PUBLIC WORKS DEPARTMENT MEMORANDUM #2013 – 21

DATE:	May 13, 2013
TO:	Honorable Mayor Joyce Downing and City Council Members
FROM:	David Willett, Acting City Manager

SUBJECT: CB – 1802; Proposed Revisions to Chapter 16, Article 2 of the Northglenn Municipal Code CB – 1803; Proposed Revisions to Chapter 16, Article 7 of the Northglenn Municipal Code

BACKGROUND

Article 2

Chapter 16, Article 2 of the Northglenn Municipal Code contains provisions allowing contractors the capability of pulling blanket permits and using blanket bonds to cover maintenance operations on a calendar year basis. The original intent was based on repetitive type work to maintain utility services. Over time, with the advent of new technologies and continued growth in the North Metro area, the amount of work within the public-right-of-way has increased causing a large number of disturbances to roadways, sidewalks, trails and other infrastructure for the installation of fiber optic lines, new services, increased capacity, replacement of worn out or obsolete utilities, etc.

Utility companies utilize a wide array of contractors to do a majority of their work. The utility companies reference the contractors as "subcontractors." It has been past practice to use their blanket bonds as an umbrella to cover the work of their subcontractors. These subcontractors are not directly supervised by the utility companies and are, in effect, independent contractors.

Several issues of concern have arisen including contractors operating without a permit, expired bonds, inadequate bond coverage, little or no traffic control, work left incomplete for long periods of time, etc. Many of these issues have become a concern to city staff whose responsibility is to safeguard the public and ensure the City's infrastructure is maintained to standards and specifications.

Attached to this memorandum is CB-1802 which would eliminate blanket permits and bonds and would require each individual contractor to permit and bond work that they perform in the City's ROW.

Article 7

On July 1, 2013 the Colorado Department of Public Health and Environment (CDPHE) will implement a ban prohibiting the vast majority of electronic devices from being accepted at Colorado landfills. The Sanitation Division of the Public Works department is currently taking steps to prepare for the ban and inform Northglenn residents prior to the ban taking effect.

Also, over the past year, many residents have expressed an interest in obtaining an additional recycling container. Recycling is a popular program, provides environmental stewardship and helps reduce operating costs. Allowing resident the opportunity to increase recycling and reduce trash volume makes sense both economically and environmentally.

Attached to this memorandum is CB-1803 which would reflect changes eliminating the collection of electronic waste and also allowing residents to have more than one recycling container.

BUDGET/TIME IMPLICATIONS

The time frame for the implementation of the proposed revision to **Article 2** is **July 1, 2013** in order to comply with State statute. Additionally there has been \$30,000 set aside in the 2013 Sanitation Fund budget to assist in education and promotion of alternatives for banned electronic waste materials.

The time frame for implementation of the proposed revisions to **Article 7** is recommended to take effect **January 1**, **2014** allowing contractors sufficient time to plan for the changes.

RECOMMENDATION

Attached to this memorandum are Council Bills that, if approved, would revise Chapter 16, Articles 2 and 7 of the Northglenn Municipal Code.

Staff recommends approval of these Council Bills.

STAFF REFERENCE

Norm Bell, Acting Director of Public Works

nbell@northglenn.org or 303.450.4005

SPONSORED BY: <u>MAYOR DOWNING</u>

COUNCILMAN'S BILL

ORDINANCE NO.

No. <u>CB-1802</u> Series of 2013

Series of 2013

A BILL FOR AN ORDINANCE AMENDING ARTICLE 2 OF CHAPTER 16 OF THE NORTHGLENN MUNICIPAL CODE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NORTHGLENN, COLORADO, THAT:

<u>Section 1</u>. Section 16-2-2, subsection (t) of the Northglenn Municipal Code is amended to read as follows:

(t) "Sub-Contractor" means a person, partnership, corporation, or other legal entity which undertakes to construct, install, alter, move, remove, trim, demolish, repair, replace, excavate, landscape, or add to any improvements or facilities in the public right-of-way, or that requires work, workers, and/or equipment and materials to be in the public right-of-way in the process of performing the above named activities on behalf of the contractor. SUB-CONTRACTORS SHALL WORK UNDER THE DIRECT SUPERVISION OF THE CONTRACTOR. SUB-CONTRACTORS PERFORMING WORK FOR ANOTHER CONTRACTOR WITHOUT DIRECT ON-SITE SUPERVISION SHALL BE CONSIDERED INDEPENDENT CONTRACTORS SUBJECT TO THE SAME TERMS AND CONDITIONS AS A CONTRACTOR.

