

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

June 25, 2024

FROM

NOEL CASTILLO, Director, Department of Public Works - Solid Waste Management

SUBJECT

Public Hearing for the Collection of Delinquent Solid Waste Handling Fees

RECOMMENDATION(S)

1. Conduct a Public Hearing regarding placement of franchise hauler identified solid waste handling service fees on the 2024-25 property tax roll.
2. Adopt the report of delinquent fees on file with the Clerk of the Board of Supervisors.
3. Authorize the Director of the Department of Public Works to amend the report of delinquent fees to remove those accounts that are paid in full, or adjust the amounts owed due to the revision of the penalties and the fees and/or partial payment of the delinquent charges, prior to the report being submitted to the Auditor-Controller/Treasurer/Tax Collector for placement on the 2024-45 property tax roll and to the Assessor-Recorder-County Clerk for the recording of the liens against the parcels.

(Presenter: Noel Castillo, Director, 387-7906)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost) as the Department of Public Works – Solid Waste Management Division (SWMD) is financed by fee revenue. SWMD establishes fees that are charged to the public and other agencies for utilization of the County’s Waste Disposal System. The franchise haulers have reported an estimated 6,876 delinquent accounts, totaling approximately \$2,437,618 in unpaid service charges and related lien processing fees, for proposed placement on the 2024-25 property tax roll. As authorized by the San Bernardino County Code section 46.0506 (County Code), SWMD charges a penalty fee of 10% of the unpaid service charges, which is included in the delinquent accounts total, for performing this task on behalf of the franchise haulers.

BACKGROUND INFORMATION

On April 6, 2004 (Item No. 21), the Board of Supervisors (Board) approved uniform handling services in the Valley and a portion of the Mountain unincorporated area of the County requiring all improved residential properties to subscribe to and pay for mandatory trash collection service. As a result of Senate Bill 1383, uniform handling services were approved on December 13, 2022 (Item No. 91) and on November 14, 2023 (Item No. 100) for all franchise areas that didn’t qualify for a state approved low-population waiver. Property owners in uniform handling areas have the option of obtaining an approved self-haul exemption from trash and recycling collection service by meeting the criteria of the program. Empire Disposal and Mountain

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Disposal Company, both subsidiaries of Burrtec Waste Industries, Inc. (Burrtec), also offer a fee waiver program for residents whose homes are vacant or have infrequent use in certain franchise areas as approved by the Board on October 8, 2019 (Item No. 60). CR&R and Advance Disposal also offer similar vacancy programs on a case-by-case basis.

In areas subject to uniform handling services, the County Code and franchise agreements prohibit the hauler from discontinuing service for non-payment of monthly service fees. The County Code requires that accounts be considered delinquent if unpaid for 90 days after the invoice is mailed. In order to compensate the franchise hauler for services provided, the County Code states that the delinquent fees, related penalties, interest, and costs of collection, shall be considered a debt owed to the County that, pursuant to Health and Safety Code sections 5473 through 5473a, the County has elected to have collected through the County’s property tax roll at the same time as general taxes. The number of liens and the amount collected over the 11 previous years is summarized in the following table:

Budget Year	Liens Authorized		Liens Placed		Collected Amount*
	Number	Amount	Number	Amount	
2023-24	6,067	\$1,854,398	2,993	\$1,090,050	\$1,012,266
2022-23	5,053	\$1,569,087	2,599	\$ 954,652	\$ 960,925
2021-22	5,328	\$1,641,401	2,872	\$1,034,059	\$1,117,877
2020-21	5,973	\$1,824,762	3,190	\$1,109,828	\$1,208,212
2019-20	5,721	\$1,705,348	3,591	\$1,196,598	\$1,268,027
2018-19	5,093	\$1,449,351	3,419	\$1,078,485	\$1,164,322
2017-18	4,870	\$1,393,490	3,058	\$ 998,920	\$1,092,858
2016-17	4,581	\$1,380,976	2,882	\$ 981,503	\$1,067,029
2015-16	5,329	\$1,445,267	3,443	\$1,070,236	\$1,151,171
2014-15	5,160	\$1,370,396	3,457	\$1,029,989	\$1,108,945
2013-14	5,490	\$1,417,829	3,600	\$1,034,817	\$1,122,082

