

## ORDINANCE No. 186333

Consent to transfer of residential solid waste, recycling and composting franchise for American Sanitary Service, Inc. to Waste Connections of Oregon, Inc. (Ordinance)

The City of Portland ordains:

### Section 1. The Council finds:

1. In 1991, the Council adopted Ordinance Co. 164701, granting separate residential solid waste, recycling and yard debris collection franchises to American Sanitary Service and to Arrow Sanitary Service, among others, for the delivery of residential solid waste and recycling collection services within the City of Portland.
2. The Council has renewed the residential solid waste franchises several times since 1991, including a renewal in 1997 (Ordinance No. 170863) and in 2002 (Ordinance No. 176283). The most recent residential franchise renewal occurred in 2008 when the Council adopted Ordinance No. 181666, renewing residential solid waste, recycling and yard debris collection franchises for American Sanitary Service, Inc., as a wholly owned subsidiary of Waste Connections, Inc., and Waste Connections of Oregon, Inc. dba Arrow Sanitary Service, among others.
3. Under Section 14 of the residential solid waste franchise, the franchisee is restricted from selling, leasing, mortgaging, assigning, merging or otherwise transferring the franchise, by any means, without the prior consent of the City, expressed by Ordinance. The requirements of Portland City Charter Section 10-213, also restricting franchise transfers unless consented to by the City by Ordinance, are incorporated into the franchise by reference in Section 6.1. Ordinance No. 181666.
4. Waste Connections, Inc. has sent a letter to the Bureau of Planning and Sustainability, Solid Waste Division, indicating that Waste Connections has made a decision to merge the operations of American Sanitary Service, Inc. into Waste Connections of Oregon, Inc., dba Arrow Sanitary Service, to occur by December 31, 2013. The company has represented to the City that the merger will reduce system redundancies and improve business efficiencies. The physical operations of the company will not be altered. The employees will remain the same, and will be dispatched and returned to the same business location in Portland. Customer service representatives will remain the same, nor will there be any changes in management of the company. The changes that will occur will be that trucks will be re-signed to identify that they are operated by Arrow Sanitary Service, and customer invoices will be identified as coming from Arrow Sanitary Service, a Waste Connections company. Additionally, various filings required to be made with the City will be consolidated under a single company.
5. In accordance with Section 14.1(B) of the solid waste franchise, City staff have reviewed the proposed merger, 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 corporate merger of these two businesses, and the resulting 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 merger of American Sanitary Service, Inc. into Waste Connections of Oregon, Inc., dba Arrow Sanitary Service and the transfer and consolidation of the American Sanitary Service franchise into a single franchise for Waste Connections of Oregon, Inc., dba Arrow Sanitary Service.
- b. Within ten days of the completion of the corporate transaction, Waste Connections, Inc. shall file written notice of the corporate merger with the Solid Waste Division of the Bureau of Planning and Sustainability, in accordance with Section 14.1(A) of Ordinance No. 181666.
- c. Within ten business days after this Ordinance is adopted, Waste Connections, Inc. 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 Waste Connections, Inc. 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:

NOV 20 2013

Mayor Charlie Hales

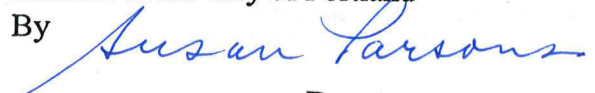
Prepared by: Kevin Veaudry Casaus

Date Prepared: February 13, 2013

**LaVonne Griffin-Valade**

Auditor of the City of Portland

By



Deputy

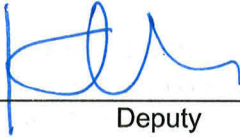
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Agenda No. **186333**  
**ORDINANCE NO.**  
 Title

Consent to transfer of residential solid waste, recycling and composting franchise for American Sanitary Service, Inc. to Waste Connections of Oregon, Inc. (Ordinance)

<b>INTRODUCED BY</b> Commissioner/Auditor: <b>Mayor Charlie Hales</b>	CLERK USE: DATE FILED <u>NOV 08 2013</u>
<b>COMMISSIONER APPROVAL</b> Mayor—Finance and Administration - Hales Position 1/Utilities - Fritz Position 2/Works - Fish Position 3/Affairs - Saltzman Position 4/Safety - Novick	LaVonne Griffin-Valade Auditor of the City of Portland  By:  Deputy
<b>BUREAU APPROVAL</b> Bureau: Planning and Sustainability Bureau Head: Susan Anderson Prepared by: Kevin Veaudry Casaus Date Prepared: 10/23/2013	<b>ACTION TAKEN:</b> NOV 13 2013 PASSED TO SECOND READING NOV 20 2013 9:30 A.M.
Financial Impact & Public Involvement Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/>	
Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Council Meeting Date 11/13/2013	
<b>City Attorney Approval:</b> required for contract, code, easement, franchise, comp plan, charter GF	

<b>AGENDA</b>
<b>TIME CERTAIN</b> <input type="checkbox"/> Start time: _____ Total amount of time needed: _____ (for presentation, testimony and discussion)
<b>CONSENT</b> <input checked="" type="checkbox"/>
<b>REGULAR</b> <input type="checkbox"/> Total amount of time needed: _____ (for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:	
	YEAS	NAYS
1. Fritz	<input checked="" type="checkbox"/>	
2. Fish	<input checked="" type="checkbox"/>	
3. Saltzman	<input checked="" type="checkbox"/>	
4. Novick	<input checked="" type="checkbox"/>	
Hales	<input checked="" type="checkbox"/>	