

ORDINANCE NO.

AN ORDINANCE OF THE CITY OF RIVERSIDE, CALIFORNIA, GRANTING AN EXCLUSIVE FRANCHISE TO ARAKELIAN ENTERPRISES, INC. DOING BUSINESS AS ATHENS SERVICES FOR RESIDENTIAL AND COMMERCIAL SOLID WASTE, GARBAGE, RECYCLABLE MATERIAL, AND ORGANIC WASTE COLLECTION SERVICES ALONG AND UPON THE STREETS OF THE CITY OF RIVERSIDE.

WHEREAS, the City of Riverside (“City”) is a community of about 314,998, ranked as the 12th most populous city in California, with projected annual growth of 0.51%. Currently, there are 63,484 Residential Solid Waste Accounts and 7,408 Commercial Accounts; and

WHEREAS, current solid waste collection services are provided through a combination of City staff and franchise agreements; and

WHEREAS, City collection staff provide residential collection services for approximately two thirds of the City’s residential customers; the remaining one third of residential customers are currently serviced by Burrtec Waste Industries through an exclusive agreement, which expires on June 30, 2023; and

WHEREAS, commercial collection service is provided through non-exclusive agreements with Burrtec Waste Industries, Arakelian Enterprises, Inc. dba Athens Services, and CR&R Environmental Services. These agreements have been in place since 2001 and are set to expire on June 30, 2023; and

WHEREAS, Public Resources Code section 40059 provides that a City may determine that aspects of solid waste handling are a matter of local concern and that the City may contract for such services with or without use of a competitive bidding process. Section 40059 further provides that the governing body of a local government agency may by resolution or ordinance, prescribe terms and conditions upon which authority to provide solid waste handling services may be granted; and

WHEREAS, on August 18, 2022, the City issued RFP No. 2219, soliciting qualified vendors to submit proposals for Residential and Commercial Garbage, Recyclable Material, and Organic Waste Collection Services; and

1 WHEREAS, the residential services solicited are limited to the one third of residential
2 accounts presently serviced through a collection services agreement, the remaining two thirds will
3 continue to be serviced by City collections staff; and

4 WHEREAS, after evaluating responsive proposals, City staff determined that Arakelian
5 Enterprises, Inc. dba Athens Services (“Athens Services”) submitted the highest scoring proposal for
6 both residential and commercial services; and

7 WHEREAS, Riverside Municipal Code (“RMC”) section 6.04.050 provides that no persons,
8 firm or corporation, other than one of the City authorized solid waste haulers acting pursuant to their
9 contract with the City, shall collect residential solid waste, recyclable or organic recyclable material
10 within the City; and

11 WHEREAS, RMC section 6.06.030 provides that no persons, firm or corporation, other than
12 one of the City authorized solid waste haulers acting pursuant to their contract with the City, shall
13 collect commercial solid waste, recyclable or organic recyclable material within the City; and

14 WHEREAS, pursuant to Section 1301 of the City’s Charter, “[b]efore granting any franchise,
15 the City Council shall pass a resolution declaring its intention to grant the same, stating the name of
16 the proposed grantee, the character of the franchise and the terms and conditions upon which it is
17 proposed to be granted. Such resolution shall fix and set forth the day, hour and place when and
18 where any persons having any interest therein or any objection to the granting thereof may appear
19 before the City Council and be heard thereon.”

20 WHEREAS, on May 9, 2023, the City Council adopted Resolution No. 23985 declaring its
21 intent to award an exclusive Franchise Agreement to Athens Services for residential and commercial
22 solid waste collection services for a fifteen-year term through June 30, 2038, with an option to
23 extend for an additional five years through June 30, 2043 and scheduled a public hearing for May
24 23, 2023 at 3:00 p.m.; and

25 WHEREAS, Resolution No. 23985 was duly published in the Press Enterprise providing
26 notice of the public hearing on May 13, 2023; and

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1 WHEREAS, a public hearing was commenced by the City Council on the proposed award of
2 an exclusive franchise to Arakelian Enterprises, Inc. Doing Business As Athens Services for
3 Residential and Commercial Solid Waste, Garbage, Recyclable Material, and Organic Waste
4 Collection Services on May 23, 2023, at 3:00 p.m., at the Art Pick Council Chamber, located at City
5 Hall, 3900 Main Street, Riverside, the City Council of the City of Riverside to receive and consider
6 the staff report, and oral and written comments, protests and/or other objections from the public, and
7 after receipt and consideration thereof the City Council concluded the public hearing; and

