

RULES AND REGULATIONS FOR THE ISSUANCE OF REFUSE COLLECTION LICENSES AND PERMITS FOR THE CITY AND
COUNTY OF SAN FRANCISCO

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Chapter 1. Authorization

The Health Commission issues these rules and regulations ("Rules") pursuant to Sections 4.104 and 4.110 of the Charter of the City and County of San Francisco ("City"). The Refuse Collection and Disposal Ordinance of 1932 (as amended and re-codified, in part -- San Francisco Health Code ("SFHC"), Article 6) ("Refuse Ordinance"), authorizes the Director ("Director") of San Francisco Department of Public Health ("Department") to implement these Rules. The Director has delegated this authority to the Director of the Environmental Health Branch. Pursuant to Resolution 259-92, adopted on April 7, 1992, the Board of Supervisors designated the Bureau of Environmental Health Services, now known as the Environmental Health Branch, as the Local Enforcement Agency charged with the enforcement of the California Integrated Waste Management Act of 1989, California Public Resources Code Section 40000 *et seq.*, and its implementing regulations.

Chapter 2. Background

Section 4 of the Refuse Ordinance prohibits any person or entity from collecting, transporting, or disposing of residential Refuse (hereafter, "providing Refuse Service") in the City unless they have a license from the Director ("License"), and a permit to operate on designated Routes ("Permit"). In 1992 and 1999, the Health Commission adopted regulations for the issuance of Refuse collection permits for federal facilities and non-federal facilities ("Existing Refuse Regulations") at Treasure Island and Yerba Buena Island ("TI/YBI"), respectively. In 1992, Route 97A for Yerba Buena and Route 97B for Treasure Island were established and Refuse collection permits were granted to the Refuse Collectors under the Existing Refuse Regulations. The Existing Refuse Regulations provide the Department with a mechanism to issue federal and non-federal facilities Refuse collection permits to any bona fide bidders for the Refuse collection contracts. With the development of private residences on TI/YBI, it is appropriate for the Director to issue Permits to allow for adequate Refuse Service on TI/YBI under the Refuse Ordinance. The application process to become a Collector and for the issuance of a Permit for a Route within the City are not detailed in the Refuse Ordinance.

Chapter 3. Scope

The Health Commission hereby adopts these Rules for the issuance of Licenses and Route Permits within the City. These Rules are written with the intent to improve the procedures in accordance with the existing requirements set forth in the Refuse Ordinance and the Existing Refuse Regulations. These Rules serve to carry out the City's responsibilities under federal, state, and local laws which set forth requirements for the handling of Refuse. These Rules also protect the public health and welfare by regulating the Collectors that provide Refuse Service in the City.

These Rules shall apply to any Applicant proposing to provide Service within the City. These Rules provide both

procedural and substantive requirements for issuance of a License to the Applicant to qualify as a Collector and the issuance of a Permit to the Collector to provide Service on the Route. These Rules do not govern the issuance of Refuse collection permits for non-federal and federal facilities.

Chapter 4. Definitions

As used in these Rules, the following words or phrases shall have the meanings set forth below. Terms that are not defined in the Rules shall have the meaning attributed to them in the Refuse Ordinance, San Francisco Health Code Article 6, or the Existing Refuse Regulations.

"Applicant" means a Business Owner applying for a license issued by the Department to become a Refuse Collector in the City.

"Business Owner" means any individual, partnership, firm, association, corporation, or combination of individuals with an ownership interest in a business that provides Refuse collection and disposal services.

"City" means the City and County of San Francisco.

"Collector" means a Refuse Collector duly licensed pursuant to the provisions of the Refuse Ordinance.

"Complete" means all documentations required as part of the application pursuant to these Rules have been provided to the Department.

"Correct" means all information provided as part of the application pursuant to these Rules is accurate, exact, and fully describes the applicable filing requirement information. "Department" means the San Francisco Department of Public Health.

"Director" means the Director of San Francisco Department of Public Health or their designee.

"Inadequate Service" has the meaning set forth in Section 4 of the Refuse Ordinance.

"Key Managers" means individuals who manage, direct, or control the operations of the Refuse collection business, key managers may include the executive officer, president or their equivalent, or an officer, director, vice president, general manager or their equivalent.

"Refuse Ordinance" means the Refuse Collection and Disposal Ordinance of 1932 adopted on November 8, 1932, as amended.

"Licensee" means Business Owner that holds a valid Refuse Collector License issued by the Department.

"Permit" means a Permit to operate a specific Refuse collection Route by the Collector.

"Permittee" means a Collector who holds a Permit on a specific Refuse collection Route.

"Refuse" has the meaning set forth in Section 1 of the Refuse Ordinance.

"Route" has the meaning set forth in Section 4 of the Refuse Ordinance.

"Service" means the act of proper collection, transport, dispose, and charge of Refuse.

Chapter 5. General Requirements

Section 1. Business Standards

- (a) Every Business Owner who collects, transports, and disposes of Refuse in the City shall obtain and maintain a valid license as Refuse Collector and Route Permit from the Department for each Route at which the Service is being provided.
- (b) A Collector shall use their legal business name on all documents related to Refuse collection activity.
- (c) A Collector shall notify the Department not less than thirty (30) days prior to making modification to any Refuse collection operational aspects.
- (d) Minor modifications may include, but are not limited to, changes to contact information, standard operating procedures, maintenance procedures, Refuse Service collection schedules, or a switch of Refuse collection trucks for Route.
- (e) Major modifications may include, but are not limited to, changes to business name, change of ownership, conviction history, expansion of Route Service area, financial competencies, operational competencies, waste stream collection, and change in transfer/processing facility and disposal locations.
- (f) As determined by the Director, a new License and/or Permit application shall be submitted for any major modification.

Section 2. Change of Ownership

- (a) In the event of a change of ownership, the new Business Owner must submit a Refuse Collector License application for a new evaluation to obtain a new License.
- (b) Change of ownership is defined as a change in corporate structure or ownership transferring sale or other exchange of 50 percent or more of the ownership or control of the business; provided, however, for a corporation, transfer of 25 percent of the stock ownership shall be deemed to be a change of ownership.
- (c) No License or Permit may be transferred or assigned to another Business Owner.

Section 3. Application Evaluation

- (a) No License or Permit application package will be reviewed unless the Director determines that the package is Complete and Correct.
- (b) All License and Permit application packages will be evaluated using criteria as determined by the Director. Evaluation criteria may be amended to meet new Refuse Service standards and needs for the City.

- (c) The Director may consider the extent to which the Business Owner has the capacity to meet conditions based on overall competency, including but not limited to, compliance with applicable laws and its efforts to ensure compliance with applicable laws.

Section 4. Appeal to Board of Appeals

- (a) Any person who has been denied a permit or license, or whose permit or license has been suspended, revoked or withdrawn, or who believes that his or her interest or the public interest will be adversely affected by the grant, denial, suspension or revocation of a license or permit may appeal or request for a review of Director's decision with the Board of Appeals.

Chapter 6. Refuse Collector License

Section 1. Filing Requirements

- (a) Every Applicant seeking to provide Service shall submit a Refuse Collector License application package with the Department.
- (b) A non-refundable application fee, set forth in San Francisco Business and Tax Regulations Code, Article 1, Section 35(a), must accompany the application package. Application fee can be found on the Department's website.
- (c) Complete a Refuse Collector License application form with the Applicant's Information, including but is not limited to Business Name (DBA), names of the Business Owner(s), ownership type, contact information, date, and attestation from the Applicant or Applicant's authorized representative declaring under the penalty of perjury that the information provided in the application is true and correct.
- (d) Demonstrate the capacity to successfully operate reliable Refuse collection Services in San Francisco by providing a descriptive statement of the manner in which Refuse Services are provided in service areas outside of San Francisco, if any. Information such as size, number, and topography of markets they serve and capability to operate and deliver Services in a comparably large and dense cities will be used as determining factor during the evaluation.
- (e) Provide five letters of recommendations or references regarding an Applicant's capability as a Refuse Collector.
- (f) Resumes of Key Managers demonstrating sufficient knowledge and experiences related to solid waste standards to successfully operate a reliable solid waste operation in various municipalities.
- (g) History, description, and outcome of an Applicant's and Key Managers' criminal, civil, and administrative violations substantially related to the qualifications, functions, or duties of the business for which the

application is made. In reviewing the information, the Director shall consider the nature and gravity of the act, professional misconduct, or offense, the criminal record, and the time that has elapsed.

