



PUBLIC HEARING

City of San Bernardino Request for Council Action

Date: September 6, 2023

To: Honorable Mayor and City Council Members

From: Charles E. McNeely, Interim City Manager;
Daniel Hernandez, Agency Director of Public Works,
Operations, and Maintenance

Department: Public Works

Subject: **Continuation, to January 17, 2024, of Public Hearing Regarding Solid Waste Rate Increases and Resolution Adopting Rates for Solid Waste Services, Approving Third Amendment to the City's Exclusive Franchise Agreement for Integrated Solid Waste Collection, Processing and Disposal Services with Burrtec Waste Industries, Inc., and Finding the Action Exempt from the California Environmental Quality Act.**

Recommendation:

It is recommended that the Mayor and City Council of the City of San Bernardino, California approve the continuation of the Proposition 218 Public Hearing to receive comments on the proposed rate increases and Third Amendment to the City's Exclusive Franchise Agreement for Integrated Solid Waste Collection, Processing and Disposal Services with Burrtec Waste Industries, Inc. ("Burrtec") to the January 17, 2024, Mayor and City Council Meeting.

Executive Summary

At the direction of the City Council at the July 19, 2023 meeting, staff was directed to provide a rate analysis at a future City Council meeting. To provide a third-party analysis of the two proposed options, Options A and B, staff solicited proposals from Solid Waste Rate consultants. Staff entered into an agreement with R3 Consulting Group, Inc. to conduct the rate analysis. In order to conduct a thorough analysis, staff is requesting a continuation of the Proposition 218 Public Hearing to January 17, 2024.

Background

On July 19, 2023, the City Council continued the Proposition 218 Public Hearing to

September 6, 2023. The basis of the continuation was to direct staff to provide an analysis of the proposed rates of Options A and B. The proposed rates for Options A and B are as follows:

Option	Proposed Rate
A	\$36.17
B	\$30.71

Discussion

To provide a third-party independent rate analysis, staff solicited quotes from rate consultants to review the two rate options. Staff has retained R3 Consulting Group to conduct the rate analysis and provide draft Franchise Agreement Amendment language based on the analysis. The agreement with R3 Consulting Group is in the amount of \$35,000 and authorized by the Interim City Manager consistent with the City's purchasing guidelines.

This requires additional time to finalize the proposed option and to prepare for a thorough presentation on rates for the City Council. Staff intends to provide the City Council with the analysis of the two proposed rates options at the January 17, 2024, meeting.

Staff is working closely with the City Attorney's office to ensure compliance with the original Proposition 218 notice.

2021-2025 Strategic Targets and Goals

A Public Hearing to consider adjusting the Maximum Permitted Services Rates, as well as the amendment of the Franchise agreement between the City and Burrtec, meets Key Target No. 3c: Improved Quality of Life by evaluating and enhancing the quality of public safety services and Key Target No. 3d: To improve the City's appearance, cleanliness, and attractiveness.

Fiscal Impact

There will be no costs incurred to the General Fund with this action.

Conclusion

It is recommended that the Mayor and City Council of the City of San Bernardino, California approve the continuation of the Proposition 218 Public Hearing to receive comments on the proposed rate increases and Third Amendment to the City's Exclusive Franchise Agreement for Integrated Solid Waste Collection, Processing and Disposal Services with Burrtec Waste Industries, Inc. ("Burrtec") to the January 17, 2024, Mayor and City Council Meeting.

Ward:

All Wards

Synopsis of Previous Council Actions:

January 25, 2016	Resolution of the Mayor and City Council of City of San Bernardino approving a ten-year Exclusive Franchise Agreement for Integrated Solid Waste Collection, Processing, and Disposal Services with Burrtec Waste Industries, Inc.
December 7, 2022	Notice of Intent to Conduct a Public Hearing on February 15, 2023, to Consider Adjusting the Maximum Permitted Service Rates for Integrated Solid Waste Collection, Processing and Disposal Services.
May 17, 2023	Public Hearing Regarding Solid Waste Rate Increases and Resolution Adopting Rates for Solid Waste Services, Approving Third Amendment to the City's Exclusive Franchise Agreement for Integrated Solid Waste Collection, Processing and Disposal Services with Burrtec Waste Industries, Inc., and Finding the Action Exempt from the California Environmental Quality Act.
June 21, 2023	Continuation to July 19, 2023 of a Public Hearing Regarding Solid Waste Rate Increases and Resolution Adopting Rates for Solid Waste Services, Approving Third Amendment to the City's Exclusive Franchise Agreement for Integrated Solid Waste Collection, Processing and Disposal Services with Burrtec Waste Industries, Inc., and Finding the Action Exempt from the California Environmental Quality Act.
July 19, 2023	Continuation to September 6, 2023 of a Public Hearing Regarding Solid Waste Rate Increases and Resolution Adopting Rates for Solid Waste Services, Approving Third Amendment to the City's Exclusive Franchise Agreement for Integrated Solid Waste Collection, Processing and Disposal Services with Burrtec Waste Industries, Inc., and Finding the Action Exempt from the California Environmental Quality Act.