

1 **RESOLUTION ESTABLISHING AN AUGMENTED QUARTERLY FRANCHISE FEE**
2 **AND AN ENVIRONMENTAL SURCHARGE PERTAINING TO**
3 **THE COLLECTION OF SOLID WASTE AND RESIDENTIAL RECYCLABLES**

4 WHEREAS, pursuant to provisions of Nevada Revised Statutes and the Las Vegas City Charter, the
5 City has provided by ordinance a regulatory framework for the collection of solid waste and residential
6 recyclables within the City; and

7 WHEREAS, pursuant to that same authority and in accordance with the City’s regulatory framework,
8 the City has provided for the collection of solid waste and residential recyclables within the City by means
9 of franchise, and has entered into a franchise agreement with Republic Silver State Disposal, Inc. (the
10 “Franchise Agreement”) to provide those collection services; and

11 WHEREAS, in accordance with relevant statutory authority, the City may establish franchise fees as
12 well as charges related to the collection services to be provided by a franchisee; and

13 WHEREAS, LVMC 9.08.250 authorizes the City, in accordance with a franchise agreement, to
14 establish a baseline quarterly franchise fee, to be paid by the franchisee to the City out of revenues the
15 franchisee obtains from collection-related charges; and

16 WHEREAS, LVMC 9.08.250 also authorizes the City Council to establish, in accordance with a
17 franchise agreement, an augmented quarterly franchise fee, also to be paid by the franchisee to the City out
18 of revenues the franchisee obtains from collection-related charges; and

19 WHEREAS, both LVMC Chapter 9.08 and Section 8 of the Franchise Agreement refer to the means
20 by which any augmented quarterly franchise fee may be passed through to the collection customer and, if so
21 passed through, listed as a separate line item on the franchisee’s billing to each customer; and

22 WHEREAS, LVMC 9.08.245 authorizes the City to establish an environmental surcharge on all
23 billings for solid waste collection and residential recycling services rendered within the City, the proceeds of
24 which may be used by the City for environmental programs and activities that benefit the public health,
25 safety and welfare; and

26 WHEREAS, LVMC 9.08.245 provides that the environmental surcharge so established shall be
collected by a franchisee and remitted to the City in accordance with that section; and

1 WHEREAS, LVMC 9.08.245 further provides limitations on the amount of the surcharge that may
2 be established by the City; and

3 WHEREAS, LVMC 9.08.245 and 9.08.220 provide for the means by which the environmental
4 surcharge is charged to the collection customer, collected by a franchisee, and, in connection therewith, listed
5 as a separate line item on the franchisee’s billing to each customer; and

6 WHEREAS, the City Council desires to establish by means of this Resolution an augmented
7 quarterly franchise fee, to be paid by the franchisee to the City out of revenues the franchisee obtains from
8 collection-related charges, but subject to the ordinance and franchisee agreement provisions by which such
9 a fee may be passed through to customers and listed as a separate line item on the billing to each customer;
10 and

11 WHEREAS, the City Council intends the proceeds of the augmented quarterly franchise fee
12 established herein to be used for providing facilities and services for homeless persons.

13 WHEREAS, the City Council also desires to establish by means of this Resolution an environmental
14 surcharge in accordance with LVMC 9.08.245, with the proceeds thereof to be used for environmental
15 programs and activities that benefit the public health, safety and welfare.

16 NOW, THEREFORE, BASED ON THE FOREGOING, BE IT RESOLVED BY THE CITY
17 COUNCIL OF THE CITY OF LAS VEGAS, NEVADA, AS FOLLOWS:

18 1. In accordance with LVMC 9.08.250(C) and Section 8 of the Franchise Agreement, there is hereby
19 established an augmented quarterly franchise fee (the “Augmented Franchise Fee”). The Augmented
20 Franchise Fee shall be in the amount of 5% of revenues the franchisee obtains from collection-related charges
21 for the first year in effect, commencing on July 1, 2019. Thereafter, each July 1 following, the Augmented
22 Franchise Fee shall increase by 1% each year until it reaches 10%, as follows:

<u>Period</u>	<u>Augmented Franchise Fee Amount</u>
July 1, 2019-June 30, 2020	5%
July 1, 2020-June 30, 2021	6%
July 1, 2021-June 30, 2022	7%
July 1, 2022-June 30, 2023	8%
July 1, 2023-June 30, 2024	9%
July 1, 2024-June 30, 2025 and thereafter	10%

1 2. The Augmented Franchise Fee shall be collected in accordance with, and is governed by, relevant
2 provisions of LVMC Chapter 9.08 and the Franchise Agreement. In accordance with LVMC Chapter 9.08
3 and the Franchise Agreement, if the Augmented Franchise Fee is to be passed through to customers, it shall
4 be listed as a separate line item on the franchisee’s billing to each customer.

5 3. The proceeds of the Augmented Franchise Fee shall be deposited into a dedicated special revenue
6 fund which is set aside for the purposes described in this Paragraph 3. That fund is hereby created by means
7 of this Resolution and shall be used for provision of facilities and services for homeless persons.

8 4. In accordance with LVMC 9.08.245, there is hereby established and imposed an environmental
9 surcharge to be added to all billings for solid waste collection and residential recycling services rendered
10 within the City (the “Environmental Surcharge”). The Environmental Surcharge shall be in the amount of
11 1% of the otherwise-applicable charges to each customer of a franchisee for the collection of solid waste and
12 residential recyclables within the City, commencing on July 1, 2020. Thereafter, each July 1 following, the
13 Environmental Surcharge shall increase by 1% each year until it reaches 5%, as follows:

<u>Period</u>	<u>Environmental Surcharge Amount</u>
July 1, 2020-June 30, 2021	1%
July 1, 2021-June 30, 2022	2%
July 1, 2022-June 30, 2023	3%
July 1, 2023-June 30, 2024	4%
July 1, 2024-June 30, 2025 and thereafter	5%

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18 5. The Environmental Surcharge shall be collected in accordance with, and is governed by, relevant
19 provisions of LVMC Chapter 9.08 and the Franchise Agreement. The Environmental Surcharge shall be
20 listed as a separate line item on the franchisee’s billing to each customer.

21 6. The proceeds of the Environmental Surcharge shall be deposited into a dedicated environmental
22 special revenue fund which is set aside for the purposes described in this Paragraph 6. That fund is hereby
23 created by means of this Resolution and shall be used for environmental programs and activities that benefit
24 the public health, safety and welfare, as determined by the City.

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1 7. This Resolution shall become effective as of July 1, 2019.

2 PASSED, ADOPTED, AND APPROVED this ____ day of _____, 2019.

3 CITY OF LAS VEGAS

4
5 BY _____
CAROLYN G. GOODMAN, Mayor

6 ATTEST:

7 _____
8 LUANN D. HOLMES, MMC
City Clerk

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10 APPROVED AS TO FORM

11 _____
12 Val Steed, Date
Deputy City Attorney

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