

ORDINANCE No.

Consent to the transfer of Mel Deines Sanitary Service, Inc. residential solid waste, recycling and composting collection franchise to Kahut City Sanitary Service Inc. dba City Sanitary Service (Ordinance)

The City of Portland ordains:

Section 1 the Council finds that:

1. In 2012, the Council Approved Ordinance No. 185830 granting a residential solid waste, recycling and composting collection franchise to Mel Deines Sanitary Service, Inc. This franchise established terms and conditions for the delivery of residential solid waste, recycling and composting collection services within a specific geographic territory of the City (the solid waste franchise.)
2. In 2013, the Council consented to the transfer of the residential solid waste, recycling and composting collection franchise from J.M. Boitano Sanitary Service, Inc. dba City Sanitary Service to Hoodview Disposal & Recycling, Inc., under the new corporate name of Kahut City Sanitary Service, Inc. dba City Sanitary Service (Kahut). Ordinance 185892.
3. Portland City Charter Section 10-216 provides that no franchise shall be sublet or assigned, nor shall any of the franchise rights or privileges be leased, assigned, sold or transferred, without the consent of the City expressed by non-emergency ordinance. Under Section 14.1(A) of the solid waste franchise, the grantee agreed not to sell, lease, mortgage, assign, merge or otherwise transfer the franchise without the prior written consent of the City.
4. Mel Deines Sanitary Service, Inc. has notified the Bureau of Planning and Sustainability of their decision to transfer their franchise to Kahut, effective 30 days after passage of this Ordinance. Mel Deines Sanitary Service, Inc. requests that the City Council provide its consent to the franchise transfer.
5. In accordance with Section 14.1(B) of the solid waste franchise, City staff have reviewed the proposed transfer, and determined that the successor company will have the technical, legal and financial resources to adequately perform all obligations under the franchise. Staff recommends that the Council consent to the franchise transfer.

NOW THEREFORE, the Council directs:

- a. Pursuant to the City Charter and Section 14 of Ordinance No. 185830, consent is hereby given to the transfer of the solid waste franchise from ownership of Mel Deines Sanitary Service, Inc. to Kahut City Sanitary Service Inc. dba City Sanitary Service.
- b. Within ten days of the completion of the corporate transaction, Kahut City Sanitary Service Inc. dba City Sanitary Service shall file written notice of the transfer with the Bureau of Planning and Sustainability, in accordance with Section 14.1(A) of Ordinance No. 185830.

- c. Within ten business days after this ordinance is accepted, Kahut City Sanitary Service Inc. dba City Sanitary Service shall file in the Office of the Auditor of the City of Portland a written acceptance, executed by a duly authorized representative, acceptable as to form by the City Attorney. Such acceptance shall be unqualified and shall be construed to be an acceptance by Kahut City Sanitary Service Inc. dba City Sanitary Service of all the terms, conditions and restrictions of this Ordinance. Any failure to file such written acceptance within such time shall be deemed an abandonment and rejection of the rights and privileges conferred hereby and this ordinance shall thereupon be null and void.

Passed by the Council:

Mayor Ted Wheeler

Prepared by: Kevin Veaudry Casaus

Date Prepared: November 9, 2017

Mary Hull Caballero

Auditor of the City of Portland

By

Deputy

IMPACT STATEMENT

Legislation title: Consent to the transfer of Mel Deines Sanitary Service, Inc. residential solid waste, recycling and composting collection franchise to Kahut City Sanitary Service, Inc. dba City Sanitary Service (Ordinance)

Contact name: Kevin Veaudry Casaus, Solid Waste & Recycling Sr. Coordinator

Contact phone: 503-823-5545

Presenter name: Kevin Veaudry Casaus, Solid Waste & Recycling Sr. Coordinator, Bureau of Planning and Sustainability

Purpose of proposed legislation and background information:

Mel Deines Sanitary Service, has been granted a residential solid waste, recycling and composting collection franchise. Portland City Charter states that no sale or transfer of any franchise is allowable without Council approval. Kahut City Sanitary Services, dba City Sanitary Service, who has also been granted a franchise, and Mel Deines Sanitary Service, have informed our office of Mel Deines Sanitary Service, intent to sell their business and all of its holdings, including the franchise, to Kahut City Sanitary Services dba City Sanitary Service. The Bureau of Planning and Sustainability supports this request.

Financial and budgetary impacts:

There are no financial or budgetary impacts resulting from this action.

Community impacts and community involvement:

There are no community impacts.

Budgetary Impact Worksheet

Does this action change appropriations?

YES: Please complete the information below.

NO: Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount