



# City of Pflugerville

## Legislation Details (With Text)

**File #:** ORD-0364    **Version:** 3    **Name:**  
**Type:** Ordinance    **Status:** Mayor's Office  
**File created:** 8/8/2017    **In control:** City Manager Office  
**On agenda:** 9/12/2017    **Final action:** 9/12/2017

**Title:** Approving an ordinance on third reading with the caption reading: AN ORDINANCE OF THE CITY OF PFLUGERVILLE, TEXAS, GRANTING AN EXCLUSIVE FRANCHISE AGREEMENT FOR THE COLLECTION, HAULING, RECYCLING AND DISPOSAL OF MUNICIPAL SOLID WASTE AND RECYCLABLE MATERIALS TO PROGRESSIVE WASTE SOLUTIONS OF TX, INC; PROVIDING THE TERMS AND CONDITIONS OF THE FRANCHISE GRANT; ESTABLISHING A TERM OF THE FRANCHISE; AND PROVIDING AN EFFECTIVE DATE.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Progressive Waste Franchise Ordinance, 2. Exclusive Franchise Agreement - PWS of TX - City of Pflugerville TX (00077258-3)

Date	Ver.	Action By	Action	Result
9/12/2017	3	City Council	Adopted	Pass
8/22/2017	2	City Council	Approved on Second Reading	Pass
8/8/2017	1	City Council	Approved on First Reading	Pass

Approving an ordinance on third reading with the caption reading: AN ORDINANCE OF THE CITY OF PFLUGERVILLE, TEXAS, GRANTING AN EXCLUSIVE FRANCHISE AGREEMENT FOR THE COLLECTION, HAULING, RECYCLING AND DISPOSAL OF MUNICIPAL SOLID WASTE AND RECYCLABLE MATERIALS TO PROGRESSIVE WASTE SOLUTIONS OF TX, INC; PROVIDING THE TERMS AND CONDITIONS OF THE FRANCHISE GRANT; ESTABLISHING A TERM OF THE FRANCHISE; AND PROVIDING AN EFFECTIVE DATE.

On May 9, 2017, city staff was directed to negotiate an extension with the current contractor, Progressive Waste Solutions, for the collection of residential solid waste and recycling services. Staff presented information at that time showing that the City of Pflugerville residents had the lowest garbage/recycling monthly charge for comparable service in central Texas. The level of service provided to our citizens and the City of Pflugerville by Progressive was also described and discussed.

Negotiations have occurred and this item has been prepared to approve the exclusive residential franchise agreement with Progressive with the following details:

1. The cost charged to the city for the monthly service of once a week solid waste collection and every other week recycling collection is decreased from \$15.28 per month to \$15.18 per month.
2. This price cannot be adjusted for the first two years of the agreement - until February 1, 2020.
3. The current agreement included the requirement for a system audit of cart condition. To

encourage continued proactivity in cart replacement, wording has been added to this agreement that requires the contractor to note any carts that should be replaced, replace them, and notify the city monthly of the address of the replaced carts.

4. The bulky item limit per collection of 6 bags/items in addition to the cart was retained in the contract. During negotiations, the number of items did not affect the cost to the city - the difference between collecting one item versus 6 items was not material.
5. The fuel cost adjustment that will be implemented as specified in the parameters of the agreement will adjust up or down.
6. The term of the agreement is for 5 years to January 31, 2023. At that time, the agreement allows one additional three-year extension.
7. Various definitions were changed for consistency throughout the contract.

The City Attorney has reviewed the ordinance and agreement and approved as to form.

The ordinance was approved on first reading on August 8, 2017 and second reading on August 22, 2017.

#### **Deadline for City Council Action**

Action is requested at this time. The current agreement for residential solid waste/recycling expires on January 31, 2018.

#### **Fiscal Impact**

The decrease in the amount charged to the city for the residential solid waste/recycling service will increase the amount of the franchise fee by approximately \$24,000 to a projected fiscal year budgeted amount of \$386,000. The franchise fee is paid to the city by utilities using the city rights-of-way to provide funds to help maintain the transportation network in the city. This revenue is a General Fund revenue shown in the franchise fee category.

#### **Staff Recommendation**

Staff recommends approving the ordinance on third and final reading as presented to allow for the City Manager to execute the agreement effective February 1, 2018. This ordinance is a franchise ordinance and will be read three times.

#### **Drafter**

Lauri Gillam  
Assistant City Manager