

Agenda Report

TO: CITY COUNCIL

DATE: June 11, 2007

FROM: CITY MANAGER

SUBJECT: PUBLIC HEARING TO CONSIDER GRANTING NON-EXCLUSIVE SOLID WASTE FRANCHISES

RECOMMENDATION:

It is recommended that City Council:

1. Hold a public hearing to consider granting non-exclusive solid waste franchises;
2. After closure of the public hearing, grant a franchise to all applicants consistent with the solid waste collection franchise ordinance for a 12-month franchise term; and
3. Direct the City Attorney to prepare the necessary ordinances for the approved applications and authorize the City Manager to enter into the franchise agreements on or after the effective date of the ordinance approving such franchise.

BACKGROUND:

On April 30, 2007, the City Council adopted a resolution declaring its intention to consider the granting of these non-exclusive franchises and set a public hearing date for June 11, 2007.

On November 3, 1992, the City Council adopted the Solid Waste Collection Franchise System Ordinance. The purpose of that ordinance was to provide standards and procedures for the granting of non-exclusive franchises for solid waste collection at commercial, industrial and multi-family residential accounts.

The franchise is a non-exclusive franchise, permitting the hauler to collect, transport, dispose and/or recycle solid waste kept, accumulated, or produced in the City. The terms and conditions are the payment of a franchise fee based upon 16 percent of gross monthly receipts, conformance with generally accepted accounting principles for all accounts and revenue arising out of the operations, and specified reporting of collection, disposal, waste reduction, and recycling activities.

The following proposed franchisees have completed applications and comply with the provisions as set forth in the ordinance. All of these applications provide the information as set forth in the non-exclusive Solid Waste Franchise System, section of the City Ordinance, 8.61.080.

The proposed franchisees include the following:

Name of Hauler	Location
California Waste Services, LLC	Gardena, California
Qualls & Sons, Inc	Alta Loma, California
North Hills Recycling, Inc.	Granada Hills, California
The 5C's Trucking, Inc.	Pasadena, California

All four applicants are new and therefore have no prior history of performance with the City.

Copies of the franchise applications are attached as Attachment A. The applications have been reviewed by staff to be accurate and complete. Each approved franchise shall be subject to the terms and conditions specified in the City Charter, in the non-exclusive franchise system ordinance, in the ordinances and resolutions granting the franchise, and in all other applicable federal, state, and local laws and regulations.

Franchises shall be awarded for 12 months and may thereafter be renewed for 4 additional renewal terms of 12 months each, at the discretion of the City Manager. The renewal will be based upon performance such as meeting the diversion requirement, and timely submission of all reports and payments.

Under the State Guidelines for the implementation of the California Environmental Quality Act (CEQA), the non-exclusive franchise system ordinance 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:

The City will receive a fee of 16 percent of gross customer receipts generated by each of the franchisees. The amount of revenue the City will receive from the franchise holder is based upon the number of customers and level of service they provide and cannot be determined at this time. Franchisees are required to submit monthly revenue and fee reports to the City. Franchisees are subject to, and the City performs, random audits annually to insure that the information provided to the City is accurate.

Respectfully submitted,



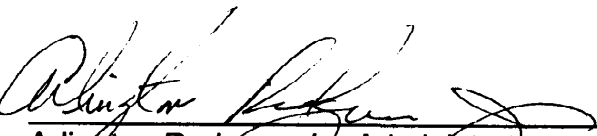
CYNTHIA J. KURTZ
City Manager

Prepared by:



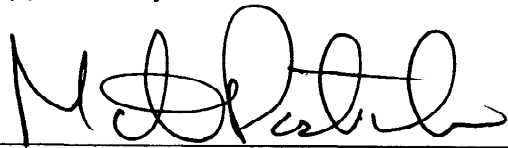
Carmen Rubio, Program Coordinator
Street Maintenance & Integrated Waste Management

Reviewed by:



Arlington Rodgers, Jr., Administrator
Street Maintenance & Integrated Waste Management

Approved by:



Martin Pastucha, Director of Public Works

ATTACHMENT A: Applications

ATTACHMENT A



PASADENA PUBLIC WORKS
 Street Maintenance & Integrated Waste Management
 www.ci.pasadena.ca.us/publicworks
 626-744-7162
 626-396-7774 Fax

Mail: City of Pasadena
 Department of Public Works/SMIWM
 P.O. Box 7115
 Pasadena, CA 91109-9866

Application For

NON-EXCLUSIVE SOLID WASTE COLLECTION FRANCHISE

FRANCHISEE INFORMATION

Company Name: CALIFORNIA WASTE SERVICES LLC
 Address: 621 W. 152nd ST.
 City: GARDENA State: CA. Zip: 90247
 Mailing Address (if different from above): SAME
 City: _____ State: _____ Zip: _____
 Phone #: 310-538-5998 Fax # 310-538-9040 E-mail: ERIC@CALIFORNIAWASTESERVICES.COM
 Business License Number: PENDING Expiration Date: PENDING
 Contact/Preparer's Name, Title (print): STEVE HOLLIDAY - C.F.O.

