

Agenda Report

TO: CITY COUNCIL

Date: March 15, 1999

FROM: CITY MANAGER

SUBJECT: PRESENTATION OF APPLICATIONS AND ADOPTION OF RESOLUTION FOR GRANTING NON-EXCLUSIVE SOLID WASTE FRANCHISES

RECOMMENDATION

It is recommended that the City Council:

1. Adopt a resolution declaring its intention to consider the granting of non-exclusive franchises for completed applications, and
2. Set a public hearing for April 26 at 8:00 p.m. to consider granting these franchises, and
3. Direct the City Clerk to publish the resolution at least once in a newspaper of general circulation in the City not less than ten days prior to the date set for the hearing.

BACKGROUND

On November 3, 1992, the City Council adopted the Solid Waste Collection Franchise System. The purpose of that ordinance was to provide standards and procedures for the granting of non-exclusive franchises for solid waste collection and to generate revenue for the preparation and implementation of an integrated waste management plan and for other municipal purposes. This ordinance provides that "[a]ny person who intends to operate as a franchisee shall apply to the city by paying an application processing fee, in an amount set by a resolution of the board of directors, and by filing with the director, upon forms supplied by the city, a verified application..."

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 11% of gross monthly receipts, indemnification of the City, proof that books and accounts are kept in a manner which conforms to generally accepted accounting principles, and specified reporting of collection, disposal, waste reduction, and recycling activities.

To date 48 applications have been received by the city and 48 meet the application requirements as set forth in the non-exclusive Solid Waste Franchise System, Section 8.61.080.

The potential franchisees are:

- 1) AAA Rubbish, Inc.
- 2) Active Disposal & Recycling
- 3) Allan Company
- 4) Allwaste Industries
- 5) Alta Rubbish Hauling
- 6) American Reclamation
- 7) American Waste Industries
- 8) D. Angelus Disposal
- 9) Art's Disposal Service, Inc.
- 10) Athens Services
- 11) Atlas Disposal
- 12) BFI Waste Systems of North America, Inc.
- 13) City Rent A Bin
- 14) Consolidated Disposal Service, L.L.C.
- 15) Crown Disposal Company, Inc.
- 16) Flores Recycling
- 17) Full Circle Recycling Company
- 18) G & G Roll Off Services, Inc.
- 19) General Waste Disposal, Inc.
- 20) G. I. Rubbish Company
- 21) Goodwill Disposal Company, Inc.
- 22) Haul-Away-Rubbish Service Company, Inc.
- 23) HMD Waste Company
- 24) Klistoff & Sons Disposal, Inc.
- 25) Larey Rubbish Pickup Service, Inc.
- 26) Jos. Levin & Sons
- 27) Lou's Disposal Company, dba Excell Waste Service & Recycling
- 28) Master Disposal Company, Inc.
- 29) Metropolitan Waste Disposal
- 30) Modern Service Company
- 31) Murk Brothers Disposal Company
- 32) Nasa Disposal Service, Inc.
- 33) Naz Rubbish Disposal Company
- 34) Newco Waste Systems, Inc.
- 35) Norcal Waste Systems, Inc. dba J.J.V. Disposal
- 36) Nu-Way Roll-Off Service
- 37) Pacific Coast Waste, Inc.
- 38) Randy's Roll-Off Service
- 39) S & P Rubbish, Inc.
- 40) Shubin Services, Inc., dba Federal Disposal Service
- 41) Solomon Transport Service, Inc.
- 42) Southern California Environmental, Inc.
- 43) Southland Disposal Company
- 44) SWRD, Inc., dba Solid Waste Recycling and Disposal
- 45) Universal Waste Systems, Inc.
- 46) Valley Vista Services, Inc.
- 47) Ware Disposal Company, Inc.
- 48) Waste Management of San Gabriel/Pomona Valley

All of the original applications are on file in the Street Maintenance and Integrated Waste Management office and have been certified by staff to be accurate. 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

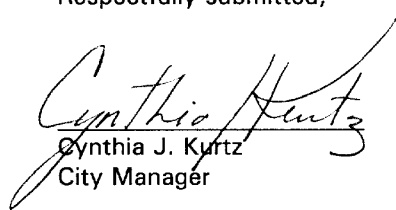
other applicable federal, state, and local laws and regulations. The term of this franchise shall be for five (5) years beginning on the effective date of the ordinance approving each application, as specified in the franchise system ordinance. There shall be no renewal of a non-exclusive franchise, but, at any time within six months prior to its expiration date, a franchisee may submit a new application for a new non-exclusive franchise.

A public hearing shall be held on April 26 at City Hall in the City Council Chambers at 8:00 p.m. or as soon thereafter as each of the matters may be heard. At the hearings, all persons desiring, will be heard in favor of or in opposition to the granting of a non-exclusive franchise to the applicant.

FISCAL IMPACT

For every franchise approved, the City will receive a percentage of gross receipts collected by each of the franchisees. It is estimated that \$650,000 in revenue will be generated during a full year, with 50% or \$325,000 appropriated to the General Fund and 50% or \$325,000 appropriated to the Solid Waste Enterprise Fund.

Respectfully submitted,



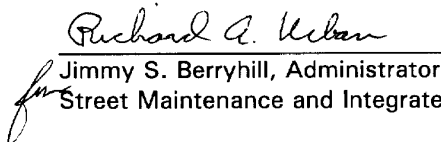
Cynthia J. Kurtz
City Manager

Prepared by:



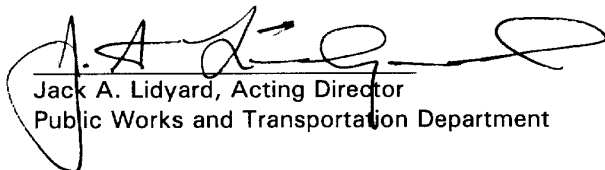
Sheri Stevenson
Management Analyst III
Street Maintenance and Integrated Waste Management Division

Reviewed by:



Jimmy S. Berryhill, Administrator
Street Maintenance and Integrated Waste Management Division

Approved by:



Jack A. Lidyard, Acting Director
Public Works and Transportation Department