



Termination of City-Provided
Waste Collection Services in Areas
With Hold Harmless Agreements
and Recommendation to
Terminate Commercial Service

City-Provided Collection Services



- SDMC 66.0127 “People’s Ordinance” requires City to collect, transport, and dispose of residential refuse once per week for eligible residents at no charge.
- City may not enter upon any private property to collect refuse except in public emergency or per hold harmless agreement in effect as of 11-04-86.
- City may not collect “non residential” refuse except from certain small businesses as authorized by City Council at no charge.

Hold Harmless Agreements



- 102 Hold Harmless Agreements (HHAs) in effect; executed from 1964-1986 as a courtesy to certain residents whose homes are located on private streets
- HHAs allow City to enter private property to collect refuse and limit City's liability for injury or damage
- HHAs may be terminated at will by either party with 7 days advance written notice on Mayor's authority
- 14,200 units covered by Hold Harmless Agreements
- Mayor intends to terminate this non-core service effective July 1, 2011
- Notice to HOA/Property Management firms in early February

Hold Harmless Service Termination Timeline



Date	Event
February 2	Informational Report to NR&C
February 4	Notices of Termination mailed to HOA or Property Management firms
March through April	Outreach to Home Owners' Associations
March 2	Second Informational Report to NR&C
April 19	Informational Report to City Council
July 1	Termination of Collection Services

Commercial Collection



- City may collect commercial refuse at no charge if authorized by City Council and limited to 150% of refuse generated by average residential unit
- Council authorized free commercial refuse collection as a lifeline to small businesses in 1986
- 4,600 commercial enterprises receive City-provided waste collection services at no charge
- Council may terminate commercial refuse collection services by ordinance

Commercial Collection Termination Timeline



Date	Event
February 2	Informational Report to NR&C
March	Outreach to Business Community
March 1	Informational Letters Mailed to Affected Businesses
March 2	Action Item Report to NR&C
April 19	Council Consideration of Ordinance
May 3	Second Reading of Ordinance
May 13	Notice of Termination Mailed to Affected Businesses
July 1	Termination of Collection Services

Environmental and Labor Considerations



- **Environmental Impact**

- Hold Harmless Agreements not subject to CEQA as they are administrative actions and not “projects”
- Focusing on essential services and withdrawing from commercial collection reduces overlapping routes with private haulers and improves efficiency

- **Labor Considerations**

- Mayor’s office shall initiate Meet and Confer to discuss employee impacts

Estimated FY12 Fiscal Impact



	General Fund	Recycling Fund
Hold Harmless	\$675,000	\$141,000
Revenue	\$190,000	<\$126,000>
Small Business	\$300,000	
Revenue	\$80,000	
Total Savings /New Revenue	\$1,245,000	\$15,000

Questions?

