



City of Pflugerville

Legislation Text

File #: ORD-0380, Version: 3

Approving an ordinance on third and final reading with the caption reading: AN ORDINANCE OF THE CITY OF PFLUGERVILLE, TEXAS, GRANTING A NON-EXCLUSIVE FRANCHISE TO WASTE MANAGEMENT OF TEXAS, INC. FOR THE COLLECTION OF REFUSE FOR MULTI-FAMILY, COMMERCIAL AND INDUSTRIAL ESTABLISHMENTS; PROVIDING THE TERMS AND CONDITIONS OF THE FRANCHISE GRANT; ESTABLISHING A TERM OF THE FRANCHISE; AND PROVIDING AN EFFECTIVE DATE.

The City of Pflugerville entered into one year franchise agreements for commercial solid waste collection with numerous providers in January of 2017. The terms of these agreements will expire in January 2018 and staff has prepared documents to extend the franchises for five years so the term of these agreements coincide with the term of the residential solid waste contract, approved by Council on September 12, 2017, which is up for renewal in January of 2023. Further, section 3(D) of the attached ordinance provides, "the franchise may be terminated by mutual agreement of the parties at any time or may be terminated upon sixty (60) days notice by either party to the other."

These franchises were developed to compensate the city for the use of the rights-of-way by commercial solid waste collectors and provide a method for the city to monitor companies working within the City of Pflugerville. Insurance and indemnity bond limits are specified and contact information for each company is provided to staff through these agreements. Per Chapter 52, Section 08 of the City's Code of Ordinances (attached), a franchise is required for a provider to provide commercial solid waste collection services within the city.

The franchise fee of 6% of gross revenues is commensurate with that charged by other cities in our area.

The city attorney has reviewed the ordinance.

Prior City Council Action

Waste Management of Texas, Inc. has a franchise agreement with the City of Pflugerville that expires in January of 2018, the same date as the other renewals included on this agenda. A seventh provider was granted a franchise in January 2016 which expires in 2021. No other companies provide commercial solid waste services within the City of Pflugerville.

This ordinance was approved on first reading on November 28, 2017 and on second reading on December 12, 2017.

Deadline for City Council Action

This franchise expires in January 2018. Franchise ordinances require three readings for approval.

Fiscal Impact

The total revenue from this vendor will depend on the number and type of customers within the

Pflugerville city limits. The attached summary provides the amount of commercial solid waste franchise revenue from all providers received by the City since 2008.

Staff Recommendation

Approve the ordinance as presented on third and final reading.

Drafter

Lauri Gillam

Assistant City Manager