



## STAFF REPORT

**Report To:** Board of Supervisors **Meeting Date:** June 6, 2019

**Staff Contact:** Darren Schulz, Public Works Director

**Agenda Title:** For Possible Action: Discussion and possible action to consider a Business Impact Statement concerning a proposed ordinance amending Title 5 of the Carson City Municipal Code (CCMC) to codify the award of a solid waste and recyclable material collection franchise. (Rick Cooley, RCooley@carson.org and Todd Reese, TReese@carson.org).

Staff Summary: This BIS is required by Nevada Revised Statutes (NRS) Chapter 237 and concerns a proposed ordinance which, if adopted, would codify the award of an exclusive franchise to Waste Management of Nevada, Inc. for the collection and disposal of solid waste and recyclable materials within Carson City, the terms of which require mandatory solid waste collection service for single family residential customers unless an exemption applies.

**Agenda Action:** Formal Action / Motion **Time Requested:** 10 minutes

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### Proposed Motion

I move to accept the Business Impact Statement as prepared and find that the proposed ordinance does not impose a direct and significant economic burden on a business or directly restrict the formation, operations or expansion of a business.

### Board's Strategic Goal

Economic Development

### Previous Action

None

### Background/Issues & Analysis

Under NRS 244.187 and 244.188, the Board of Supervisors may enter into an exclusive franchise for the collection and disposal of garbage and other waste. The current franchise expires on June 30, 2019. City staff issued a request for proposals on June 26, 2018. Five proposals were submitted and during the Board of Supervisor's meeting of November 1, 2018, the Board determined that Waste Management of Nevada had proposed the best value for collection services in response to the request for proposals and directed staff to enter into negotiations with Waste Management of Nevada for Solid Waste and Recyclable Materials Exclusive Franchise collection services.

During the Board of Supervisor's meeting of December 20, 2018, the Board approved Contract No. 1819-041, a new solid waste and recyclable materials collection services franchise agreement with Waste Management of Nevada.

The proposed ordinance prepared in conjunction with the franchise agreement amends Title 5, Chapter 5.10 of CCMC to repeal the existing franchise agreement and replace it with the new franchise agreement. Because

an ordinance is being proposed for adoption, NRS Chapter 237 requires Carson City to prepare a Business Impact Statement unless exempt from the statutory requirement. As further discussed in the Business Impact Statement, there is little, if any, impact to local businesses. Solid waste collection service for businesses is not mandatory, and those businesses using solid waste collection service may continue to use solid waste collection service.

City staff requested comments from local businesses on May 8, 2019 on the proposed ordinance. The City has not received any comment to date.

A copy of the Business Impact Statement, along with the appeal petition form, is available at the public counter of the Public Works Department, 3505 Butti Way, Carson City, Nevada. A copy of the appeal petition form can also be obtained at the Carson City Clerk-Recorder's office.

**Applicable Statute, Code, Policy, Rule or Regulation**

NRS Chapter 237

**Financial Information**

**Is there a fiscal impact?** No

**If yes, account name/number:** N/A

**Is it currently budgeted?** No

**Explanation of Fiscal Impact:** N/A

**Alternatives**

Make a finding that the proposed ordinance does impose a direct and significant economic burden upon a business or directly restrict the formation, operation or expansion of a business.

Decline to make a finding and provide alternative direction to staff.

**Attachments:**

[BIS - Solid Waste Ordinance.docx](#)

[Downtown Business Assoc WM letter.docx](#)

**Board Action Taken:**

Motion: _____	1) _____	Aye/Nay
	2) _____	_____
		_____
		_____
		_____

\_\_\_\_\_  
(Vote Recorded By)



## BUSINESS IMPACT STATEMENT

This Business Impact Statement was prepared in accordance with the provisions of NRS (Nevada Revised Statutes) 237.030 to 237.150, inclusive, as a statutory prerequisite to the adoption of any rule\*\*\*, as that term is defined in NRS 237.060, by the Carson City Board of Supervisors.

