County approves new trash-hauling system



Businesses in unincorporated county could pay 17 percent more for trash services



(Photo: Eric Woomer)

After two decades of licensing private waste haulers to pick up and dispose of garbage in unincorporated areas of <u>Tulare County</u>, a new system will take effect this fall.

Instead of obtaining five-year licenses from the county, six haulers will be governed by 15-year franchise agreements allowing each to offer trash services in unincorporated areas starting Oct. 1, with options for five-year extensions if any one of those businesses want to continue servicing the communities and the county agrees.

In return, those businesses will launch recycling programs for businesses, apartment buildings and other multi-family dwellings which will include programs to recycle food waste.

The haulers will stop paying licensing fees and instead pay the county higher fees equal to five percent of their gross revenues for serving the unincorporated areas. Those new fees are expected to generate about \$650,000 a year for the county, compared to the meager \$2,500 collected annually under the current license fee system, county Chief Administrative Officer Jean Rousseau said.

County officials plan to use the additional money to help pay for recycling programs, environmental work to close landfills no longer in use and to combat illegal dumping in unincorporated areas.

Any unused money would be placed in a trust fund to help cover future and unexpected costs the county may incur in its solid waste division.

Members of the county Board of Supervisors unanimously voted on Tuesday to approve the new franchise agreements, which prior to the meeting had been signed by representative of the six trash-hauling companies covering eight districts in the unincorporated county.

Haulers serving cities within the county aren't affected by the agreement.



Workers at Pena's Material Recovery Facility in Orosi sort through recyclables. (Photo: Eric Woomer)

The change is expected to affect businesses and owners of multi-family dwellings in the unincorporated county, and their trash rates are expected to go up. County officials have recommended a 17-percent increase in their monthly fees to cover the haulers' added costs, but the board isn't expected to consider a new fee schedule until next month.

Fees for customers with single-family homes and smaller multi-family units will not have their rates go up, Howard said.

"It only took two years, to get here," Supervisor Steve Worthley said after the vote on the hauler contracts on Tuesday.

Back in May 2013, the board gave notice to the haulers that their licenses would be canceled within five years because the county was opting to switch to a franchise system.

At the time, county staff was directed to begin negotiating with the licensed haulers — Miramonte Sanitation, Mid Valley Disposal, Peña's Disposal, Tule Trash, South Tulare-Richgrove Refuse and <u>Waste Management, Inc.</u> — to develop franchise agreements, if they were inclined to continue serving the unincorporated county.

The board opted not to put the trash-hauling franchises out for bids and instead offered franchise agreements to the companies already providing the services.

"We are all being grandfathered in because we've been doing this at least 35-40 years. We're the right guys for the job," said Richard Gress, owner of Tule Trash Co. in Pixley and president of the Haulers Association, Tulare County.

"One of the essential parts of the agreement is a commercial recycling," which isn't mandatory in the unincorporated parts of the county, he said.

Under the new program, the haulers — some of which have provided recycling containers for homes for about a decade — will have to offer them to businesses and multi-family homes with five or more units, along with green waste containers for grass clippings, flowers, branches, leaves and other yard waste

"What's going to happen is the franchise agreement will require haulers to enter recycling programs to meet state mandates" to reduce the amount of waste going into landfills, said <u>Bryce Howard</u>, Tulare county's solid waste director.

This will include a state requirement to collect food waste, which will be phased in starting next year through 2020.

Tim Guy, vice president of Miramonte Sanitation, said that when his customers began getting recycling containers a decade ago, many didn't separate their recyclables from their general trash, but they've gotten better over the years.

He said he doesn't foresee such problems with businesses, as "They're as much into the [recycling] program as anyone else. They're more cutting edge."

Gress agreed, noting that many of his commercial customers have asked for recycling containers in recent years.

"What we found is most people like recycling," he said, adding that as part of the franchise agreement the haulers will have to send literature to their commercial and multi-unit customers detailing what what should and shouldn't go into the recycling containers.

But getting people to separate out their food waste and doing it properly may be more challenging — at least at first — Gress said.

"They don't want hamburger grease," or the hamburger patty or any meat products, nor should food-soiled napkins, paper plats and cardboard be put in with food recycling, Gress said.

Watermelon rinds, uneaten potatoes, vegetable peelings, etc. are among the items that should go in food-recycling containers, he added.

A key component of the county's franchise agreements with the hauler is that they'll be in effect 15 years.

Initial discussions had the county offering five-year agreements, but "We knew that wasn't going to work," Supervisor Phil Cox said.

The problem was that providing the additional recycling services will require the haulers to hire more staff and purchases extra equipment, and they needed a longer commitment to ensure that they can recoup their investments, Howard explained.

So they and the county agreed on 15 years, Howard said.

Guy noted that most counties have franchise systems for contracting trash-hauling services, and now Tulare County is doing the same.

When asked whether the haulers like or dislike the new system, he said there are pros and cons, but "at the end of the day, we continue to provide service to Tulare County."

One of the potential cons is whether the higher monthly trash rates that the board of supervisors are expected to set next month will cover all thehaulers' additional costs.

As for the effects of the higher monthly trash rates' on commercial customers, Howard noted that by separating their recyclables, they may be able to reduce their volumes of general trash, which may allow them to get smaller trash containers and reduce their monthly rates.

No free trash service at county jails, Juvenile Detention Facility

Before approving on Tuesday an agreement to franchise trash hauling in unincorporated Tulare County, the county Board of Supervisors voted tomake a change.

In the agreement, the trash haulers agreed not to charge to pick up trash at county buildings in their service areas, but the supervisors decided to pull the three county jails and the Tulare County Juvenile Detention Facility north of <u>Visalia</u> from the agreement.

The changes came after Art Peña, vice president of Peña's Disposal, Inc., in Cutler, raised a last-minute objection, explaining that his company provides waste service to several county facilities, including the jails and the detention center — the latter of which includes a courthouse for juvenile cases.

"We just can't provide those services at no cost. That's a huge hit to my company," while the other five haulers don't have as much garbage to collect the county buildings in their service areas.

Though Bryce Howard, Tulare county's solid waste director, told the supervisors that government agencies requiring free services from trash haulers is common, some of the board members sided strongly with the haulers.

"Why would we expect haulers to haul for free? To me, it's basically a shakedown of the haulers," said Supervisor Steve Worthley, who offered themost vehement argument against a requirement that trash be collected at no cost from the Bob Wiley Detention Facility, the Adult Pre-trial Facility, the Men's Correctional Facility and the Juvenile Detention Facility.

"I think it's fair to pay these people for what we want them to do."

Supervisor Pete Vander Poel shared Worthley's concerns of heaping extra costs on Peña's Disposal. He suggested that the six haulers rotate pickingup trash at the facilities, but it didn't get any traction in the discussion during Tuesday's Board of Supervisors meeting.

Howard noted that about 75 to 80 percent of the trash from county buildings is generated by the jails and Detention Facility. And county Chief Administrative Officer Gene Rousseau noted that the county currently pays Peña's about \$28,000 a year to pick up garbage at the four sites.

"I don't like the county having a free ride," added Supervisors Mike Ennis.

Supervisor Allen Ishida said the county either will get a "free ride" from the haulers or continue paying for trash services at the jail and DetentionFacility and have to factor those costs into the franchise fees charged to the haulers.

In the end, the board members decided to remove the jails and Detention Facility from the list of county county buildings that will get their trash pickedup for free, and the county will continue paying for the service.

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