



February 12, 2021

TO: Finance Committee/ Common Council
FROM: Liz Majerus, Assistant City Attorney
RE: Garbage Hauler & Scrap Dealer Licensing Update

Enclosed for your consideration is a proposed ordinance amendment affecting two lines of work within the City; commercial garbage haulers and recycling and salvage operations. The insurance requirements for commercial garbage haulers has been updated to reflect the City's standard limit requirements. The ordinance is further amended to clarify the language relating to the license approval process.

The creation of Section 11.145 regulating recycling and salvage operations is desired because the City does not currently have a means of identifying and tracking these operations and ensuring they comply with the municipal code and state and federal laws. Recycling and salvage operations are commonly referred to as scrap or junk operations. These businesses collect used appliances, small engines, tires, metals, and the like, disassemble these items and sell their components to others for reuse. The disassembly and on-site storage of these donations can cause a nuisance within the neighborhood if measures are not taken to minimize impact to nearby properties. Unregulated, we have seen these business operating in rear and front yards of residential properties, openly store materials without sight screening, improperly dispose of waste fluids such as oil and refrigerant, operate during hours normally associated with quiet in residential neighborhoods and either permit or suffer unregulated dumping and/or burning of personal property on site. By regulating these businesses, we hope to minimize or eliminate any nuisance caused by them and to ensure the operations are taking place in areas zoned for such activity.

The proposed ordinance requires that the applicant permit police and fire to inspect the business sites to ensure compliance with local and state laws; requires applicants to record certain items they've collected using the NEWPRS system, which our police department currently uses to monitor secondhand shops and pawn shops to locate stolen goods; and requires applicants to provide the City a letter of credit to protect the City from incurring debt for enforcement activity or cleanup

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activity if a business is abandoned or files bankruptcy without first clearing the site(s). The applicant is further required to obtain certification from the City Planner that the proposed business site(s) complies with the City's zoning regulations and to certify that the applicant is licensed by the state and/or federal government as required depending on the nature of the materials collected and sold. The license fee of \$30 per vehicle is equal to the license fee charged per taxicab vehicle and applies only to vehicles used in the business of hauling. So, if a business has three sedans titled to it but only one pickup truck which is used to collect and haul materials, the business will only pay the license fee for the pickup truck. Businesses must also provide proof of insurance and name the City as an additional insured on the policy. This protects the City from liability if an entity causes damage to persons, property or the environment and the City is named in the lawsuit.

The proposed ordinance prohibits these businesses from participating in activities generally understood to cause a nuisance and provides inspections staff with a means of enforcement should a property not comply. The penalty structure mirrors that of violations of the zoning and property maintenance codes.

This ordinance draft has been circulated to Community Development, Building Inspection, the Police Department, Municipal Court Judge, and the City Attorney. Concerns or suggestions raised have been incorporated. The ordinance was drafted by Liz Majerus in partnership with Deputy Clerk Amanda Baryenbruch, who is very familiar with recycling and salvage operations due to her employment with an operation run outside of the City.