

RESOLUTION NUMBER R- **316138**

DATE OF FINAL PASSAGE **APR 22 2025**

A RESOLUTION OF THE COUNCIL OF THE CITY OF
SAN DIEGO AUTHORIZING PROCEDURES IN
ACCORDANCE WITH PROPOSITION 218 TO CONSIDER
IMPLEMENTING A SOLID WASTE MANAGEMENT FEE,
INCLUDING SETTING A PUBLIC HEARING DATE,
MAILING NOTICE OF PUBLIC HEARING, AND ALL
RELATED ACTIONS.

RECITALS

The Council of the City of San Diego (Council) adopts this Resolution based on the following:

A. In November 2022, a majority of the voters approved Measure B, which amended Chapter 6, Article 6, Division 1, section 66.0127 of the San Diego Municipal Code, known as the "People's Ordinance," to, among other things, remove language that prevented the City from charging a fee for City-provided solid waste management services, including waste and recycling collection services, and to expressly authorize the City to charge a cost-recovery fee for those services (Solid Waste Management Fee).

B. Following the passage of Measure B, the City hired consultants to provide outreach and engagement services, analyze operational efficiencies, conduct a comprehensive cost of service study, and develop fee schedule recommendations for implementing a Solid Waste Management Fee.

C. The City worked with its consultants to develop a cost of service report (Report) that includes a comprehensive review of the City's costs to provide solid waste management services and proportionately allocates those costs among the City's customers in

compliance with all legal requirements, including Article XIIIID, section 6 of the California Constitution (Proposition 218).

D. The draft Report sets forth proposed Solid Waste Management Fees and a fee schedule that does not exceed the City's costs of service and proportionally allocates these costs to the City's customers in compliance with Proposition 218.

E. Proposition 218 requires the City to hold a public hearing on any new or increased rates and fees, and mail a written notice at least 45 days prior to the public hearing.

F. The City desires to initiate proceedings under Proposition 218 to consider adoption of the Solid Waste Management Fees; the proposed Proposition 218 notice is attached hereto as Exhibit A.

G. The Office of the City Attorney prepared this Resolution based on the information provided by City staff (including information provided by affected third parties and verified by City staff), with the understanding that this information is complete and accurate.

ACTION ITEMS

Be it resolved by the Council of the City of San Diego:

1. The public hearing for the Council to consider the proposed Solid Waste Management Fees will be held during the regularly scheduled Council meeting of June 9, 2025, and will be conducted in accordance with Proposition 218 and any procedures adopted by Council.

2. The Mayor is authorized to notice the public hearing on the proposed Solid Waste Management Fees, and perform all related actions; the notice shall be in substantially the form attached hereto as Exhibit A and shall comply with the requirements of Proposition 218 and any procedures adopted by Council.

APPROVED: HEATHER FERBERT, City Attorney

By Nicole M. Denow
Nicole M. Denow
Senior Deputy City Attorney

NMD;nsf
January 7, 2025
Or.Dept: ESD
Doc. No. 4010943

I certify that the Council of the City of San Diego adopted this Resolution at a meeting held on
APR 14 2025.

DIANA J.S. FUENTES
City Clerk

By Connie Patterson
Deputy City Clerk

Approved: 4/21/25
(date)

Todd Gloria
TODD GLORIA, Mayor

Vetoed: _____
(date)

TODD GLORIA, Mayor

Proposed Solid Waste Management Fee



The City of San Diego is proposing a fee for City-provided solid waste management services (Solid Waste Management Fee). The City Ordinance (<https://docs.sandiego.gov/municode/MuniCodeChapter06/Ch06Art06Division01.pdf>) pertaining to City-provided solid waste management services specifies that “at least once each week, City forces shall collect and transport residential solid waste for transfer, transport, and recycling or disposal, and the City may charge a cost-recovery fee, as allowed by law, for all solid waste management services.” The Ordinance further explains that “residential solid waste means solid waste, of the type and quantity normally generated by a residential property, that is placed at the designated collection point at the curb line of a city public street or city public alley in a City-approved curbside collection container on the designated collection day” and that “residential property means a single-family residential property or a multi-family residential property, with up to four residences on a single lot, that meets City requirements for collection by City forces.” The proposed fee would apply to owners of single-family homes or multi-family residential homes eligible to receive City-provided solid waste management services.

