



**FRANCHISE WASTE HAULER PERMIT INFORMATION**  
*Garbage, Refuse, Construction and Demolition Debris, and Recyclable Materials  
Collection Services*

**I. FEES:**

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- Annual Waste Hauling Permit Fee \$610
- Annual Minimum Pre-Payment Franchise Fee \$10,000
  - ✓ Required of all Waste Haulers providing bin or roll-off service
  - ✓ Fee is prorated at \$2,500 per quarter. If application is received by:

January 1 to March 31	Fee: \$10,000
April 1 to June 30	Fee: \$7,500
July 1 to September 30	Fee: \$5,000
October 1 to December 31	Fee: \$2,500

**II. POTENTIAL NEW REQUIREMENT:**

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***Full provision of State Mandated Programs (AB 341 & AB 1826) by haulers may be required on July 1, 2019, should voluntary implementation efforts be considered inadequate by City/CalRecycle:***

*The City currently allows haulers and businesses to arrange for AB 341 and AB 1826 compliant program services on a subscription basis. While this has been effective with regards to AB 341 (92% compliance), business participation in organic waste recycling has been very low (only 39% of Tier 1 and Tier 2 business customers through hauler-provided programs). CalRecycle has expressed concerns regarding this high level of non-compliance. With the addition of Tier 3 customers to the AB 1826 mandate the City is considering a blanket requirement of State-mandated programs by it's haulers if voluntary subscriptions don't show marked improvement during the first 6 months of 2019. This would likely be through an all-inclusive service pricing determined by each hauler. This potential provision will be discussed at the December 2018 Annual Hauler Roundtable Meeting.*

**III. APPLICATION:**

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The items listed must be provided to the City prior to processing your application:

1. **Substantiation of your firm's assistance in helping the City meet its obligations under State solid waste regulations:**
  - a) A summary of your AB 341 compliance program efforts in the previous calendar year. This narrative must include: a) a description of your outreach and education efforts; b) provide dates and types of mailings; c) the number of site visits performed; and d) the number of programs offered to your customers. This report should also provide program compliance metrics including the total number of customers currently

under the AB 341 mandate, the total number under compliance through waste hauler provided programs, and the total number under compliance through internal and third-party diversion programs.

- b)** A summary of your AB 1826 compliance program efforts in the previous calendar year. This narrative must include: a) description of your outreach and education efforts; b) provide dates of mailings; c) the number of site visits performed; and d) the number of programs offered to your customers. This report should also provide program compliance metrics including, the total number of customers currently under the AB 1826 mandate, the total number under compliance through hauler provided programs, and the total number under compliance through internal and third-party diversion programs.
- c)** Copies of both AB 341 and AB 1826 education/outreach materials you provided to your customers the previous year. In addition, your narrative (see above) must include the date(s) and method of delivery, and how many customers received the materials. It is permissible to have one education/outreach piece that addresses both AB 341 and AB 1826.
- d)** A description of your AB 1826 collection program. This description must include the types and sizes of containers you provide, when collection services are available in the City, and the location your collected organics are hauled to.
- e)** A list of your non-compliant AB 341 accounts. This list must include the company name, address, and a contact person's name, phone number and/or email address. If you have confidentiality concerns, this list can be provided in an electronic format, directly to the City's contracted Solid Waste and Recycling Consultant, who will only use this data to compile a citywide database without waste hauler identification.
- f)** A list of your non-compliant AB 1826 accounts. This list must include the company name, address, and a primary contact person's name, phone number and/or email address. If you have confidentiality concerns, this list can be provided in an electronic format, directly to the City's Solid Waste and Recycling Consultant, who will only use this data to compile a citywide database without waste hauler identification.

## **2. Provision of Bulky Item Collection:**

- a)** Agree to provide two (2) free bulky item collections per year to your multi-family commercial accounts. By March 1st of each calendar year you will need to submit a detailed plan on how this service will be publicized and provided. If your first year as a hauler within the city begins after this annual deadline please submit a plan within 60 days your services commence.
- b)** Identify any other special waste program you provide or plan to provide.

