



SACRAMENTO REGIONAL
SOLID WASTE AUTHORITY

November 14, 2016

**SWA Financial Incentive Program 2017-02:
Tier 3 Food Waste Financial Incentive**

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A Financial Incentive Program implemented to promote the diversion of putrescible organic material.

Pursuant to SWA Code 2.01.165, below, the following Financial Incentive Program, "Tier 3 Food Waste Incentive", is established by the SWA General Manager/Engineer.

1. SWA Code Reference.

"2.01.165 Financial Incentives

The GME is authorized to implement financial incentive programs to promote diversion programs additional to the diversion requirements of SWA Code. Incentive programs may include but are not limited to the following: (1) the waiving of franchise fees owed to the SWA; (2)/ providing credit towards the payment of future franchise fees to the SWA; and (3) the use of franchise fee revenues to subsidize development of infrastructure necessary to support additional diversion programs and/or offset costs associated with additional diversion programs. Financial incentive programs shall be effective on the thirtieth (30th) day following the filing of any such incentive programs with the Clerk of the Board. The funds for the incentive program, in the form of the waiving of, or providing credit towards, franchise fees, or use of franchise fee revenues, may not exceed the funds allocated for the incentive program by the Board by budget resolution."

2. Incentive

The incentive is a \$75.00 per month credit towards Franchisee fees payable to the SWA for each enrolled Tier 3 Generator, defined in the Eligibility section below, that subscribes to source-separated Putrescible Organic Material collection and recycling service.

3. Eligibility

Only parties possessing a valid SWA Commercial Solid Waste Collection Franchise are eligible for this incentive. Franchisees are eligible for only one \$75.00 per month credit per enrolled Tier 3 Generator. Tier 3 Generator is defined as "a business with a permanent location within the SWA Region that generates less than four cubic yards of solid waste per week and that subscribes to source-separated Putrescible Organic Material collection and recycling service."

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The SWA General Manager / Engineer or his or her Designee (hereafter "GME") is authorized to verify, by methods including but not limited to audit, review of Required Documentation described below, and/or site visit, that the Tier 3 Generator qualifies for the Franchisee's claim of eligibility, and to deny the claim of eligibility if the requirements of eligibility are not satisfactory. The GME's decision on eligibility is final.

4. Required Documentation

To claim eligibility the Franchisee must provide to the SWA, in a manner prescribed by the SWA, the following information:

A. Service Agreement (upon enrollment): An electronic copy of the service agreement with the Tier 3 Generator that identifies:

- the name, address, phone number, and point of contact of the Tier 3 Generator;
- the level of solid waste collection including container size and frequency of collection;
- the level of putrescible organic material collection including container size and frequency of collection; and
- the date at which putrescible organic material collection began.

The rates charged for service may be redacted. Service agreements are required to be submitted only upon the enrollment, or re-enrollment after an absence of one month or more, of the Tier 3 Generator.

B. Current subscriber list (monthly): A form, provided by the SWA, listing all of the Tier 3 Generators for which the Franchisee is claiming the \$75.00 per customer per month incentive. The form will include the following information:


- Business name;
- Address;
- Point of contact;
- Phone or email;
- Solid waste collection service level (cubic yards per week);
- Putrescible organic material collection service level (cubic yards per week);
- The number of incentive credits claimed for each customer in that month;
- The total number of incentive credits claimed; and
- The total dollar amount of incentive claimed for the quarter;

5. Limits

- The \$75.00 credit can be claimed only when putrescible organic material collection has been subscribed for an entire calendar month by the enrolled Tier 3 Generator.
- Eligibility will be universally terminated by the SWA upon the provision of incentive credits matching the annual budgetary allocation for the incentive program by the SWA Board. In any month when the budgetary allocation

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incompletely provides for the total number of incentive credits claimed, the incentive will be provided to the participating, eligible Franchisees proportionally to the number of enrolled Tier 3 Generators.

- Putrescible organic material collected by Franchisees from enrolled Tier 3 Generators must be delivered to a SWA Certified Putrescible Organic Material Facility.
- The SWA GME is authorized to un-enroll a participating Tier 3 Generator, and not provide the accompanying incentive credits to the eligible Franchisee, for non-conformance with the goals of the incentive program, such as repeated contamination of putrescible organic material that renders it unrecyclable.

Financial Incentive No. 2017-02 was received and filed by the Sacramento Regional Solid Waste Authority Clerk of the Board on November 17, 2016 and becomes effective January 1, 2017.

By:

Paul Philleo

DATE: 11-15-16

Paul Philleo
Sacramento Regional Solid Waste Authority
General Manager/Engineer

