

A Rate Update is Proposed for Residential Trash and Recycling Service



The City of Fresno’s trash and recycling services are at risk. Fresno’s **rates have not been adjusted for 15 years** and cannot keep pace with current costs, customer demand, and state policies.

An independent solid waste rate study was completed to determine the true cost of service and ensure that the proposed rates would cover current and future costs.

The rate solution proposed by the SWMD increases monthly fees each year over the next five years to minimize impacts on customers.

Benefits of Proposed Rate Adjustment

- ✓ Reestablishes the Solid Waste Management Division (SWMD) financial health
- ✓ Keeps rates among lowest in the state
- ✓ Ensures reliable service for 119,000 customers
- ✓ Invests in critical infrastructure upgrades
- ✓ Rebuilds financial reserves
- ✓ Allows City to comply with state regulations – Avoids costly fines
- ✓ Provides additional bulky item pickup

3-Cart Service Level	Current Rate	Proposed Monthly Rates & Effective Date (\$/month)				
		FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
	\$25.37	7/1/2024	7/1/2025	7/1/2026	7/1/2027	7/1/2028
Standard Service	\$ change	\$30.87	\$35.50	\$38.70	\$41.99	\$45.24
		\$5.50	\$4.63	\$3.20	\$3.29	\$3.25
	\$19.20	\$28.12	\$32.34	\$35.25	\$38.25	\$41.21
Alternative Service	\$ change	\$8.92	\$4.22	\$2.91	\$3.00	\$2.96

To view the monthly rates for additional carts, scan QR code:



FY = Fiscal Year

Note: A separate affordability program will be proposed to provide assistance to those in need.

Who SWMD Serves

Homeowners and residents who live in homes up to the size of a fourplex receive trash and recycling service from the City of Fresno. Businesses and apartment buildings are served by private waste haulers.



Agency

Monthly Rate

Oakland	\$154.10
Fresno County (Mid Valley) – High	\$98.89
San Jose	\$59.19
Sacramento	\$53.86
Stockton	\$52.82
Modesto	\$51.25
Merced	\$49.06
Fresno County (Mid Valley) – Low	\$47.51
Selma	\$45.00
Clovis	\$39.10
Madera	\$38.72
Los Angeles	\$36.32
Fresno – Proposed	\$30.87
Bakersfield	\$22.00

SMWD Costs Outpacing Revenues

SWMD operates from an Enterprise Fund. The fund is separate from the City's general fund. SWMD can only charge customers for operations and services provided. Revenues are generated through user fees and charges for service to residents. SWMD has had to use its reserves to offset rising costs and those reserves will be completely depleted by the end of the fiscal year, leaving nothing to sustain services. Over the last decade, operating costs have outpaced the addition of new residential customer accounts.



Labor costs up by 22%

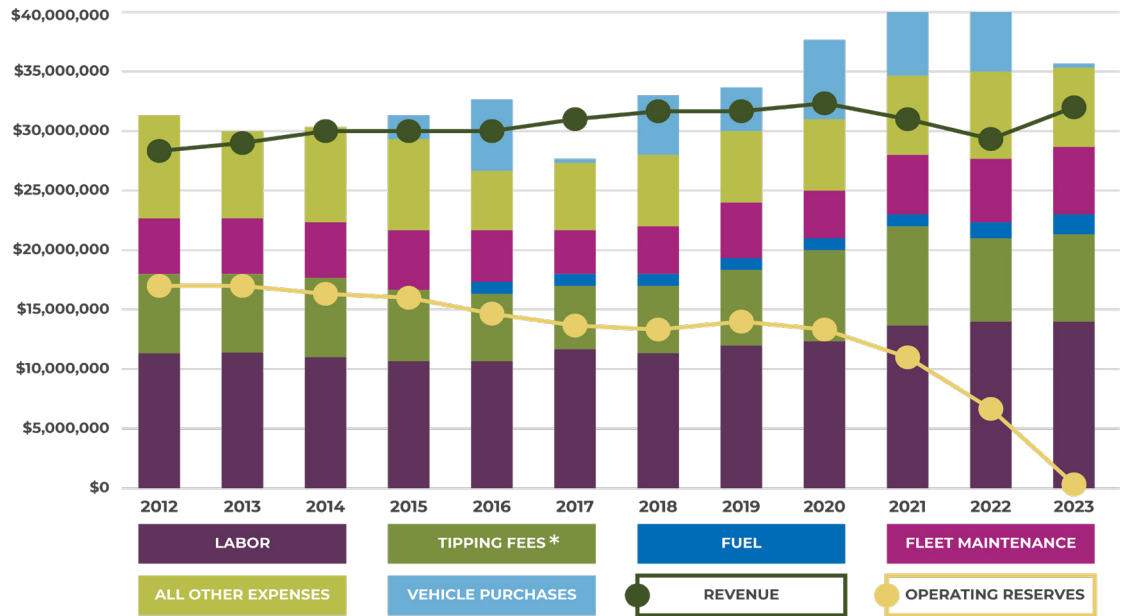


Fuel costs up by 71%



Fleet maintenance up by 52%

The current rate structure is unsustainable, and reserves will be depleted before July 2024.



*Tipping fees are the charge applied to each truckload based on the weight of waste collected.

Understanding the Proposition 218 Rate-setting Process

Local government agencies must follow the Proposition 218 (Prop 218) process when proposing new or increased rates. Prop 218 requires Fresno's Department of Public Utilities to conduct the following rate-setting process:

Completed in 2023

- ✓ Independent analysis of revenues and expenses – prepare a [rate study](#) and report.
- ✓ City Council approval to conduct the Prop 218 rate-setting process. Fresno City Council approved this initiation at the [December 14 City Council meeting](#).

Next Steps for 2024

- ✓ March 18: Mail notices of the proposed rates to property owners and rate-paying customers to inform them about the Prop 218 process and proposed rate update.
- ✓ April: Conduct public outreach to educate residents about the proposed rate adjustment plan.
- ✓ May 2: Conduct a public hearing 45 days after notices are mailed.
 - ✓ Count the number of valid protest notices received by the close of the public hearing. A simple majority, 50 percent plus one, is required for the protest to be valid.
 - ✓ Without a simple majority, the Division will request that the City Council adopt the proposed rates.

More Information

Please visit [Fresno.gov/Prop218](https://www.fresno.gov/Prop218) to learn more about what we need to do to sustain Fresno's financial and public health.

Email questions to Prop.218@fresno.gov, or call 559-621-8218.

For more information about Prop 218, scan QR code:

