

City of Hesperia STAFF REPORT



DATE: June 2, 2026
TO: Mayor and Council Members
FROM: Rachel Molina, City Manager
BY: Melinda Sayre, Deputy City Manager/City Clerk
Tammy Pelayes, Assistant to the City Manager
SUBJECT: Amendment No. 9 to Waste Disposal Agreement

RECOMMENDED ACTION

It is recommended that the City Council approve Amendment No. 9 to the Waste Disposal Agreement (WDA) between the City of Hesperia and the County of San Bernardino.

BACKGROUND

In 1989, the State of California passed Assembly Bill 939 (AB 939) requiring all local jurisdictions to reduce landfill waste by 25% in 1995 and 50% by 2000 or be subject to fines of up to \$10,000 a day for each day of non-compliance.

The County of San Bernardino owns, manages and operates the sanitary landfill system for the disposal of local jurisdiction solid waste. Recognizing that all California counties and cities are subject to the same waste diversion mandates, the County of San Bernardino Solid Waste Management Division (SWMD) and the City of Hesperia entered into a Solid Waste Disposal Agreement (WDA) in November 1998, in order to serve the public health, safety, and welfare of the City with greater disposal rate stability, environmental protection, and more predictable and reliable long-term disposal service. Originally, 16 cities in San Bernardino County became signatories to identical agreements; fifteen cities currently participate. By doing so, the WDA contract requires the City to deliver all solid waste to the County disposal system in return for receiving the lowest disposal rate, or tipping fee, in use at the landfill(s), subject to potential adjustments as necessary.

Since 1998, several amendments to the WDA have been approved to include implementing the "Article 19 Solid Waste" component of the County's waste management system and define the City's share of that revenue. Amendment No. 2 was to increase the annual maximum limits of "Article 19 Solid Waste" in the County landfill system. Amendment No. 3 allowed the County to charge the fee of \$10.00 per ton (prorated) for identified controllable waste of the City (e.g., roll off container trucks and other County/City vehicles such as pickups and dump trucks) and have such waste subject to being processed in the recycling program. Amendment No. 4 allowed the County to calculate the annual cost of living adjustment earlier in the calendar year. Amendment No. 5 extended the end date of the WDA to June 30, 2016. Amendment No. 6 extended the term of the WDA to June 30, 2021, applied an annual fixed WDA renewal discount adjustment of \$0.82 per ton for the term of the WDA, and allowed the County to enter into agreements to accept in-

County waste from non-WDA users of the Disposal System at a rate lower than the WDA Contract Rate in exchange for sharing the net revenue generated from those agreements. Amendment No. 7 reset the WDA Contract Rate and extended the term for five (5) years to June 30, 2026. Amendment No. 8 capped the WDA Contract Rate in order to maintain a 15% buffer between the WDA Contract Rate and the County's posted gate rate.

ISSUES/ANALYSIS

Throughout the last several months, representatives from the WDA cities and the County of San Bernardino have met to discuss the various amendments to the WDA proposed by the County. Based on these discussions, the proposed Amendment No. 9 provides the following changes to the WDA to include the following:

- In connection with the ongoing administration of the WDA, the parties have determined it is now in their best interests to extend the term 9 years to June 30, 2035, adjust the WDA Contract Rate to be equal to 83% of the County's posted gate rate, and eliminate the provision for annual adjustments;
- Effective July 1, 2026, and each July 1 thereafter during the term of the Agreement, the contract rate shall be equal to 83% of the County's posted gate rate effective that July 1st. For July 1, 2026, the County's posted gate rate is \$49.49 (\$61.49 minus the \$12 CSDSP fee); therefore, the WDA Rate, effective July 1, 2026, will be \$41.08 per ton;
- In exchange for adjusting the WDA Contract Rate to be equal to 83% of the County's posted gate rate, the City agrees to commit to remaining a WDA City, with no provision to terminate without cause, for the remainder of the WDA term, which is June 30, 2035;
- This agreement shall become effective, shall be in full force and effect and shall be legally binding upon the City and the County from the WDA Contract Date and shall continue in full force and effect until June 30, 2035, unless earlier terminated in accordance with its terms.

The County has requested that the 15 current WDA cities/towns present the WDA Amendment No. 9 to each representative Council for review and approval prior to the County's Board meeting on June 23, 2026.

CITY GOAL SUPPORTED BY THIS ITEM

Public Safety - Ensure public safety resources adequately protect our community.

FISCAL IMPACT

Amendment No. 9 to the WDA will adjust the WDA Contract rate to be equal to 83% of the County's posted gate rate and thus eliminate the provision for annual adjustments, thus making the WDA Contract Rate \$41.08 per ton. The WDA Contract Rate is the "tipping fee" charged for dumping at the County landfill. The WDA Contract Rate along with the total Article-19 tonnage provides the total revenue collected by the County. The City receives a portion of these funds as Article-19/Waste Disposal revenue based upon the number of participating cities and population.

ALTERNATIVE(S)

1. Provide alternative direction to staff.

ATTACHMENT(S)

1. Amendment No. 9 to the WDA