



A Public Agency

SBWMA Technical Advisory Committee (TAC) Meeting

THURSDAY, November 7, 2013 at 2:00 p.m.

San Carlos Library
Conference Room B
610 Elm Street, San Carlos, CA 94070

- 1. Roll Call
- 2. Public Comment

Persons wishing to address the Board on matters NOT on the posted agenda may do so.

Each speaker is limited to two minutes. If there are more than five individuals wishing to speak during public comment, the Chairman will draw five speaker cards from those submitted to speak during this time. The balance of the Public Comment speakers will be called upon at the end of the Board Meeting.

If the item you are speaking on is not listed on the agenda, please be advised that the Board may briefly respond to statements made or questions posed as allowed under The Brown Act (Government Code Section 54954.2). The Board's general policy is to refer items to staff for attention, or have a matter placed on a future Board agenda for a more comprehensive action or report and formal public discussion and input at that time.

3. Approval of Consent Calendar:

Consent Calendar item(s) are considered to be routine and will be enacted by one motion. There will be no separate discussion on these items unless members of the Board, staff or public request specific items be removed for separate action. *Items removed from the Consent Calendar will be moved to the end of the agenda for separate discussion.*

- A. Adopt the October 10, 2013 TAC Meeting Minutes

4. New Business:

- A. Discussion on Recycling Permit System to Collect Commercial Recycling Data
- B. Discussion on Model Uniform Enclosure Standards

5. TAC Member Comments

6. Adjourn

MEMBER AGENCIES

ATHERTON * BELMONT * BURLINGAME * EAST PALO ALTO * FOSTER CITY * HILLSBOROUGH * MENLO PARK * REDWOOD CITY
* SAN CARLOS * SAN MATEO * COUNTY OF SAN MATEO * WEST BAY SANITARY DISTRICT



A Public Agency

CONSENT CALENDAR

DRAFT MINUTES

SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
MEETING OF THE TECHNICAL ADVISORY COMMITTEE
October 10, 2013 – 2:00 p.m.
San Carlos Library Conference Room A

1. Roll Call

Agency	Present	Absent	Agency	Present	Absent
Atherton	X		Menlo Park	X	
Belmont	X		Redwood City	X	
Burlingame		X	San Carlos		X
East Palo Alto		X	San Mateo	X	
Foster City	X		County of San Mateo		X
Hillsborough	X		West Bay Sanitary District	X	

2. Public Comment

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None

3. New Business:

A. Election of TAC officers for 2013/2014

Executive Director McCarthy noted that the TAC will need a Chair and Vice Chair to run the meetings, and added that there would be no additional meeting (e.g., Executive Committee) for the Chair and Vice Chair.

Member Oskoui nominated Member Fotu.

Member Fotu declined the nomination as she is the alternate to the TAC

Member Fotu nominated Member Oskoui

All voted in favor.

Chair Oskoui called for nominations of a Vice Chair.

Chair Oskoui nominated Member Rodericks.

All voted in favor.

B. Review of 2013/14 Meeting Calendar

The committee was asked to change the date of the November TAC meeting from November 14 to November 7th, so that it would still fall two weeks prior to the Board meeting.

Consensus was that November 7th would be fine.

C. Discussion of Role of TAC and Future Agenda Items

The committee had a discussion on the role of the TAC.

Chair Oskoui asked Executive Director McCarthy how he saw the TAC, and how they could support the Board and the staff.

Executive Director McCarthy said that he would refer items to the TAC from time to time, and the Board would do the same.

Vice Chair Rodericks requested that the discussion on allocation methodology go through the TAC.

Chair Oskoui asked if the Board was considering opening the Franchise Agreements up to further amendments, and we requested that that process go through the TAC.

Member Fotu asked when tip fee approval would be coming to the Board.

Executive Director McCarthy answered that the tip fee adjustments would be a resolution item at the November meeting. He added that TAC should get an early look at the budget, but didn't know if it was necessary for the TAC to look at tipping fees, noting that if assumptions during the budget process remain the same it may not be necessary for the TAC to look at tip fee adjustments in November.

Member Masbad asked if there was any update on changing from a fiscal year budget cycle to a calendar year budget cycle.

Executive Director McCarthy answered that Staff Moran has looked into it, but it's cost prohibitive to have the City of San Carlos make that change in their software.

Member Galli asked if there was a way to discuss the allocation and wondered if the JPA Board voted for a change in the Franchise Agreements a 2/3 majority vote could mean it would be true for all agencies.

Executive Director McCarthy answered that the JPA can only recommend changes to the Franchise Agreements.

Member Gibbons noted that the Grand Jury report stated that there should be more education, and this is one area that education can be improved.

Chair Oskoui noted that the Board and TAC are relying on staff to know what items need to come through the TAC.

Executive Director McCarthy added that as experienced staff members TAC can also bring up items to discuss.

Member Galli asked if TAC members would receive a staff report.

Executive Director McCarthy answered that TAC members would get the same level of detail that they did as Board Members.

Member Gibbons asked which agencies have gone to a multi-year rate setting process.

Member Chan said that San Mateo has.

Member Galli noted that Foster City tried, but it was defeated by a 3-2 vote.

4. TAC Member Comments

Member Galli requested that it be clear to the Board that TAC members are also receiving the Board Packets.

5. Adjourn 2:38 PM



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NEW BUSINESS



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STAFF REPORT

To: Technical Advisory Committee Members
From: Cliff Feldman, Recycling Programs Manager
Date: November 7, 2013 Technical Advisory Committee Meeting
Subject: Discussion on Recycling Permit System to Collect Commercial Recycling Data

Recommendation

This is an informational report and no action is necessary.

Analysis

At the October 24, 2013 Board of Directors meeting, this item was referred to the SBWMA Technical Advisory Committee (TAC) for review. This report is to update the TAC on Staff's work to develop an SBWMA-wide ordinance for the Board's consideration at the January 23, 2014 meeting, to implement a Permit System for commercial recycling haulers in an effort to begin collecting diversion data that is currently unavailable. Provided as **Attachment A** (RethinkWaste Non-Exclusive Franchise Research Report July 2013) is a recent report prepared for RethinkWaste which entailed surveying seven other California jurisdictions with experience in implementing a non-exclusive franchise or permitting system for commercial recycling haulers.

Implementation of a Permit System assumes RethinkWaste will adopt an ordinance requiring recycling hauling companies to submit quarterly reports on the volumes and types of recyclable materials that are collected in our service area. The primary rationale for adopting this ordinance is to develop a more complete picture of existing diversion efforts for the commercial sector as we currently only have diversion information from our franchised service provider, Recology San Mateo County. Based solely on the Recology data, the current commercial diversion rate for 2012 was 27%. Implementing a Permit System for the other commercial recycling haulers will enable RethinkWaste to capture data that is needed for future planning purposes related to increasing diversion per State mandates.

Section 4.01(B)(1) of the Member Agencies Franchise Agreements with Recology provide the company the non-exclusive right to collect source separated recyclables and compost from commercial accounts. Therefore, the open market competition for the collection of recycling and compost which has always characterized our service area has been preserved. While Recology's commercial recycling collection services and commercial recycling outreach staff of nine full time employees are paid for through the Member Agency's solid waste rates, the businesses in the service area are not bound to subscribing to Recology's collection service. Many businesses offer commodities for sale in the marketplace, such as high-grade paper and corrugated cardboard, and many others backhaul materials to their distribution facilities (e.g., large grocery stores).

The recycling haulers that will be required to obtain a permit will include independent recycling haulers, construction and demolition debris recycling haulers and businesses that backhaul materials to name a few. The attached report provides a review of seven other California jurisdictions that have adopted non-exclusive franchise or permitting ordinances for recycling haulers with the goal of getting data on diversion activities. These

jurisdictions include: Central Contra Costa Solid Waste Authority (JPA), and the cities of Colma, Mountain View, San Ramon, San Jose, Thousand Oaks, and Los Angeles. The report captures best practices and lessons learned from these jurisdictions' efforts such as details on their stakeholder engagement process, the scope of information requested from the recycling haulers (addressing concerns about potentially proprietary information), enforcement to compel businesses to submit the data in a timely manner, permit fees, barriers to determining all the affected haulers that need to comply, outreach to the affected haulers (and businesses), and costs associated with implementation and maintenance of the program.