\*\*\* A "rule" may include an ordinance, or an action taken by the Board, that imposes, increases or changes the basis for the calculation of a fee which is paid in whole or in substantial part by businesses. A "rule" **does not** include actions that impose, increase or change the basis for the calculation of: (1) special assessments imposed pursuant to NRS chapter 271; (2) impact fees imposed pursuant to NRS chapter 278B; (3) fees for remediation imposed pursuant to NRS chapter 540A; (4) taxes ad valorem; (5) sales and use taxes; or (6) a fee that has been negotiated pursuant to a contract between a business and Carson City. A "rule" also **does not** include: an action taken by the Board that approves, amends or augments the annual budget of Carson City; an ordinance adopted by the Board pursuant to a provision of NRS chapter 271, 271A, 278, 278A, 278B or 350; an ordinance adopted or action taken by the Board that authorizes or relates to the issuance of bonds or other evidence of debt of Carson City; or any rule for which Carson City does not have the authority to consider less stringent alternatives, including, for example, a rule that Carson City is required to adopt pursuant to a federal or state statute or regulation or to a contract into which Carson City has entered.

### ORDINANCE OR ACTION PROPOSED FOR ADOPTION

#### Chapter 5.10 Franchise for Solid Waste and Recyclable Materials

1. *The manner in which notice was provided to the applicable trade associations and officers of businesses likely to be affected by the proposed ordinance or action, and a summary of any data, arguments or comments received from those recipients:*

a. Notice

**On June 26, 2018, City staff issued a request for proposals for the City's solid waste collection services franchise due to the prior franchise expiring on June 30, 2019. Five proposals were submitted, and on November 1, 2018 the Carson City Board of Supervisors determined that Waste Management of Nevada had proposed the best value for collection services in response to the request for proposals and directed staff to enter into negotiations with Waste Management of Nevada for Solid Waste and Recyclable Materials collection services. On December 20, 2018, the Board of Supervisors approved the franchise agreement contract with Waste Management of Nevada, Inc.**

**In order to meet the requirements of NRS 237.080, on May 8, 2019, the franchise agreement and a proposed ordinance were provided to the Carson City Chamber of Commerce, the Downtown Business Association, and the Downtown Neighborhood Improvement District and a notice was**

posted on the Carson City website ([www.carson.org](http://www.carson.org)). It was requested that any data or arguments as to whether the proposed rule will impose a direct and significant economic burden upon a business or directly restrict the formation, operation or expansion of a business be provided to Carson City by May 31, 2019.

A copy of this Business Impact Statement, along with the appeal petition form, is available at the Carson City Public Works Department, 3505 Butti Way, Carson City, Nevada, 89701. A copy of the appeal petition form can also be obtained at the Carson City Clerk/Recorder's office.

*b. Summary of comments*

The City has received no comments to date which expresses concern generally with regard to the ordinance.

2. *The estimated economic effect of the proposed ordinance or rule on businesses, including both adverse and beneficial effects, and both direct and indirect effects:*

*a. Adverse effects:*

If they choose to pay for solid waste collection services, businesses will be required to obtain solid waste collection services from Waste Management of Nevada, Inc. Businesses are currently required to pay for solid waste collection services.

*c. Beneficial effects:*

Businesses will continue to be able to obtain solid waste collection services. Overall, businesses will, in many cases, see a reduction in solid waste collection service rates. For example, a one yard commercial bin collected once per week currently costs \$103.88, and would cost \$77.91 under the new contract. Similarly, one 96 gallon tote collected once per week currently costs \$43.41 and would cost \$33.41 under the new contract.

