

City of Piedmont
COUNCIL AGENDA REPORT

DATE: September 22, 2026

TO: Mayor and Council

FROM: Rosanna Bayon Moore, City Administrator

SUBJECT: Consideration of Approval of Ordinance No. 794 N.S. Amending Ordinance No. 737 N.S. and Approving a First Amendment to the Solid Waste Collection Service Agreement with Richmond Sanitary Service (dba Republic Services) to Extend the Term One Additional Year

RECOMMENDATION:

By a single motion: (1) Approve First Reading of Ordinance No. 794 N.S., amending Ordinance No. 737 N.S. to extend the Term of the Franchise for Solid Waste Collection Services Granted to Richmond Sanitary Service by One Additional Year and Approving a First Amendment to the Solid Waste Collection Service Agreement Effective as of July 1, 2018 to Extend the Term of the Agreement; (2) Authorizing the City Administrator to execute related documents; and (3) Declaring the Amendments Exempt from the California Environmental Quality Act.

BACKGROUND:

Current Franchise Agreement and Hauler

On January 16, 2018, the City Council approved Ordinance No. 737 N.S. to enter into a Solid Waste Collection Service Agreement (Agreement) between the City of Piedmont and Richmond Sanitary Service, Inc. (dba Republic Services), effective as of July 1, 2018. The Agreement, which expires on June 30, 2028, establishes procedures for the collection, hauling, and disposal of all garbage, recyclables, organics, and other waste for residences, businesses, public spaces, schools, and City facilities in Piedmont. The Agreement is comprehensive in nature, setting forth Republic Services' performance standards, insurance requirements, vehicle specifications, customer service criteria, reporting requirements, diversion rates, customer rate adjustment procedures, and more.

In June 2026, pursuant to Article 2 of the Agreement, Republic Services submitted a letter of interest to the City for a five-year extension of the current Agreement. The City has until December 31, 2026, to negotiate potential terms of the extension and provide an official response. If either the City or Republic Services elects not to pursue the five-year extension, the City will need to issue a Request for Proposals (RFP) to establish a new agreement with a service provider. To meet the applicable timeline, a new agreement would need to be executed no later than July 1, 2027, at least 12 months prior to its July 1, 2028 effective date.

DISCUSSION:**Franchise Agreement Amendment for a One-Year Extension**

Rather than pursuing a five-year extension, City staff recommend a one-year extension of the current Agreement that maintains all existing service levels, contractual terms, and rate adjustment procedures. Republic Services has confirmed its willingness to proceed with such an extension.

The City is currently undergoing significant staff transitions, including within the Public Works Department, which administers the Agreement. These transitions may limit the City's capacity to conduct the research, stakeholder engagement, and regulatory review necessary to support well-informed, long-term decision-making before the December 2026 deadline.

In addition to these staff transitions, and in anticipation of the Agreement's expiration, the City retained R3 Consulting, Inc. in March 2026 to conduct a comprehensive performance review of Republic Services. The review examines compliance with the Agreement, as well as financial, operational, safety, customer service, and other performance data. Preliminary results indicate that Republic Services is meeting the requirements of the Agreement. However, the review remains in progress and is not anticipated to be completed until late 2026.

A one-year extension would also provide City staff with time to undertake a multi-month community engagement process to increase awareness of the Agreement's expiration, terms, and structure. The process would seek to gather community experiences, concerns, and priorities related to solid waste collection and use this input to inform future decision-making.

An amendment to Ordinance No. 737 N.S. has also been prepared to amend the Grant of Franchise to expire on June 30, 2029 and other related actions. (Attachment 1).

A First Amendment to the Agreement has also been prepared and provided to Republic Services. (Attachment 2). The First Amendment makes revisions to the Agreement to extend the term one additional year and other conforming edits to sections to revise Sections 2.01 (Term), 2.02 (Extension of Term), 2.03 (Voiding of Extension), and 2.04 (Diversion Performance Extension Options) within Article 2 of the Agreement.

CALIFORNIA ENVIRONMENTAL QUALITY ACT:

The amendments to Ordinance No. 737 N.S. and the Agreement are not a "Project" for purposes of the California Environmental Quality Act ("CEQA") in that, pursuant to CEQA Guidelines Section 15378(b)(4), these amendments are making minor changes to an existing funding mechanism for the continuation of existing and essential solid waste services pursuant to applicable law, and not a commitment to a specific project which may result in a potentially significant physical impact on the environment. (Public Resources Code section 21065; CEQA Guidelines, 14 Cal. Code of Regs. Section 15378.)

Moreover, it can be seen with certainty that there is no possibility that the approval of the Agreement will have a significant effect on the environment because Republic Services will continue to provide

a similar level of service that the City is currently receiving. (Public CEQA Guidelines, 14 Cal. Code of Regs. Section 15061(b)(3).)

