

ORDINANCE NO. 21-015

ENTITLED AN ORDINANCE GRANTING A FRANCHISE FOR SOLID WASTE COLLECTION AND TRANSPORTATION SERVICES TO G&H SOLUTIONS, LLC.

WHEREAS, G&H Solutions, LLC (the "Company") has requested a franchise to operate a solid waste collection and transportation service within the City of Beaumont, Texas (the "City"); and,

WHEREAS, the City desires to grant such franchise;

NOW, THEREFORE, BE IT ORDAINED BY THE

CITY OF BEAUMONT:

Section 1.

Grant of Authority

There is hereby granted by the City to G&H Solutions, LLC the right and privilege to operate and maintain within the City a solid waste collection and transportation service (the "service"). For purposes of this franchise, the term "solid waste collection and transportation service" shall mean the business of collection, hauling or transporting any garbage, rubbish, waste or refuse from locations in the City, and the disposal of such material in accordance with law. The franchise granted herein is nonexclusive, and franchises may be granted to other persons for service.

Section 2.

Term of Franchise

The franchise herein granted shall take effect and be in force sixty (60) days after the final passage hereof as required by law and upon the filing by the Company of an acceptance with the City Clerk, and shall continue in force and effect until one (1) year thereafter. The acceptance required hereunder must be in writing and filed with the City

Clerk within thirty (30) days after final passage hereof. Upon the expiration of the term hereof, this franchise shall continue on a month-to-month basis until terminated by either party or extended or replaced.

### Section 3.

#### Rates

The Company shall establish rates for service which are uniform as to customer class based upon such criteria as type of waste, container size, frequency of collection, and distance of travel. The Company shall file its initial rates for service with its acceptance as required herein. Such rates shall, unless modified by the City, be effective with the effective date of this franchise. Any modifications in rates by the Company shall first be filed with the City Clerk and City Attorney and shall be effective thirty (30) days after such filing unless modified by City as provided herein. Nothing herein shall prevent the Company from charging uniform rates which are less than the rates filed with the City. The City shall have the right to establish rates charged by Company for services performed hereunder, after notice and hearing. Rates established by the City shall be sufficient to allow the Company an opportunity to earn a reasonable return on its invested capital used in providing such services.

### Section 4.

#### Franchise Fee

The Company shall pay to the City, on or before the fifteenth (15th) day of each month, a sum equal to SEVEN PERCENT (7%) of the gross revenues received for service in the previous month as payment for the use of the City's streets, alleys and

rights-of-way. The payments herein provided do not relieve Company from the payment of ad valorem taxes, special assessments, charges, or other fees applicable to the public generally. City shall have the right, at any reasonable time, to audit the books and records of the Company and the Company is hereby required to make such books and records available at the request of City. Upon written acceptance, the Company shall furnish to the City a listing of customers served, including customer name, address, frequency of pick-up, size of container or type of service and charge for same. The following reports shall be filed monthly with the City Manager or his designee along with the street rental payment required herein:

1. Upon written request and within thirty (30) days of receipt, the Company shall furnish to the City adequate reconciliation of reported revenues which would include: a listing of names and addresses of all customers served, frequency of pick-up, size of container or type of service and charge for same, and date service was initiated and discontinued.

#### Section 5.

#### Indemnity, Insurance and Bond

The Company shall at all times during the effective period of this franchise, carry liability insurance as provided herein. The Company covenants and agrees at all times to indemnify and save harmless the City, its officers, agents, employees, and any member of the public against any and all injuries, damages, claims, causes of action or loss of compensation arising or resulting from Company's operations under this franchise, whether or not such loss was caused by the negligence of the City, its agents, servants or employees. Upon notice given Company by City, Company must defend at its own expense, any action or suit brought against the City because of any work or other acts done by the Company under the terms of this franchise. Counsel chosen by Company

to defend City must be satisfactory to City. Company will pay any final judgment which might be obtained against City by reason of any work or acts done hereunder by Company, its agents, servants or employees, and Company will pay all damages occurring to any person or property, public or private, resulting from any fault or neglect on its part or on the part of its agents or employees.

The Company agrees to carry insurance as follows:

- 1) Workers' Compensation  
The Company shall furnish the City Clerk a certificate of insurance indicating workers' compensation coverage as required by the State of Texas.
  
- 2) Automobile Liability Insurance  
The Company shall carry, in its own name, a policy in comprehensive form to insure the automobile liability of its operation with limits of not less than Five Hundred Thousand Dollars (\$500,000.00) per occurrence for bodily injury and, in addition, not less than One Hundred Thousand Dollars (\$100,000.00) property damage. This policy shall name City as an additional insured and provide for thirty (30) days notice to City prior to cancellation. A certificate of insurance certifying such coverage shall be filed with the City Clerk before the effective date of this franchise, and it shall be maintained in force during the term of the franchise.
  
- 3) General Liability  
The Company shall carry, in its own name, a comprehensive liability insurance policy including contractual coverage for operations other than automobile with limits of not less than Five Hundred Thousand Dollars (\$500,000.00) per occurrence for bodily injury, and One Hundred Thousand Dollars (\$100,000.00) per occurrence for property damage. The policy shall name the City as named insured and provide for thirty (30) days notice to City prior to cancellation. A certificate of insurance certifying such coverage shall be filed with the City Clerk before the effective date of this franchise and maintained in force during the term of the franchise.

