



# Solid Waste

## COUNTY OF TULARE

### AGENDA ITEM

#### BOARD OF SUPERVISORS

LARRY MICARI  
District One

PETE VANDER POEL  
District Two

AMY SHUKLIAN  
District Three

EDDIE VALERO  
District Four

DENNIS TOWNSEND  
District Five

**AGENDA DATE:** December 17, 2024 **REVISED**

Public Hearing Required	Yes
Scheduled Public Hearing w/Clerk	Yes
Published Notice Required	Yes
Advertised Published Notice	Yes
Meet & Confer Required	N/A
Budget Transfer (Aud 308) attached	N/A
Personnel Resolution attached	N/A
Agreement(s) attached	Yes

CONTACT PERSON: Guillermo Hermoso Jr. PHONE: 559-624-7198

**SUBJECT:** Approve Amendment to Solid Waste Franchise Agreements for Service Areas A, B, C, D, E, G, H, and J.

**REQUEST(S):**

That the Board of Supervisors:

1. Conduct a Public Hearing to approve the Franchise Hauler's maximum collection and ancillary rates for Service Areas A, B, C, D, E, G, H, and J.
2. Approve the recommended maximum collection and ancillary rates per attached Exhibit B, effective April 1, 2025 through June 30, 2025.
3. Approve amendment to Franchise Agreements with Pena's Disposal Service Inc. (27185), South Tulare Richgrove Refuse Inc. (27186), Tule Trash Company, LLC (27187), Miramonte Sanitation Inc. (27188), USA Waste of California (27189), and Mid-Valley Disposal LLC (27190) for Solid Waste Disposal Services, effective January 1, 2025 through June 30, 2039.
4. Authorize the Chair to sign the Franchise Agreements.

**SUMMARY:**

Methane emissions resulting from the decomposition of organic waste in landfills are a significant source of greenhouse gas (GHG) emissions contributing to global climate change. Organic Materials – including waste that can be easily prevented, recycled, or composted – account for a large portion of California's overall waste stream. Food waste accounts for 17-18% of total landfill disposal.

SB1383 establishes methane emissions reduction targets for California in a statewide effort to reduce emissions of short-lived climate pollutants (SLCP). To fully implement SB1383, jurisdictions must provide programs and services that will assist in meeting the statewide emission reduction mandates. Jurisdictions are required provide organic waste collection to all residents and businesses, inspect and enforce compliance with SB1383, and maintain accurate and timely records of SB 1383 compliance.

To meet these responsibilities, the County will need to impose mandated organics

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collection services for residents and businesses. The process of implementing organics services requires updates to current Franchise Agreements to ensure Franchise Haulers (Haulers) have the capacity and authority to provide required services. The Solid Waste System Map will also be modified to consolidate the current Urban, Rural, and Foothill service areas into two defined geographical service areas. Further details are as follows:

- The Valley Floor service area will be established to designate the area below the Foothill Rate Division Line. Residents and businesses who did not previously subscribe to organics collection services may be required to enroll in this new service, resulting in an increase in collection rates, unless a waiver of service is obtained through the Solid Waste Department. Additionally, customers who did not previously have a green waste cart for organics will be provided with a green waste cart for organics disposal. Residents and businesses will be required to separate organics and food waste into the green waste container, recyclables into the blue recycling container, and landfilled waste into the black/brown/gray waste container. This source separation by the customer will reduce organics in the waste stream.
- The Foothill service area will be established to designate the area above the Foothill Rate Division Line where SB1383 regulations will be waived through a waiver granted by CalRecycle. Customers in the Foothill area have the option to request a green waste cart from their Hauler at an additional charge.

SB1383 regulations also mandate that jurisdictions conduct educational and outreach programs promoting organics recycling to all residents, businesses, haulers, solid waste facilities, and local food banks and other food recovery organizations. Educational and outreach materials will be developed by the Department with assistance from the Haulers and will be distributed by said Haulers through regularly circulated mailers, newsletters, and bill inserts.

Jurisdictions, generators, facilities, and haulers are all subject to penalties for non-compliance, and CalRecycle may fine or penalize jurisdictions for non-compliance. The mandated jurisdiction responsibilities detailed in SB1383 will mean changes to the current collection services that are provided within Tulare County. To be compliant with SB1383, collection services need to be expanded to include mandatory organics collection services for all County residents. This increase in organics collection services will be reflected in the proposed Franchise Agreements.

On June 16, 2015, your Board approved the original Franchise Agreements with Miramonte Sanitation Inc., servicing Area A (27188); Pena's Disposal Inc., servicing Area B (27185); USA Waste of California Inc. servicing Area C and H (27189); Mid-Valley Disposal LLC, servicing Areas D & E (27190); Tule Trash Company servicing Area G (27187); South Tulare-Richgrove Refuse Inc., servicing Area J (27186). The goals of the Franchise Agreements were to integrate and align the collection system with the County's solid waste and recycling activities by providing uniform collection rates throughout the unincorporated regions of Tulare County. Your Board approved to prior amendments to the Franchise Agreements on March 28, 2017, and May 11, 2021. These amendments changed the rate adjustment methodology and increased the Consumer Price Index

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(CPI) cap to 3.5%.

On May 21, 2024 your Board approved a true up adjustment of 7.11% for collection rates and 71.11% for ancillary rate as there was no rate adjustments for Fiscal Year 2024 due to the County and Haulers continuing negotiations. As a result of these negotiations, a new Franchise Agreement was drafted which incorporated the required legislative changes into a new document.

The proposed rate adjustments for organics services are 10.15% on collection rates on the Valley Floor Service Areas, in addition to 10.15% on commercial organics services. The proposed rate adjustments for select ancillary rates is 14% as detailed in Exhibit B of the Hauler Franchise Agreement.

Section §4-03-1210 of the Ordinance Code sets the maximum term for Franchise Agreements to fifteen (15) years. On May 21, 2024, your Board approved amending the Ordinance Code to reflect the maximum term limits set forth in California Public Resources Code Section §49201 to twenty-five (25) years to allow for greater flexibility in negotiating new franchise agreements (Board Resolution 2024-0447).

The original term date of the Franchise Agreements was set to expire on June 30, 2030. Extending the maximum term limits allowed the County to negotiate with the Haulers and receive favorable pricing on the new organics services as mandated by SB1383. The proposed term of the new agreements is for an additional 15 years through June 30, 2039.

The proposed rates have been noticed pursuant to Government Code Section §66018 and published pursuant to Government Code Sections §6062a and §6066, in the Visalia Times-Delta on December 6, 2024, and Exeter Sun-Gazette on December 11, 2024. Pursuant to Tulare County Ordinance Code 4-03-1255, the Franchise Haulers informed customers in each respective Service Area of the intent to increase the fees; resulting in over 25,000 notifications mailed to the public.

**FISCAL IMPACT/FINANCING:**

There is Zero Cost to the General Fund associated with this action. The proposed rate adjustments are necessary for the Franchise Haulers to implement SB1383 organics services under the new Franchise Agreements.

**LINKAGE TO THE COUNTY OF TULARE STRATEGIC BUSINESS PLAN:**

The County's five-year strategic plan includes the Economic Well Being Initiative to promote and provide a business-friendly, can-do service ethic. The adjustment to the maximum collection and ancillary rates fulfills this initiative by providing the Franchise Haulers a mechanism to recover operating costs for SB1383 organics activities.

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**ADMINISTRATIVE SIGN-OFF:**

**/s/ Bryce Howard**

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Bryce Howard  
Director- Tulare County Solid Waste

Cc: County Administrative Office

Attachments:

Exhibit A- Notice of Public Hearing  
Exhibit B- Proposed Franchise Agreement  
Exhibit C- Proposed Maximum Rate Sheet  
Exhibit D- Proposed Solid Waste System Map  
Exhibit E- Hauler Notices