Public Hearing Information

**The public hearing will be held
June 9, 2025 at 2:00 p.m.
Council Chambers, 202 C St., 12th Floor
San Diego, CA 92101**

The City Council will hear and consider oral testimony and written materials submitted regarding the proposed fee at the hearing. Only valid written protests will be considered under the City’s Proposition 218 protest tabulating procedures. Protests must be received by the City Clerk, by mail or in person, at the Office of the City Clerk, 202 C St., MS 2T, San Diego, CA 92101, by 2 p.m. on June 9, 2025, or they may be submitted to the City Clerk, in person, at the June 9, 2025 City Council meeting, beginning at 2 p.m., prior to the close of the public input portion of the public hearing.

Why is the City proposing a Solid Waste Management Fee?

The City of San Diego (City) currently collects residential solid waste (trash and organics) from eligible single-family homes and multi-family residential homes for recycling or disposal. Measure B, passed by voters in 2022, amended sections of the San Diego Municipal

Code known as the People’s Ordinance, to remove a prohibition that prevented the City from charging a fee for City-provided solid waste management services.

Currently, most of the cost for the City to provide residential waste and recycling collection by the Environmental Services Department (ESD) is covered by the City’s General Fund. Each year, ESD requests funding to cover its operational needs through the City’s annual budgeting process. The General Fund receives its revenue from multiple sources, including sales taxes paid by all those who make purchases within the City of San Diego and property taxes paid by all those who own property within the City of San Diego. Under the current framework, although all property owners in the City pay the taxes that fund solid waste services for some properties in the City, the owners and residents of single-family homes and condominiums located on private streets or multi-family homes with more than four residences must additionally pay for a private company to collect their trash and recycling.

Why am I receiving this notice?

The proposed Solid Waste Management Fee would apply to owners of residential property within the City of San Diego eligible to receive City-provided solid waste management services. You are receiving this notice because you have been identified as an owner of residential property that may be eligible for City-provided

solid waste management services. If your property is not residential property eligible to receive City-provided solid waste management service, the proposed fee would not apply to you.

If you are unsure if your property qualifies for City service, please visit the Environmental Services Department website for more information on eligibility at [sandiego.gov/environmental-services](https://www.sandiego.gov/environmental-services) or contact Customer Service at 858-694-7000 or trash@sandiego.gov.

What is the reason for the solid waste management fee: what would the fee fund?

The City's General Fund covers most of the cost for the City to provide solid waste management services, including residential waste and recycling collection by the Environmental Services Department (ESD). Currently, there is no line item in the budget for this service, so every year, ESD must go through a budget process with its requests being weighed against the requests from other City departments.

Measure B, passed by voters in 2022, amended the People's Ordinance. While almost every other jurisdiction in the state charges a fee for solid waste collection and recycling or disposal services, the City had a 1986 provision that did not allow the City to charge. This resulted in some residents paying for the services from a private hauler while others received the services from the City at no charge. The 2022 amendment removed the 1986 prohibition from the municipal code that prevented the City from charging a fee for its residential waste and recycling collection services.

In response to the voter passed amendments, the City engaged in a public process to evaluate solid waste management services provided by the City to its residential customers, potential areas for service enhancements, and costs of services. The public engagement process assisted the City in determining the desired service level, which in turn guided the development of a proposed fee schedule that allows the City to recover the costs of providing solid waste management services to its eligible residents.

Under the current system:

- The City collects trash and organics each week and recycling every other week from eligible residential properties.
- Trash, recycling and organics must be placed in automated collection containers provided or approved by the City.
- Customers pay for new or replacement containers, container repairs and/or container delivery.
- Customers may experience collection delays due to ESD resource limitations.

How would the fees be used?