*d. Direct effects:*

The ordinance has a direct positive effect as it will allow businesses to continue to obtain solid waste collection services, and in many cases the new franchise agreement will reduce the associated fees. The ordinance and the franchise agreement limit businesses to obtaining solid waste collection services from Waste Management of Nevada, Inc. or to self-haul solid waste.

e. Indirect effects:

**The approval of this ordinance will provide a benefit to the businesses by providing solid waste removal services within Carson City.**

3. *The methods considered by the Carson City Board of Supervisors to reduce the impact of the proposed ordinance or action on businesses and whether any of those methods were used:*

**The Carson City Board of Supervisors considered proposals from other providers of solid waste removal services and ultimately selected Waste Management of Nevada as the franchisee for solid waste collection services in Carson City. The Carson City Board of Supervisors has not considered other alternatives to a solid waste collection franchise.**

4. *Estimate of the annual cost to Carson City for enforcement of the proposed ordinance or action:*

**Carson City anticipates that it will incur no costs associated with the solid waste franchise.**

5. *The total annual amount of money expected to be collected as a result of the new fee or increase in fee proposed by the ordinance or action, and the manner in which the money will be used:*

**The ordinance itself will not generate any funds for Carson City. The franchise agreement requires Waste Management of Nevada to pay a franchise fee to Carson City. The franchise fee is 8%, 5% of which will continue to be recorded in the General Fund (FY Budget=\$519,000) and 3% of which is designated for roadway impacts and will be recorded in the Regional Transportation Fund. This new 3% fee is estimated to generate \$305,000 annually which will be added to the Regional Transportation Fund FY 20 Budget. Aside from paying Waste Management of Nevada for solid waste collection services, businesses will not otherwise pay a fee to Carson City.**

6. *The proposed ordinance or action [ ] DOES [ X ] DOES NOT include any provisions which duplicate or are more stringent than Federal, State or local standards regulating the same activity.*

7. *The reasons for the conclusions regarding the impact of the proposed ordinance or action:*

**The new ordinance provides opportunities for businesses to obtain solid waste collection services, and in many cases reduces the fees for businesses to obtain those services. These services are available under an existing franchise agreement. The ordinance and new franchise agreement will continue to provide the available solid waste collection services to local businesses.**

8. *Based on the information considered, it has been determined that this proposed ordinance or rule:*

DOES  DOES NOT impose a direct and significant economic burden upon a business.

DOES  DOES NOT directly restrict the formation, operation or expansion of a business.

**Pursuant to NRS 237.090(3), this Business Impact Statement was prepared and made available for public inspection by Carson City Public Works at the time the agenda notice on which the proposed ordinance or rule described in this statement is included was posted.**

**Pursuant to NRS 237.090(2), I, \_\_\_\_\_, the Carson City Manager, hereby certify that to the best of my knowledge and belief, the information contained herein was properly prepared and accurate.**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Printed Name**



# CARSON CITY NEVADA

## Consolidated Municipality and State Capital

### PUBLIC WORKS

May 6, 2019

Carson City Downtown Business Association  
P.O. Box 3114  
Carson City, NV 89702

Subject: Notice to Business Owner  
Collection Services Franchise Agreement with Waste Management of Nevada, Inc.

Dear Downtown Business Owner:

On December 20, 2018, the Carson City Board of Supervisors approved a franchise agreement for solid waste collection services with Waste Management of Nevada, Inc. In conjunction with that franchise agreement, City staff has prepared a draft ordinance granting the exclusive franchise to be introduced, on first reading, to the Board of Supervisors on June 6, 2019. The draft ordinance may be further revised prior to introduction to the Board of Supervisors. Under NRS 237.080, however, prior to adopting the ordinance, the City must make a concerted effort to determine whether the proposed ordinance will impose a direct and significant economic burden upon a business or directly restrict the formation, operation, or expansion of a business.

As such, I am attaching the draft ordinance and franchise agreement for your review and notifying you that you may submit data or arguments to the City as to whether the proposed ordinance will impose a direct and significant economic burden upon a business or directly restrict the formation, operation or expansion of a business. A copy of the franchise agreement can also be found at:

<https://carson.org/home/showdocument?id=65602>

Please provide any data or arguments to the City by May 31, 2019, by email to [rcooley@carson.org](mailto:rcooley@carson.org) or by mail or delivery to the Carson City Public Works Department, 3505 Butti Way, Carson City, Nevada 89701.

Should you have any questions, please feel free to contact me directly at (775) 283-7302. Thank you for your attention to this matter.

Sincerely,

Rick Cooley, PE  
Operations Manager

Enc: Franchise Agreement  
Draft Ordinance