



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Modify Franchise Fee For Solid Waste Disposal

MEETING DATE: April 7, 1993

PREPARED BY: Assistant City Manager

RECOMMENDED ACTION: That the City Council adopt an urgency ordinance and amend the franchise agreement entered into by the City of Lodi and Sanitary City Disposal Company in order to reflect a 4.8% franchise fee for the collection and transportation of refuse, rather than 6%, and authorize the City Manager and City Clerk to execute the Addendum on behalf of the City.

BACKGROUND: The franchise agreement with Sanitary City Disposal has a 6% franchise fee for the collection and transportation of refuse within the City limits. When the City Council adopted the new rates for the curb side recycling program, it was agreed the City would reduce the franchise fee from 6% to 4.8% in order to lower the collection and disposal rates.

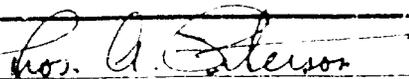
FUNDING: N/A

Respectfully submitted,



Jerry L. Glenn
Assistant City Manager

APPROVED



THOMAS A. PETERSON
City Manager



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ORDINANCE NO. 1574

AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LODI
AMENDING EXCLUSIVE FRANCHISE FOR WASTE DISPOSAL SERVICES

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BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LODI AS FOLLOWS:

WHEREAS, the Lodi City Council on September 7, 1988 entered into an exclusive contract with Lodi Sanitary City Disposal Company, Inc. for the exclusive right to provide refuse collection services for the City of Lodi; and

WHEREAS, Paragraph 27 of said agreement relating to "Contractor Compensation" specifies that the contractor shall receive a franchise fee in the amount of 6% of monies received for refuse collection and transportation; and

WHEREAS, when the City Council adopted the new rates for the curb side recycling program, it was agreed that the City would reduce the franchise fee from 6% to 4.8% in order to lower the collection and transportation rates;

NOW, THEREFORE, THE LODI CITY COUNCIL ORDAINS that the exclusive contract with Lodi Sanitary City Disposal Company, Inc. is amended as follows:

SECTION 1. Paragraph 27 shall read:

27. Contractor Compensation

"City shall remit to Contractor each Friday, the net collections in the previous week after deducting from collections a 4.8%

franchise fee. City hereby agrees to keep and maintain proper records of its collection hereunder and to make such records available to Contractor or its authorized agent for audit at any reasonable time in the office of the City of Lodi Finance Department."

SECTION 2. An addendum to the exclusive franchise agreement reflecting the amendment to paragraph 27 is on file in the office of the City Clerk.

SECTION 3. All ordinances and parts of ordinances in conflict herewith are repealed insofar as such conflict may exist.

SECTION 4. This urgency ordinance shall be published one time in the "Lodi News Sentinel", a daily newspaper of general circulation printed and published in the City of Lodi and shall be in force and take effect immediately.

Approved this 7th day of April 1993

PHILLIP A. PENNINO
MAYOR

Attest:

JENNIFER M. PERRIN
City Clerk

State of California
County of San Joaquin, ss.

I, Jennifer M. Perrin, City Clerk of the City of Lodi, do hereby certify that Ordinance No. 1574 was adopted as an urgency ordinance at a regular meeting of the City Council of the City of Lodi held April 7, 1993 and was thereafter passed, adopted and ordered to print by the following vote:

Ayes:	Council Members -
Noes:	Council Members -
Absent:	Council Members -
Abstain:	Council Members -

I further certify that Ordinance No. 1574 was approved and signed by the Mayor on the date of its passage and the same has been published pursuant to law.

JENNIFER M. PERRIN
City Clerk

Approved as to Form

BOB McNATT
City Attorney

ORD1574/TXTA.01V

ADDENDUM TO AGREEMENT
RELATING TO EXCLUSIVE FRANCHISE FOR THE
COLLECTION AND TRANSPORTATION OF REFUSE WITHIN THE CITY LIMITS

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WITNESSETH:

WHEREAS, the parties hereto are the City of Lodi, a municipal corporation ("City") and the Lodi Sanitary City Disposal Co., Inc., a California corporation ("Contractor") who are signatories to the agreement dated September 7, 1988, granting Contractor an exclusive franchise for the collection and transportation of refuse within the City limits; and

WHEREAS, Paragraph 27 of said agreement relating to "Contractor Compensation" specifies that the contractor shall receive a franchise fee in the amount of 6% of monies received for refuse collection and transportation; and

WHEREAS, when the City Council adopted new rates for its curb side recycling program, it was agreed between the parties that the City would reduce the franchise fee from 6% to 4.8% in order to lower the collection and transportation rates;

NOW, THEREFORE, IT IS AGREED by and between the parties hereto this 7th day of April, 1993 as follows:

1. ORIGINAL FRANCHISE AGREEMENT INCORPORATED BY REFERENCE.

The original franchise agreement entered into between the parties hereto is incorporated by reference and adopted as if fully set forth in this Addendum. All terms of the original agreement shall remain in full force except as provided herein.

2. Paragraph 27 of the exclusive contract with Lodi Sanitary City Disposal Company, Inc. is amended as follows:

27. Contractor Compensation

"City shall remit to Contractor each Friday, the net collections in the previous week after deducting from collections a 4.8% franchise fee. City hereby agrees to keep and maintain proper records of its collection hereunder and to make such records available to Contractor or its authorized agent for audit at any reasonable time in the office of the City of Lodi Finance Department."

IN WITNESS WHEREOF, the parties hereto have set their hands the day and year first hereinabove mentioned.

CITY OF LODI,
a municipal corporation

LODI SANITARY CITY DISPOSAL CO., INC.
a California corporation

THOMAS A. PETERSON
City Manager

By _____
DAVE VACCAREZZA
General Manager

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CITY OF LODI,
a municipal corporation

LODI SANITARY CITY DISPOSAL CO., INC.
a California corporation

THOMAS A. PETERSON
City Manager

By _____
DAVE VACCAREZZA
General Manager

ATTEST:

JENNIFER M. PERRIN
City Clerk

Approved As To Form:

BOBBY W. McNATT
City Attorney

AGRREFU.2/TXTA.01V

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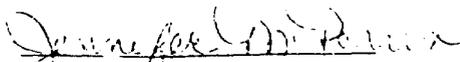
SECTION 4. This urgency ordinance shall be published one time in the "Lodi News Sentinel", a daily newspaper of general circulation printed and published in the City of Lodi and shall be in force and take effect immediately.

Approved this 7th day of April 1993



PHILLIP A. PENNINO
MAYOR

Attest:



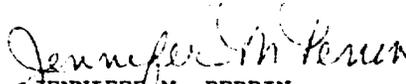
JENNIFER M. PERRIN
City Clerk

State of California
County of San Joaquin, ss.

I, Jennifer M. Perrin, City Clerk of the City of Lodi, do hereby certify that Ordinance No. 1574 was adopted as an urgency ordinance at a regular meeting of the City Council of the City of Lodi held April 7, 1993 and was thereafter passed, adopted and ordered to print by the following vote:

Ayes:	Council Members -	Mann, Sieglock, Snider and Pennino (Mayor)
Noes:	Council Members -	Davenport
Absent:	Council Members -	None
Abstain:	Council Members -	None

I further certify that Ordinance No. 1574 was approved and signed by the Mayor on the date of its passage and the same has been published pursuant to law.


JENNIFER M. PERRIN
City Clerk

Approved as to Form:


BOB McNATT
City Attorney

ORD1573/TXTA.02J