FRANCHISE VEHICLES

Please list all vehicles, including license plate numbers and vehicle identification numbers to be used in connection with this franchise. Use additional sheets of paper, if needed.

Vehicle Make & Model	License Plate Number	Vehicle Identification Number
2000 MACK CH	6K05213	1M2AA13C31W137084
2000 MACK CH	6Y59814	1M2AA13CX1W139303

Have you conducted trash or recycling collection in the City of Pasadena in the past, either under your current franchise name or a different business name?

Yes: _____ Date: _____ Business Name: _____ No: X

CERTIFICATION

I declare under penalty of perjury under the laws of the State of California that the information contained in this application is true and correct.

ERIC CASPER PRESIDENT
 Owner/President Name and Title (print)

ERIC CASPER 3-28-07
 Owner/President Signature Date

→ OFFICE USE ONLY ←

Application Processing Fee Received on 3-29-07 Date application received: 3-29-07
 Received by: Carmen Rubio Date approved: _____ Date denied: _____
 Effective Date: _____ Term of Franchise: _____



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RECYCLING PLAN for NON-EXCLUSIVE SOLID WASTE COLLECTION FRANCHISE

Company's Profile:

- Company Name: CALIFORNIA WASTE SERVICES LLC
- Number of trash trucks used in Pasadena: N/A
- Number of recycling trucks used in Pasadena: 2

Strategy for Residential, Multi-Family, Commercial and Industrial Accounts:

- Do you currently provide separate recycling containers for your customers?
 Yes ✓ No
- Do you provide Roll-off Service to your customers?
✓ Yes No
- Do you provide Construction and Demolition (C&D) collection?
✓ Yes No
- Do you currently transport your Pasadena waste to a Materials Recovery Facility (MRF)? ✓ Yes No
- How much of your Pasadena Waste do you transport to a Materials Recovery Facility (MRF) Part ✓ All
- Do you mail your customers Recycling Literature every six months?
 Yes ✓ No CWS PROVIDES ONLY TEMPORARY SERVICE.
- Do you collect hazardous waste, electronic waste or "Universal Waste"?
 Yes ✓ No. Where do you take the material?
NOT KNOWINGLY.



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Application For

NON-EXCLUSIVE SOLID WASTE COLLECTION FRANCHISE

FRANCHISEE INFORMATION

Company Name: QUALLS & SONS, INC
 Address: 9624 HIGHLAND AVE
 City: Alta Loma State: CA Zip: 91737
 Mailing Address (if different from above): _____
 City: _____ State: _____ Zip: _____
 Phone #: 9094834518 Fax #: (714)562-2017 E-mail: DWAYNE@EARTHLINK.NET
 Business License Number: _____ Expiration Date: _____
 Contact/Preparer's Name, Title (print): DWAYNE QUALLS - DIRECTOR

FRANCHISE VEHICLES

Please list all vehicles, including license plate numbers and vehicle identification numbers to be used in connection with this franchise. Use additional sheets of paper, if needed.

Vehicle Make & Model	License Plate Number	Vehicle Identification Number
1992 FREIGHTLINER CONV	SK74699	1FUY3LYB5NH498733
1993 FREIGHTLINER CONV	7219504	1FDYDCEBOPH476625

Have you conducted trash or recycling collection in the City of Pasadena in the past, either under your current franchise name or a different business name? Yes _____ Business Name _____ No

CERTIFICATION

I declare under penalty of perjury under the laws of the State of California that the information contained in this application is true and correct.

Roby LEE QUALLS
 Owner/President Name and Title (print)
Roby Lee Qualls 2/9/07
 Owner/President Signature Date

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Application Processing Fee Received on 2/26/07 Date application received: 2/26/07
 Received by: Carmen Rubio Date approved: _____ Date denied: _____
 Effective Date: _____ Term of Franchise: _____





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**RECYCLING PLAN for
 NON-EXCLUSIVE SOLID WASTE COLLECTION FRANCHISE**

Company's Profile:

- Company Name: Qualls & Sons, Inc
- Number of trash trucks used in Pasadena: 2
- Number of recycling trucks used in Pasadena: 2

Strategy for Residential, Multi-Family, Commercial and Industrial Accounts:

- Do you currently provide separate recycling containers for your customers?
 Yes No
- Do you provide Roll-off Service to your customers?
 Yes No
- Do you provide Construction and Demolition (C&D) collection?
 Yes No
- Do you currently transport your Pasadena waste to a Materials Recovery Facility (MRF)? Yes No
- How much of your Pasadena Waste do you transport to a Materials Recovery Facility (MRF) Part All
- Do you mail your customers Recycling Literature every six months?
 Yes No
- Do you collect hazardous waste, electronic waste or "Universal Waste"?
 Yes No. Where do you take the material? _____



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Application For

NON-EXCLUSIVE SOLID WASTE COLLECTION FRANCHISE

FRANCHISEE INFORMATION

Company Name: North Hills Recycling, Inc.
 Address: 11700 Blucher Ave
 City: Granada Hills State: CA Zip: 91345
 Mailing Address (if different from above): P.O. BOX 66
 City: San Fernando State: CA Zip: 91340
 Phone #: 818-831-7980 Fax #: 818-367-9191 E-mail: rayornelas@aol.com
 Business License Number: Pending granting of franchise Expiration Date: N/A
 Contact/Preparer's Name, Title (print): Ramiro Ornelas

FRANCHISE VEHICLES

Please list all vehicles, including license plate numbers and vehicle identification numbers to be used in connection with this franchise. Use additional sheets of paper, if needed.

