



Legislation Details (With Text)

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Title: ***RESOLUTION - Of Intention by the Council of the City of Fresno, California, to grant Valley Dumpster Service LLC, a Non-Exclusive Franchise for Roll-Off collection services within the City of Fresno, and setting the public hearing for August 10, 2023, at 10:00 AM (Citywide). (Subject to Mayor's Veto)

Sponsors: Department of Public Utilities

Indexes:

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Attachments: 1. Attachment 1 - Resolution of Intention.pdf, 2. Attachment 2 - Non-Exclusive Franchise Agreement - Valley Dumpster Service LLC.pdf, 3. Attachment 3 - City of Fresno NERO Application Cover Letter.pdf

Date	Ver.	Action By	Action	Result
5/25/2023	1	City Council	ADOPTED	Pass

REPORT TO THE CITY COUNCIL

FROM: BROCK D. BUCHE, PE, PLS, Director
Department of Public Utilities

BY: AHMAD ALKHAYYAT, PE, MBA, Assistant Director
Department of Public Utilities - Solid Waste Management Division

SUBJECT

***RESOLUTION - Of Intention by the Council of the City of Fresno, California, to grant Valley Dumpster Service LLC, a Non-Exclusive Franchise for Roll-Off collection services within the City of Fresno, and setting the public hearing for August 10, 2023, at 10:00 AM (Citywide). (Subject to Mayor's Veto)

RECOMMENDATION

Staff recommends the City Council approve a resolution declaring its intention to award a Non-Exclusive Roll-Off Franchise to Valley Dumpster Service LLC, in preparation for a public hearing on the matter and final vote to approve the Non-Exclusive Roll-Off Franchise on August 10, 2023.

EXECUTIVE SUMMARY

The City Council approved an ordinance establishing a Non-Exclusive Roll-Off (NERO) collection franchise system for private haulers under City Charter Article XIII, Section 1300 on July 21, 2011. The City accepts new applications from companies for NERO collection service throughout the year

and processes renewals from March 1 through April 30. The most recent application requires City Council approval to be added to the list of franchisees. In order to meet the granted public hearing date and time of August 10, 2023, at 10:00 AM, this item cannot be continued to a later City Council meeting date.

BACKGROUND

On July 21, 2011, the City Council adopted an ordinance establishing a NERO collection franchise system to regulate roll-off hauler collection activities. The Solid Waste Management Division (SWMD) currently oversees 26 NERO franchisees. The City accepts new applications from companies for NERO collection service throughout the year and processes renewals from March 1 through April 30. 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 comply with current and anticipated State regulations related to the diversion of such materials from landfill diversion.

During the NERO application process, the haulers may apply to the City to obtain a NERO franchise. The applicant must describe and provide information, qualifications, type of operations, and other details about the company as requested by the SWMD.

The submitted NERO franchise application has been thoroughly reviewed and recommended for approval by City staff.

Per City Charter, if NERO collection franchises are to be awarded, City Council must perform an introduction and first reading of an ordinance awarding the franchise. A public hearing will be held on August 10, 2023, for this. At the conclusion of the public hearing, City Council will decide whether to award the franchise.

If approved by City Council, the Director of the Department of Public Utilities will execute the agreement with the franchisee, Valley Dumpster Service LLC. The City Attorney has reviewed and approved to form.

ENVIRONMENTAL FINDINGS

By the definition provided in the California Environmental Quality Act (CEQA) guidelines Section 15378 this item does not qualify as a "project" as defined by CEQA.

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 FY24, the City anticipates receiving approximately \$1,180,000 (One Million One Hundred Eighty Thousand Dollars) in total annual franchise fees from roll-off haulers.

Attachments:

Attachment 1 - Resolution of Intention

Attachment 2 - Non-Exclusive Franchise Agreement - Valley Dumpster Service LLC

Attachment 3 - City of Fresno NERO Application Cover Letter