-CED. Any additional wage increases in years two and three will not be reflected in Hayward's rates. In year four, the Return On Investment evaluation will result in a "true-up" to increase rates sufficient to allow Waste Management a 5.5% ROI. The year four rate evaluation will consider the costs associated with retroactive and prospective wage increases for recycling workers, and will consider that as a legitimate contractor's expense.

If you have any questions, please contact me at [alex.ameri@hayward-ca.gov](mailto:alex.ameri@hayward-ca.gov) or (510) 583-4770.  
Thank you.

Sincerely,

Alex Ameri  
Director of Utilities & Environmental Services

cc: Richard Valle, Tri-CED