




**CITY OF FORT LAUDERDALE  
City Commission Agenda Memo  
REGULAR MEETING**

**#13-1139**

CR-4  
REVISION

**TO:** Honorable Mayor & Members of the  
Fort Lauderdale City Commission

**FROM:** Lee Feldman, ICMA-CM, City Manager 

**DATE:** September 3, 2013

**TITLE:** REVISED CR-4 - Motion to adopt a Resolution establishing Solid Waste  
Licensed Private Collector Franchise Fees

**Recommendation**

It is recommended that the City Commission approve a Resolution establishing the franchise fees for licensed private collectors of solid waste at 23 percent of the gross receipts, or equivalent value, received by each licensed private collector within the City.

**Background**

~~Franchise fees are used to support solid waste programs within the City including household hazardous waste collection and disposal, bulk collection programs, recycling programs, clearing illegally dumped materials from lots, canal cleaning, debris removal in public places and streets, and code enforcement efforts.~~

Franchise fees are used to support the General Fund. The City has historically based solid waste franchise fee payment for licensed private collectors on gross receipts. The franchise fee is currently set at 17 percent of the total gross receipts collected by licensed private haulers for all solid waste collected. Franchise fees are remitted to the City on a monthly basis.

The cost of solid waste disposal has decreased 39% from \$67.93 per ton to \$41.48 per ton under the City's new Interlocal Agreement with Broward County. As a result of competition in the marketplace and the decrease in the tipping fee, gross revenues from licensed private solid waste collectors has also decreased.

Increasing the franchise fee from 17 percent to 23 percent of gross receipts, or equivalent value, received by each licensed private collector stabilizes City revenues and allows the City to maintain the same level of service currently provided to City residents.

Staff has researched the franchise fee of other municipalities in the South Florida market. Fees range from between 10 percent to 25 percent of gross receipts received.

Based on the data gathered, City staff has determined that the recommended increase to 23 percent of gross receipts does constitute a fair and reasonable fee.

### **Resource Impact**

There is a balanced estimated fiscal impact to the City associated with this action. The Fiscal Year 2013 Franchise Fee revenue budget estimate is \$3,500,000.00. Future Fiscal Year 2014 has been estimated in the same amount.

FISCAL YEAR	FUND	SUBFUND	FUND NAME	INDEX #	INDEX NAME	SUBJECT#	SUBJECT NAME	AMOUNT
2013	409	01	Sanitation	PBS010504	Finance - Sanitation	J182	Private Collector Fees	\$3,500,000.00
2014	409	01	Sanitation	PBS010504	Finance - Sanitation	J182	Private Collector Fees	\$3,500,000.00
2014	001	01	General Fund	FIN040301	Other General Fund Revenue	J182	Private Collector Fees	\$3,500,000.00

Related CAM(s):   #13-1039  
                          #13-1140

Attachment: Exhibit 1 – Resolution

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Prepared by: Julie Leonard, Assistant Public Works Director – Sustainability

Department Director: Hardeep Anand, P.E., Public Works