The proposed fees would be used to pay for costs the City incurs to provide residential solid waste management services to eligible residential properties located in the City of San Diego. The fees cannot exceed the cost to provide residential solid waste management services to eligible customers, and any revenue received from an approved fee can be used only to pay for residential solid waste management services to eligible customers.

ESD is proposing the following service changes beginning July 1, 2025:

- Trash, recycling and organics container repair, replacement and delivery at no additional cost.
- A new truck replacement schedule to increase service reliability and reduce maintenance costs by reducing the average age of waste collection trucks. The ability to replace collection vehicles on a regular schedule improves the age of the fleet and provides the ability to maintain a backup pool of vehicles, will improve fleet safety and efficiency, and will reduce out-of-service days, which will ensure the daily availability of a route-ready fleet to complete routes on the scheduled collection day.
- Additional staff including (1) a missed collections crew to address any missed collections same day or next day; (2) customer service representatives to meet the anticipated increased demand in inquiries; (3) mechanics to improve vehicle maintenance; (4) utility workers to deliver and pick up containers; and (5) code compliance officers to help ensure a smooth transition process.
- A new web portal for customers to select new containers, including the option for smaller trash containers yielding a reduced fee, effective upon delivery.
- Delivery of new trash and recycling containers beginning by Oct. 1, 2025.
- Weekly collection of trash and organics and biweekly collection of recycling.
- Saving to prepare for future costs and for reserves.
- A pilot program to evaluate potential future incorporation of electric vehicles into the collections fleet.

ESD is proposing the following additional services beginning July 1, 2027:

- Weekly collection of recycling.
- Curbside pickup of up to two bulky items per year.

Any fees collected could only be used to fund the solid waste management services provided, and fees would not exceed the cost to provide the service.

Proposed Solid Waste Management Fee

The City Council is scheduled to consider the proposed Solid Waste Management Fees in Table 1 and Table 2 below on June 9, 2025. The tables show proposed fees that would be effective July 1, 2025; July 1, 2026; July 1, 2027; and July 1, 2028. City Council may choose to approve the fees as presented below or they may choose to approve fees lower than those presented in this notice. City Council cannot adopt fees higher than those presented in this notice.

Under the proposed fee structure, the owner of each property selects the number of containers required to contain the volume of trash, recycling and organics produced between collections. Each property is required to have at least one trash container, one recycling container and one organics container. Properties producing higher volumes of trash, recycling or organics may require more containers. Owners of properties requiring more than three containers would pay more than owners of properties requiring only three containers. Additionally, the owners of properties for whom a 35-gallon or 65-gallon trash container is sufficient to contain the volume of trash produced each week would pay less than owners of properties requiring a 95-gallon trash container.

Explanation of Fee for Fiscal Year 2026 (July 1, 2025 to June 30, 2026)

For Fiscal Year 2026 (July 1, 2025 to June 30, 2026), under the approach proposed in this notice, each eligible residential property will be charged the rate associated with one 95-gallon trash container, one 95-gallon recycling container, and one 95-gallon organics container. This rate is labeled as Bundle Option 3 in Table 1 in this notice. The amount of the fee for Bundle Option 3 for Fiscal Year 2026 will ultimately be subject to a vote by City Council but will be no higher than \$47.59 per month or \$571.08 for the year. If City Council approves a fee and authorizes ESD to collect the fee on the County tax roll, customers will see a line item on their 2026 tax bill for the annual fee associated with the Bundle Option 3 for Fiscal Year 2026. The amount of the fee is dependent on the fee schedule approved by City Council but will not be more than \$571.08.

Because the proposed fee for Fiscal Year 2026 is equivalent to the level of service associated with one 95-gallon trash container, one 95-gallon recycling container, and one 95-gallon organics container and because some customers may currently have a bundle of trash, recycling and organics containers in which one or more of the containers is smaller than 95-gallon, the City will offer to replace the container(s) smaller than 95-gallon as soon as practicable should the customer wish to receive service at the 95-gallon service level. Customers with a bundle of one trash container, one recycling container, and one organics container in which one or more of the containers

is smaller than 95-gallon who would like to proceed with increasing the size of one or more of their containers to 95-gallon size as soon as practicable should make a request via the City's Get It Done app at sandiego.gov/get-it-done. For others willing to wait, ESD is developing a new web-based customer portal for customers to select new containers. ESD is planning to deliver all new trash and recycling containers beginning in October 2025.