Framework for Implementation

Staff is requesting TAC feedback on the overall framework for a potential ordinance implementing a permit system for recycling haulers. The framework is outlined below and is based on the best practices and lessons learned via the attached report findings.

- **Commence implementing a Permit or Non-Exclusive Franchise Agreement System.**
Recommendation: Proceed with implementing a Permit System which will allow administrative approval of issuance of permits as opposed to a non-exclusive franchise system which would require separate approval of contractors by the Board of Directors.
Rationale: A primary goal is to reduce the administrative burden through allowing SBWMA staff to approve the applications which will be more efficient and timely than burdening the TAC or Board of Directors with this task.

- **Define the types of businesses that will be impacted.**
Recommendation: Recycling haulers that collect and/or transport recyclable materials from businesses in the SBWMA service area.
Rationale: The ordinance will only target recycling haulers that collect recyclable materials from businesses or generators in the SBWMA service area per jurisdictional boundaries. The Permit System is not intended to focus on the region as a whole, but only the SBWMA service area. However, if non-SBWMA agencies in the County adopted similar ordinances, the County would have valuable County-wide data to include in updates to its Countywide Integrated Waste Management Plan.

- **Define the scope of the ordinance regarding the data sought (i.e., what data will be required to report and frequency).**
Recommendation: Recycling haulers will be required to report quarterly the aggregate quantity (i.e., tons) of materials that are hauled from SBWMA service area businesses to recycling processors.
Rationale: A primary goal is to reduce the burden on the permittees, thus only quarterly data will be sought. In addition, the data needed is required given the limitations on accessibility to the pertinent commercial sector recycling data.

- **Define the scope of the ordinance regarding jurisdiction.**
Recommendation: Proceed with implementing an SBWMA-wide ordinance in lieu of individual ordinances for Member Agencies so as to provide consistency across all jurisdictions and to reduce the overall administrative burden.
Rationale: Consolidating administration of the Permit System with the SBWMA will result in ensuring that data is captured across the service area. The alternative may result in individual Member Agencies not adopting the ordinance and thus gaps in data will result and this in turn will diminish the overall effectiveness of the effort to obtain data for use by the SBWMA to plan for future diversion service area wide.

- **Define the scope of the ordinance regarding enforcement.**
Recommendation: Develop straight-forward administrative enforcement procedures and protocols to include requiring active business license permits issued by Member Agencies.
Rationale: A goal of the project is to reduce the administrative burden and develop a Permit System that is potentially self-sustaining cost wise. In addition, there will be mutual benefit to both Member Agencies and the SBWMA in collaborating on the status of specific businesses regarding business licenses.
- **Engage legal counsel in development of a draft ordinance.**
Recommendation: Proceed with drafting an ordinance for review by SBWMA and select Member Agency legal counsel who volunteer to provide input.
Rationale: An ordinance of this type will be the first for the SBWMA and direction from SBWMA legal counsel is required with support from Member Agency legal counsel encouraged to provide a robust review.
- **Scope of a stakeholder engagement process.**
Recommendation: Proceed with developing public education materials for dissemination to the business community (e.g., fliers and bill inserts); schedule workshops, breakfast events and luncheons; contact chambers of commerce to make presentations, etc. In addition, stakeholder engagement will also include working directly with Member Agency staff in Community Development, Finance, etc.
Rationale: Effective promotion of the Permit System is critical to ensuring its success. Staff is well aware that there will need to be flexibility regarding implementation and conducting a stakeholder engagement process is necessary to vet concerns of both commercial recycling generators and the recycling haulers.
- **Timeframe for implementation.**
Recommendation: Proceed with drafting the ordinance, developing public education materials, commence stakeholder engagement process and return to the Board in March/April 2014 with lessons learned and recommendations to implement the ordinance in FY14/15.
Rationale: Staff is confident with collaboration of our Member Agencies this time frame for implementation can be accomplished. In addition, the approved FY 13/14 budget includes funds to proceed with this project.

Background

At the May 23, 2013 Board meeting, staff shared the preliminary results of this research project on Non-Exclusive Franchise Options for Commercial Recycling. Staff explained that developing a non-exclusive permit system will result in capturing data from many of the independent recycling companies that haul recyclables in the RethinkWaste service area. In addition, Staff conveyed why this data is critical for RethinkWaste to ascertain how best to focus its efforts in the pursuit of increasing diversion from the commercial sector which still contributes approximately two-thirds of all the garbage generated in this service area. The challenges faced and best practices employed were highlighted in order to guide RethinkWaste in developing a policy and program that will be successful and to provide detailed information to interested stakeholders during the stakeholder engagement process.

Fiscal Impact

The approved FY13/14 budget includes \$50,000 to further develop this project for the Board's consideration. This funding will enable staff to develop an ordinance for the Board's consideration, conduct a stakeholder engagement process, develop the initial public education strategy and materials, and potentially pursue the initial implementation of the Permit System. For future implementation, staff will not be proposing any additional staff to administer this program but will rely on the support of outside contractors if needed.

Attachment:

Attachment A – RethinkWaste Non-Exclusive Franchise Research Report July 2013



RethinkWaste Non-Exclusive Franchise Research Report July 2013

Introduction and Overview

On behalf of RethinkWaste (South Bayside Waste Management Authority –SBWMA), Cascadia Consulting Group (Cascadia) researched seven local government jurisdictions that have adopted a non-exclusive franchise or an administrative permit system to regulate data collection from recycling haulers (e.g., paper recycling companies, C&D recyclers, organic waste collectors, etc.) servicing commercial businesses. Currently, neither RethinkWaste nor its Member Agencies have any data on the amount of tons collected by non-franchised recycling haulers, thus making it impossible to accurately determine a recycling (diversion) rate for the commercial sector. The only tonnage data currently available is from the franchised collection services provider, Recology San Mateo County (Recology) which showed a commercial diversion rate of 27% for 2012. The primary limitation with this data is that Recology is but one of many recycling haulers in the RethinkWaste service area.

The State has recently implemented Mandatory Commercial Recycling Statewide per AB 341. This legislation now requires all cities and counties throughout California to report on their commercial recycling compliance in the annual reports submitted to CalRecycle per AB 939. The 2012 annual reports submitted to the State in August 2013 were the first to include the status of each Member Agency's compliance with the mandatory commercial recycling guidelines. However, these reports do not include specific diversion data (i.e., tons recycled).

The project also entailed evaluating these systems to determine suitability for the RethinkWaste service area and to produce a report that will outline and identify recommendations. Please refer to **Appendix 1** for the specific interview questions and **Appendix 2** for the contact information of the municipality staff that provided interviews to Cascadia.

Cascadia documented the following elements of each system:

- activities regulated by the non-exclusive franchise or permit system;
- the franchise or permitting process, including hauler application submittal requirements and approval process;
- sample ordinance or municipal code language;
- reporting requirements;

- fees associated with the franchise or permit;
- administration of the franchise or permit system; and,
- challenges and best practices.

This report includes the following sections:

Section 1. Executive Summary

Section 2. Results of Research

Section 3. Recommendations

Appendix 1. Interview Questions

Appendix 2. List of Municipality Staff Interviewed

1. Executive Summary

Cascadia researched seven California jurisdictions that have adopted a non-exclusive franchise or permit system to regulate the collection of source-separated commercial recyclables, including: Central Contra Costa Solid Waste Authority (a Joint Powers Authority-CCCSWA), Town of Colma (Colma), County of Los Angeles (LA County), and the Cities of Mountain View, San Jose, San Ramon, and Thousand Oaks. There are five areas that are summarized in this section of the report: application process, reporting, compliance, methodology and recommendations.

Application Process

All seven municipalities have the hauler submit an application, pay a fee if applicable, and move forward in the process to receive a permit or non-exclusive franchise agreement. This process includes approval from staff such as the Public Works Director, City Manager, or the City Council, depending on the municipality. Mountain View adds a step into the process by requiring the hauler to talk with City staff prior to approving their non-exclusive franchise agreement. In order to help fund administration, four of the municipalities charge a fee ranging from \$40 to \$390 to process the recycling permit (CCCSWA, Colma, San Jose and San Ramon).