- (h) If an Applicant requests that any part of the application remain confidential, a statement of legal justification regarding the City's right to uphold the request.

Section 2. License Application Process

If a deadline specified in these Rules falls on a weekend or a holiday, the deadline shall be extended to the close of business on the following business day.

- (a) Within five (5) days from the filing of an application package, an Applicant may request a meeting with the Director to review and discuss whether their application package is Complete and Correct.
- (b) Within thirty (30) days from the filing date of an application package, the Director shall conduct the evaluation and shall either grant the License as requested or deny the License.
- (c) The Director shall publish the Applicant's information and evaluation result on the Department's website.
- (d) The Director shall notify the Applicant in writing within 5 days of denying an application package, that their request for a License is denied and a right to review the Director's decision may be submitted, as described in Section 4 of this Chapter.
- (e) The Director's action shall be final at the close of business on the tenth (10th) day following the issuance of the License or denial unless a request is filed to review the Director's decision.

Section 3. Grounds for License Denial

- (a) No License shall be issued if the Director finds that an Applicant has submitted fraudulent or misrepresentative information in the application package.
- (b) No License shall be issued if an Applicant fails to submit the required filing fee.
- (c) No License shall be issued if the application package is not Complete and/or Correct.
- (d) No License shall be issued if an Applicant fails to pass the evaluation process.

Section 4. Hearing for License Denial

- (a) If the Director receives a request for a hearing within ten (10) days of the Director's written notice of License denial to the Applicant, the Director shall proceed the hearing in the manner set forth below. If a deadline specified in this section falls on a weekend or a holiday, the deadline shall be extended to the close of business on the following business day:
- (1) The Director shall set a hearing to occur within thirty (30) days.
 - (2) Notice of a hearing shall be posted on the Department's website and provided to the Applicant at least

fifteen (15) days prior to the date of such hearing.

- (3) Within thirty (30) days of the hearing, the hearing officer shall take final action on a License application package either by issuing a License or a License denial to the Applicant. The decision on the License application denial shall be accompanied by a statement explaining the reasons for the Hearing Officer's action.
- (b) The hearing officer's action shall be final at the close of business on the fifteenth (15th) day following the issuance of the License or final denial unless an appeal is filed with the Board of Appeals.
- (c) If no request for a hearing is timely filed with the Director, the right to request a hearing shall be deemed waived.

Section 5. License Conditions

- (a) A Licensee shall comply with these Rules and all other applicable federal, state, and local laws which set forth requirements for the handling of Refuse.
- (b) A Licensee shall conduct operations in a safe, reliable, and professional manner.
- (c) A Licensee must also obtain a Route Permit or Permits issued by the Director to provide Service.
- (d) Each Refuse collection truck used to transport Refuse through the City Streets shall be plainly marked thereon with the assigned number by the Director, pursuant to Section 8 of the Refuse Ordinance.
- (e) A Licensee shall comply with the City's solid waste program requirements, including compliance with the San Francisco Integrated Waste Management Plan and the San Francisco Waste Acceptance Control Program, and disposal arrangements, as they may be amended from time to time.
- (f) A Licensee shall indemnify, defend, and hold harmless the City from financial loss, damages, or claims (collectively or individually as "Claim"), directly or indirectly, in whole or in part, arising out of or resulting from any act or omission that is related to the subject matter of the License. A Licensee shall indemnify the City for the reasonable fees of attorneys, consultants, and experts and related costs and the City's costs of Investigating any claim. A Licensee has an immediate and independent obligation to defend the City from any Claim which actually or potentially falls within the subject matter of the license even if such allegation is or may be groundless, fraudulent, or false, which obligation arises at the time such claim is tendered to a Licensee by the City and continues at all times thereafter. A Licensee's obligation to indemnify, defend, and hold harmless the City shall survive the expiration of the License.

