



Ordinance Fact Sheet

TO: CITY COUNCIL

DATE: January 29, 2007

FROM: CITY ATTORNEY

SUBJECT: AN UNCODIFIED ORDINANCE OF THE CITY OF PASADENA
GRANTING NON-EXCLUSIVE FRANCHISES FOR SOLID WASTE
COLLECTION TO TWELVE (12) APPLICANTS.

TITLE OF PROPOSED ORDINANCE:

AN UNCODIFIED ORDINANCE OF THE CITY OF PASADENA GRANTING NON-EXCLUSIVE FRANCHISES FOR SOLID WASTE COLLECTION TO TWELVE (12) APPLICANTS.

PURPOSE OF ORDINANCE:

On December 11, 2006, the City Council held a public hearing on each of the twelve (12) applications for non-exclusive solid waste franchises. All of the twelve applications were subsequently approved by the City Council which directed the City Attorney and staff to prepare the necessary ordinance and authorized the City Manager to enter into the franchise agreements. Two of the twelve applications were granted conditionally.

Each franchise is for a first period of eighteen months, with up to four additional renewal terms of one year each at the option of the City Manager. Each franchise is to commence according to written franchise agreements and if the franchisee otherwise meets all of the requirements for conducting this business in the City of Pasadena. The franchise agreements currently provide that any Franchisee not meeting the 50% annual recycling diversion rate as measured from the effective date of the franchise agreement shall be subject to termination or suspension. New language will be added to require demonstration of compliance with regional and state vehicle emission standards and to allow termination, suspension or non-renewal for non-compliance.

The following applicants were approved:

1. Arrow Disposal Service, Inc.
2. Franks Disposal Company

52679

1/16/2007

MEETING OF 01/29/2007

AGENDA ITEM NO. 9.A.1.

3. Heritage Disposal, Inc.
4. Looney Bins, Inc.
5. Metropolis Disposal
6. Waste and Recycling Services, Inc.
7. Western Tear-off and Disposal, Inc.
8. Complete Service, Inc.
9. Diversion Solutions, Inc. dba General Waste Disposal
10. J & L Hauling & Disposal, Inc.

The following applicants were approved conditionally:

1. Patriot Services, Inc.
2. Federal Disposal Service

The additional conditions on these applicants are as follows:

- A. Franchisee must submit and maintain a deposit of either \$10,000 or an amount equal to average of 3 months worth of franchise fees as the Director of Public Works may determine, whichever amount is higher, to the City to secure any owed fees. The deposit must be submitted within seven days from the date the franchise agreement is granted and must be replenished within ten (10) days from any draw by the City. The City may draw upon the deposit on five (5) days written notice, and the deposit will be retained by the City until the franchise is terminated.
- B. If franchisee is late more than three times within the contract year with tonnage reporting or payment, the franchise may be suspended upon written notice by the Director of Public Works.

REASONS WHY LEGISLATION IS NEEDED:

The Charter of the City of Pasadena, Article XI, Section 1104 specifies that the method and procedure for granting a franchise shall be by ordinance.

ENVIRONMENTAL IMPACTS


The Environmental Administrator has determined that the proposed ordinance is exempt from the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15061(b)(3), which states the following: "[t]he activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA."

Respectfully submitted,


Michele Beal Bagneris
City Attorney

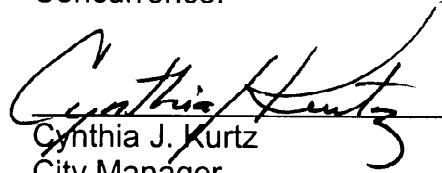
Prepared by:

1117106



Nicholas George Rodriguez
Assistant City Attorney

Concurrence:



Cynthia J. Kurtz
City Manager

ORDINANCE NO. _____

AN UNCODIFIED ORDINANCE OF THE CITY OF PASADENA GRANTING
NON-EXCLUSIVE FRANCHISES FOR SOLID WASTE COLLECTION TO 12
APPLICANTS.

The People of the City of Pasadena ordain as follows:

WHEREAS, on November 6, 2006, the City Council of the City of Pasadena considered 12 applications for a non-exclusive solid waste collection franchise and adopted Resolution No. 8665, after determining that said applications comply with Chapter 8.61 of the Pasadena Municipal Code; and

WHEREAS, said Resolution was duly published on November 16, 2006, and;

WHEREAS, a duly-noticed public hearing pursuant to said Resolution was held on December 11, 2006 for the applications; and

WHEREAS, after reviewing each application, and after public hearing, it was determined that each of the 12 applications complies with Chapter 8.61 of the Pasadena Municipal Code and each applicant has agreed to comply with all provisions of this Chapter, including but without limitation, required recycling diversion rates, and;

WHEREAS, due to performance issues, additional conditions were imposed on two of the 12 applicants: Patriot Services, Inc. and Federal Disposal Service.