The amount of time spent on managing the application process varies. For example, Thousand Oaks and San Ramon do not spend much time, while San Jose dedicated about 20 hours of staff time each month to manage their system, mostly because many new haulers entered their open market system. Mountain View spends between four to eight hours per applicant, which includes an initial meeting, assistance with the application and the approval process. Colma estimated staff spent about 5-10 hours per month to collaborate with the haulers. LA County found that it took almost all of one staff person's time to manage the application process: therefore, they have administrative staff available every day to help applicants through the process.

The number of recycling haulers regulated in the seven jurisdictions surveyed is provided as follows:

CCCSWA – **6 haulers** (non-exclusive franchise agreement system).

City of Colma – **0 haulers** (permit system). Colma has 3 franchised haulers and because most businesses use them, there are no other haulers in the permit system.

County of Los Angeles - **46 haulers** (non-exclusive franchise agreement system). In July 2012 there were 35 haulers and since that time 9 additional recycling haulers have applied. LA County went from a permit system where hundreds of haulers applied for permits to a non-exclusive franchise system because they wanted more control over the programs and outreach.

City of Mountain View – **2 haulers** (non-exclusive franchise agreement system).

City of San Jose – **21 haulers** (circa 1994 – non-exclusive franchise agreement), **15 haulers** (1994-1999 permit system). San Jose currently has an exclusive franchise with Republic Services; however, there are numerous small haulers that continue to provide collection services.

City of San Ramon – **10 haulers** (permit system).

City of Thousand Oaks – **9 haulers** (permit system). However, Thousand Oaks does not enforce their program, thus there are likely numerous other haulers that operate without a permit.

Reporting

All seven municipalities require regular electronic reporting. San Jose requires haulers to submit reports monthly, and the remaining six cities require quarterly reporting. A total of five out of the seven municipalities ask that reports be submitted by email (Colma, LA County, Mountain View, San Ramon and Thousand Oaks). San Jose, CCCSWA, and LA County require report submittals to be completed electronically through their respective websites.

Compliance

Enforcement is essential for ensuring the recycling permit or non-exclusive franchise system is upheld. A total of six of the seven municipalities do not have funding set aside for enforcement. San Jose is the only jurisdiction interviewed with dedicated funding. Solid waste fees from the exclusive commercial garbage franchise are the source of these funds. A total of four of the municipalities (i.e., CCCSWA, Colma, San Ramon and Thousand Oaks) do not actively enforce the permit and non-exclusive agreement system. Mountain View and San Ramon have staff within their Environmental Services Departments to provide enforcement services, and San Jose and LA County have Code Enforcement Officers. The recommendation for compliance is to be persistent and consistent in order to control the problem and ensure the permit or non-exclusive franchise system works.

Implementation Strategies (Methodology)

Jurisdictions reported that the average time to develop and implement a recycling permit or non-exclusive franchise system is between six months to one year, with some taking as much as five years. Colma said that it took about 3-4 months to design the program and develop a staff report, and approximately six months overall, including a final approval by City Council. Mountain View reported that it took about one year, while the CCCSWA and LA County were required to provide five-year notices to all recycling haulers of the permits' end.

The costs associated with developing and launching the system was difficult to compare because each municipality measures costs in a different way. The CCCSWA calculated it would take approximately \$30,000 annually to manage their program. They are committed to recouping these costs through the non-exclusive franchise permit system. Colma estimated costs to be around \$7,000 to \$8,000 to develop and implement the system, and Mountain View estimated it would take approximately 0.20 to 0.25 FTE over the one year it took to put the process in place. LA County dedicated 100% of one staff person's time to project development and implementation of the system. They also had administrative staff that managed the 46 franchise agreements, outreach, reports, and invoicing. This was in addition to paid consultant support. The staff interviewed from San Jose, San Ramon and Thousand Oaks were unable to provide the initial administrative cost estimates because they were not around when the process was developed.

Two municipalities advocated for an exclusive franchise agreement instead of a permit system for better monitoring, enforcement, reporting, franchise fees, and business lists to comply with AB341 (i.e., the State's Mandatory Commercial Recycling law). After interviewing the seven jurisdictions, the CCCSWA and San Jose are moving to an exclusive franchise recycling system. Colma, and the Cities of Mountain View and San Ramon have a small number of haulers and are closer to an exclusive system.

Recommendations

Our research yielded the following primary recommendations for RethinkWaste to develop and implement an ordinance to effectively collect recycling data from independent recycling haulers:

- It was unanimous that the compliance process and the overall system should be made as easy as possible for both the recycling haulers and staff managing the system.
- It is important to allow adequate time to plan and implement the new system to ensure feedback from stakeholders can be obtained and that the goals of the project are clearly conveyed.
- The fees should allow administration of the system to be self-sustainable yet kept low in order to achieve compliance.
- Strive for clarity in determining the affected haulers. Do not target shredding or electronic scrap recycling haulers or the small independent company with a pick-up truck. Target the primary recycling haulers.
- Enforcement is critical to help ensure compliance and to educate those haulers that are unaware or do not understand the rules.
- It is important to implement an “over-the-counter” or online permit process and ensure the application is promptly reviewed and perhaps approved. Minimizing administration while effectively enforcing the system should be priorities.
- Based on the experience of seven California jurisdictions and per the unique characteristics of RethinkWaste, it is recommended that a recycling permit system be implemented.

2. Results of Research

This section presents the results of Cascadia’s research on the seven jurisdictions’ systems for regulating commercial recycling through a non-exclusive franchise or administrative permit system.

Regulated Activities

All seven jurisdictions regulate recycling collection within their jurisdiction either through a non-exclusive franchise or an administrative permit. Recycling collection is generally defined as “collection and transportation” of recyclable materials; some of the jurisdictions also require that the collection must be “free of charge.” Table 1 identifies how each jurisdiction defines the activities requiring a franchise or permit.

Central Contra Costa Solid Waste Authority	The six selected haulers that will collect and transport commingled or separated recyclable materials are required to have a non-exclusive franchise agreement. (Note: recyclable materials that have not been separated by the Waste Generator from Solid Waste, and those which upon visual inspection contained more than 10% residual, are not included.)
Town of Colma	All individuals or organizations (non-franchised) that collect and transport recyclable materials are required to obtain a Recycling Permit from the Town.
County of Los Angeles	All haulers who provide service (or plan to provide service) in bins or dumpsters and roll-off boxes to residential, multi-family, commercial, industrial and institutional properties in the unincorporated areas of Los Angeles County are required to obtain a permit.
City of Mountain View	All independent haulers who collect and transport source-separated recyclable materials from businesses, provided they do so free of charge, must obtain a non-exclusive franchise agreement and business license.
City of San Jose	Previously a permit was required for collecting source separated recyclables. With the new franchise only haulers that collect C&D material and material from residential "clean-outs" require a permit.
City of San Ramon	All individuals or organizations that collect and transport Commercially Generated Recyclable Materials including Construction and Demolition Debris, and Organic Recyclable Materials (C&D and Green Waste from either single-family or multi-family) are required to obtain a Recycling Transporter Permit from the City.
City of Thousand Oaks	Permitted commercial recyclers are authorized to provide free recyclables collection service to Thousand Oaks businesses.

Application Process

The seven jurisdictions all require haulers to undergo an application and approval process in order to obtain a non-exclusive franchise or permit.

The information provided in this section includes application information, application fees, the approval process, feedback on the designed system, amount of time to manage application process, and best practices of what worked well.

Application Form

Six out of the seven municipalities have an application process requiring specific information from the hauler. While Colma, San Jose and Thousand Oaks require only basic information about the applicant, Mountain View, San Ramon and LA County also require information related to which businesses are being serviced, the addresses of those businesses, and where the materials are taken. The CCCSWA had a one-time application process for its non-exclusive franchise system that included only six invited haulers. Table 2 identifies the specific information required in each jurisdiction’s application forms.