## Section 6.

### Compliance with Laws and Ordinances

The Company shall, at all times during the term of this franchise, be subject to all lawful exercise of police power by the City and to such reasonable regulations as the City shall hereafter by ordinance provide. In addition, the Company will observe all city, county, state, and federal laws regulating the collection and disposal of solid waste.

## Section 7.

### Service Standard and Equipment

The Company shall maintain and operate its collection system and equipment in good order to render efficient service subject to the terms of this franchise. All vehicles, containers, and equipment used for the collection and transportation of solid waste shall be constructed, operated and maintained to prevent loss of liquid or solid waste material and to minimize health and safety hazards to solid waste management personnel and the public. Such vehicles, containers, and equipment used shall be maintained in a clean, sanitary condition and free from odors at all times. All vehicles and equipment shall comply with federal, state, and local regulations. Collection vehicles and all bulk, commercial, and roll-off type containers shall be painted and numbered and shall have the Company's name and telephone number painted in letters of a contrasting color. Such containers may not be placed on any street or right-of-way within the City. All collections shall be made directly from the premises of the customer and any emptied containers returned directly to such premises.

Section 8.

Providing Services

The Company shall provide service to any person, firm, corporation, association or entity inside the City of Beaumont who requests such service and is not delinquent in the payment of collection charges due the Company.

Section 9.

Office

The Company shall establish and maintain an office with telephone service and shall keep said office open for business from 9:00 A.M. to 5:00 P.M. each and every day except Saturday, Sunday and holidays.

Section 10.

Interruption of Service

In the event that service shall be interrupted for any reason for more than forty-eight (48) hours, the City shall have the right to make temporary independent arrangements for the purposes of continuing this necessary service to its residents in order to provide or protect the public health and safety. If the interruption in service mentioned herein continues for a period of seventy-two (72) hours, then the City shall have the right to terminate the rights and privileges granted in this franchise.

Section 11.

Termination

In the event that any provision of this franchise is violated by the Company, the City may serve written notice upon the Company of its intention to terminate this

franchise. The notice shall contain the reasons for such intention to terminate the franchise. Unless within ten (10) days after mailing such notice by City to the Company, such violation shall cease, or satisfactory arrangements for correction be made by Company, the City Council may, after a public hearing in which Company is provided an opportunity to present evidence concerning such violation, declare the franchise terminated and serve written notice upon the Company of the termination and the termination of the franchise shall be effective upon the mailing of such notice.

#### Section 12.

##### Transfer of Franchise Rights

Franchise rights granted hereunder shall not be transferred to another without the approval of City. A single transfer or a series of transfers of Company's stock which constitute a transfer of a majority interest in Company is subject to the prior approval of City.

#### Section 13.

##### Notices

Where written notices are provided for in this ordinance, same shall be sufficient to notify Company when provided by certified mail to:

G&H Solutions, LLC  
2560 N. 31<sup>st</sup> Street  
Nederland, TX 77627

Notice to City is sufficient if mailed by certified mail to:

City Manager  
City of Beaumont  
P.O. Box 3827  
Beaumont, TX 77704

#### Section 14.

If any section, sentence, clause, paragraph or phrase of this ordinance, other than Section 4, is for any reason held to be invalid or illegal, such invalidity shall not effect the remaining portions of this ordinance. If Section 4 hereof is held to be invalid for any reason, the ordinance shall be immediately invalid.

#### Section 15.

It is agreed by City and Company that venue of any legal proceedings under this franchise agreement shall be in Jefferson County, Texas.

#### Section 16.

##### Vehicle Permits

Twenty (20) days prior to the effective date of this franchise, the Company shall furnish to the City a list of all vehicles to be providing solid waste collection and disposal service under this franchise. Such list shall include state license number, year, make, model and manufacturer's rated capacity for each vehicle. Vehicles not having a valid City of Beaumont landfill permit will not be allowed to operate under this agreement nor utilize the City refuse disposal facility. If at any time a vehicle or equipment is found to be in noncompliance with Section 7 of this franchise, the Company will be notified of its violation and said equipment or vehicle shall be removed from service upon receipt of written notification.

Failure to comply with this provision or to falsify the information concerning the location of the service of the vehicle shall be a material breach of this franchise. Should City decide not to terminate this franchise because of any violation of this Section,



Company's disposal fee at City's landfill shall be doubled for all of Company's vehicles for a period of sixty (60) days.

The meeting at which this ordinance was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.


PASSED BY THE CITY COUNCIL of the City of Beaumont on first reading this the 13th day of April, 2021.

PASSED BY THE CITY COUNCIL of the City of Beaumont on second reading this the 20th day of April, 2021.

PASSED BY THE CITY COUNCIL of the City of Beaumont on final reading this the 17th day of May, 2021.

  
- Mayor Becky Ames -

ACCEPTANCE:

  
G&H Solutions, LLC

By: Catherine Hillin  
(Company Owner/Representative)