**Includes delinquent charges, administrative costs, and interest and penalties.*

The final number of liens to be placed on the tax roll each year is less than the number authorized because customers are afforded the opportunity to pay, in full or in part, the delinquent charges prior to the recordation of a lien against the parcel. Customers that have an outstanding balance are notified by their hauler or its subsidiaries through the regular billing process. In addition, prior to the Public Hearing on June 25, 2024, the haulers mailed notices by June 10, 2024, to the customers notifying them of their delinquent trash and recycling service charges and of the possibility that a lien may be placed on their property if payment is not received. The letter provides customers with the date, time and location of this public hearing and a final date by which payment must be received in order to avoid additional fees and having a lien recorded against their property.

For the 2024-25 tax roll, there are an estimated 6,876 delinquent accounts for service charges and related lien processing fees totaling \$2,437,618 in the following County Franchise Areas (CFAs):

CFA	Number of Liens	Delinquent Amount including fees	Location	Franchise Hauler
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1	74	\$25,511	San Antonio Heights, Mt. Baldy	Burrtec
2	257	\$89,109	Unincorporated Montclair, Upland	Burrtec
5	765	\$289,886	Unincorporated West Fontana	Burrtec
6	1015	\$392,146	Bloomington	Burrtec
8	681	\$266,391	Muscoy, Unincorporated San Bernardino	Burrtec
9	96	\$41,067	Unincorporated North Rialto	Burrtec
10	1101	\$376,063	Del Rosa, Devore	Jack's Disposal
11	25	\$10,378	Unincorporated Loma Linda	Burrtec
12	160	\$78,114	Mentone, Oak Glen, Angelus Oaks, Mountain Home	Empire Disposal
16	2215	\$691,241	Lake Arrowhead, Crestline, Running Springs	Mountain Disposal
18	37	\$6,046	Spring Valley Lake, Hesperia, Apple Valley	Advance Disposal
19	108	\$25,297	Victorville, Adelanto, Town of Apple Valley, Landers and Lucerne	Burrtec
20	118	\$84,123	Phelan and Pinon Hills	CR&R
23	224	\$62,246	Barstow, Lenwood-Hinkley, and Kramer Junction	Barstow
Total	6,876	\$2,437,618		

Section 5473 et seq. of the California Health and Safety Code sets forth the procedures for collecting such delinquent fees through the tax roll. The statute requires the scheduling of a public hearing to accept the list of delinquent charges as a debt owed to the County and that all affected property owners be notified of the hearing at least 14 days prior to the scheduled date of the hearing (as outlined above). The statute also requires the Clerk of the Board of Supervisors to publish a notice in local newspapers.

Upon submittal to the Auditor-Controller/Treasurer/Tax Collector on or before August 10th of each year, the delinquent accounts will be placed on the tax rolls for collection and liens recorded against the applicable parcels. The recorded liens will provide notice to subsequent purchasers and mortgagees of the outstanding delinquencies. Collecting delinquent hauler service charges through the tax rolls is a standard practice for local jurisdictions such as the cities of Fontana, Yucaipa, Rialto, Highland, and many others that provide similar uniform handling services. The County first placed the delinquent hauler liens on the 2005 tax roll and continued this practice in each subsequent year.

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The placement and collection of delinquent hauler fees on the property tax roll supports the goals and objectives of operating in a fiscally-responsible and business-like manner by taking all necessary steps to ensure that the waste haulers are reimbursed for the waste handling services provided to property owners within uniform handling areas.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Jolena Grider, Deputy County Counsel, 387-5455) on May 24, 2024; Finance (Jessica Trillo, Administrative Analyst, 387-4222) on June 4, 2024; and County Finance and Administration (Paloma Hernandez-Barker, Deputy Executive Officer, 387-5423) on June 7, 2024.

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Record of Action of the Board of Supervisors
San Bernardino County

Hearing Opened
Public Comment: Susan Enkosky
Hearing Closed

APPROVED

Moved: Curt Hagman Seconded: Joe Baca, Jr.
Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: June 25, 2024



cc: File - Solid Waste Management Department w/ attachments
JLL 07/1/2024