



# CITY OF LONG BEACH

# R-42

## DEPARTMENT OF PUBLIC WORKS

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August 13, 2019

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

### RECOMMENDATION:

Authorize the City Manager, or designee, to modify and extend existing Refuse Transportation Agreements (Agreements) with private haulers currently operating in compliance with their Refuse Transportation Permit, for three years, with the option to renew for two additional one-year periods, at the discretion of the City Manager; and,

Authorize the Director of Public Works to (1) develop and implement rules and regulations, as required, for the successful execution, implementation, and administration of the Agreements, and to ensure compliance with Federal, State, and local regulations; (2) limit the number of permits issued to the 16 existing permitted haulers; (3) collect all fees as authorized by the City Council; and, (4) establish consistent branding for all waste, recycling, organics collection containers/bins, and education and outreach material within the City of Long Beach. (Citywide)

### DISCUSSION

In 2009, the City Council approved a recommendation to enter into franchise agreements with private refuse haulers operating in compliance with their Refuse Transportation Permit for a period of up to ten years, ending September 30, 2019. Staff recommends modifying and extending these franchise agreements for a period of up to five years.

On May 23, 2017, the City Council directed staff to issue a five-year notification to all private haulers operating with a valid franchise agreement advising them that the City is considering alternative methods for managing commercial refuse and recycling collection. This consideration could result in the current haulers potentially no longer being permitted to operate in Long Beach. This notice is required by State law but does not require the City to take any specific action. The proposed franchise permit extension would align commercial service with the five-year notice and allow haulers to provide service through September 30, 2022, with two additional one-year extensions at the City Manager's discretion.

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As part of the extension, all private haulers will be required to meet new or revised operational standards including, but not limited to:

- Compliance with all State laws both current and future that may or may not be specifically called out in the franchise agreement such as separate collection of organic material;
- Provide solutions for overflow and illegal dumping that occurs at their service accounts;
- Work with the City on preparation and implementation of a Zero-Waste plan;
- Provide source separate public collection containers for refuse, recycling and, when appropriate, organics, at all City-permitted special events;
- Provide a plan to increase their waste diversion rate; and,
- Identify at least one agency to partner with to promote food donation from their food service customers.

The updated permits will clearly define private hauler responsibilities and provide the City with greater enforcement authority. There are many State mandates expected in the coming years that will significantly change how refuse collection is provided (e.g., organics).

This matter was reviewed by Deputy City Attorney Amy R. Webber on July 25, 2019 and by Budget Analysis Officer Julissa José-Murray on July 30, 2019.

TIMING CONSIDERATIONS

City Council action is requested on August 13, 2019, to execute necessary agreements prior to the current agreements' expiration date of September 30, 2019.

FISCAL IMPACT

This recommendation maintains the current limit to the number of permits issued to the 16 existing permitted haulers and maintains current fee levels. The current franchise agreements include the Refuse Hauler Business Fee and the AB 939 Business Fee. In FY 19, the Refuse Hauler Business Fee is estimated to generate approximately \$2.9 million in revenues for the General Fund Group and the AB 939 fee is estimated to generate approximately \$2.3 million in revenues for the Refuse and Recycling Fund Group. The revenues associated with the franchise agreements will continue annually but may fluctuate based on market conditions. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

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SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



CRAIG A. BECK  
DIRECTOR OF PUBLIC WORKS

APPROVED:



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PATRICK H. WEST  
CITY MANAGER