CONCLUSION, COUNCIL ACTION AND NEXT STEPS:

Staff recommends approval of Ordinance No. 794 N.S. that amends Ordinance No. 737 N.S. to revise the end date from June 30, 2028 to June 30, 2029 and to approve the First Amendment to the Agreement to extend the term by one year and make other conforming edits to sections within Article 2 of the Agreement.

If the Council approves the first reading of Ordinance No. 794 N.S. on September 22, 2026, the second reading could occur as early as October 5, 2026. During the extension period, City staff will have the time to onboard new key Public Works staff to the process, complete the current performance review, and solicit consultants to support future negotiations. Following that, an engagement process will commence in early 2027 to ensure that by July 1, 2027, the City is well positioned to consider the next steps for solid waste collection services that best serve the community of Piedmont.

FISCAL IMPACT

The First Amendment to the Agreement has no impact on the Fiscal Year 2026-27 budget. The First Amendment maintains all terms including services provided as well as required payments to the City by Republic Services, including but not limited to the franchise fee, until June 30, 2029. Rate adjustment procedures for Piedmont residential and commercial customers would also remain the same.

By: Rich Cunningham, Interim Public Works Director
Deniz Ergun, Sustainability Program Manager

ATTACHMENTS:

	Pages	
1	4-6	Ordinance No. 794 N.S. Amendment
2	7-10	First Amendment to Agreement

ORDINANCE 794 N.S.

AN ORDINANCE AMENDING ORDINANCE NO. 737 N.S. TO EXTEND
THE TERM OF THE FRANCHISE FOR SOLID WASTE COLLECTION
SERVICES GRANTED TO RICHMOND SANITARY SERVICE ONE
ADDITIONAL YEAR, AND APPROVING A FIRST AMENDMENT TO THE
SOLID WASTE COLLECTION SERVICE AGREEMENT EFFECTIVE AS OF
JULY 1, 2018 TO EXTEND THE TERM OF THE AGREEMENT, AND
DECLARING THE AMENDMENTS EXEMPT FROM THE
CALIFORNIA ENVIRONMENTAL QUALITY ACT

The City Council of the City of Piedmont hereby ordains as follows:

SECTION 1 RECITALS

WHEREAS, the Legislature of the State of California, by enactment of the California Integrated Waste Management Act of 1989 (“Act”) and subsequent additions and amendments (codified at California Public Resources Code sections 40000 et seq.), has declared that it is in the public interest to authorize and require local agencies to make adequate provisions for Solid Waste Collection within their jurisdiction; and

WHEREAS, the State of California has found and declared that the amount of Solid Waste generated in California, coupled with diminishing landfill space and potential adverse environmental impacts from landfilling and the need to conserve natural resources, have created an urgent need for State and local agencies to enact and implement an aggressive integrated waste management program; and

WHEREAS, the State has, through enactment of the Act, directed the responsible State agency, and all local agencies, to promote disposal site diversion and to maximize the use of feasible Solid Waste reduction, re-use, recycling, and organics composting options in order to reduce the amount of Solid Waste that must be disposed of in disposal sites; and

WHEREAS, pursuant to Public Resources Code section 40059(a), as may be amended from time to time, the City has determined that the public health, safety, and well-being require that an exclusive right be awarded to a qualified contractor to provide for the collection of Garbage, Recyclable Material, and Organic Waste, except for collection of materials excluded in the City Code, and other services related to meeting the City’s goal of 75% reduction of waste to landfills, the California Integrated Waste Management Act 50% diversion requirement, the State’s 50% diversion requirement and 75% diversion goal by 2020 and other requirements of the Act, AB 341, AB 1826, SB 1383 and other local, State and federal requirements.

WHEREAS, in 2017 the City undertook a competitive procurement process for solid waste collection services; and

WHEREAS, as a result of that competitive procurement process, Contractor was selected by the City and the City Council adopted Ordinance No. 737 N.S. on January 16, 2018, granting a

Franchise for Solid Waste Collection Services to Richmond Sanitary Service (dba Republic Services) and approving a Solid Waste Collection Service Agreement with Richmond Sanitary Service, Inc. (“Agreement”); and

WHEREAS, Richmond Sanitary Service, Inc. has been providing solid waste collection services since July 1, 2018 to provide for the collection of Garbage, Recyclable Material, and Organic Waste, except for collection of materials excluded in the City Code, and other services related to meeting the City’s waste reduction and diversion goals consistent with the Act, AB 341, AB 1826, SB 1383, and other local, State and federal requirements; and

WHEREAS, Richmond Sanitary Service, Inc., has been meeting all the key requirements of the Agreement- including but not limited to Diversion Requirement (Article 5) and Quality of Performance (Article 19) of the Agreement; and

WHEREAS, under the current Solid Waste Collection Service Agreement, the City has until December 31, 2026 to determine whether or not to pursue a five-year extension with Richmond Sanitary Service, Inc; and

WHEREAS, the City departments responsible for oversight of Solid Waste Collection Service Agreement are experiencing significant staff transitions that limit capacity to conduct the needed research, community engagement, and regulatory review to consider a five-year extension; and

WHEREAS, the City Council wishes to amend Ordinance No. 737 N.S. to extend the Grant of Franchise for one additional year.

SECTION 2 AMENDMENT TO ORDINANCE NO. 737 N.S.

The City Council of the City of Piedmont hereby amends Section 2 of Ordinance No. 737 N.S., “Grant of Franchise” to repeal it in its entirety and replace it to read as follows:

“SECTION 2 GRANT OF FRANCHISE

The City Council of the City of Piedmont hereby grants an exclusive franchise to Richmond Sanitary Service, Inc. for Solid Waste Collection Services, for a period of eleven years, beginning on July 1, 2018 and continuing through June 30, 2029.”

Except as specifically amended herein, all other provisions of Ordinance No. 737 N.S., shall remain in effect.

SECTION 3 AMENDMENT TO AGREEMENT

The City Council hereby approves the First Amendment to the Solid Waste Collection Services Agreement labeled Exhibit A, attached hereto and incorporated into this ordinance, amending the Solid Waste Collection Services Agreement with Richmond Sanitary Service Inc., to revise Sections 2.01 (Term), 2.02 (Extension of Term), 2.03 (Voiding of Extension), and 2.04

(Diversion Performance Extension Options) within Article 2 of the Agreement to extend the Term one additional year.

SECTION 4 CALIFORNIA ENVIRONMENTAL QUALITY ACT EXEMPTION

The Council finds and determines that the foregoing amendments to Ordinance No. 737 N.S. and the Solid Waste Collection Services Agreement are not a “Project” for purposes of the California Environmental Quality Act (“CEQA”) in that, pursuant to CEQA Guidelines Section 15378(b)(4), these amendments are making minor changes to an existing funding mechanism for the continuation of existing and essential solid waste services pursuant to applicable law, and not a commitment to a specific project which may result in a potentially significant physical impact on the environment. (Public Resources Code section 21065; CEQA Guidelines, 14 Cal. Code of Regs. Section 15378.)

Moreover, it can be seen with certainty that there is no possibility that the approval of the CSA with Richmond Sanitary Service will have a significant effect on the environment because Richmond Sanitary Service will continue to provide a similar level of service that the City is currently receiving. (Public CEQA Guidelines, 14 Cal. Code of Regs. Section 15061(b)(3).)

SECTION 5 SEVERABILITY

The provisions of this Ordinance are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Ordinance or their applicability to other persons or circumstances.

SECTION 6 EFFECTIVE DATE OF ORDINANCE

This ordinance shall be posted at City Hall after its second reading and adoption by the City Council for at least thirty days and shall become effective thirty days after its adoption.

FIRST AMENDMENT TO SOLID WASTE COLLECTION SERVICE AGREEMENT

This **FIRST AMENDMENT** to the Franchise Agreement (“First Amendment”) hereinafter referenced is entered into and effective as of November 5, 2026 between the City of Piedmont, a California Charter City (“City”), and Richmond Sanitary Service, Inc. (dba Republic Services), a California corporation (“Contractor”). City and Contractor may be referred to individually or collectively referred to as “parties.”

WHEREAS, the Legislature of the State of California, by enactment of the California Integrated Waste Management Act of 1989 (“Act”) and subsequent additions and amendments (codified at California Public Resources Code sections 40000 et seq.), has declared that it is in the public interest to authorize and require local agencies to make adequate provisions for Solid Waste Collection within their jurisdiction; and

WHEREAS, the State of California has found and declared that the amount of Solid Waste generated in California, coupled with diminishing landfill space and potential adverse environmental impacts from landfilling and the need to conserve natural resources, have created an urgent need for State and local agencies to enact and implement an aggressive integrated waste management program; and

WHEREAS, the State has, through enactment of the Act, directed the responsible State agency, and all local agencies, to promote disposal site diversion and to maximize the use of feasible Solid Waste reduction, re-use, recycling, and organics Composting options in order to reduce the amount of Solid Waste that must be disposed of in disposal sites; and

WHEREAS, pursuant to Public Resources Code section 40059(a), as may be amended from time to time, the City has determined that the public health, safety, and well-being require that an exclusive right be awarded to a qualified contractor to provide for the collection of Garbage, Recyclable Material, and Organic Waste, except for collection of materials excluded in the City Code, and other services related to meeting the City’s goal of 70% reduction of waste to landfills, the California Integrated Waste Management Act 50% diversion requirement, the State’s 50% diversion requirement and 75% diversion goal by 2020 and other requirements of the Act, AB 341, AB 1826, SB 1383 and other local, State and federal requirements.

WHEREAS, in 2017 the City undertook a competitive procurement process for solid waste collection services; and

WHEREAS, as a result of that competitive procurement process, Contractor was selected by the City and the City Council adopted Ordinance No. 737 N.S. on January 16, 2018, granting a Franchise for Solid Waste Collection Services to Richmond Sanitary Service and approving a Solid Waste Collection Service Agreement with Richmond Sanitary Service, Inc. (“Agreement”); and

WHEREAS, Richmond Sanitary Service, Inc. has been providing solid waste collection services since July 1, 2018 to provide for the collection of Garbage, Recyclable Material, and Organic

Waste, except for collection of materials excluded in the City Code, and other services related to meeting the City's waste reduction and diversion goals consistent with the Act, AB 341, AB 1826, SB 1383, and other local, State and federal requirements; and

WHEREAS, Richmond Sanitary Service, Inc., has been meeting all the key requirements of the Agreement- including but not limited to Diversion Requirement (Article 5) and Quality of Performance (Article 19) of the Agreement; and

WHEREAS, the parties wish to amend the Agreement as set forth herein, to extend the Term of the Agreement for one additional year pursuant to the terms provided herein.

NOW, THEREFORE, in consideration of the mutual promises contained in this First Amendment and for other good and valuable consideration, City and Contractor agree as follows:

1. The foregoing recitals are true and correct and are incorporated as terms into this First Amendment.
2. Section 2.01 (Term) of the Agreement is hereby amended to delete and replace that section in its entirety to read as follows:
 - a. "2.01 Term.
 - b. The Term of this Agreement shall be for an eleven (11) year period beginning July 1, 2018 and terminating on June 30, 2029 ("Term")."
3. Section 2.02 (Extension of Term) of the Agreement is hereby amended to delete and replace that section in its entirety to read as follows:
 - a. "2.02 Extension of Term.
 - b. CONTRACTOR may request one five (5) year extension to the eleven (11) year Term, and at the CITY's sole option, CITY may grant CONTRACTOR's request to extend the Term, with a new termination date of June 30, 2034. Under no circumstance will CITY be obligated to extend the Term. CONTRACTOR must request the five (5) year extension in writing by June 30, 2027 in order to be eligible for the Term extension. The CITY shall have until December 31, 2027 to accept or deny the extension request in writing to CONTRACTOR."
4. Section 2.03 (Voiding of Extension) of the Agreement is hereby amended to delete and replace that section in its entirety to read as follows:
 - a. "2.03 Voiding of Extension.
 - i. In the event CONTRACTOR fails to meet the minimum service and diversion and diversion requirements set forth in this Agreement or is in breach of any other provision of this Agreement, CONTRACTOR understands and agrees that a Term extension granted by the City as set forth in Section 2.02 but that has not yet commenced may be voided at the CITY's discretion; in that case this Agreement shall terminate on June 30, 2028 as set forth in Section 2.01."

5. Section 2.04 (Diversion Performance Extension Options) of the Agreement is hereby amended to delete and replace that section in its entirety to read as follows:
 - a. “2.04 Diversion Performance Extension Options. An additional five (5) year extension (through June 30, 2039) is available upon CONTRACTOR request, and such request shall be given special consideration by CITY if CONTRACTOR meets the requirements of Section 5.12 (Diversion Performance Incentive), provided that Term extension has been executed as described in Section 2.02. Such additional extension for diversion performance should be requested by CONTRACTOR on or before June 30, 2032. CITY shall accept or deny the request in writing no later than December 31, 2032. However, under no circumstances will CITY be obligated to extend the Term. If the Term is extended, the compensation provisions of Article 4 shall not be subject to negotiation. However, the compensation payable to CONTRACTOR shall be adjusted annually throughout the extended Term as provided in Article 4.”
6. Except as expressly modified by this First Amendment, all terms and conditions of the Agreement shall remain unchanged and in full force and effect. Capitalized terms used but not defined herein shall have the meanings given to them in the Agreement. All references in this First Amendment to Articles, Sections and Exhibits refer to articles, sections and exhibits of the Agreement.

[Signatures on Next Page]

IN WITNESS WHEREOF, the duly authorized representatives of the parties have executed this First Amendment to the Solid Waste Collection Services Agreement as of the date first written above.

City of Piedmont

Richmond Sanitary Service, Inc.

By:_____

By:_____

ATTEST:

Anna Brown, City Clerk

APPROVED AS TO FORM

Deepa Sharma, City Attorney