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

October 7, 2025

FROM

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

SUBJECT

Introduction of an Ordinance to Grant a Revenue Franchise to Bear Valley Electric Service, Inc.

RECOMMENDATION(S)

- 1. Conduct a public hearing to consider the proposed ordinance granting a revenue franchise to Bear Valley Electric Service, Inc., for the period commencing on the effective date of the ordinance granting the franchise and terminating 10 years thereafter.
- 2. Make alterations, if necessary to the proposed ordinance.
- 3. Approve introduction of the proposed ordinance.
 - a. An ordinance of San Bernardino County, State of California, to repeal Ordinance No. 1642 and to grant Bear Valley Electric Service, Inc., its successors and assigns, a franchise for construction, use of property, and to transmit electricity.
- 4. SCHEDULE ORDINANCE FOR FINAL ADOPTION, TUESDAY, OCTOBER 21, 2025, on the consent calendar.

(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 the Public Utilities Code section 6231. This action will not impact ratepayers in the County unincorporated area. Revenue to the County General Fund is expected to be approximately \$207,000 annually. Franchise Revenue is deposited into the Countywide Discretionary Fund (116 1000).

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BACKGROUND INFORMATION

This item introduces a proposed ordinance granting an electrical revenue franchise and franchise agreement to BVES. 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 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.

On December 19, 2019, the California Public Utilities Commission approved GSWC's request to transfer its electric utility operations to BVES. Subsequently, on March 24, 2020 (Item No. 45), the Board adopted Resolution No. 2020-26, consenting to the transfer of the franchise to BVES.

Pursuant to County Code section 14.0701 et seq., the County may 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.

By way of ordinance, the franchise terms and conditions permit BVES to construct and use, for transmitting and distributing electricity for any and all purposes, poles, wires, conduits, and appurtenances necessary or proper thereon, in, along, across, upon, over and under public roads and right-of way within the unincorporated areas of the County. The new franchise also sets forth the compensation for using such right-of-way, as provided for in law, which is currently two percent of franchisee's gross annual receipts arising from the use, operation, or possession of the franchise, but not less than one percent of the franchisee's gross annual receipts derived from the sale of electricity within the unincorporated areas of the County.

Approval of this item will grant BVES an electric franchise to operate within the County's public roads and rights-of-way for a period of 10 years. In accordance with Section 6232 of the Public Utilities Code, the Board adopted Resolution No. 2025-192 on September 9, 2025 (Item No. 59), declaring its intent to grant the franchise and directing the Clerk of the Board to schedule a public hearing on October 7, 2025, to receive community input and consider objections. If approved, the ordinance granting the revenue franchise will be placed on the October 21, 2025, consent calendar for final adoption and will take effect 30 days thereafter.

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 October 3, 2025; Purchasing (Ariel Gill, Supervising Buyer, 387-2070) on September 10, 2025; and County Finance and Administration (Erika Rodarte, 387-4919, and Eduardo Mora, 387-4376, Administrative Analysts) on September 19, 2025.

(KD: 655-0430)

Introduction of an Ordinance to Grant a Revenue Franchise to Bear Valley Electric Service, Inc. October 7, 2025

Record of Action of the Board of Supervisors San Bernardino County

Hearing Opened Public Comment: None Hearing Closed

APPROVED

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

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

Lynna Monell, CLERK OF THE BOARD

DATED: October 7, 2025



cc: File - Final BAI

JLL 10/15/2025