Section 2. Section 16-2-7 of the Northglenn Municipal Code is repealed in its entirety.

<u>Section 3.</u> Section 16-2-12 of the Northglenn Municipal Code is amended to read as follows:

Section 16-2-12. Performance Bonds and Letters of Credit.

(a) Before a public right-of-way permit is issued, the applicant shall file with the City a bond or letter of credit, at the applicant's choice, in favor of the City in an amount equal to the total cost of construction, including labor and materials but excluding the cost of any private facilities being installed, or five thousand dollars, whichever is greater. The bond or letter of credit shall be executed by the applicant as principal and by at least one surety upon whom service of process may be had in the state. The bond shall be on the form provided by the City. The bond or letter of credit shall be conditioned upon the applicant fully complying with all provisions of City ordinances, resolutions and regulations, and upon payment of all judgments and costs rendered against the applicant for any violation of any City resolution, regulation or ordinances or state law arising out of any negligent or wrongful acts of the applicant in the performance of work pursuant to the permit. (b) The City may bring an action on the bond or letter of credit on its own behalf or on behalf of any person so aggrieved as beneficiary.

(c) The bond or letter of credit, with an original signature, in a form acceptable to the City, shall be approved by the City prior to the issuance of the permit.

(d) A letter of responsibility, in a form acceptable to the City, shall be accepted from special districts and governmental agencies in lieu of a performance bond or letter of credit.

(e) A blanket AN ANNUAL bond of sufficient amount to cover all proposed work during the upcoming year may be filed with the City on an annual basis in lieu of the projectspecific performance bonds or letters of credit required by subsection (a) of this section. The form and amount of the blanket ANNUAL bond shall be subject to the prior review and approval of the City. Should the blanket ANNUAL bond be deemed insufficient by the City based on the work to date OR BASED ON THE CIRCUMSTANCES OF A PARTICULAR PROJECT WHICH, IN THE CITY'S SOLE DISCRETION, REQUIRES A PROJECT-SPECIFIC BOND, the City may require additional, project-specific performance bonds or letters of credit pursuant to subsection (a) of this section. THE CITY SHALL FURTHER BE AUTHORIZED TO REQUIRE AN ANNUAL BOND AND/OR A PROJECT-SPECIFIC BOND FROM ANY CONTRACTOR, WHETHER OR NOT SUCH CONTRACTOR IS REFERRED TO BY THE APPLICANT AS A SUBCONTRACTOR, IF THE CITY DETERMINES SUCH CONTRACTOR IS NOT WORKING UNDER THE DIRECT SUPERVISION OF ANOTHER CONTRACTOR WHICH HAS ALREADY FURNISHED SUCH A BOND.

(f) The performance bond, blanket ANNUAL bond, letter of credit or letter of responsibility shall remain in force and effect for a minimum of two years after completion and written acceptance by the City of the street cut, excavation or lane closure.

(g) If any provision of this section conflicts with any provision of a valid, effective franchise agreement between the applicant and the City, the conflicting provision of this section shall not apply to the franchisee, and the franchisee shall instead honor the provision of the franchise agreement.

(h) If any provision of this section conflicts with any provision of any valid, effective agreement between a special district or other public entity and the City, the conflicting provision of this section shall not apply, and the special district or other public entity shall instead honor the provision of the agreement.

INTRODUCED, READ AND ORDERED POSTED this ____ day of _____, 2013.

JOYCE DOWNING Mayor

ATTEST:

PASSED ON SECOND AND FINAL READING this ____ day of _____, 2013.

JOYCE DOWNING Mayor

ATTEST:

JOHANNA SMALL, CMC City Clerk

APPROVED AS TO FORM:

COREY Y. HOFFMANN City Attorney