



## Legislation Text

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**File #:** 23-3, **Version:** 1

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**STRATEGIC PRIORITY:** Environmental & Sustainability

**AGENDA DATE:** January 11, 2023

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** Department of Sanitation Services

**EXECUTIVE:** Carl Simpson

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### **SUBJECT**

Ordinances granting the transfer of two franchises to Warner Alan/Waste Advantage Partners, LLC and PC Hart Waste, LLC for solid waste collection and hauling, pursuant to Chapter XIV, of the City Charter, and Chapter 18, Article IV, of the Dallas City Code - Estimated Annual Revenue: General Fund \$76,800.00 annually (see Fiscal Information)

### **BACKGROUND**

Each solid waste hauler operating in Dallas must apply for and receive a franchise to operate a solid waste collection service in the city. Additionally, in the event that any franchisee transfers ownership of the company, the franchisee must apply for and receive permission from the City Council for the transfer of its franchise to the new owner. For a company to be submitted to City Council for franchise consideration, Sanitation Services requires the company to meet certain preliminary minimum provisions before a franchise application being considered. Preliminary provisions include providing proof of meeting minimum insurance requirements, confirmation that the company is registered to do business in the State of Texas, the company's intent to pick up and haul solid waste in the City of Dallas, a list of vehicles that are Code compliant, payment of all city taxes (if applicable), and proof of the principals of the company do not have any history of operating a different franchised hauling business as a principal that owes the City franchise fees or disposal fees.

These franchise ordinances require the City to approve transfer of ownership or sale of assets in accordance with the City Charter. The ordinances are for a franchise term of 5 years and allow the Council to amend the franchise if needed.

There are currently 183 approved franchise ordinances in Dallas. As part of the franchise agreement, franchisees shall pay a fee of not less than four percent of the gross receipts resulting from the operation of the solid waste collection service within the City.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On September 27, 2006, City Council authorized an amendment to the Dallas City Code to include a franchise fee for regulating solid waste haulers by Ordinance No. 26480.

The Quality of Life & Environment Committee was provided information regarding changes to ordinances related to new solid waste collection and hauling franchise agreements on October 12, 2015.

### **FISCAL INFORMATION**

Estimated Annual Revenue: General Fund \$76,800.00 annually

Revenues were estimated using 4% of the franchisee's three-year average gross revenue. For new franchise applicants, estimates were based on the applicant's own estimate of annual gross revenues times 4%.