Section 6. License Revocation

- (a) The Director may revoke a License issued under this Chapter due to the following reasons:

- (1) The Licensee repeatedly fails to properly collect Refuse in the City; or
- (2) The Licensee overcharges the public for Refuse Services; or
- (3) The Licensee repeatedly fails to address customers' complaints with regards to the Services being provided.

(b) The Director shall notify the Collector at least three days before the hearing of the Department's intent to revoke the License.

Chapter 7. Refuse Route Permit

Section 1. Filing Requirements

- (a) A Licensee seeking to provide Service on a Route within the City shall submit a Route Permit application package with the Department.
- (b) A non-refundable application fee, set forth in San Francisco Business and Tax Regulations Code, Article 1, Section 35(a), must accompany the application package. Application fee can be found on the Department's website.
- (c) Complete a Route Permit application form with the Licensee's information, including but is not limited to Business name (DBA), name of the Business Owner(s), ownership type, contact information, date, Refuse Collector License information, existing Route Permits if applicable, and the proposed Route information.
- (d) A statement explaining the need for Refuse Service on a Route. A written petition or contract may be submitted to the Director requesting for additional Route Permit to be granted due to existing inadequate Refuse Services for a Route. The Director shall review the request, substantiate findings, and determine the Refuse Service needs for that Route.
- (e) Records of audited financial statements, including Profit & Loss Statements, Balance Sheets, and all required notes to the financial statements for the past five (5) years. Such financial statements shall be certified by a Certified Public Accountant. Licensee must disclose any previous bankruptcies and other significant existing financial obligations (e.g., lease, pending lawsuits).
- (f) Evidence of ability to secure a performance bond or equivalent security equal to the amount for up to six (6) months of Service or in an amount satisfactory to the Director.
- (g) Certificate of insurance in the amount of \$1 million per occurrence/\$2 million aggregate, whichever is greater.
- (h) Description of major accident in the past five (5) years. Worker's compensation experience modification factor for the past five (5) years. DMV Records of all drivers and years of commercial driving experience.

- (i) Operational competency summary describing the refuse industry experience that is comparable to the level required at the proposed Route(s) served, information include but is not limited to, a list of equipment used to collect and transport Refuse, trucks and equipment lease agreements, offices, and maintenance shops locations, Refuse collection method and collection schedules, safety and maintenance procedures.
- (j) Procedures of waste acceptance control program, customers' complaint resolution, refuse processing and final landfill disposal/ material recycling.
- (k) If a Licensee requests that any part of the application remain confidential, a statement of legal justification regarding the City's right to uphold the request.
- (l) An attestation declaring to abide by all the provisions of the Refuse Ordinance and will not charge a greater rate for the Refuse Services than the fixed rate in or pursuant to the Refuse Ordinance.
- (m) An attestation declaring under the penalty of perjury that the information provided in the application package is true and correct.

Section 2. Permit Application Process

If a deadline specified in these Rules fall on a weekend or a holiday, the deadline shall be extended to the close of business on the following business day.

- (a) Within five (5) days from the filing of a Permit application package, a Licensee may request a meeting with the Director to review and discuss whether the application package is Complete and Correct.
- (b) Within thirty (30) days from the filing of a Permit application package, the Director shall conduct the evaluation of the application package.
- (c) The Director shall set a public hearing on the Permit application package to occur within 30 days of the date of the evaluation result.
- (d) The Director shall publish a notice of a public hearing on the Department's website for a general circulation fifteen (15) days prior to the date of such hearing. If more than one application package is received for the same Route, the Director may postpone the hearing date to set a joint hearing for all application packages.
- (e) The Director will render a final decision within 30 days of the hearing. The decision will be in writing and sent to Licensee within five (5) days of rendering final decision.
- (f) The Director shall take final action on the Permit application package by sending a copy of the Permit, or Permit denial, to the Licensee.
- (g) The Director's action shall be final at the close of business on the fifteenth (15th) day following issuance or

denial, unless an appeal is filed with the Board of Appeals.