Container Selection via New Customer Portal

By July 15, 2025, the City plans to launch a new web-based portal for customers to select their Bundled Option service level and determine if they would like any additional containers. Starting in October 2025, the City plans to begin replacing all trash and recycling containers for residential customers who receive City service, based on their service level selection.

Each property will be required to select at least one trash container, one recycling container, and one organics container. The fee for this initial bundle of three containers is a function of the size of the trash container, as illustrated in Table 1 in this notice. For example, as currently proposed, a customer with a 35-gallon trash container would pay a fee of no more than \$36.72 per month. The fee for the initial bundle includes a 95-gallon recycling container and a 95-gallon organics container. If a customer prefers a smaller recycling or organics container for reasons unrelated to solid waste management services (e.g., if they would like a smaller size due to space considerations), the City will make one available, but the fee would be the same.

If a customer needs more than the minimum bundle of three containers, the customer can select additional containers to meet their need. Table 2 summarizes the additional monthly fee associated with each additional container. For example, an additional 35-gallon trash container for the property would cost no more than another \$6.94 per month. An additional recycling container would cost no more than another \$10.57 per month, and an additional organics container would cost no more than another \$13.05 per month. For the additional recycling or organics containers, the fees would entitle the customer to a 95-gallon container for each, but smaller containers would be available if preferred by the customer, at the same price.

Through the customer portal, ESD will track the date in fiscal year 2026 on which the new containers are delivered ("Delivery Date"). If the customer selected a level of service that differs from the bundle of three 95-gallon containers, the customer will be entitled to a credit or an additional charge for the lower or higher level of service they selected. This credit or additional charge will be applied toward the customer's Fiscal year 2027 fee.

For example, if a customer selects Bundle Option 1, with the 35-gal trash container, the fee associated with that bundle is less than the fee associated with Bundle Option

3, with the 95-gal trash container, so the customer would receive a credit for the difference in fees during the time between the Delivery Date and the end of FY2026 on their FY2027 bill. Alternatively, if a customer selects Bundle Option 3, with the 95-gal trash container, and also requests an additional 95-gal trash container and an additional 95-gal recycling container, the total fee for that package would be higher than the fee associated with Bundle Option 3. For these and any other combination scenarios, ESD will calculate through the portal the

prorated difference in fee for the time between the Delivery Date and the end of the FY2026. This prorated difference of fee will be applied to the FY2027 as an additional charge or credit, as applicable.

For properties identified or that become eligible for service after July 1, 2025, the City will identify the date that the property began receiving service in FY2026 and will debit the fee associated with the costs of service for FY2026 on the customer's bill for FY2027.

TABLE 1. Proposed monthly fee for a property owner requiring a bundle of one (1) trash container, one (1) 95-gallon recycling container and one (1) 95-gallon organics container.

Bundles	Effective Date			
	July 1, 2025 ²	July 1, 2026	July 1, 2027	July 1, 2028
Bundle Option 1: <ul style="list-style-type: none"> 35-gal trash container 95-gal¹ recycling container 95-gal¹ organics container 	\$36.72	\$38.45	\$45.66	\$47.35
Bundle Option 2: <ul style="list-style-type: none"> 65-gal trash container 95-gal¹ recycling container 95-gal¹ organics container 	\$42.88	\$45.02	\$53.46	\$55.23
Bundle Option 3: <ul style="list-style-type: none"> 95-gal trash container 95-gal¹ recycling container 95-gal¹ organics container 	\$47.59	\$50.03	\$59.42	\$61.24

TABLE 2. Proposed additional monthly fee per additional container³ for a property owner requiring more than one (1) trash container, one (1) recycling container and one (1) organics container.

