REQUEST FOR COUNCIL ACTION

TO: Mayor via City Secretary

RCA #

SUBJECT: Ordinances Granting Commercial Solid Waste Operator Franchises	**Category #**	**Page 1 of 1**	**Agenda Item#**
FROM: (Department or other point of origin): Tina Paez, Director Administration & Regulatory Affairs	**Origination Date** 3/17/2015		**Agenda Date**
DIRECTOR'S SIGNATURE:	**Council Districts affected:** ALL		
For additional information contact: Lara Cottingham **Phone:** (832) 393- 8503 Naelah Yahya **Phone:** (832) 393- 8530	**Date and identification of prior authorizing Council Action:**		

RECOMMENDATION: (Summary)
Approve ordinances granting commercial solid waste operator franchises

Amount of Funding: N/A	**FIN Budget:**

SOURCE OF FUNDING: [ ] **General Fund** [ ] **Grant Fund** [ ] **Enterprise Fund** [ ] **Other (Specify)** **N/A**

SPECIFIC EXPLANATION:

The Administration & Regulatory Affairs Department (ARA) recommends that City Council approve ordinances granting a commercial solid waste operator franchise to Velez Trucking Inc., Stream Environmental LLC, Storm-Tex Services LLC and Roy Norwood DBA The Grease Police. Article VII of Chapter 39 of the City Code of Ordinances makes it unlawful for any commercial solid waste operator to collect, haul or transport solid waste or industrial waste from commercial properties located within the City without first having obtained a franchise for that purpose upon the consent of the City Council.

ARA's Franchise Administration Division collects franchise fees from commercial solid waste transporters, coordinates audits and compliance reviews and actively monitors state and federal legislation and administrative proceedings that impact these fees. The City currently has 166 solid waste operator franchises. For FY 2014, the total solid waste franchise revenue to the City was $6,703,066.

The proposed franchises are:

1. Velez Trucking Inc.
2. Stream Environmental LLC
3. Storm-Tex Services LLC
4. Roy Norwood DBA The Grease Police

The proposed ordinance grants the franchisee the right to use the City's public ways for the purpose of collecting, hauling or transporting solid or industrial waste from commercial properties located within the City of Houston. In consideration for this grant, each franchisee agrees to pay to the City an annual franchise fee equal to four percent of their annual gross revenue, payable quarterly. To verify franchisee compliance with the franchise, the franchisee company has the duty to maintain required customer records, which the City has the right to inspect during regular business hours. The franchise agreement contains the City's standard release and indemnification, default and termination, liquidated damages and force majeure provisions. The proposed franchise term is 10 years from the effective date.

REQUIRED AUTHORIZATION

Finance Director: