

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

April 8, 2025

FROM

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

SUBJECT

Public Hearing Pursuant to Proposition 218 and Amendments to Solid Waste Handling Franchise Agreements

RECOMMENDATION(S)

1. Conduct a public hearing pursuant to Proposition 218 and approve the following amendments to the Solid Waste Handling Franchise Agreements, for solid waste handling services in various County Franchise Areas within the unincorporated portion of the County, to renew the rate adjustment methodology for an additional five years, and update Exhibits:
 - a. **Amendment No. 6 to Agreement No. 09-612** with Big Bear Disposal, Inc. for County Franchise Area 17 – Fawnskin and surrounding area.
 - b. **Amendment No. 8 to Agreement No. 09-616** with USA Waste of California, Inc. for County Franchise Area 21 – Trona and Red Mountain.
2. Approve **Amendment No. 1 to Agreement No. 22-1206** with Mountain Disposal Services, Inc. for County Franchise Area 16 – Crestline, Running Springs, Lake Arrowhead, Green Valley Lake, Blue Jay, and Summit Valley, for solid waste handling services, effective July 1, 2025, amending the terms to allow subcontracting of Solid Waste Handling Services in Zone A, revising contract language, and revising and replacing Exhibits.
3. Find the proposed Amendments in Recommendation Nos. 1 and 2 are exempt from the California Environmental Quality Act Guidelines, Sections 15061(b)(3) – Review for Exemption and 15308 – Actions by Regulatory Agencies for Protection of the Environment.
4. Authorize the Chief Executive Officer or the Director of the Department of Public Works to approve and execute any non-substantive amendments to the Solid Waste Handling Franchise Agreements, subject to review by County Counsel.
5. Direct the Director of the Department of Public Works to transmit any non-substantive amendments to the Clerk of the Board of Supervisors within 30 days of execution.
6. Direct the Department of Public Works to file the Notice of Exemption in accordance with the California Environmental Quality Act.

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

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

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

Provide for the Safety, Health and Social Service Needs of County Residents.

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 the Refuse Franchise Fee, which is included in the

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County Fee Ordinance and is utilized to manage the franchise agreements to meet the mandate of providing solid waste handling services in the unincorporated areas of the County. Sufficient appropriation and revenue are included in SWMD's 2024-25 budget and will be included in future recommended budgets.

BACKGROUND INFORMATION

The County's Solid Waste Handling Franchise Agreements (Agreements) were initially adopted by the Board of Supervisors (Board) on May 19, 1998 (Item No. 57) to provide affordable solid waste handling services that protect the health and safety of the community and establish waste reduction and recycling programs in compliance with the Integrated Waste Management Act of 1989 (Assembly Bill 939).

The majority of the Agreements (including Agreement Nos. 09-612 and 09-616 were restated and subsequently approved by the Board on June 16, 2009 (Item No. 92). Agreement No. 22-1206 was restated and subsequently approved by the Board on December 13, 2022 (Item No. 91) to include new services and rates to ensure County compliance with the California Short-Lived Climate Pollutant Act of 2016, Senate Bill (SB) 1383.

California Government Code Section 53756 authorizes automatic rate adjustments not to exceed five years. The public hearing and proposed amendments to Agreement No. 09-612 covering County Franchise Area (CFA) 17 - Fawnskin and Agreement No. 09-616 covering CFA 21 – Trona and Red Mountain will allow the continued use of the current annual rate adjustment methodology that was approved by the Board on June 9, 2020 (Item No. 76) for an additional five years. The adjustment methodology uses cost indices and weightings that are specific to each of the cost components that make up the total rate and accurately represent the change in the cost of providing service. This approach allows annual rate adjustments to be region and hauler specific rather than a one-size-fits-all approach. The CFA 17 Amendment No. 6 will also update Exhibits B-1 and B-2, reflecting the current legal description and map of the franchise area.

The proposed amendment to Agreement No. 22-1206 covering CFA 16 – Crestline, Running Springs, Lake Arrowhead, Green Valley Lake, Blue Jay, and Summit Valley (CFA 16) will revise language to allow Mountain Disposal, Inc. to subcontract for Solid Waste Handling Services provided to customers in Zone A of the franchise area. When the restated CFA 16 franchise agreement was approved by the Board in December 2022 to comply with the SB 1383 regulations, the franchise area was split into three different zones. The CFA 16 Zone A is required to fully comply with the SB 1383 regulations to provide mandatory trash, recycling, and organic waste (including green waste and food waste) collection services. The CFA 16 Zone B qualified for an elevation waiver and is required to provide trash, recycling, and green waste collection services. The CFA 16 Zone C qualified for a low population waiver and is not required to have any changes to the already approved mandatory trash collection services.

Due to the distance from the Grantee hauling yard that is required to service Zone A customers and the differences between the services provided in the three different zones, it has become a hardship on the Grantee to provide the required SB 1383 services to Zone A customers. The Grantee has therefore requested that an amendment to the contract be made that allows the Grantee to subcontract collection services through a different waste hauler that is closer in proximity to the CFA 16 Zone A area and able to provide SB 1383-compliant collection services to customers. As part of this amendment, Exhibits A-1 and E will be deleted and replaced; and Exhibits A and J will be revised.

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Pursuant to Proposition 218 requirements, property owners in CFA 17 and CFA 21 were mailed a notice indicating the County's intent to renew the cost-of-living adjustment methodology, which will be used to calculate the annual Cost of Living Adjustment (COLA) effective July 1, 2025. The Proposition 218 notices were mailed on or before February 21, 2025. Each owner/tenant had at least 45 days to submit a written protest to the COLA calculation methodology.

The amended agreements are exempt from California Environmental Quality Act (CEQA) Guidelines requirements under the Common Sense exemption in Section 15061(b)(3) of Title 14, Division 6, Chapter 3 of the California Code of Regulations. The collection and disposal of solid waste is not only mandated and regulated by state law, but an essential service for the public's health, safety, and welfare. The proposed amendments to the agreements will not result in significant impacts on the environment and are eligible for the Common Sense exemption.

The projects are also exempt from CEQA requirements because the County's action assures the protection of the environment since the agreements contain several regulatory mandates for complying with state law for the disposal of waste in a manner that ensures the protection of the environment pursuant to Section 15308 of Title 14, Division 6, Chapter 3 of the California Code of Regulations. SWMD will have fulfilled its obligation under CEQA with the posting of the Notice of Exemption by the Clerk of the Board.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Jolena Grider, Deputy County Counsel, 387-5455) on March 10, 2025; Finance (Kathleen Gonzalez, Administrative Analyst, 387-5442; on March 24, 2025; and County Finance and Administration (Paloma Hernandez-Barker, Deputy Executive Officer, 387-5423) on March 24, 2025.

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Record of Action of the Board of Supervisors
San Bernardino County

Hearing Opened
Public Comment: None
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: April 8, 2025



cc: PW/SWMD - Rodabaugh w/ agrees
 Contractor c/o PW/SWMD w/ agree
 File w/ agree
JLL 04/10/2025