Vehicle Make & Model	License Plate Number	Vehicle Identification Number
Volvo	9D52845	4V4MC9UGG1N305824
Volvo	6N11059	1WUDDHMD7HN115039
Volvo	8E69927	4VG7DAGF2XN762284

Have you conducted trash or recycling collection in the City of Pasadena in the past, either under your current franchise name or a different business name? No.

Yes: NA Date: N/A Business Name: N/A No: _____

CERTIFICATION

I declare under penalty of perjury under the laws of the State of California that the information contained in this application is true and correct.

Ramiro Ornelas, President
 Owner/President Name and Title (print)

[Signature]
 Owner/President Signature

4-09-07
 Date

→ OFFICE USE ONLY ←

Application Processing Fee Received on 4-9-07 Date application received: 4-9-07
 Received by: Carmen Rubio Date approved: _____ Date denied: _____
 Effective Date: _____ Term of Franchise: _____



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RECYCLING PLAN for NON-EXCLUSIVE SOLID WASTE COLLECTION FRANCHISE

Company's Profile:

- Company Name: North Hills Recycling, Inc.
- Number of trash trucks used in Pasadena: _____
- Number of recycling trucks used in Pasadena: Plan to use 3 Roll-Offs
North Hills Recycling, Inc. does not currently operate in Pasadena. The 3 trucks will used primarily for recycling but may also be used for waste collection.

Strategy for Residential, Multi-Family, Commercial and Industrial Accounts:

- Do you currently provide separate recycling containers for your customers?
 X Yes _____ No - *Will offer Roll-Off Containers for green material, wood, C&D materials, waste..*
- Do you provide Roll-off Service to your customers?
 X Yes _____ No
- Do you provide Construction and Demolition (C&D) collection?
 X Yes _____ No
- Do you currently transport your Pasadena waste to a Materials Recovery Facility (MRF)? X Yes _____ No - *Will use MRF as necessary.*
- How much of your Pasadena Waste do you transport to a Materials Recovery Facility (MRF) _____ Part ✓ All -*Company does not operate in Pasadena yet.*
- Do you mail your customers Recycling Literature every six months?
 ✓ Yes _____ No - *Company will comply with this requirement.*
- Do you collect hazardous waste, electronic waste or "Universal Waste"?
 _____ Yes X No. Where do you take the material? _____



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Application For

NON-EXCLUSIVE SOLID WASTE COLLECTION FRANCHISE

FRANCHISEE INFORMATION

Company Name: The 5C's Trucking, Inc.
 Address: 281 E. Howard St.
 City: Pasadena State: CA Zip: 91104
 Mailing Address (if different from above): _____
 City: _____ State: _____ Zip: _____
 Phone #: 626 644-8569 Fax # 626 296-3451 E-mail: _____
 Business License Number: 11439163 Expiration Date: 04-30-07
 Contact/Preparer's Name, Title (print): Cynthia Scoby President

FRANCHISE VEHICLES

Please list all vehicles, including license plate numbers and vehicle identification numbers to be used in connection with this franchise. Use additional sheets of paper, if needed.

Vehicle Make & Model	License Plate Number	Vehicle Identification Number
Peterbilt 1992	8D29036	1XP9D29X1CP148613
Westernstar 1995	7W92295	2WKPDC85K938658

Have you conducted trash or recycling collection in the City of Pasadena in the past, either under your current franchise name or a different business name? Yes _____ Business Name _____ No

CERTIFICATION

I declare under penalty of perjury under the laws of the State of California that the information contained in this application is true and correct.

Cynthia Scoby President
 Owner/President Name and Title (print)
Cynthia Scoby 02-20-07
 Owner/President Signature Date

➔ OFFICE USE ONLY ➔

Application Processing Fee Received on 2-20-07 Date application received: 2-20-07
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 Effective Date: _____ Term of Franchise: _____



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RECYCLING PLAN for NON-EXCLUSIVE SOLID WASTE COLLECTION FRANCHISE

Company's Profile:

- Company Name: The 5C's Trucking, Inc.
- Number of trash trucks used in Pasadena: _____
- Number of recycling trucks used in Pasadena: 40

Strategy for Residential, Multi-Family, Commercial and Industrial Accounts:

- Do you currently provide separate recycling containers for your customers?
 Yes No
- Do you provide Roll-off Service to your customers?
 Yes No
- Do you provide Construction and Demolition (C&D) collection?
 Yes No
- Do you currently transport your Pasadena waste to a Materials Recovery Facility (MRF)? Yes No
- How much of your Pasadena Waste do you transport to a Materials Recovery Facility (MRF) Part All
- Do you mail your customers Recycling Literature every six months?
 Yes No

received
2-20-07 HIF