Section 3. Grounds for Permit Denial

- (a) No Permit shall be issued if the Director finds that a Licensee submitted inaccurate information in the application package.
- (b) No Permit shall be issued if a Licensee fails to submit the required Permit review fee.
- (c) No Permit shall be issued if the Permit application package is not Complete and/or Correct.
- (d) No Permit shall be issued if a Licensee fails to pass the evaluation process.

Section 4. Permit Conditions

- (a) A Permit shall not be exclusive.
- (b) The Director may impose Permit conditions including but not limited to, conditions that the Director determines are necessary to protect the public health and safety.
- (c) Refuse Service activities shall be limited to the permitted Route.
- (d) Permitted Refuse collection trucks may operate on multiple Routes of the City Streets, provided that the said Routes are permitted to the same Collector.
- (e) A Collector shall maintain records of financial responsibility, operational competency, and standard operating procedures in a form and manner acceptable to the Director.
- (f) A Collector who maintains, conducts, and operates a Refuse collection truck shall submit the Application For Refuse Collection Truck Permit with the Director for approval prior to providing Service within the Route, pursuant to SFHC, Article 12, [Section 714](#). Annual Refuse vehicle license fee must be paid for the Refuse collection truck health permit to remain valid.
- (g) A Collector shall comply with California Code of Regulations, Title 14, Chapter 3, Minimum Standards for Solid Waste Handling and Disposal.
- (h) The Director may perform inspections to ensure compliance with these Rules and any other applicable laws including, but is not limited to reviewing of valid Licenses, Permits, Refuse collection related records, conducting field visits on the permitted Routes and fleet locations, issuing educational materials, inspection reports, Notice of Violation, and Enforcement Orders.
- (i) A Collector shall indemnify, defend, and hold harmless the City from financial loss, damages, or claims (collectively or individually as "Claim"), directly or indirectly, in whole or in part, arising out of or resulting from any act or omission that is related to the subject matter of a Permit. A Collector shall indemnify the City for the reasonable fees of attorneys, consultants, and experts and related costs and the City's costs of

Investigating any claim. A Collector has an immediate and independent obligation to defend the City from any Claim which actually or potentially falls within the subject matter of the license even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to a Collector by the City and continues at all time thereafter. A Collector's obligation to indemnify, defend, and hold harmless the City shall survive the expiration of the Permit.

Section 5. Permit Termination

- (a) The Director shall immediately terminate a Permit under this Chapter due to the following reasons:
- (1) The Licensee's License is revoked pursuant to Chapter 6, Section 6 of these Rules.
 - (2) The Licensee is convicted for any violation of the Refuse Ordinance. All Permits issued shall be forthwith and immediately terminated and cancelled as of the date of conviction.

Chapter 8. Emergency Refuse Collection

Upon the submittal of a written request, the Director may issue a temporary emergency permit without a hearing when necessary to protect the public health and to ensure the continuity of Refuse collection Service. A Collector shall submit a request for the emergency permit and a statement describing the cause and nature of the emergency. The Director may assess an emergency permit fee of up to an amount approved by the Board of Supervisors. In assessing an emergency permit fee, the Director shall consider a Collector's degree of culpability in causing the emergency; Emergency permits shall expire upon issuance of a Permit or in 120 days, whichever is sooner.

Chapter 9. Compliance Review

Permits shall be reviewed from the date of last issuance at least once every three years. The Director shall notify the Collector of the review no less than 60 days before the third-year anniversary. The Director shall review the conditions of the Permit, identify changes in design and operation, and prepare a Permit review report outlining actions, if any, that are required of the Collector.

Chapter 10. Fees

In addition to the License and Permit application fees, Applicant and Licensee shall pay additional fees to reimburse the City for costs relating to the application review processes. These costs may include, but are not limited to, and additional consultation review hours.