



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: John Stufflebean

SUBJECT: SEE BELOW

DATE: 04-28-08

Approved 

Date 4/29/08

COUNCIL DISTRICT: City-Wide

**SUBJECT: COMMERCIAL SOLID WASTE AND RECYCLABLES COLLECTION
FRANCHISE AGREEMENT BETWEEN THE CITY OF SAN JOSE AND
HAUL-AWAY TODAY**

RECOMMENDATION

Hold a public hearing on the application of Haul-Away Today for a Commercial Solid Waste and Recyclables Collection Franchise, approval of an ordinance granting the franchise, and approval of a Commercial Solid Waste and Recyclables Collection Franchise Agreement with Haul-Away Today for a term from July 3, 2008 through June 30, 2009.

OUTCOME

Approval of this Franchise Application will provide one additional solid waste hauler selection for San José customers.

BACKGROUND

The City, since 1995, has had an open market for the collection of recyclables and garbage from businesses, institutions, and other non-residential properties; and for the collection of dry waste from residential premises.

Private haulers are required to obtain a Commercial Solid Waste and Recyclables Collection Franchise that allows them to compete with each other on a customer-by-customer basis to provide solid waste and commingled recyclables collection services to San José businesses and debris box service to residential customers. On May 9, 2006, Council granted twenty-four franchises for a term beginning July 1, 2006 and ending June 30, 2009.

Haul-Away Today is located in San José, California. The company has two people, the owner and his wife, and has two roll-off vehicles. The company plans to collect construction and demolition materials (all types of dry waste, including wood, metal, cardboard, sheetrock, concrete, or any combination of these materials) from commercial and residential premises. The collected material will be taken to Sims, AMI, Dixon Landing, Mission Trail, Kirby Canyon and Guadalupe for processing.

ANALYSIS

Chapter 9.10 of the San José Municipal Code and the City Charter require that the Council grant Commercial Solid Waste and Recyclables Collection Franchise through an ordinance. Approval of the proposed ordinance will grant a new non-exclusive Commercial Solid Waste and Recyclables Collection Franchise to Haul-Away Today, for a term beginning July 3, 2008 through June 30, 2009.

Haul-Away Today has a current San José business tax certificate and has submitted the required franchise application and application fee. Staff has reviewed the application and recommends awarding a franchise at this time.

Because Haul-Away Today will not offer front-loader collection services to its customers, it will be exempt from paying franchise fees on an annually approved volume of uncompacted solid waste (or the equivalent of compacted solid waste), which is currently set at twenty thousand uncompacted cubic yards, collected from San José customers. This exemption will cease to apply if Haul-Away Today starts to provide front-loader collection services.

EVALUATION AND FOLLOW-UP

This action does not address any performance measures.

PUBLIC OUTREACH/INTEREST

Although the criteria below do not apply to this item, this memorandum will be posted on the City's website for the Council Agenda of May 20, 2008.

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater.
(Required: Website Posting)

- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

COORDINATION

This memorandum was coordinated with the City Attorney's Office, City Manager's Budget Office, and Planning, Building, Code Enforcement Department.

FISCAL/POLICY ALIGNMENT

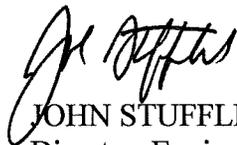
The new franchise will help the City achieve the Green Vision goal number 5 and has no impact on general fund.

COST SUMMARY

Haul-Away Today has paid the \$195 application fee as required by San José Municipal Code 9.10.1670. This recommendation will foster competition and deliver services to the community.

CEQA

Negative Declaration, PP92-11-308.



JOHN STUFFLEBEAN
Director, Environmental Services

For questions, please contact Jo Zientek, Deputy Director, Environmental Services Department, at (408) 535-8557.