



# CITY OF COMMERCE AGENDA REPORT

**TO:** Honorable City Council

**FROM:** City Manager

**SUBJECT:** Adoption of Resolution Approving the Establishment of a Temporary Commercial Refuse and Recycling Hauler Ad Hoc Committee and Appointment of Two (2) City Council Member

**MEETING DATE:** May 26, 2026

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## **RECOMMENDATION:**

1. Adopt a resolution approving the Establishment of a Temporary Commercial Refuse and Recycling Hauler Ad Hoc Committee;
2. Appoint two (2) City Council Members to serve on the Committee;

## **BACKGROUND**

On November 1, 2018, the City Council approved semi-exclusive agreements with seven commercial refuse and recycling haulers operating within the City of Commerce for an initial term of five (5) years. In 2023, the City Council approved a First Amendment extending the agreements by an additional two (2) years through October 30, 2025. Most recently, the City Council approved a Second Amendment extending the agreements through October 31, 2027, while implementing additional reporting requirements, SB 1383 compliance provisions, diversion requirements, and franchise fee adjustments.

The current authorized commercial refuse and recycling haulers operating within the City include:

1. Athens/CalMet
2. AAA Rubbish
3. Waste Management
4. Haul Away Rubbish
5. NASA Services
6. Republic Services
7. Universal Waste Systems

These haulers collectively provide refuse and recycling services to hundreds of commercial customers throughout the City under the City's semi-exclusive franchise structure.

As the City continues to navigate evolving state mandates, increasing environmental regulations, operational challenges, and future waste diversion goals, it is important to create a collaborative working group dedicated to evaluating the long-term structure and effectiveness of the City's commercial refuse and recycling system.

## **DISCUSSION**

The proposed Temporary Commercial Refuse and Recycling Hauler Ad Hoc Committee would provide an opportunity for focused collaboration between the City Council, staff, and commercial haulers regarding current and future solid waste operations within the City.

The purpose of the Committee would include, but not be limited to, the following:

- Reviewing the history and evolution of the City's semi-exclusive commercial hauler agreements;
- Evaluating operational efficiencies and service delivery throughout the City;
- Reviewing franchise fee structures and financial impacts;
- Assessing compliance with SB 1383 and other state recycling and diversion mandates;
- Reviewing reporting requirements related to disposal tonnages and diversion programs;
- Exploring opportunities for improved coordination between haulers and the City; and
- Providing recommendations regarding future contract structures, procurement approaches, or policy considerations prior to the expiration of the current agreements in 2027.

The creation of a Temporary Commercial Refuse and Recycling Hauler Ad Hoc Committee would provide the City with a proactive and collaborative approach toward evaluating the effectiveness of its current refuse and recycling system while preparing for future operational and regulatory needs.

The Ad Hoc Committee shall consist of two (2) members of the City Council appointed by a majority vote of the City Council. By appointing two City Council Members to the Committee, the City Council can ensure direct participation and oversight while maintaining efficient collaboration with staff and franchise haulers. The temporary nature of the committee allows flexibility for the City to focus specifically on evaluating the current system and developing recommendations within a defined timeframe.

Furthermore, the Committee would serve as an effective tool for enhancing communication, reviewing current operations, evaluating service delivery, improving operational efficiencies, and providing recommendations regarding future refuse and recycling policies, operational improvements, and agreement structures prior to the expiration of the current agreements in 2027.

## **FISCAL IMPACT**

There is no immediate fiscal impact associated with the establishment of the Temporary Commercial Refuse and Recycling Hauler Ad Hoc Committee.

Prepared by: Natalie Hernandez, Senior Management Analyst  
Respectfully submitted: Ernie Hernandez, City Manager  
Fiscal Impact reviewed by: Alvaro Castellon, Director of Finance  
Approved as to form: Noel Tapia, City Attorney

Attachments: (1) Resolution