35-gal trash container	\$6.94	\$7.40	\$8.79	\$8.87
65-gal trash container	\$13.15	\$14.02	\$16.65	\$16.81
95-gal trash container	\$17.92	\$19.10	\$22.69	\$22.90
95-gal ¹ recycling container	\$10.57	\$11.79	\$16.18	\$17.84
95-gal ¹ organics container	\$13.05	\$12.97	\$13.84	\$13.95

Footnotes for Table 1 and Table 2:

¹ The City proposes to provide recycling and organics collection at the service level of 95-gal containers only. Customers may request a 35-gallon or 65-gallon size recycling and/or organics container at the same rate if they prefer a smaller container for reasons unrelated to solid waste services, for example, if they would like a smaller size due to space considerations. However, all customers will be charged at the 95-gallon container rate for recycling and organics collection services.

² Under the proposed rate plan, the City would charge all customers at the Bundle Option 3: 95-gallon container rate during fiscal year (FY) 2026. Customers will be asked to select a service level and bundled rate option during FY2026. Customers who select the 35-gallon or 65-gallon service level options will receive a credit, on their FY2027 bill, for the difference between the rates associated with their selected service level and the 95-gallon service level, for the period of time between when the customers received the containers for their smaller service level and the end of FY2026. Customers who currently have a container that is smaller than 95 gallons may request a 95-gallon container for FY2026.

³ Customers who select additional containers beyond the initial bundle will receive an additional charge, on their FY2027 bill, for the difference between the rates associated with their selected service level and the 95-gallon service level, for the period of time between when the customers received the additional container(s) and the end of FY2026.

Explanation of Fee for Fiscal Year 2027 and Beyond

ESD plans to complete the initial delivery of all new containers before the end of FY2026. The fee for each customer in FY2027 will be based on each customer's selected service level.

The customer portal is designed to allow customers to track the containers they have on their property and to request changes once per year.

In future years, the fees customers will pay will be based on the containers each customer has, reflecting the level of service available to them, plus or minus any credits or additional charges they are owed as a result of changes to the level of service they requested and received in the prior year.

For example, if a customer logged into the portal halfway through FY2027 and decided to replace their 95-gallon trash container with a 35-gallon trash container, ESD will track the date in FY2027 that the new container is delivered and will apply a credit to the fee for FY2028 based on the prorated portion of the year in which the customer received service at the 35-gallon level.

Will financial assistance be available?

Revenue from the fee itself cannot be used to support a financial assistance program. ESD has requested funding from the General Fund to support a financial assistance program. Criteria may include documentation of current enrollment in a state or federal assistance program; documented inability to pay property taxes for two or more consecutive years, coupled with customer household income below specified thresholds (below 80% of area median income (AMI)); and/or a standalone objective criterion of household income below specified thresholds (e.g., below 50% of AMI). ESD plans to continue coordinating with City leaders to consider options for the program and potential qualifying criteria. In addition, the City is examining options to address the impact the proposed fee may have on tenants.

What is the Basis Upon Which the Proposed Fees Were Calculated?

The City performed a cost-of-service study to demonstrate that the proposed solid waste management fees comply with Proposition 218. The cost-of-service study demonstrates that the proposed fees do not exceed the City's costs of service and proportionately allocates those costs to each service level. The cost-of-service study documenting the costs to provide residential waste management services and the development of the proposed fees is available for download at sandiego.gov/sites/default/files/2025-04/cosd-cost-of-service-study-report.pdf. Information on Measure B and the public process the City undertook is available at cleangreensd.org.

Additional information on the City of San Diego Environmental Services Department is available at sandiego.gov/environmental-services.

Council Chambers are open for in-person testimony. For more information, please visit: sandiego.gov/citywide-agendas-minutes.

Do I have the right to protest the proposed fee?

If you are the owner of a residential property located within the City of San Diego eligible to receive City-provided solid waste management services, or a tenant or customer in such a property, you have the right to protest the proposed fee. Written protests must contain a statement of opposition to the fee, the property's assessor's parcel number or property address, and the name and the original signature of the property owner or customer registering the protest. Only one protest will be counted for each parcel or address. Electronic protests (email, social media messages, etc.) will not be counted.

