

**BUSINESS IMPACT STATEMENT
BILL NO. 2007-7**

**Regarding Proposed Ordinance Amendments to City's Solid Waste
Management Regulations (LVMC Chapter 9.08)**

This Business Impact Statement was prepared pursuant to NRS 237.090 to address the impact of proposed ordinance amendments to Chapter 9.08 of the Las Vegas Municipal Code concerning solid waste management, including the following changes: updating service charges; increasing frequency-of-service options; adding minimum container requirements; adding charges for overflow collections; eliminating discontinuation-of-service charges; deregulating charges for categories of waste for which competitive markets exist; adding customer service requirements concerning fixing damaged containers and correcting missed collections; and allowing solid waste collection at alternative locations to avoid unsafe driving maneuvers.

1. The following constitutes a description of the manner in which comments were solicited from affected businesses, a summary of their response, and an explanation of the manner in which other interested persons may obtain a copy of the summary. NRS 237.090(1)(a)

Affected Businesses: The proposed ordinance amendments may affect all businesses in the City.

Solicitation of Public Comments: A Public Notice of proposed amendments to the City's solid waste management regulations, including a solicitation of comments thereon, was published in the Las Vegas Review-Journal on December 29, 2006.

Prior to the publication of such Notice, three meetings were held at the City with representatives of several types of businesses, including property managers, to review and provide comments on the proposed changes. After making revisions to the proposed ordinance amendments, another meeting was held at Clark County to review the revisions with representatives from property managers' groups – particularly with regard to the provisions concerning minimum container requirements and charges for the collection of overflowing containers.

Copies of the proposed amendments were sent electronically to representatives of several types of businesses, including property managers, on December 22, 2006. A copy of the proposed amendments was also sent electronically to the Las Vegas Chamber of Commerce on December 26, 2006.

Availability of Documents: Copies of the proposed ordinance amendments were and are available for review at: City of Las Vegas, Business Services Division, 400 Stewart Avenue, 3rd floor, Las Vegas, Nevada 89101.

Summary of Public Comments: No comments were received in response to the Public Notice. At meetings prior to the publication of the Public Notice, representatives of various industry groups expressed the following concerns: (1) minimum container requirements were set at levels that were too high; (2) overflow charges were too high and required better definitions and more procedural

safeguards to avoid unfair or abusive charges; and (3) the issue of a franchisee collecting waste at alternative locations, if the normal location for collection would require unsafe maneuvers by the franchisee's trucks, should not be addressed in this ordinance.

2. The following summarizes the estimated economic effect of the proposed rule on businesses, including, without limitation, adverse, beneficial, direct and indirect effects. NRS 237.090(1)(b)

In General: Increases in charges for solid waste service reflect applicable Consumer Price Index adjustments, and are not increases to existing charges.

Adverse Effects: The amendments will require all businesses to meet minimum container requirements, which are intended to provide for adequate solid waste service for such customers. This may require some businesses to increase their service levels, by increasing their frequency of service or container size, or by renting or purchasing additional containers.

Properties that continue to have waste overflowing from their containers will be subject to overflow charges.

Service charges will be deregulated for certain categories of service for which competition is allowed – i.e., construction and demolition waste, septic-tank waste, grease-trap waste and yard waste. This could result in higher charges for these services by the City's solid waste franchisee.

Developers may incur increased costs in developing their properties, if they have to revise development plans that might otherwise require unsafe driving maneuvers by solid waste collection trucks in order to avoid alternative waste collection locations.

Beneficial Effects: New frequency-of-service options could result in some businesses paying less for service.

New customer service standards concerning the fixing or replacement of damaged containers, and the correction of missed collections, could result in credits to customers' accounts.

Discontinuation-of-service charges are eliminated.

Direct Effects: Adds once/week, three times/week, four times/week, five times/week and seven times/week service options; adds overflow charges; and eliminates discontinuation-of-service charges.

Indirect effects: Adds customer service standards; see possible effects above.

3. The following constitutes a description of the methods that the local government considered to reduce the impact of the proposed rule on businesses, and whether any of the following

methods were used: simplifying the proposed rule; establishing different standards of compliance for a business; and modifying a fee or fine set forth in the rule so that a business could pay a lower fee or fine. NRS 237.080(4)(a), (b) and (c); NRS 237.090(1)(c)

In General: City staff analyzed existing solid waste service levels for over 1400 nonresidential customers in order to determine a schedule of “conservative” minimum container requirements based on different types of businesses. As a result, the requirements that were initially proposed were reduced substantially, to levels equating to approximately 50% of the average existing service levels for these customers.

The definition of “overflow” was modified, so that certain situations that originally would have constituted an overflow no longer do. Procedural safeguards were added or clarified with regard to how and when an overflow charge can be assessed. The amount of the overflow charge originally proposed was reduced by approximately one-third.

No changes were made to the provisions that allow a franchisee, with the City’s approval, to collect solid waste from an alternative location if the normal collection location would require unsafe driving maneuvers by the franchisee’s trucks. This is a safety issue that should not be compromised based solely on decreased profits for developers.

Simplification of Rules: The changes requested by businesses were not based on simplification of the rules, but some definitional and procedural changes that were requested concerning overflow charges were made.

Establishing Different Standards for Businesses: Inapplicable; the rules for which comments were received were specifically intended for businesses.

Modifying Fees or Fines: The lowering of the minimum container requirements lessens any increased costs that businesses may incur in order to meet such requirements. The changes to the overflow charge provisions decrease the likelihood of a business being assessed an overflow charge. The amount of the overflow charge that can be assessed was decreased by approximately one-third.

4. The following summarizes the governing body’s estimate of the annual costs to the local government for enforcement of the proposed rule. NRS 237.090(1)(d)

No additional costs.

5. The following summarizes the total annual amount that the local government expects to collect from any new or increased fees, and the manner in which the money will be used. NRS 237.090(1)(e)

New/Increased Fees: There are no new fees to the City. (See Section 2, “In General”) The City may indirectly receive additional franchise fees based on revenue received by its franchisee resulting

from minimum container requirements and overflow charges, the amount of which cannot be estimated at this time.

Use of Money: Any additional franchise fees received by the City will go into the City's general fund.

6. The following summarizes any provisions of the proposed rule which duplicate or are more stringent than federal, state or local standards regulating the same activity, and explains why such provisions are necessary. NRS 237.090(1)(f)

Duplicative Rules: NRS 444.440 et seq. provides a framework under which the City is required to establish by ordinance regulations for a solid waste management system, provided that no such ordinance shall be in conflict with any regulation adopted by the State Environmental Commission. This proposed ordinance amendments are in compliance with NRS.

Reason for Duplication: Inapplicable.

Date: February 7, 2007