



## Legislation Details (With Text)

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**File created:** 11/13/2018    **In control:** City Council

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**Title:** Hold a continued public hearing and approve items related to the granting of a Non-Exclusive Roll-Off Franchise for roll-off collection services (Citywide)

1. CONTINUED HEARING in accordance with Fresno City Charter Section 1301 related to ordinance and adoption of ordinance
2. \*\*\*BILL NO. B-55 (Intro. 10/25/2018) (For adoption) of the City of Fresno, which grants to BinCo., a Non-Exclusive Franchise for Roll-Off Collection Services within the City of Fresno (Subject to Mayor's veto)
3. Authorize the Director of Public Utilities or designee, to execute an Agreement of Non-Exclusive Franchise for Roll-Off Collection Services with the City of Fresno

**Sponsors:** Department of Public Utilities

**Indexes:**

**Code sections:**

**Attachments:** 1. 2018-05-15 Attachment 1-List of Grantees.pdf, 2. NERO Reso (2).pdf, 3. Attachment 3 - Non-Exclusive Franchise Agreement Ezekiel Nazaroff dba. BinCo\_.pdf

Date	Ver.	Action By	Action	Result
12/6/2018	1	City Council	approved	Pass

## REPORT TO THE CITY COUNCIL

**December 6, 2018**

**FROM:** MICHAEL CARBAJAL, Director  
Department of Public Utilities

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

## SUBJECT

Hold a continued public hearing and approve items related to the granting of a Non-Exclusive Roll-Off Franchise for roll-off collection services (Citywide)

1. CONTINUED HEARING in accordance with Fresno City Charter Section 1301 related to ordinance and adoption of ordinance
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3. Authorize the Director of Public Utilities or designee, to execute an Agreement of Non-Exclusive Franchise for Roll-Off Collection Services with the City of Fresno

## RECOMMENDATIONS

Staff recommends that Council hold a public hearing, adopt the ordinance, and authorize the Director of Public Utilities, and/or his designee(s) to execute the Agreements granting Ezekiel Nazaroff dba. BinCo., a Non-Exclusive Roll-Off 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. To date, twenty six (26) companies have applied and been approved to become Franchisees. The most recent applications require City Council approval to be added to the list of Franchisees.

## BACKGROUND

On July 21, 2011, City Council adopted an ordinance establishing a Non-Exclusive Roll-Off Collection Franchise System to regulate roll-off hauler collection activities.

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

1. Comply with current and anticipated State regulations related to the diversion of such materials from landfill diversion;
2. Implement the goals of the City's AB939 Plan including the Source Reduction and Recycling Element as adopted by the City Council;
3. Support the goals of the City to achieve 75 percent diversion by 2012 and Zero Waste by 2025, which were adopted by City Council by establishing minimum diversion standards for roll-off materials (50 percent of C&D materials and 70 percent of recyclables); and
4. Increase the fees received from these companies from the previous material diversion fee of \$17.70 per service location to a 10 percent franchise fee. Over the past 5-year term of the agreement the City of Fresno has received revenues of \$3,018,938 from Non-Exclusive Roll-Off.

### 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:

1. Information about the company
2. Qualifications of the company, which must include:
  - a. 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
  - b. Description of applicant's experience
  - c. Municipal references
  - d. Customer references
  - e. Proof of insurance
  - f. Litigation and regulatory history
  - g. Criminal history
3. Operations Information
  - a. Diversion plan
  - b. Description of equipment (trucks and containers)
  - c. Collection schedule
  - d. Description of the types of materials to be collected
  - e. Processing facilities collector intends to use
  - f. Hazardous waste procedures
  - g. Customer service plans
  - h. Billing services

4. Other information that may be requested by the Director of Department of Public Utilities.

All franchise applications have been thoroughly reviewed and vetted by various 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 Franchisees listed on Attachment 1.

### **ENVIRONMENTAL FINDINGS**

By the definition provided in the California Environmental Quality Act Guidelines Section 15378 this item does not qualify as a "project" and is therefore exempt from the California Environmental Quality Act requirements.

### **LOCAL PREFERENCE**

Local preference was not implemented because a resolution declaring an intention to award a Non-Exclusive Roll-Off Franchise is not an award of a services or construction contract.

### **FISCAL IMPACT**

In FY19, the City anticipates receiving approximately \$784,118 in total annual franchise fees from roll-off haulers.

#### Attachments:

Attachment 1 - List of Grantees

Attachment 2 - Ordinance Granting Non-Exclusive Franchises

Attachment 3 - Non-Exclusive Franchise Agreement - *Ezekiel Nazaroff dba. BinCo.*