



Legislation Details (With Text)

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Title: Hold a public hearing and approve items related to the granting of a Non-Exclusive Franchise for Roll-Off Collection Services

1. HEARING in accordance with Fresno City Charter Section 1301 related to ordinance and adoption of ordinance
2. ***BILL NO. B-31 (Intro. 08/25/2016) (For adoption) of the City of Fresno, which grants to Red Bin Services and JPA Construction Clean-Up Services, Inc., a non-exclusive franchise for roll-off collection services within the City of Fresno
3. Authorize the Director of Public Utilities or designee, to execute an agreement of nonexclusive franchise for roll-off collection services with the City of Fresno.

Sponsors: Department of Public Utilities

Indexes:

Code sections:

Attachments: 1. Attachment A.pdf, 2. ORDINANCE 082516.pdf, 3. Signed CCS Agreement.pdf, 4. Signed Red Bin Services Agreement.pdf

Date	Ver.	Action By	Action	Result
9/1/2016	1	City Council	approved	Pass

REPORT TO THE CITY COUNCIL

September 1, 2016

FROM: THOMAS C. ESQUEDA, Director
Department of Public Utilities

BY: JERRY L. SCHUBER SR., Assistant Director
Department of Public Utilities, Solid Waste Management Division

SUBJECT

Hold a public hearing and approve items related to the granting of a Non-Exclusive Franchise for Roll-Off Collection Services

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franchise for roll-off collection services with the City of Fresno.

RECOMMENDATION

Staff recommends that Council hold a public hearing, adopt the ordinance, and authorize the Director of Public Utilities, or his designee to execute the agreements granting Red Bin Services and JPA Construction Clean-Up Services, Inc., a nonexclusive franchise for roll-off collection services with the City of Fresno.

EXECUTIVE SUMMARY

The City Council approved an ordinance establishing a non-exclusive roll-off collection franchise system for private haulers under City Charter Article XIII, Section 1300 on July 21, 2011. Sixteen (16) companies were approved as franchisees at that time. Since then, seven (7) additional companies have applied and been approved to become franchisees. The most recent application requires City Council approval to Red Bin Services and JPA Construction Clean-Up Services, Inc., as a franchisee.

BACKGROUND

On July 21, 2011, City Council an ordinance establishing a non-excusive roll-off collection franchise system to regulate roll-off hauler collection activities.

The volume of roll-off materials collected is approximately 20-25% of the solid waste stream and highly recyclable, therefore the City has implemented the system to:

- Comply with current and anticipated State regulations related to the diversion of such materials from landfill diversion;
- Implement the goals of the City's AB 939 Plan including the Source Reduction and Recycling Element as adopted by the City Council;
- Support the goals of the City to achieve 75% diversion by 2012 and Zero Waste by 2025, which were adopted by City Council by establishing minimum diversion standards for roll-off materials (50% of C&D materials and 70% of recyclables); and
- Increase the fees received from these companies from the previous material diversion fee of \$17.70 per service location to a 10% franchise fee. In FY 2015, the City anticipates receiving approximately \$613,200 in total annual franchise fees from roll-off haulers.

Roll-Off Hauler Application Process

Haulers may apply to the City to obtain a non-exclusive roll-off franchise. The applicant must describe and/or provide:

- Information about the company
- Qualifications of the company, which must include:
 - Names and addresses (1) officers, directors, and associates; (2) persons and entities having five percent or more of ownership; and (3) Any parent or subsidiary or business entity owning or controlling in whole or in part applicant
 - Description of applicant's experience
 - Municipal references
 - Customer references
 - Proof of insurance
 - Litigation and regulatory history
 - Criminal history
- Operations Information
 - Diversion plan
 - Description of equipment (trucks and containers)

- Collection schedule
- Description of the types of materials to be collected
- Processing facilities collector intends to use
- Hazardous waste procedures
- Customer service plans
- Billing services
- Other information that may be requested by the Director of Department of Public Utilities.

The franchise application has been thoroughly reviewed and vetted by internal City staff who are experts in this area.

Next Steps

Per the City Charter, if the non-exclusive roll-off collection franchises are to be awarded, the City Council must hold a public hearing for this issue, at the conclusion of the public hearing, the City Council will decide whether to award the franchise.

If approved by City Council, the Director of the Public Utilities Department will execute the agreements with the franchisee as listed on Attachment A.

ENVIRONMENTAL FINDINGS

By the definition provided in the California Environmental Quality Act (CEQA) Guidelines Section 15378 this item does not qualify as a “project” for the purposes of CEQA.

LOCAL PREFERENCE

Local preference was not implemented because an ordinance to award a non-exclusive roll-off franchise is not an award of a services or construction contract.

FISCAL IMPACT

In FY 2017, the City anticipates receiving approximately \$649,569 in total annual franchise fees from roll-off haulers.

Attachments:

Attachment “A”

Ordinance

Non-Exclusive Franchise Agreements