

**BUSINESS FOR THE CITY COUNCIL
OF THE
CITY OF ANGLETON**

SUBJECT: Discussion and possible action to authorize the City Manager to allow Republic Waste Services of Texas, LTD to subcontract with Waste Connections, Inc. to provide solid waste services pending the approval of an assignment of the Solid Waste Franchise from Republic to Waste Connections.

REQUESTED BY: City Manager

SUBMITTED BY: City Manager

DATE SUBMITTED: 4/9/09

FOR THE AGENDA OF: 4/14/09

Expenditure Required: None.

Available Funding: Not applicable

Attachments: None.

SUMMARY STATEMENT:

I am still in the process of a due diligence investigation to determine whether Waste Connections, Inc. has the capabilities to satisfactorily perform solid waste services under the Franchise Agreement For the Collection, Hauling and Disposal of Municipal Solid Waste In The City of Angleton, Texas (Franchise). I am also in the process of negotiating amendments to the Franchise with Republic Waste Services of Texas, LTD and Waste Connections. These amendments would be conditions to approving the requested assignment of the Franchise from Republic to Waste Connections. I would expect to have an ordinance approving the assignment with conditions for your consideration by your April 28th meeting. The City Attorney has advised that it will take approximately 60 days for the assignment to be effective if you decide to approve same.

Pending the approval of the assignment and the amendments to the Franchise, Republic has requested that they be allowed to subcontract all solid waste services under the Franchise to Waste Connections. The City Attorney has advised me that, under Section 9.39 of the City Code, I have the authority to grant a temporary franchise for a period not to exceed 62 days or possibly longer if the Council approves an extension. The subcontract period would be in effect pending your

action on the assignment and any amendments to the Franchise. The City Attorney believes this provides me with the authority to approve Republic's request to subcontract services to Waste Connection but I did not want to do this without your approval. I will submit a separate report of my trip to Tennessee before Council meeting on Tuesday night.

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Recommendation: I recommend that you approve my granting Republic the right to subcontract services under the Franchise to Waste Connections for a temporary period - not to exceed 62 days - pending your action on the request to assign the Franchise. I do not see any significant downsides to this request since Republic will remain fully responsible for performance under the Franchise. It also could prove helpful in our evaluation of the capabilities of Waste Connection to have them perform services under the Franchise for a temporary period.