	Central Contra Costa Solid Waste Authority	Town of Colma	County of Los Angeles	City of Mountain View	City of San Jose	City of San Ramon	City of Thousand Oaks
Contact Information	x	x	x	x	x	x	x
Type of Business	x	x	x	x		x	
Personnel	x		x	x	x		
Where Material Is Taken for Processing	x		x	x	x	x	x
Business License Information	x		x	x	x		x
Years in Business in City				x			
Insurance Information	x		x	x		x	
Vehicle Information	x	x	x	x	x	x	
Number of Businesses	x	x	x	x		x	
Business Names	x		x	x		x	
Material Collected	x		x	x	x	x	x
Type of Containers and Location Where Vehicles are Stored	x		x	x		x	
References				x		x	
Active or Inactive Status				x			
Business will Notify Agency of Changes	x	x	x			x	
Completing Quarterly Report	x	x	x			x	
Pay Annual Fees	x	x				x	
Operate in Accordance with Applicable Laws	x	x	x			x	
Proof Hauler Has Financial Capacity to Provide Service			x		x		
Information on Cleaning Vehicles	x					x	
Waste Collector Permit Number			x				

Application Fee

Three jurisdictions (i.e., Colma, San Jose and San Ramon) charge a fee (ranging from \$40 to \$390) in order to recover staff administrative costs associated with processing an application. The other four jurisdictions (i.e., CCCSWA, LA County, Mountain View and Thousand Oaks) do not charge a fee. For more details refer to Table 3.

	Central Contra Costa Solid Waste Authority	Town of Colma	County of Los Angeles	City of Mountain View	City of San Jose	City of San Ramon	City of Thousand Oaks
Application Fee	No Application Fee	\$250 (Annual Fee)	No Application Fee	No Application Fee	\$390 (Annual Fee)	\$65 New Applicant Fee / \$40 Renewal Fee (Fee every 24 months)	No Application Fee

Approval Process

The approval process is determined by whether the jurisdiction adopted a non-exclusive franchise or administrative permit system. Colma, San Ramon and Thousand Oaks have a permit system where the applications are first reviewed by staff, who then submit a recommendation for an administrative finding of approval or denial by the City Manager or Public Works Director. The CCCSWA, Mountain View, San Jose, and LA County use a non-exclusive franchise system, where each application is reviewed by staff and then submitted to the City Council for consideration via a public hearing process. The exception is that LA County had so many applications that they asked and received approval from the Board of Supervisors to allow their Public Works Director to sign the agreements.

Table 4 summarizes the approval process for each jurisdiction.

	Central Contra Costa Solid Waste Authority	Town of Colma	County of Los Angeles	City of Mountain View	City of San Jose	City of San Ramon	City of Thousand Oaks
Permit or Non-Exclusive	Non-Exclusive Franchise	Recyclers Permit	Non-Exclusive Franchise	Non-Exclusive Franchise	Non-Exclusive Franchise	Recyclers Permit	Recyclers Permit
Approval By	City Council	City Manager or Public Works	Public Works Director (Staff received approval from Board of Supervisors to allow Public Works Director to sign)	City Council	City Council	City Manager or Public Works	City Manager or Public Works

Feedback on Application Process

The jurisdictions provided mixed feedback on how their application process worked. The CCCSWA and San Ramon believe their process works well, while Colma finds few independent recyclers are applying because most of the town's commercial businesses contract with one of the three (Allied Waste, Recology and South San Francisco Scavenger) franchised garbage haulers. LA County is pleased with how their application system works, and found that workshops were useful to help haulers understand how to fill out the forms. Mountain View believes their application system works well because City staff meet with potential applicants first to ensure they understand the permit system and their obligations. For more details refer to Table 5.

Central Contra Costa Solid Waste Authority	JPA staff worked with six haulers during implementation of the non-exclusive permit program, which was the first step towards issuing one or more exclusive franchise(s), the staff's primary focus. There was significant competition between haulers to gain market share, and due to the haulers actively sourcing accounts, the businesses were confused about how the permit system and the aggressiveness of the haulers were tied together. JPA staff sent out two letters to businesses apprising them of the pending changes and also provided information in local media in an effort to let the businesses know about the upcoming changes. This engagement addressed most concerns and allowed staff to keep the project on track.
Town of Colma	Staff found that no haulers are applying for the permit because most of the businesses are moving toward using the three franchised haulers. Although recycling is not exclusive, staff has tried to get businesses to encourage the 3rd party haulers to get permits, but businesses are primarily choosing to have a franchised hauler provide collection service.
County of Los Angeles	County staff felt the system seems to work well. The County conducted several workshops and provided staff to help fill out forms and answer any questions. The system is currently a paper-based application process and staff thought it would be great to have an online application; however, they also felt this would require too much time for their IT staff to manage. The primary attribute of a paper-based process is that you have the opportunity to see someone face-to-face and get to know them. The only concern was for related to the small haulers. Specifically, the insurance and performance bond requirements were possibly tough for the smaller haulers and many of them couldn't afford to apply.
City of Mountain View	Staff believes the system works well- instead of requiring haulers to submit applications right away, their approach was to initiate the relationship by first having meetings. Staff understands that many of the haulers may have limitations and negative perceptions of having to fill out paperwork, and thus may be reticent to comply. Therefore, staff conducts initial interviews to gauge the level of support a hauler might need, and to ensure they understand the reasons for the permit system and what their obligations are. Also, staff provides assistance with paperwork if needed.
City of San Jose	Staff believes its system worked well. (This program was discontinued in 2012 when the City's exclusive franchise with Republic Services was implemented.) Over time, the City added solid waste code enforcement positions, which was helpful with compliance.
City of San Ramon	Staff believes its system is simple and works well.
City of Thousand Oaks	The system is largely focused on paper recycling and staff does not actively enforce compliance with recyclers. The non-exclusive franchise is not a big focus for the City.

Amount of Time to Manage the Application Process

The amount of time spent on managing the application process can vary significantly. Thousand Oaks and San Ramon report minimal time spent, as both cities do not focus on enforcing their system and do not receive many new applications. San Jose spends approximately 20 hours a month of staff time to manage their system, mostly due to active enforcement which results in a steady flow of new

applicants. Mountain View spends roughly 4 to 8 hours per applicant which includes the initial meeting, assistance with the application and approval. Colma estimates spending 5 to 10 hours a month to collaborate with the haulers and provide assistance with the application process. LA County found that it took one administrative staff 100% of their time to manage the application process and then had additional staff available to help with the influx of initial applicants.

Best Practices and Challenges of Administering the Application Process

The seven jurisdictions identified best practices and challenges they had encountered based on their experiences with their application processes.

Best Practices

- It is important to implement an “over-the-counter” or online permit process and ensure the application is promptly reviewed and perhaps approved. Minimizing administration while effectively enforcing the system should be priorities.
- Have all system responsibilities managed under one person.
- Have all recycling permits or non-exclusive franchise agreements expire on the same date as the exclusive franchise agreement.
- Hold workshops to allow all stakeholders to ask questions and be informed of the application process.

Challenges

- In some cases it may be difficult to identify the haulers to target.
- If not structured properly, the application process can take a lot of staff time.
- Enforcement can lead to increased administrative time due to identifying non-complying haulers who then are required to submit applications.
- It is difficult for staff to remember to ask for insurance certificate each year from the haulers. Depending on how the application is structured, smaller, less sophisticated haulers may have difficulty completing the application and may need more assistance from staff.

Reporting

All seven municipalities interviewed require haulers to regularly report collected tonnages or provide a list of the businesses they provide service to. Tons collected is reported in aggregate for each month and reported on a quarterly basis. This section provides details on the specific reporting requirements, as well as reporting data, feedback on the reporting system used, proprietary information request constraints, and challenges with the reporting system.

Reporting Requirements

All seven jurisdictions require reporting, with different report submittal processes and information required. San Jose requires haulers to submit reports monthly; the other six jurisdictions require quarterly reports. Five out of the seven (Colma, LA County, Mountain View, San Ramon and Thousand

Oaks) require that reports be submitted by email, and San Jose, CCCSWA and LA County require report submittals electronically via their website. See Table 6 for more information on reporting requirements.

Central Contra Costa Solid Waste Authority	Franchisee is required to submit a quarterly report that documents recycling information monthly for purposes of measuring and planning progress toward compliance with the requirements of AB341. Each report must be submitted no later than 30 days after the end of the respective quarter ending on March 31, June 30, September 30, and December 31.
Town of Colma	Recyclers are required to complete reporting on the amount of recyclables collected each quarter. Quarterly reports are due 45 days after the close of each quarterly reporting period based on a calendar year (January 1 - December 31).
County of Los Angeles	Recyclers are required to complete reporting 30 days following the end of each quarter (fiscal year). They are also required to provide an annual report on or before August 1st.
City of Mountain View	Reporting is required by the non-exclusive franchise agreement on a quarterly basis and includes tonnage information, material types, and location of processing center.
City of San Jose	Reporting is due on a monthly basis by the last day of the month following the end of the reporting month.
City of San Ramon	Recyclers are required to complete reporting with the details and summary of all types, tonnage, and final location of recyclable materials. Each quarterly report must be submitted no later than 30 days after the end of the respective quarter ending on March 31, June 30, September 30, or December 31 of each year.
City of Thousand Oaks	Reports are due on the last day of the month following the end of the quarter.

Reporting Data

Four of the jurisdictions (i.e., CCCSWA, Colma Thousand Oaks and LA County) require their haulers to provide customer-specific information. Six out of the seven municipalities interviewed require the hauler to report the total tonnage of recyclable materials collected. Mountain View does not collect tonnage data because they can obtain that information from other sources.

Three of the cities (i.e., Mountain View, San Ramon, and LA County) require haulers to provide gross receipts for determination of franchise fees.

See Table 7 on the following page for more information on specific data collected during the reporting process for each municipality.

Table 7: Reporting Data							
	Central Contra Costa Solid Waste Authority	Town of Colma	County of Los Angeles	City of Mountain View	City of San Jose	City of San Ramon	City of Thousand Oaks
Company Contact Information	x	x	x	x	x	x	x
Recycler Permit Number	x	x	x				
Reporting Year and Quarter	x	x	x	x	x	x	x
Number of Accounts within the Service Area	x	x	x			x	x
Account List by Name and Address	x	x	x				x
Total Tonnage of Recyclable Materials Collected	x	x	x		x	x	x
Total Tonnage of Residual Disposed	x		x		x	x	
List of Recycling and Processing Facilities Where Material Is Taken	x	x	x	x		x	x
Billing and Payment Dates				x			
Incidents When Franchisee Left Non-Collection Notices				x			
Gross Receipts			x	x		x	

Feedback on Reporting System

The CCCSWA and LA County started using an online reporting system in 2012 and staff is pleased with the results. Mountain View staff are also pleased with their system. The City currently has three recycling haulers, all of which communicate with the City and submit reports on time. San Jose and San Ramon also stated that their reporting systems work well.

Two of the jurisdictions do not currently use their prescribed reporting system. Colma implemented its permit system in July 2012 and has not yet required reports to be submitted, and Thousand Oaks has not actively enforced its reporting requirements due to limited staffing resources.

Proprietary Information Request Constraints

The four jurisdictions (i.e., CCCSWA, Colma, LA County and Thousand Oaks) that require recycling haulers to provide customer names and addresses all reported that they were initially met with resistance and these companies did not want to provide the information. However, the recycling haulers did comply once it became clear that the information would be considered proprietary information by the jurisdiction and kept confidential.

The jurisdictions reported that the customer information was important to ensure compliance with AB341 reporting requirements, where jurisdictions must identify businesses that are not recycling.

Best Practices and Challenges with Reporting

All seven jurisdictions identified best practices and challenges they had encountered, based on their experiences with their reporting processes.

Best Practices

- Develop an online reporting requirement.
- Make submitting quarterly reports a requirement for obtaining a franchise agreement.
- Ensure haulers understand the permitting system requirements and work with them to reach out to customers that are not recycling.
- Assist haulers by helping them learn the process and what must be reported.

Challenges

- City staff was required to do quite a bit of follow-up to remind permit holders that they needed to submit reports.
- Permit holders do not always send reports in on time.
- Limited staff resources make enforcement activities (i.e., reporting requirements) problematic.
- Scale house operators need to properly ask where the business is located and where waste is from to ensure proper tonnages are reported.
- Less sophisticated haulers maintain poor records, making it difficult for them to provide the required information.
- The jurisdictions do not consistently achieve the recycling tonnage results anticipated from implementing the recycling permit or non-exclusive franchise agreement. However, staff viewed these results as key to confirming existing conditions.

Compliance and Enforcement

Six of the seven jurisdictions (i.e., Colma, LA County, Mountain View, San Jose, San Ramon and Thousand Oaks) have enforcement components in their non-exclusive franchise or permits systems. The CCCSWA has an enforcement procedure; however, the agency has not yet implemented enforcement activities. The information provided in this section includes funding for enforcement, what type of active enforcement is in place, and challenges with compliance.

Funding for Enforcement

Of the jurisdictions interviewed for this research, only San Jose has a dedicated funding source for enforcement activities (i.e., solid waste fees from the exclusive commercial garbage franchise).

Active Enforcement

Four of the municipalities (i.e., CCCSWA, Colma, San Ramon and Thousand Oaks) do not actively enforce the non-exclusive franchise or permit system, even though Mountain View and San Ramon have staff within the Environmental Services Department to provide enforcement services. San Jose and LA County Code use Enforcement Officers to provide enforcement.

If a Business Does Not Have a Permit

While four of the jurisdictions interviewed (i.e., CCCSWA, Colma, San Ramon and Thousand Oaks) require a recycling hauler to have an active franchise or permit, they do not follow up with the haulers and there are no penalties for non-compliance.

San Jose has two code enforcement positions to enforce solid waste-related regulations, including the non-exclusive franchise requirements. Penalties for non-compliance may include a \$2,500 citation. LA County also uses code enforcement officers and has provisions in their ordinance to cite and fine, however the actual process is still being defined.

If Mountain View finds that a recycler is operating without a permit they take multiple enforcement actions:

1. Post a warning notice on the roll-off box to cease and desist.
2. Notify the customer they are using an unauthorized recycler.
3. Talk with both the customer and hauler to inform them of the City's requirements.
4. Have customer talk to hauler and encourage them to apply for a recycling permit or non-exclusive franchise agreement.
5. Have the City Attorney's office send a letter or citation.

If Recycling Hauler Does Not Submit Reports

Four of the jurisdictions (i.e., CCCSWA, Mountain View, San Ramon and Thousand Oaks) do not follow up with recyclers if reports are not submitted and no penalties are assessed.

Colma is currently not asking for quarterly reports from their haulers because they have just started their permit process. However, in the near future when they do start requiring reporting, they will not allow the hauler to receive a permit the following year if they do not submit their reports on a timely basis. San Jose has a late penalty of \$300 if a report is not submitted by the due date, with an additional \$300 penalty assessed at 15, 30, and 45 days.

LA County has the option to charge liquidated damages of \$200 a day for the quarterly report and \$300 a day for the annual report. If the activities are deemed extreme, this determination could result in a breach of contract; however, because the system is still new, they have not yet fully developed the enforcement process.

Best Practices and Challenges with Compliance

The jurisdictions interviewed indicated a number of challenges related to compliance and recommended being persistent and consistent in order to control problems and ensure the non-exclusive franchise or permit system works effectively. Based on their experience, the seven jurisdictions identified the following best practices and challenges they had encountered related to compliance and enforcement.

Best Practices

- In order to have a successful program, it was noted the municipality should have consequences and political will to ensure the program is properly enforced.

- Rely on code enforcement to ensure compliance and assist their work through education efforts.
- A useful tool for enforcement is to impound the drop-boxes of non-permitted haulers and have the owners pay to get them back. If they don't claim the boxes the city can then sell them.
- Require permitted haulers to clearly label their bins with their name and phone number on in large font for easy recognition by code enforcement and the public.
- City staff should be persistent and consistent in order to control problems as they arise and ensure the efficacy of the permit or non-exclusive franchise system.

Challenges

- City staff does not always know who is complying and some businesses are using mystery haulers that are under the radar.
- Limited City staff resources is not conducive to ensure consistent enforcement.
- Small haulers don't always understand the rules to comply or necessarily have a business license.
- Getting a business to comply can take a long time with 12 weeks or more to process a new application, get it on the Council agenda, and adopt an ordinance granting the non-exclusive franchise.
- It can be difficult to remember to get Certificates of Insurance from the haulers and the smaller haulers could not afford to meet this requirement.
- Requirements are largely ignored and not a high priority for City staff, although this may change with AB341 as the onus is now on jurisdictions to understand more clearly about existing commercial recycling market conditions.

Methodology

The seven municipalities interviewed provided a variety of reasons as to why they adopted a system to obtain data related to the collection of recyclables. The information provided in this section addresses the methodologies used, what motivated the municipality to implement a system, steps to implement the system, stakeholder involvement, challenges and best practices.

System Objectives

All of the jurisdictions identified a need to understand the amount of recyclable materials being collected in their areas. The mandatory commercial recycling requirements of AB341 specifically motivated Colma and LA County to implement their systems, and AB939 and the Rancho Mirage decision of 1997 (**Appendix 3**) provided motivation for Mountain View and Thousand Oaks. See Table 8 on the following page for more details.

Table 8: What Motivated Implementation	
Central Contra Costa Solid Waste Authority	They had a recycling permit program which expired on June 30, 2012 and they needed an interim step until 2015 when the exclusive franchise agreement takes over.
Town of Colma	The City implemented this system to get a better understanding of what is happening outside the franchised collection system, to understand how many recycling tons there are, and to stop scavenging. AB341 was a motivator as well.
County of Los Angeles	The County implemented this system to address the public's attitudes towards protecting the environment, customers' desire for enhanced recycling and collection services, and diminishing space in the landfill. Mandatory commercial recycling was also a factor in implementing a non-exclusive recycling program.
City of Mountain View	The City implemented this system to address the concern with Rancho Mirage. They also found they were having problems with hours of operation, noise, questions of where material was going, and more complaints from residents, and felt a non-exclusive franchise system would work to address all of their concerns.
City of San Jose	The City was motivated to implement a system to track tonnage.
City of San Ramon	The City representative was not completely sure why the system was put in place but thought it was potentially because they mirrored the CCCSWA systems and partially for financial reasons.
City of Thousand Oaks	The City implemented this system to authorize the collection and processing of recyclable materials and provide a uniform basis for reporting the types and weights of materials collected and processed by Permittees, so that the City may effectively comply with the statutory requirements of AB939.

Implementation Steps

Of the jurisdictions interviewed, only four (i.e., CCCSWA, LA County, Colma and Mountain View) had staff that were present when the permit or non-exclusive franchise system was put in place. The CCCSWA issued the required five-year intent to franchise notice to current recyclers before they were able to move forward with their non-exclusive franchise agreement. Colma researched other cities having a non-exclusive or permit systems and decided on something that was not too onerous and would keep things simple. Mountain View highlighted working with their attorney and made other changes to their recycling system in order to have an effective non-exclusive franchise agreement. LA County also provided the five-year intent to franchise notice for all waste collector permit holders, conducted research to help with identifying a new system, formed working groups to help with the direction of the franchise agreement, and received Council approval. For more details refer to Table 9.

Table 9: Steps Taken for Implementation	
Central Contra Costa Solid Waste Authority	In 2007 they provided a five-year notice to the haulers to discontinue the recycling permit program and implement a non-exclusive franchise system which started effective July 1, 2012. This is their interim program until their exclusive franchise system takes effect in 2015. They went through the application process, selected six haulers to submit, and was approved by City Council.
Town of Colma	They researched 2-3 other jurisdictions who had recycling and non-exclusive permitting systems. They knew going in that the Town wanted a streamlined system for administering the process that would not be too onerous on the businesses. They didn't want vast reporting or requirements to comply with and kept the application process simple.
County of Los Angeles	They notified all of the haulers of the new agreement and formed a working group to include all haulers in the discussion. The County went through a few versions of the agreement until everyone was satisfied. They had a few public meetings and association meetings to include homeowners, who gave their input and were happy with what they were proposing. Once the non-exclusive franchise draft was completed, it was sent to council and the Board of Supervisors for approval.
City of Mountain View	The City worked with the County and City Attorney to make sure their non-exclusive agreement worked. The City wrote up a staff report, sent it to Council, and got approval. They also realized a need for some changes. They made recycling free, adjusted rates on debris boxes (haul fee plus an "up to" tonnage amount so the businesses only paid for what they were disposing of), and spoke to businesses to explain why they were switching and how the new process would work. In 2000 they also noticed they were losing over \$1 million in revenue that was flowing outside of the franchise. The City decided to start a non-exclusive agreement and make a few changes and as a result: (1) leveled the playing field, (2) made recycling free to take back market, (3) adjusted rates on debris boxes, (4) spoke to businesses that were using illegal haulers and explained why they were going to use the non-exclusive agreements.
City of San Jose	Unknown - predates current staff.
City of San Ramon	Unknown - predates current staff. The City did recently make a few changes to the permit, adding construction and demolition debris. In the past it charged on gross receipts and sale of recyclables, but now charges on gross receipts only.
City of Thousand Oaks	Unknown - predates current staff.

Stakeholder Involvement

Four of the jurisdictions held stakeholder meetings to better inform the community and provide input on design of their program. One of the jurisdictions conveyed it is important to be sure of any underlying issues that brought the municipality to the permit process, so that those who attend the stakeholder meetings can provide feedback accordingly.

The CCCSWA held three community meetings for businesses and one meeting for recyclers to make sure everyone was aware of what the JPA was going to do.

Colma Public Works staff and the City Attorney met with the three haulers to seek feedback on moving forward with their permit system. They did not meet with businesses.

LA County held several stakeholder meetings and formed a working group to help design the non-exclusive franchise system. The County was pleased with the results.

Mountain View held meetings with large, medium, and small businesses to obtain their input on the types of recycling programs and policies that would best serve their needs.

The staff at San Jose, San Ramon and Thousand Oaks did not know how long it took - the system was already in place when they started working.

3rd Party Hauler Notification of New Requirements and Compliance

Four municipalities (i.e., CCCSWA, Colma, Mountain View and LA County) notified haulers of their new requirements using letters, a media campaign, and a public event. In some instances, the municipalities used addresses from their business license list to reach the haulers.

San Jose, San Ramon and Thousand Oaks staff did not know what notification took place, again because the system was already in place when they started working.

Timeframe for Developing the System

The average time to implement a recycling permit or non-exclusive franchise system was between 6 months to 1 year. Colma said that it took about 3-4 months to design the program and develop a staff report, and approximately six months overall with a final approval by City Council. Mountain View said it took about one year and the CCCSWA and LA County said it took over five years due to the permitting agreement and specific challenges with the language in that agreement.

Three cities (i.e., San Jose, San Ramon, and Thousand Oaks) could not recollect the timeframe because the system was already in place when this staff was hired.

Costs Associated with Implementation

The costs associated with implementation were difficult to ascertain because each municipality measured costs in a different way. The CCCSWA devised the costs by a simple calculation (see Table 10) which revealed it would take approximately \$30,000 a year to manage their program. They wanted to be sure to recoup those costs in the non-exclusive franchise permit system. Colma estimated costs to be around \$7,000 to \$8,000 to develop and implement the system and Mountain View estimated it took less than 20-25% of 1 FTE's time during the one year it took to put the process in place. LA County budgeted for and dedicated 1 FTE to develop and implement the system. They also had administrative staff that managed the forty-six contracts, outreach, reports, invoicing, etc., as well consultants who assisted them. The staff at San Jose, San Ramon and Thousand Oaks that were interviewed were not around when the process was implemented and were unable to answer.

Best Practices and Challenges

There are a lot of challenges surrounding compliance and getting haulers to comply. Depending on how enforcement is structured, it may take considerable time to enforce. It takes commitment to ensure all the targeted haulers are identified and provided information on the program. The recommendation for compliance is to be persistent in order to control the problem and ensure the permit or non-exclusive franchise system is effective. Compliance should also be prioritized to ensure consistent and timely enforcement. The following information was provided by the seven municipalities who were interviewed and should be considered when designing a system.

Best Practices

- Understand the local conditions to implement an effective system.
- Allow time to plan a new system and make an effort to get feedback from stakeholders.
- Review the experiences of other jurisdictions to understand how their processes are structured.
- Make the compliance process and the overall system administration as efficient as possible.
- Require quarterly reporting at first and consider changing it to biannual or annual depending on the variation in data over time.
- Keep fees to a minimum in order to achieve better compliance.
- Design and implement an effective enforcement approach.
- A non-exclusive franchise agreement is useful to protect franchise fee revenue and ensure public health and safety concerns are addressed.
- Consider allowing the hauler to do the enforcement and alleviate staff time.
- Ensure compliance with the Rancho Mirage decision.
- Explicitly define affected recycling haulers and keep this scope limited to those that handle the highest volumes of targeted materials.
- Make roll-off boxes for construction and demolition debris a non-exclusive franchise system.

Challenges

- The CCCSWA said it became complicated because other companies that were formerly permitted were not part of the application process.
- Depending on the fee structure (tiered system for recycling permits such as a sliding scale in permit fees or a flat fee) the process could get complicated, try to keep it simple.
- Staff had a hard time figuring out which businesses to reach out to and track down.
- Promoting the new system is difficult when there are many haulers to reach.
- Educating the business, resident, or contractor as to why they need to use a “franchised” or permitted hauler can help the enforcement process.

3. Recommendations

After interviewing seven municipalities in California to understand their commercial recycling hauler permit system or non-exclusive franchise agreement system, a variety of trends and overall concurrence on what municipalities should consider became apparent. It was unanimous that the compliance process and the overall system should be made as easy as possible for both the recycling haulers and staff managing the system. It is important to implement a convenient “over-the-counter” or online permit process and ensure that applications are promptly reviewed and perhaps approved at the staff level in lieu of via the governing body. A key priority should be to minimize administration while effectively enforcing the system, whether a permit system or non-exclusive franchise agreement system is implemented. However, if legal counsel has liability and/or Rancho Mirage decision¹ related concerns, the agency should consider implementing a non-exclusive franchise permit system which may require having the application(s) approved by the governing body.

It is important to allow adequate time to plan and implement the new system to ensure feedback from stakeholders can be obtained and that the goals of the project are clearly conveyed. Be transparent, think the process through and adopt the best practices of other jurisdictions. The fees should allow for administration of the system to be self-sustainable yet kept low in order to achieve the intended compliance. Strive for clarity in determining the affected recycling haulers. Do not target shredding or electronic scrap recycling haulers or the small independent company with a pick-up truck. Only target the primary recycling haulers.

In order to make the system work smoothly and be more efficient, it is recommended that the application and reporting processes be managed online. This will ensure less of an administrative burden.

Enforcement is important to ensure compliance and identify the recycling haulers that are unaware of the rules. The municipalities recommend consistency in enforcement to limit problems and ensure an effective permit or non-exclusive franchise agreement system. City staff should be persistent in order to control problems as they arise and ensure the efficacy of the permit or non-exclusive franchise agreement system.

After interviewing the seven jurisdictions, it was concluded that the implementation of a permit system would make the most sense for RethinkWaste. The primary rationale is because RethinkWaste spans across multiple jurisdictions and there are likely numerous recycling haulers providing a variety of services across jurisdiction boundaries. Requiring recycling haulers to obtain a recycling permit will continue to encourage a competitive open market as opposed to restricting or limiting the market via more onerous non-exclusive franchise agreements. Currently, the CCCSWA and San Jose are each implementing an exclusive franchise recycling permit system. Colma, Mountain View, and San Ramon only have a handful of recycling haulers and are considered by staff to almost be an exclusive system. It

¹ The California Supreme Court ruled in the Rancho Mirage decision that an exclusive franchise for commercial recycling purposes applies once the owner of recyclable material discards them. The court held that the exclusive franchise does not apply if the owner of these materials sells them to someone aside from the city’s exclusive franchisee.

was mentioned during the interviews by these five municipalities (i.e., CCCSWA, San Jose, Colma, Mountain View and San Ramon) that it might make more sense to have an exclusive agreement, because you are able to better monitor and enforce reporting, collect franchise fees, and require haulers to hand over business lists to comply with AB341 (i.e., Mandatory Commercial Recycling). However, given the five-year notice requirements to establish additional exclusive franchises, this approach is not recommended for RethinkWaste in the near term.

Appendix 1

Interview Questions

Overview

1. Can you explain your permitting/non-exclusive franchise system? (i.e., who does it cover, how do they apply, approval process, reporting requirements, fees involved, enforcement)

System Development

2. What drivers motivated the City to implement a non-exclusive franchise or permitting system? (e.g., State mandate, generate revenue, need for diversion data, etc.)
3. What steps were taken to determine the type of system that would work best for your Agency?
4. Why did your Agency implement the system it did?
5. How long did it take to develop the system/process, get it approved and complete implementation?
6. Did you face any challenges in the development and implementation of your system? If so, what were they?
7. What were the costs associated with development and implementation of the system?
8. How did you notify 3rd party vendors/haulers of the new requirements?

System Administration

9. How is your system administered? (e.g., Day-to-day administration, enforcement)
10. How does the hauler application process work and what is the process to approve applications?
11. How much time does it take to manage the system through each step (e.g., processing applications, approval, day-to-day administration, enforcement)?
12. What are the fees associated with the franchise or permit system?
13. What reporting requirements do you have (frequency, type of information)? How are reports submitted and managed?
14. If reports are required, do you have any challenges in getting permittees / franchisees to submit the reports? Are these submitted timely, complete and accurate?
15. What if a permittee/franchisee does not provide the reports needed? What are the penalties and how is enforcement conducted?
16. What actions do you take if you find out a vendor is operating without obtaining the required permit/franchise? Are there enforcement actions (e.g., warning notice, phone call, citation, etc.)?
17. Have you been successful in getting all the affected of 3rd party vendors to participate in your system?

Wrap-up

18. Based on your experiences, what are the best practices for implementing a 3rd party permitting/franchising system? Are there other things to keep in mind?
19. Do you have any additional information on your ordinance/municipal code language, reporting requirements, etc., that you can provide?

Appendix 2

List of Municipality Staff Interviewed

Jurisdiction	Name of Contact	Title	Website
Central Contra Costa Solid Waste Authority	Bart Carr	Senior Program Manager	http://www.wastediversion.org/app_pages/view/27
Colma	Kathleen Gallagher	Planning Department Sustainability Program (Consultant)	http://www.colma.ca.gov/index.php?option=com_content&view=article&id=218&Itemid=188
Los Angeles	Saro Toutounjian	Supervisor	www.lacounty-swims.org
Mountain View	Cynthia Palacio	Senior Analyst	http://www.mountainview.gov/city_hall/public_works/garbage_and_recycling/default.asp www.mvrecycle.org
San Jose	Kristina McCaffrey	Environmental Services Specialist	http://www.sanjoseca.gov/index.aspx?NID=1529
San Ramon	David Krueger	Solid Waste and Recycling Program Manager	http://www.sanramon.ca.gov/recycle/commprov.htm
Thousand Oaks	John Brooks	Senior Analyst	http://www.ci.thousand-oaks.ca.us/government/depts/public_works/environmental/default.asp



A Public Agency

STAFF REPORT

To: Technical Advisory Committee Members
From: Cliff Feldman, Recycling Programs Manager
Date: November 7, 2013 Technical Advisory Committee Meeting
Subject: Discussion on Uniform Enclosure Standards

Recommendation

This is an informational report and no action is necessary.

Analysis

At the July 25, 2013 Contractor Coordination meeting with staff from RethinkWaste, Recology and several Member Agencies present, a discussion ensued on the issue of how Member Agencies ensure that building plans for Garbage/Recycling/Compost enclosures for new buildings are approved to ensure adequate space to encourage diversion and address operational issues. Following the meeting, RethinkWaste Staff received a request from the City of San Mateo to consider uniform standards service area wide. A copy of the City of Menlo Park's recently adopted guidelines (**Attachment A**) was provided which appear to meet these requirements.

Menlo Park's enclosure plan guidelines include the following requirements for enclosures:

- Enclosures to be at street level or within 25 feet from a public street or a paved roadway that is 16 feet wide
- Enclosure gates and hinges be flush with the enclosure walls
- Gates open a minimum of 90 degrees (straight out or wider)
- Covered with a solid roof with a minimum one-foot open clearance between walls and bins
- Concrete loading pad extending eight feet from enclosure opening able to withstand a 60,000-pound vehicle
- At a grade less than 2% or level
- Truck access allowing a turning radius of 40 feet
- Recycling and organics chutes for every garbage chute

Staff is requesting TAC feedback on the concept of developing uniform enclosure standards across the service area. Adopting uniform standards will potentially benefit developers throughout the service area by creating specific standards that can consistently be included when seeking building permits. In addition, this concerted effort across the Member Agencies will not only result in reducing administrative burden for the developers drafting the plans, but also for Member Agency permit counter personnel and Recology staff in reviewing the plans.

Background

The Franchise Agreements with Recology San Mateo County (Recology) require the company to review plans for new construction to ensure that enclosures are built with adequate space for garbage/recycle/compost containers provided by Recology. Specifically, section 7.04(G) states:

Plan Review. Contractor shall review plans for land use or property developments, upon request of the Agency, to assess the adequacy of Container enclosure space allowances for Solid Waste, Recyclable Materials, and Organic Materials Collection Containers and the accessibility of Containers by Collection vehicles. The Contractor's review shall be completed by the Contractor's operations manager or route supervisor within ten (10) Business Days of request by Agency and receipt of the project design drawings. If site conditions warrant, the Contractor shall conduct a site visit of the proposed property to complete its evaluation. The Contractor's review shall be summarized in a letter report that states acceptability of the proposed enclosure arrangements or notes specific changes that are required to comply with the enclosure specification. The letter report shall be signed by the Person that conducted the review on behalf of the Contractor. This review shall include, but not be limited to:

- 1. Adequacy of the Container enclosure space to store Containers for the anticipated volume of Solid Waste, Targeted Recyclable Materials, and Organic Materials generated by a development of the size and purpose contemplated;*
- 2. Adequacy of Container enclosure space to store Containers for Solid Waste, Targeted Recyclable Materials, and Organic Materials in a fashion that allows for the greatest possible diversion of materials; and,*
- 3. Adequacy and accessibility of the Container enclosure space for Contractor to safely and efficiently service all Containers in the contemplated service locations taking into account the dimensions of the enclosure space, the access road dimensions, parking arrangements, pedestrian traffic, change in elevation, other site considerations, and Collection vehicle capabilities.*

Fiscal Impact

There is no anticipated fiscal impact to RethinkWaste. In addition, there is no anticipated fiscal impact to the Member Agencies as this recommendation pertains to preexisting contractual obligations in the Franchise Agreement(s) with Recology.

Attachment:

Attachment A - City of Menlo Park Commercial, Industrial and Multi-family Garbage & Recycling Enclosure Plan Guidelines



City of Menlo Park

Commercial, Industrial and Multi-Family Garbage & Recycling Enclosure Plan Guidelines

Garbage and recycling enclosure plans are required of all commercial, multifamily, new construction and alteration projects to demonstrate compliance with State mandated recycling requirements and prove adequate sizing of the facility. This plan is subject to approval by Recology of San Mateo County and the City of Menlo Park. To begin the review process, please contact **Tim Hester**, Assistant General Manager of Recology San Mateo County, at thester@recology.com or **(650) 598-8252**. After Recology's approval, please submit plans to the City of Menlo Park's Community Development Department. The design of garbage and recycling enclosure may require Planning Commission review. The enclosure plan must demonstrate compliance of the following requirements:

Location and Access: The enclosure must be at street level or within 25 feet from a public street or a paved roadway that is 16 feet wide.

Structure: The enclosure gates and hinges must be flush with the enclosure wall. The gates must open a minimum of 90 degrees (straight out or wider) and have "cane bolts" to secure them from moving while the bins/carts are being serviced. Hinges and gate should be flush with the enclosure wall, in order to allow adequate maneuverability of the bins/carts in and out of the enclosure for service. The enclosure must be completely covered with a solid roof with a minimum one-foot open clearance between enclosure walls and bins to allow for ventilation. The enclosure must contain bump stops to keep the bins/carts from hitting walls.

Loading Pad: A concrete stress apron extending eight feet from the enclosure opening engineered to withstand a 60,000 lbs. pound vehicle.

Grade: The enclosure must be level or at a grade of less than 2%.

Clearance: A vertical clearance (height clearance) of 25 feet is required for accessing containers. Two feet of space is required between the bins/carts and enclosure bump stops.

Signage: Permanent, weatherproof "No Parking Signs" placed on the outside of the enclosure. Permanent, weatherproof educational signs hung inside the enclosure to educate users on the garbage and recycling program. Yvette Madera of Recology can assist with signage at (650) 595-3900.

Truck Access: A truck turning radius of 40 feet is required. For backup distances of greater than 150 feet, a turnaround must be provided.

Garbage Chutes: For each garbage chute installed on a property, two additional chutes (one for recycling and another for organics) must be located within ten feet to keep diversion programs successful.

Calculate Minimum Enclosure Size: The enclosure shall be adequate in size for garbage, recycling, organics and fat, oil and grease (only for restaurants and office buildings with kitchens). **Using the steps and standards on the next page, provide drawings that show calculations for estimated waste generation, and the footprint of each bin or cart within the enclosure with enough excess space that allows each bin to be accessed easily by building occupants and waste hauler (subject to city approval).**

Follow these three steps to determine the appropriate enclosure size. (Show calculations on drawings)

Step One: Determine the property's estimated debris. A facility's estimated debris is based upon the number of employees or residents. Multiply this number by 80 lbs. per employee/week or 31 lbs. per resident/week.¹ Convert the estimated debris to cubic yards by dividing this number by 270.² Cubic yardage is rounded up to the nearest whole number. See example on next page.

Example: For an office building with 60 employees the estimated debris is 4,800 pounds of garbage a week or 17.7 cubic yards.

Number of People	Weekly Estimated Disposal	Convert to Cubic Yards (Divide by 270 and round to highest number)	Divide by maximum twice weekly pick up standard
60	60 * 80 lbs. = 4,800 lbs.	4,800/270 = 17.7 (18 CY)	18 CY/2 week service = 9 (Cubic Yards)

Step Two: Determine the number and size of garbage, recycling and organics bins/containers required to achieve State mandated 50% diversion, based upon the cubic yardage obtained from Step One. Use table below to determine which bins or carts will be needed.

Carts			
1 gallon = 0.00576 yard ³			
Size	Length	Width	Footprint
20-gallons (0.12 cubic yards)	2'	1.6'	3.2ft ²
32-gallons (0.18 cubic yards)	2.0'	1.6'	3.2ft ²
64-gallons (0.37 cubic yards)	2.6'	2.0'	5.2ft ²
96-gallons (0.55 cubic yards)	2.9'	2.5'	7.3ft ²

Bins			
Size	Length	Width	Footprint
1-cubic yard	6'	2'	12ft ²
2-cubic yards	6'	2.9'	17.4 ft ²
3-cubic yards	6'	3.5'	21 ft ²
4-cubic yards	6'	4.2'	25.2ft ²
6-cubic yards	6'	5.5'	33ft ²

Using example from above, the total recycling/composting and garbage would be:

Estimated debris (CY)	Recycling Service Required (50% estimated debris)	Garbage Service Required (50% estimated debris)
9 CY	4.5 CY (must also provide for separate organics recycling)	4.5 CY

The following containers are required:

- *Garbage= One 4 yard garbage bin and one 96 gallon cart*
- *Recycling= One 3 yard recycling bin*
- *Organics (compost of food and plant material)= Three 96 gallon carts*

Step Three: Add the square footage of the all containers/bins determined in Step Two, and add excess space that allows each bin to be accessed easily by occupants and waste hauler (subject to city approval). **Bins cannot be placed behind each other, and carts cannot exceed two rows.** If the property has an existing enclosure, the current enclosure size should be subtracted from the determined enclosure area.

Using the example:

- *Garbage: 4 yard bin and 96 gallon cart = 33 ft²*
- *Recycling: 3 yard bin = 21 ft²*
- *Organics: 3 (96 gallon) carts = 22 ft²*

*Total square footage would be 76 ft² **plus** inclusion of excess square footage as defined above. Show on drawings.*

¹CalRecycle California's Statewide Per Resident, Per Employee, and Total Disposal 2010 Numbers www.calrecycle.ca.gov/lqcentral/goalmeasure/disposalrate/graphs/disposal.htm

² Recycle Mania Average for loose waste and single stream recycling <http://recyclemaniacs.org/sites/default/files/documents/Volume-weight-conversions.pdf>