

## REPORT TO THE CITY COUNCIL

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**DATE:** May 16, 2017

**TITLE:** Desert Valley Disposal Re-Investment Payment and Extension of Term of the Franchise Agreement

**Prepared by:** Joseph M. Tanner, Administrative Services Director

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### **RECOMMENDATION**

**Approve a Minute Motion to accept a request from the Desert Valley Disposal for Re-Investment Payment and Extension of Term of the Franchise Agreement.**

### **DISCUSSION**

On March 18, 2014, the City Council approved an amended Franchise Agreement with Desert Valley Disposal, Inc. ("DVD") to require, among other things, that DVD pay an investment payment to the City of \$1 million for an additional eight years of term and to annually re-invest \$100,000, plus an escalator in the amount of \$10,000 for each additional year added to that initial term.

DVD has submitted a letter (Exhibit 1) requesting that the City Council approve an extension of the term of the Franchise Agreement for solid waste and recycling services. The re-investment payment for the third year is \$120,000.00.

It is recommended that the City Council approve a Minute Motion acknowledging the extension of term by one (1) year and acceptance of the check.

### **FISCAL IMPACT**

A \$120,000 was budgeted in the 2016/2017 General Fund budget under the line item Franchise Fees.

### **EXHIBIT(S)**

1) Letter from Desert Valley Disposal