NOW THEREFORE, the People of the City of Pasadena ordain as follows:

SECTION 1. Pursuant to Chapter 8.61 of the Pasadena Municipal Code, a separate non-exclusive solid waste collection franchise is hereby granted to each of the following applicants, listed by name and business address, according to the terms and conditions set forth in the text of this ordinance and to the terms and conditions of a separate franchise agreement to be executed by each franchisee.

Each grant of franchise is based on the certifications of that franchisee that it shall comply with all of the provisions of Chapter 8.61 of the Pasadena Municipal Code, including, but without limitation the provisions of Section 8.61.175, which establish a contract requirement of minimum recycling diversion rates which must be met by each franchisee and liquidated damages for each franchisee for failing to meet those rates. Each franchise shall be for a first period of 18 months, commencing as of January 1, 2007, if a written franchise agreement has been fully executed by the franchisee and all other requirements of Chapter 8.61 of the Pasadena Municipal Code have been met by that franchisee. Each franchise may be extended for up to four additional renewal terms at the option of the City Manager and according to the provisions of Section 8.61.120 of the Pasadena Municipal Code, with each renewal term being a term of one year.

SECTION 2. Pursuant to Chapter 8.61 of the Pasadena Municipal Code, a separate, non-exclusive, solid waste collection franchise is granted to each of the following applicants:

1. Arrow Disposal Service, Inc.
14330 East Valley Blvd
La Puente, CA 91746
2. Complete Service, Inc.
14408 East Whittier Blvd., Suite B-6
Whittier, CA 90605
3. Diversion Solutions, Inc. dba General Waste Disposal
11329 Thienes Avenue
South El Monte, CA 91733
4. Franks Disposal Company
10128 McBroom Street
Sunland, CA 91040

5. Heritage Disposal, Inc.
704 South Date Avenue
Alhambra, CA 91803
6. J & L Hauling & Disposal, Inc.
5416 Mildred Street
Simi Valley, CA 93063
7. Looney Bins, Inc.
12153 Montague Street
Pacoima, CA 91331
8. Metropolis Disposal
7740 Burnet Avenue
Van Nuys, CA 91405
9. Waste and Recycling Services, Inc.
13714 Chestnut Street
Whittier, CA 90605
10. Western Tear-off and Disposal, Inc. dba Western Waste Services
10920 Grand Avenue
Temple City, CA 91780

SECTION 3. Pursuant to Chapter 8.61 of the Pasadena Municipal Code, a separate, non-exclusive, solid waste collector franchise is granted conditionally to each of the following applicants:

1. Federal Disposal Service
15031 Parkway Loop Avenue, Suite-A
Tustin, CA 92780
2. Patriot Services, Inc.
527 North 2nd Street
Montebello, CA 90640

Each grant of franchise is based on the certifications of that franchisee that it shall comply with all of the provisions of Chapter 8.61 of the Pasadena Municipal Code, including, but without limitation the provisions of Section 8.61.175, which establish a contract requirement of minimum recycling diversion rates which must be met by each

franchisee and liquidated damages for each franchisee for failing to meet those rates. Each franchise shall be for a first period of 18 months, commencing as of January 1, 2007, if a written franchise agreement has been fully executed by the franchisee and all other requirements of Chapter 8.61 of the Pasadena Municipal Code have been met by that franchisee. Each franchise may be extended for up to four additional renewal terms at the option of the City Manager and according to the provisions of Section 8.61.120 of the Pasadena Municipal Code, with each renewal term being a term of one year.

The additional conditions imposed upon the grant of franchise are as follows:

A. Franchisee must submit and maintain a deposit of either \$10,000 or an amount equal to average of 3 months worth of franchise fees as the Director of Public Works may determine, whichever amount is higher, to the City to secure any owed fees. The deposit must be submitted within seven days from the date the franchise agreement is granted and must be replenished within ten (10) days from any draw by the City. The City may draw upon the deposit on five (5) days written notice, and the deposit will be retained by the City until the franchise is terminated.

B. If franchisee is late more than three times within the contract year with tonnage reporting or payment, the franchise may be suspended upon written notice by the Director of Public Works.

SECTION 5. The city clerk shall certify the adoption of this ordinance and shall cause this ordinance to be published in full text.

SECTION 6. This ordinance shall take effect upon the expiration of thirty days after its publication.

Signed and approved this ____ day of _____, 2007.

Bill Bogaard
Mayor of the City of Pasadena

I HEREBY CERTIFY that the foregoing ordinance was adopted by the City Council of the City of Pasadena at its meeting held

By the following vote:

AYES:

NOES:

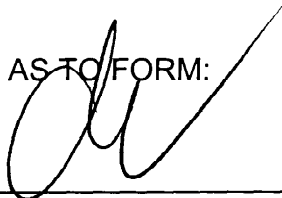
ABSENT:

ABSTAIN:

PUBLISHED:

Jane L. Rodriguez, CMC
City Clerk

APPROVED AS TO FORM:



1/9/07

Nicholas George Rodriguez
Assistant City Attorney