Per state law, the public hearing will be televised on City TV and simulcast on the City's website at sandiego.gov/communications/citytv. More information about Council meeting access and public comment is available online at sandiego.gov/citywide-agendas-minutes. Oral comments at the public hearing will be considered by the City Council but will not qualify as formal protests unless accompanied by a written protest. If, at the close of the public hearing, written protests against the fee are not presented by a majority of the parcels that would be subject to the proposed fee, the City Council will consider and may adopt a resolution authorizing the proposed fee. If adopted, the fee will not exceed the values presented in Table 1 and Table 2 of this notice.

Written protests must be received at the address below by 2 p.m. on June 9, 2025, if mailed or submitted in person prior to the public hearing.

Office of the City Clerk, 202 C St., MS 2T San Diego, CA 92101

Written protests may also be hand delivered to the City Clerk at the City Council meeting on June 9, 2025, up until the close of the public input portion of the public hearing on the matter.

I _____ oppose adoption of the proposed solid waste management fee.

Assessor's Parcel Number or Address: _____

Signature: _____

IMPORTANT INFORMATION ABOUT YOUR RIGHTS

This notice is being provided to you by the City of San Diego Environmental Services Department pursuant to California Constitution Article XIIIID (also known as "Proposition 218"). Under the terms of Proposition 218, the City is required to notify the property owners of record of proposed changes to property-related fees, such as waste management. This serves as notice that the City Council will conduct a public hearing, at the time, date and location specified above, to consider recommended fees for residential solid waste management services provided by the City. If approved, the proposed fees would become effective July 1, 2025. The point in time where customers will first see this charge depends on whether or not the City Council also authorizes the charges to be collected on the County Tax Roll at a hearing on June 24, 2025. If approved, customers would first see the charge on their tax bills by October 2025. All members of the public are invited to attend the public hearing. **Additionally, under California state law, all property owners and customers of record that would be subject to this fee may submit a written protest to the proposed adoption of the solid waste management fee. Mailed protests must be received by 2:00 pm on June 9, 2025. If hand-delivered, protests must be received by the City Clerk before the close of the public hearing on June 9, 2025. Only one protest per parcel will be counted.** All written protests will be verified. You may also appear at the public hearing at the date and time specified above. More information is available online at: sandiego.gov/staging/environmental-services/trash-service-updates



Scan for available languages:

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- Tiếng Việt

NOTICE OF PUBLIC HEARING TO CONSIDER TAX ROLL BILLING

How would the City collect the fee?

Notice of Hearing to Consider Tax Roll Billing

If City Council approves a new solid waste management fee, it will then hold a public hearing to consider whether to charge the fee via the County tax roll. The City intends to follow the process set forth in Health & Safety Code section 5470 et seq. to consider collecting the new fees on the tax roll in the same manner, by the same persons, and at the same time as, together with and not separately from, general taxes. To that end, the City will prepare a written report, which will contain a description

of each parcel of real property receiving solid waste management services and the amount of the fee for each parcel. The report will be filed with the City Clerk, and available for review by the public, by June 10, 2025.

On June 24, 2025 at 2:00 pm at Council Chambers, 202 C St., 12th Floor San Diego, CA 92101, an additional Public Hearing will be conducted by the City Council of the City of San Diego to consider all objections or protests, if any, to the report, and if a majority protest does not exist, to consider whether to adopt the report and authorize the solid waste management fees to be collected on the tax roll.

Passed by the Council of The City of San Diego on APR 14 2025, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Joe LaCava	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jennifer Campbell	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Stephen Whitburn	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Henry L. Foster III	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marni von Wilpert	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kent Lee	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Raul A. Campillo	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vivian Moreno	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sean Elo-Rivera	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage APR 22 2025.

(Please note: When a resolution is approved by the Mayor, the date of final passage is the date the approved resolution was returned to the Office of the City Clerk.)

AUTHENTICATED BY:

TODD GLORIA
Mayor of The City of San Diego, California.

(Seal)

DIANA J.S. FUENTES
City Clerk of The City of San Diego, California.

By *Gina Dravin*, Deputy

Office of the City Clerk, San Diego, California

Resolution Number R- 316138