City of Brisbane
Agenda Report

TO: Honorable Mayor and Council

FROM: David Kahn, City Attorney, through City Manager

SUBJECT: Authorization For City Manager To Extend South San Francisco Scavenger Franchise Agreement

DATE: February 3, 2014

Purpose

The City has a franchise with South San Francisco Scavenger Company("SSFSC") for waste collection and recycling that ends on March 1, 2014, after a 15 year term. Drafting of a new SSFC Franchise Agreement has been in progress for several months, and due to the number of required changes to the former Franchise Agreement and continued negotiations with SSFSC, it is necessary to extend the current Franchise Agreement through June 30, 2014, to allow the completion of negotiations.

Recommendation

Staff recommends that the City Council consider and approve authorization for the City Manager to sign an amendment to the SSFSC Franchise Agreement extending the term to June 30, 2014.

Background and Discussion

SSFSC has been the historical provider of waste and recycling services for the City of Brisbane and currently has an exclusive franchise for the entire city that was entered into in 1999 and expires on March 1, 2014. Since 1999, there have been significant changes to recycling programs and opportunities, and the City recently established 3 separate waste collection zones for the City that can have separate franchise agreements for waste collection. Major redrafting of the Franchise Agreement is required to address these issues, and to update the agreement to comply with current legal and waste management requirements.

Staff has been working on revising the Franchise Agreement for several months and has met with the Council Sub-Committee to discuss changes. Additional negotiations with SSFSC will be required after the draft is completed to reach agreement on terms and conditions.

Due to the complexity and number of revisions to the current agreement, the drafting and negotiations for the revised Franchise Agreement will not be completed by the end of the current

term on March 1, 2014. It is necessary to extend the term of the current agreement to allow adequate time to complete negotiations of the new agreement. SSFSC agrees with the need for the extension. The extension will be through the end of the fiscal year, June 30, 2014.

Fiscal Impact

The franchise terms of the existing agreement will continue through June 30, 2014, and the city will continue to receive the franchise revenue pursuant to the current agreement.

Recommendation:

City staff recommends approval of the extension of the 1999-2014 SSFSC Franchise Agreement to June 30, 2014, and authorization to City Manager to sign an extension amendment.
Motion:

1. Move to approve extension of the South San Francisco Scavenger Company franchise agreement through June 30, 2014, and to authorize the City Manager to sign the extension amendment.

David Kahn, City Attorney

Clay Holstine, City Manager