

Ordinance Fact Sheet

TO: CITY COUNCIL

DATE: August 13, 2007

FROM: CITY ATTORNEY

SUBJECT: AN ORDINANCE OF THE CITY OF PASADENA ADDING A NEW SECTION TO CHAPTER 8.61 OF THE PASADENA MUNICIPAL CODE, SOLID WASTE COLLECTION FRANCHISE SYSTEM, TO CLOSE THE SYSTEM TO NEW APPLICATIONS

TITLE OF PROPOSED ORDINANCE:

AN ORDINANCE OF THE CITY OF PASADENA ADDING A NEW SECTION TO CHAPTER 8.61 OF THE PASADENA MUNICIPAL CODE, SOLID WASTE COLLECTION FRANCHISE SYSTEM, TO CLOSE THE SYSTEM TO NEW APPLICATIONS

BACKGROUND:

The City Council directed preparation of this ordinance at its regular meeting of August 6, 2007.

On November 3, 1992, the City Council adopted the Solid Waste Collection Franchise System ("System"). The System provides standards and procedures for the granting of non-exclusive franchises for solid waste collection and the generation of revenue for the preparation and implementation of an integrated waste management plan and the repair and maintenance of the City's infrastructure due to operation of heavy-duty collection vehicles.

The current System grants non-exclusive franchises that permit the haulers to collect, transport, dispose of, and/or recycle solid waste accumulated or produced by City businesses and multiple-family residential units containing four or more units. All multiple-family residential units containing four or fewer units are handled exclusively by the City. Franchisees are required to pay 16 percent of gross monthly receipts, and to make specified reporting of collection, disposal, waste reduction, and recycling activities. On November 18, 2002, the City Council added recycling requirements for the collection of solid waste. Since that time, it has become apparent that the System should be further updated.

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MEETING OF 08/13/2007

AGENDA ITEM NO. 9.A.1.

The attached Ordinance is the first step in updating the System and will close it to new solid waste franchises until further action of Council. The attached Ordinance will allow renewals, and specifies that "a franchisee with the city as of August 6, 2007," will be able to apply for a grant of franchise renewal. The renewal application process will be the same process followed currently for new applications, with a full review of the franchisee, a hearing, consideration of the renewal request by Council and a grant of franchise by ordinance, as the City Charter requires. Those eligible for renewal are limited to, "any person approved by the City Council for a franchise on or prior to August 6, 2007." The following are not eligible for renewal: franchises which have lapsed prior to August 6, 2007, or franchises which have been terminated or non-renewed for non-compliance or applicants for new franchises which were pending as of August 6, 2007, but had not been granted by City Council.


CALIFORNIA ENVIRONMENTAL QUALITY ACT:

Under the State Guidelines for the implementation of the California Environmental Quality Act (CEQA), the non-exclusive franchise system ordinance, and this modification thereto, is categorically exempt. A Notice of Exemption was filed with the Los Angeles County Clerk in conjunction with the passage of the non-exclusive franchise system ordinance.

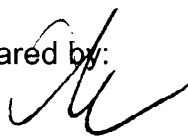
FISCAL IMPACT:

Imposing a moratorium on new franchise applications will not result in the loss of revenue; rather, it will allow staff to have more time to enforce franchise regulations and to more closely pursue illegal operations. With a reduction in illegal hauler operations, the customer base for the legal haulers will increase, thus resulting in an increase in revenue for the City.

Respectfully submitted,


Michele Beal Bagneris
City Attorney

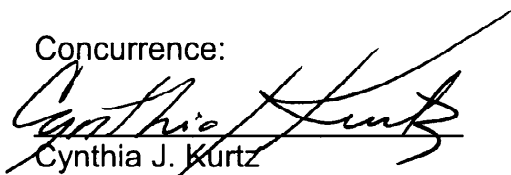
Prepared by:



8/8/07

Nicholas George Rodriguez
Assistant City Attorney

Concurrence:



Cynthia J. Kurtz
City Manager

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August 8, 2007

Introduced by:

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF PASADENA ADDING A NEW SECTION TO CHAPTER 8.61 OF THE PASADENA MUNICIPAL CODE, SOLID WASTE COLLECTION FRANCHISE SYSTEM, TO CLOSE THE SYSTEM TO NEW APPLICATIONS

The People of the City of Pasadena ordain as follows:

WHEREAS, the City of Pasadena has operated a non-exclusive solid waste franchise system open to all solid waste haulers, (hereinafter, "haulers") who meet the stated qualifications;

WHEREAS, there are presently in excess of thirty (30) haulers with non-exclusive solid waste franchises operating in the City of Pasadena;

WHEREAS, the addition of new haulers is not likely to improve service or to increase competition in a manner that benefits Pasadena residents or businesses;

WHEREAS, the addition of new haulers will cause further air pollution, road damage, noise pollution and congestion (hereinafter collectively referred to as "adverse impacts");

THEREFORE, the City Council finds and determines that it is in the interests of the public health, safety and welfare of the residents and businesses of the City to close the solid waste franchise system to new haulers, pending study by City staff of the adverse impacts in relation to the goals of an open franchise system and until future determination by City Council that the public health, safety and welfare is best served by otherwise modifying the non-exclusive solid waste franchise system.

SECTION 1. A new Section 8.61.055 is added to the Pasadena Municipal Code to read as follows:

“8.61.55. No new applications for a non-exclusive franchise; renewal of existing franchises.

As of August 6, 2007, and until such future date as the city council may determine, the city shall neither accept nor process new applications for franchises, and the city council shall grant no new franchises. Any franchisee with the city as of August 6, 2007 may apply for the grant of franchise renewal by following the procedures set forth in section 8.61.070, on a renewal form to be provided by the director. For the purposes of this section, ‘a franchisee with the city as of August 6, 2007,’ shall mean the following: Any person approved by the city council for a franchise on or prior to August 6, 2007, but it shall not include the following: franchises which have lapsed prior to August 6, 2007; franchises which have been terminated or not-renewed for non compliance with any provision of this chapter at any time, or applicants for new franchises which were pending as of August 6, 2007, but had not been granted by city council on or prior to that date. Franchise renewals shall be subject to the terms,

conditions, rules, regulations, restrictions and limitations of chapter 8.61 of this code, and such other terms and conditions as city council deems necessary to protect the public health, safety or welfare.”

SECTION 2. The City Clerk shall certify the adoption of this ordinance and shall cause this ordinance to be published in full text.

SECTION 3. This ordinance shall take effect upon 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 the _____ day of _____, 2007, by the following vote:

AYES:

NOES:


ABSENT:

ABSTAIN:

PUBLISHED:

Jane L. Rodriguez, CMC
City Clerk

APPROVED AS TO FORM:

 8/8/07

Nicholas George Rodriguez
Assistant City Attorney