**3. Public Education:**

- a)** Agree to provide at least two (2) public education mailers per year to all accounts. This education piece must be approved by the City before distribution. For multi-family accounts this education piece must also list and include your free bulky item collection program.
- b)** Provide draft example of your education piece to City for review/ approval by February 1<sup>st</sup> of each year. Education piece must be mailed or otherwise delivered to your accounts by March 15<sup>th</sup> and then again by July 15<sup>th</sup> of each year.

**4. Vehicle Information & Insurance Requirements:**

- a)** List of vehicles to be used in the City including the vehicle type, VIN #, license plate number, and any identifying number you paint or otherwise affix to the vehicle.
- b)** Insurance and required endorsements (please refer to insurance requirements).
- c)** Proof of California Highway Patrol BIT vehicle inspections.
- d)** Business License fee paid through the City Finance Department is required based on the number of vehicles the hauler will have operating in the City. The hauler will receive the appropriate number of vehicle permit stickers, which are to be displayed on the windshield of each vehicle.

**5. Customer Service:**

- a)** Phone number for complaints between regular business hours: 8 a.m. to 5 p.m. Monday – Friday, including a telephone directory where located, and email if available.
- b)** Company owner's name, address and phone number.

**IV. CITY OF COSTA MESA INSURANCE REQUIREMENTS**

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- 1. Comprehensive general liability, including premises-operations, products/completed operations, broad form property damage, blanket contractual liability, independent contractors, personal injury with a policy limit of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence and aggregate.
  - 2. Automobile liability for owned vehicles, hired, and non-owned vehicles, with a policy limit of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence and aggregate.

3. Workers' compensation insurance as required by the State of California.

The comprehensive general liability and automobile liability insurance policies shall contain or be endorsed to contain the following provisions:

- PRIMARY INSURANCE: The insurance provided under this agreement shall be primary and not contributing with any insurance maintained by the CITY.
- NOTICE OF CANCELLATION: The City requires 30 days notice of cancellation, or reduction in limits.
- ADDITIONAL INSURED: The City of Costa Mesa and its elected and appointed boards, officers, agents, and employees are additional insured with respect to the providing of waste collection services.

The three endorsements above require an actual endorsement attachment. The City will not accept the language printed or typed on the certificate of insurance. We must have the actual endorsement, which changes the policy.

## **V. REPORTING AND FEE REQUIREMENTS:**

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All permitted franchised waste haulers operating in the City must report quarterly to the City on the following:

1. Tonnage hauled, facilities used, diversion achieved, and compliance program status, in the form and format required by the City on its reporting form (Public Services Department).
2. Quarterly gross receipts earned for business in Costa Mesa and franchise fees due if any, in the form and format required by the City on its reporting form (Finance Department).
3. Tonnage and compliance reports (Public Services Department) are to be submitted electronically to Mike Balliet, Solid Waste and Recycling Consultant, by email to [mballiet61@gmail.com](mailto:mballiet61@gmail.com).

The City assesses a 16% franchise fee on gross receipts annually. Note that the franchise fee paid at the time of application is a MINIMUM fee. Every quarter, a franchise fee is calculated based on gross receipts reported. Additional fees are due quarterly if the franchise fee due is higher than the minimum fee paid at the time of application. Failure to submit either report within forty-five (45) days of the end of each calendar quarter shall result in a fine of \$150 for each month or portion of a month past the due date. Incomplete reports do not qualify as a submission.

## **VI. DUMPSTERS PLACED IN THE PUBLIC RIGHT OF WAY:**

A temporary dumpster permit is required for all roll-off dumpsters placed in the public right-of-way. A forty dollar (\$40) permit fee must be paid for all dumpster bins placed on the public right-of-way. A separate permit is required for each bin and location and the maximum time a dumpster can be placed in the public right-of-way

shall not exceed two (2) weeks. If the dumpster is placed on private property, no temporary dumpster permit is required.

If you have any questions regarding this information, please call the Public Services Department at (714) 754-5323.