REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS OF SAN BERNARDINO COUNTY AND RECORD OF ACTION

September 9, 2025

FROM

TERRY W. THOMPSON, Director, Real Estate Services Department LUTHER SNOKE, Chief Executive Officer, County Administrative Office

SUBJECT

Declaration of Intent to Grant a Revenue Franchise to Bear Valley Electric Service, Inc.

RECOMMENDATION(S)

- 1. Adopt **Resolution No. 2025-192** declaring the intent of the Board of Supervisors to grant a revenue franchise to Bear Valley Electric Service, Inc., to operate an electric utility within County public roads and rights-of-way, for the period commencing on the effective date of the ordinance granting the franchise and terminating 10 years thereafter.
- 2. Direct the Clerk of the Board to schedule a public hearing on October 7, 2025, to introduce an ordinance to grant an electric franchise to Bear Valley Electric Service, Inc. (Presenter: Terry W. Thompson, Director, 387-5000)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner. Ensure Development of a Well-Planned, Balanced, and Sustainable County. Pursue County Goals and Objectives by Working with Other Agencies.

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). This item will allow the County to proceed with the application process to grant a franchise to Bear Valley Electric Service, Inc. (BVES), under the calculation formula provided for in Public Utilities Code section 6231. This action will not impact ratepayers in the County unincorporated area. Revenue to the General Fund is expected to be approximately \$149,000 annually.

BACKGROUND INFORMATION

Since 1929, BVES has provided electrical power to customers in Big Bear and the surrounding areas. BVES operated as a division of Golden State Water Company (GSWC) under a Certificate of Public Convenience and Necessity issued in 1971.

On May 24, 1971, the Board of Supervisors (Board) adopted Ordinance 1642, which originally granted an electric franchise to GSWC, formerly known and identified in the ordinance as Southern California Water Company, the right to operate within certain public rights-of-way located in the unincorporated region of the County for a period of 50 years, or until the franchise agreement was surrendered, abandoned, forfeited, or acquired by a third party. Thereafter, GSWC requested and on December 19, 2019, the California Public Utilities Commission

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approved GSWC's request to transfer its electric utility operations to BVES. On March 24, 2020 (Item No. 45), the Board adopted Resolution No. 2020-26, consenting to the transfer of the franchise. As a division of GSWC, BVES has served the Bear Valley region in San Bernardino County for more than 85 years, providing customers with power. Although the original franchise expired in 2022, BVES has continued to provide electric service in the affected areas to ensure residents and businesses did not experience any interruption in service. During this time, BVES has operated with the County's knowledge and consent while the new franchise agreement was being negotiated and finalized. The action before the Board now is to approve and adopt a new franchise ordinance formally granting BVES the legal right to continue operations within County rights-of-way going forward.

Approval of this item will adopt a resolution declaring the Board's intent for the County to grant an electric franchise to BVES for operating within the County's public roads and rights-of-way for a period of ten years. In compliance with Section 6232 of the Public Utilities Code, the Board must first declare its intent and schedule a public hearing, not less than 20 nor more than 60 days after the date of the passage of the resolution, to gather community input and provide the opportunity for any person that may have an objection to the franchise to appear before the Board and be heard. This resolution will set October 7, 2025, as the date for that hearing, ensuring an opportunity for public discussion before adopting an ordinance to grant an electric franchise and finalize a franchise agreement. The resolution also directs the Clerk of the Board to publish a notice of the hearing once in a newspaper of general circulation within 15 days of the passage of this resolution.

Under County Code section 14.0701 et seq., the County is authorized to grant franchises along and over public roads and rights-of-way within the unincorporated areas of the County for all lawful purposes, upon such terms, conditions and restrictions as deemed necessary and proper. In general, a franchise is an agreement between the County and a utility to use the County's public roads and rights-of-way.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Scott Runyan, Principal Assistant County Counsel, and Aaron Gest, Deputy County Counsel, 387-5455) on August 28, 2025; Purchasing (Ariel Gill, Supervising Buyer, 387-2070) on August 7, 2025; and County Finance and Administration (Erika Rodarte, 387-4919, and Eduardo Mora, 387-4376, Administrative Analysts) on August 22, 2025.

(KD: 655-0430)

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Record of Action of the Board of Supervisors San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Joe Baca, Jr. Seconded: Curt Hagman Ayes: Jesse Armendarez, Curt Hagman, Joe Baca, Jr.

Abstained: Col. Paul Cook (Ret.), Dawn Rowe

Lynna Monell, CLERK OF THE BOARD

DATED: September 9, 2025



cc: File - Real Estate Services w/resolution

MBA 09/11/2025