



## **SACRAMENTO REGIONAL SOLID WASTE AUTHORITY (SWA)**

February 14, 2002

### **Franchisee Administrative Rules No. 2002-1**

The following are administrative rules promulgated by the Sacramento County Department of Waste Management & Recycling for administration of SWA Ordinance No. 8. These sections are added to Franchisee Administrative Rules No. 2001-1 for franchisees operating under SWA regulation.

#### **Section A: Franchise System Requirements**

##### **A.8) Franchisee Charges and Fees to Customers**

Gross collection revenue includes charges and fees to customers, including but not limited to, the following:

- 1) Collection of liquidated damages by a Franchisee due to early contract termination by customers;
- 2) Fees charged by a Franchisee to a customer for bin rentals or other bin service charges; or
- 3) Surcharges to customers for fuels.

All fees to customers are considered a component of gross collection revenue and are therefore subject to the franchise fee.

The franchise fee should be paid to the SWA for the month in which any fee payment is received.

##### **A.9) Late Fee Penalty**

Except where a 2% per month penalty fee is allowed by Ordinance or franchise agreement, a late fee of 1.5% per month will be assessed for failure to make timely payment on all SWA fees, including incentive fees, audit fees, late reporting penalty fees, etc.

## **Section B: Diversion Rules**

### **B.12) Recyclables Exempt from Franchise Fee**

For SWA solid waste collection franchisees, recyclable material set out for separate collection for the purposes of recycling and that is not landfilled, is exempt from the franchise fee only when:

- 1) A customer is billed for separate collection of recyclable materials on a separate invoice from that used for garbage service; or
- 2) The fee for separate collection of recyclable material is identified as a separate line item on an invoice that also includes garbage service.

Collection revenue from any service account that receives a single bill for garbage and recycling service and is billed for all services on the same bill (without line item costs for each service type) is subject to the franchise fee.

The franchise fee applies to any materials recovery or processing activities (see Franchisee Administrative Rules No. 2001-1, Section A.1 – Franchise Fee Collection). To be considered recyclable material set out for separate collection for the purposes of recycling and thus fee-exempt, material may only be minimally “cleaned” to improve marketability.

The following are not considered recyclable material set out for separate collection for the purposes of recycling and thus are not fee-exempt:

- 1) Mixed construction or mixed demolition debris; and
- 2) Commercial accounts or loads that have a high degree of recyclables but require sorting or processing to separate recyclables from refuse (e.g., “select loads” or “dry loads”).

Administrative Rules 2002-1 received and filed by the Sacramento Regional Solid Waste Authority Board at its February 14, 2002 meeting.

by:

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