

ITEM 4.14

CITY MANAGER'S REPORT JUNE 8, 2020 CITY COUNCIL REGULAR MEETING

ITEM: **INDUSTRIAL SOLID WASTE LICENSE RENEWAL FOR FISCAL YEAR 2020-21**

RECOMMENDATION: **Adopt Resolution Approving Annual Industrial Solid Waste License Renewal for Stockton Scavengers Association and Delta Container Corporation for Fiscal Year 2020-21**

SUMMARY:

The Legislature of the State of California, by enactment of the California Integrated Waste Management Act of 1989 (AB939), has acknowledged that it is within the public interest to authorize and require local agencies to make adequate provisions for solid waste management. The process requires cities and other local agencies to implement plans for source reduction, reuse, and recycling as part of their integrated waste management practices.

In an effort to comply with said legislation, the City of Lathrop adopted Municipal Code Chapter 8.16 (Garbage Collection and Disposal). Lathrop Municipal Code Section 8.16.140 requires any company that collects industrial solid waste in the City of Lathrop to annually apply for an Industrial Solid Waste Removal License. The City's current industrial solid waste haulers are Stockton Scavengers Association (subsidiary of Waste Management, Inc.) and Delta Container Corporation (subsidiary of Allied Waste of San Joaquin County dba Republic Services, Inc.). Staff requests approval of the annual industrial solid waste license renewals for Stockton Scavengers Association and Delta Container Corporation.

BACKGROUND:

Lathrop Municipal Code 8.16.140, Section (A) requires any company who collects and removes industrial solid waste within the City of Lathrop to apply annually for an industrial solid waste removal license. Lathrop Municipal Code 8.16.140 also states that the contractor who provides both residential and commercial waste removal service shall not be required to pay the annual license fee.

Delta Container is a subsidiary of Allied Waste dba Republic Services, Inc., which provides both residential and commercial waste collection service and therefore is not required to pay the annual license fee in the sum of two thousand five hundred dollars (\$2,500). However, Delta Container is required to pay the standard eleven percent (11%) of their annual gross receipts and \$92 administration fee, which is set forth by Lathrop Municipal Code 8.16.140.

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Stockton Scavengers Association does not provide residential waste removal service within the City of Lathrop. Therefore, they are required to pay an annual license fee in the sum of two thousand five hundred dollars (\$2,500) and the standard eleven percent (11%) of their annual gross receipts and \$92 administration fee, which is set forth by Lathrop Municipal Code 8.16.140.

Our current haulers, Stockton Scavengers Association and Delta Container Corporation, have submitted their annual license renewal application, fee, bonds, insurance, locations serviced, and their financial status report.

REASON FOR RECOMMENDATION:

To continue our efforts to meet the terms of the AB939 legislation, and continue implementing plans for source reduction, reuse, and recycling as part of our integrated waste management practices, staff recommends that City Council approve the Industrial Solid Waste Removal License renewals for Stockton Scavenger Association and Delta Container Corporation.

FISCAL IMPACT:

Annual gross receipt monies received from these companies will be deposited into the Franchise Tax-Solid Waste Industrial revenue account number 1010-15-10-319-05-05.

The license administration fee(s) in the sum of ninety-two dollars (\$92) received from each company will be deposited into Public Works Administration account number 1010-50-01-341-01-01.


The annual license fee in the sum of two thousand five hundred dollars (\$2,500) received from Stockton Scavenger Association will be deposited into the Franchise Tax-Solid Waste Industrial revenue account number 1010-15-10-319-05-05.

ATTACHMENTS:

- A. Resolution Approving Annual Industrial Solid Waste License Renewal for Stockton Scavengers Association and Delta Container Corporation for Fiscal Year 2020-21

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APPROVALS:



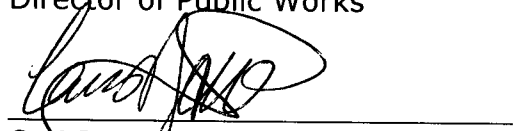
Sandra Lewis
Executive Administrative Assistant

5-26-2020
Date



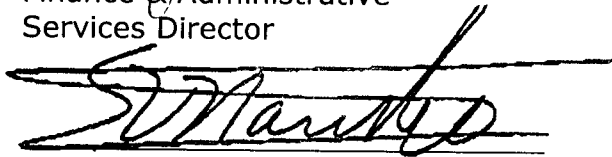
Michael King
Director of Public Works

5-26-2020
Date



Cari James
Finance & Administrative
Services Director

5-27-2020
Date



Salvador Navarrete
City Attorney

5/26/2020
Date



Stephen J. Salvatore
City Manager

6.3.2020
Date

RESOLUTION NO. 20-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP APPROVING ANNUAL INDUSTRIAL SOLID WASTE LICENSE RENEWAL FOR STOCKTON SCAVENGERS ASSOCIATION AND DELTA CONTAINER CORPORATION FOR FISCAL YEAR 2020-21

WHEREAS, Lathrop Municipal Code 8.16.140, Section (A) requires any company which collects and removes industrial solid waste within the City of Lathrop to annually apply for an industrial solid waste removal license; and

WHEREAS, the City's current haulers are Stockton Scavengers Association and Delta Container Corporation; and

WHEREAS, Delta Container is a subsidiary of Allied Waste dba Republic Services, Inc., which provides both residential and commercial waste removal service for the City of Lathrop and therefore is not required to pay the annual license fee; and

WHEREAS, Delta Container is required to pay the standard eleven percent (11%) of their annual gross receipts and \$92 administration fee, which is by Lathrop Municipal Code 8.16.140; and

WHEREAS, Stockton Scavengers Association does not provide residential waste removal service within the City of Lathrop and therefore are required to pay an annual license fee in the sum of two thousand five hundred dollars (\$2,500); and

WHEREAS, Stockton Scavengers Association is required to pay the standard eleven percent (11%) of their annual gross receipts and \$92 administration fee, which is by Lathrop Municipal Code 8.16.140; and

WHEREAS, to continue our efforts to meet the terms of the AB939 legislation and continue implementing plans for source reduction, reuse, and recycling as part of their integrated solid waste management practices, staff recommends that City Council approve the Industrial Solid Waste Removal License renewals for Stockton Scavenger Association and Delta Container Corporation; and

WHEREAS, the following monies received from these companies will be deposited as follows:

- Annual gross receipt monies received from these companies will be deposited into the Franchise Tax-Solid Waste Industrial revenue account number 1010-15-10-319-05-05;
- License administration fee in the sum of ninety-two dollars (\$92) received from these companies will be deposited into Public Works Administration account number 1010-50-01-341-01-01;
- Annual license fee in the sum of two thousand five hundred dollars (\$2,500) received from Stockton Scavenger Association will be deposited into the Franchise Tax-Solid Waste Industrial revenue account number 1010-15-10-319-05-05.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Lathrop authorizes the Industrial Solid Waste Licenses renewals for FY 20-21 with Stockton Scavengers Association and Delta Containers Corporation.

The foregoing resolution was passed and adopted this 8th day of June 2020, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:

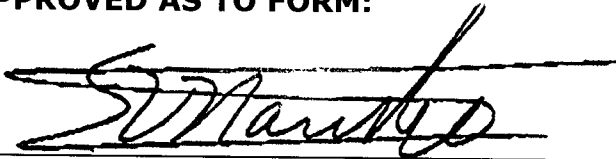
ABSTAIN:

Sonny Dhaliwal, Mayor

ATTEST:

Teresa Vargas, City Clerk

APPROVED AS TO FORM:



Salvador Navarrete, City Attorney