8 The City Council of the City of Riverside does ordain as follows:

9 Section 1: GRANT OF EXCLUSIVE FRANCHISE

10 Pursuant to the Charter of the City of Riverside (“City”) and the laws of the State of
11 California, an exclusive franchise is hereby granted to ARAKELIAN ENTERPRISES, INC. DOING
12 BUSINESS AS ATHENS SERVICES (“Franchisee”), Residential and Commercial Solid Waste,
13 Garbage, Recyclable Material, and Organic Waste Collection Services over, upon and along the
14 streets of City subject to the terms and conditions of this ordinance.

15 Section 2: TERM

16 This franchise shall begin on the effective date of this ordinance. The term of this franchise
17 shall be for the period of approximately fifteen (15) years through June 30, 2038, with the option to
18 extend the services for an additional five years through June 30, 2043. Within the limits established
19 by the Charter of the City of Riverside, the term of this franchise may be further extended by
20 Resolution of the City Council of the City. The term of this franchise shall be subject to the right of
21 City to terminate or alter or amend said franchise at any time, as hereinafter provided.

22 Section 3: FRANCHISE AGREEMENT TERMS AND CONDITIONS /
23 ACCEPTANCE

24 This franchise shall be conditioned on and subject to the terms and conditions of the
25 Agreement For The Provision Of Commercial And Multi-Family Dwelling Garbage, Recyclable
26 Materials, And Organic Waste Collection Services and the Agreement For The Provision Of Single-
27 Family Dwelling Garbage, Recyclable Materials, And Organic Waste Collection Services attached
28 hereto as Exhibits “A” and “B” and incorporated herein (“Franchise Agreements”). Execution of the

Franchise Agreements shall constitute Franchisee's acceptance of the grant of franchise. City and Franchisee shall enter into the Franchise Agreements which may be amended from time to time by mutual consent of the parties and as authorized by this City Council. Franchisee shall comply with all terms of the Franchise Agreements and failure to do so is grounds for suspension and/or termination of this franchise in accordance with the terms of the Franchise Agreements.

Section 4: TRANSFER

Neither this franchise nor any interest therein shall be sold, assigned, or disposed of without adherence to the terms and conditions of the Franchise Agreements and the consent of the City expressed by resolution.

Section 5: FRANCHISE EXCLUSIVITY

This franchise shall be exclusive as to all services defined in the Franchise Agreements, Exhibits "A" and "B." This franchise shall not apply to the residential services presently provided by City staff and Franchisee shall have no right to provide residential solid waste collection services to those residential customers unless specifically authorized by the City.

Section 6: The City Council has reviewed the matter and, based upon the facts and information contained in the staff reports, administrative record, and written and oral testimony, hereby finds that this ordinance is not subject to CEQA pursuant to Sections 15060(c)(2), 15060(c)(3) and/or 15061(b)(3) of the State CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, in that it will not result in a direct or reasonably foreseeable indirect physical change in the environment nor have a significant impact on the environment.

Section 7: The City Clerk shall certify to the adoption of this ordinance and cause publication once in a newspaper of general circulation in accordance with Section 414 of the Charter of the City of Riverside. This ordinance shall become effective on the 30th day after the date of its adoption.

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1 ADOPTED by the City Council this _____ day of _____, 2023.

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PATRICIA LOCK DAWSON
Mayor of the City of Riverside

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7 Attest:

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DONESIA GAUSE
City Clerk of the City of Riverside

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I, Donesia Gause, City Clerk of the City of Riverside, California, hereby certify that the foregoing ordinance was duly and regularly introduced at a meeting of the City Council on the _____ day of _____, 2023, and that thereafter the said ordinance was duly and regularly adopted at a meeting of the City Council on the _____ day of _____, 2023, by the following vote, to wit:

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Ayes:

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Noes:

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Absent:

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Abstain:

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IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Riverside, California, this _____ day of _____, 2023.

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City Clerk of the City of Riverside

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28 23-0306.3 RMS 5/3/2023

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Exhibit “A”
Commercial Franchise Agreement

Exhibit “B”

Residential Franchise Agreement

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