MOORPARK CITY COUNCIL
AGENDA REPORT

TO: **The Honorable City Council**

FROM: **Teri Davis, Senior Management Analyst**

DATE: **January 24, 2012 (CC meeting of 02/01/12)**

SUBJECT: **Consider Resolution Amending the City of Moorpark Franchise Agreements with G.I. Industries and Moorpark Rubbish Disposal, for both Residential and Commercial Solid Waste Services, and Authorize the City Manager to Execute the Amendments to the Agreements**

BACKGROUND

In December, 2010, the City Council (Council) approved the extension of the Franchise Agreements with both G.I. Industries and Moorpark Rubbish Disposal (Franchise Agreements) for six months from their expiration date of December 20, 2010 to June 30, 2011 and in May, 2011, the Council again approved by resolution the extension of the Franchise Agreements for an additional six months from June 30, 2011 to December 31, 2011. On December 7, 2011, Council extended the term by another two months to expire on February 29, 2012. The Franchise Agreements allow annual rate adjustments to be effective on January 1.

DISCUSSION

Council is being asked to consider amending the Franchise Agreements, to extend the Agreements for an additional two months so that City Staff can continue to negotiate terms of the Franchise Agreements including options for additional service enhancements. Council is also being asked to defer consideration of the annual rate adjustment for two additional months.

FISCAL IMPACT

No fiscal impact.

STAFF RECOMMENDATION

1. Adopt Resolution No. 2012- _____, Amendment to City of Moorpark Franchise Agreements between the City of Moorpark and G.I. Industries and the City of Moorpark and Moorpark Rubbish Disposal for Providing Commercial Solid Waste and Recycling Services and Residential Solid Waste and Recycling Services.

2. Authorize the City Manager to execute the amendments to the Franchise Agreements subject to final language approval of the City Manager and City Attorney.

Attachment A – Draft Resolution

RESOLUTION NO. 2012-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MOORPARK, CALIFORNIA, AMENDING THE FRANCHISE AGREEMENTS BETWEEN THE CITY OF MOORPARK AND G.I. INDUSTRIES AND THE CITY OF MOORPARK AND MOORPARK RUBBISH DISPOSAL FOR PROVIDING RESIDENTIAL SOLID WASTE SERVICES AND COMMERCIAL SOLID WASTE SERVICES

WHEREAS, the City provides residential and commercial solid waste and recycling collection services; and

WHEREAS, on September 18, 2002, the City Council granted two exclusive Franchise Agreements with G.I. Industries and two exclusive Franchise Agreements with Moorpark Rubbish Disposal for the collection, transportation, recycling, and disposal of residential solid waste and commercial solid waste in designated areas within the City limits; and

WHEREAS, the Franchise Agreements included an expiration date of December 31, 2010, with an option to extend the term for up to an additional two (2) years, and Franchise Agreements were extended for six (6) months to June 30, 2011 with the adoption of Resolution Numbers 2010-2977, 2010-2978, 2010-2979, and 2010-2980, extended for another six (6) months to December 31, 2011 with the adoption of Resolution Number 2011-3024, and extended again for two (2) months to February 29, 2012 with the adoption of Resolution Number 2011-3076; and

WHEREAS, the Franchise Agreements state that annual rate adjustments shall be effective each January 1 during the term of the Franchise Agreements, and

WHEREAS, the City Council declares its intention to further extend the term of the Franchise Agreements.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MOORPARK, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The Franchise Agreements for Residential Solid Waste Services and for Commercial Solid Waste Services, Section 2, shall be amended to include "The collection services to be provided pursuant to this Agreement shall begin on October 1, 2002, and end on April 30, 2012, unless sooner terminated."

SECTION 2. The Franchise Agreements for Residential Solid Waste Services and for Commercial Solid Waste Services, Exhibit G.A, shall be amended to include "Consideration for the rate adjustment scheduled to be effective January 1, 2012 shall be deferred for four months." With the exception of the change to the above noted document, all other provisions contained in the Franchise Agreements shall remain in full force and effect.

SECTION 3. This extension shall become effective upon execution of the amendment by both parties.

SECTION 4. The City Clerk shall certify to the adoption of the resolution and shall cause a certified resolution to be filed in the book of original resolutions.

PASSED AND ADOPTED this 1st day of February, 2012.

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Janice S. Parvin, Mayor

ATTEST:

_____
Maureen Benson, City Clerk