

Ordinance No. 121000

Council Bill No. 114378

The City of Seattle
Council Bill/Ordinance

AN ORDINANCE relating to rates and terms of taxes on the collection or transfer of solid waste; and amending Seattle Municipal Code Chapter 5.48 in connection therewith.

11-18-02 Budget
11-18-02 Passed

CF No. _____

Date Introduced: <u>10-21-02</u>		
Date 1st Referred: <u>10-21-02</u>	To: (committee) <u>Water Budget & Health</u>	
Date Re- Referred: <u>11-5-02</u>	To: (committee) <u>H2OPH 1st pm 2004 backed out / Co meeting / To Full Council for re-referral</u>	
Date Re - Referred: <u>11-12-02</u>	To: (committee) <u>Budget</u> <u>To Budget Committee 2-11-02</u>	
Date of Final Passage: <u>11-18-02</u>	Full Council Vote: <u>9-0</u>	
Date Presented to Mayor: <u>11-19-02</u>	Date Approved: <u>NOV 20 2002</u>	
Date Returned to City Clerk: <u>NOV 26 2002</u>	Date Published: <u>5</u>	T.O. _____ F.T. <input checked="" type="checkbox"/>
Date Vetted by Mayor:	Date Veto Published:	
Date Passed Over Veto:	Veto Sustained:	

This file is complete and ready

LAW DEPARTMENT

Law Dept. Review

The City of Seattle - Legislative Department

Council Bill/Ordinance sponsored by:

Margaret Page
Margaret Page
Councilmember

Committee Action:

16
10

11-18-02 Budget Committee: Pass As Amended

11-18-02 Passed 9-0

not backed out / conformes by Gen. Staff so
mail for re-referral include Comm. choices.
- Committee 2-0 MP, HW
~~Heidi~~ Richard out of room.

This file is complete and ready for presentation to Full Council. Committee: _____

(initialed/date)

LAW DEPARTMENT

Law Dept. Review

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Review

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City Clerk
Review

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ORDINANCE 121000

AN ORDINANCE relating to rates and terms of taxes on the collection or transfer of solid waste; and amending Seattle Municipal Code Chapter 5.48 in connection therewith.

WHEREAS, the City does not set rates for, or send a bill to, many of those who benefit from City activities such as litter pick-up programs or landfill closures; and

WHEREAS, the City established solid waste taxes to recover certain solid waste system costs that cannot be equitably recovered through collection rates, City transfer station rates, and the commercial disposal rate; and

WHEREAS, the City last modified solid waste tax rates effective December 31, 1999; and

WHEREAS, in the second and third quarters of 2002 the City conducted a solid waste rate review; and

WHEREAS, recommendations to modify the solid waste tax rates were developed from this rate review; and

WHEREAS, the City desires to implement these recommendations; and

WHEREAS, the City desires to clarify that to be exempt from solid waste taxes, solid waste collected or transported for recycling shall contain no more than 10% non-recyclable material, by volume; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Seattle Municipal Code Section 5.48.055 is amended as follows:

SMC 5.48.055 Solid waste activities subject to tax --Amount.

There is levied upon, and shall be collected from everyone including The City of Seattle, on account of the following business activities engaged in or carried on with respect to solid waste, an annual license fee or occupation tax in the amount to be determined by the application of the rates given below:



1 A. Upon everyone engaged in or carrying on the business of operating a garbage transfer station
2 or upon the business of transferring solid waste generated in or outside of Seattle from one (1)
3 mode of transportation to another a fee or tax equal to Six Dollars and Twenty-five Cents (\$6.25)
4 per ton of the waste handled for transportation or transported for garbage disposal, landfill, or
5 incineration purposes. Effective January 1, 2003, upon everyone engaged in or carrying on the
6 business of operating a garbage transfer station or upon the business of transferring solid waste
7 generated in or outside of Seattle from one (1) mode of transportation to another a fee or tax
8 equal to Six Dollars and Forty Five Cents (\$6.45) per ton of the waste handled for transportation
9 or transported for garbage disposal, landfill, or incineration purposes. To prevent pyramiding of
10 the tax under this subsection when two (2) or more transfers occur in Seattle, the fee or tax is
11 imposed only upon the last transferor and shall not apply to earlier transfers. Waste is transferred
12 from one (1) mode of transportation to another whenever it is moved from a motor vehicle
13 (including, for example, landgrading or earthmoving equipment), barge, train or other carrier to
14 another motor vehicle (including landgrading or earthmoving equipment), barge, train or other
15 carrier, irrespective of whether or not temporary storage occurs in the process, provided that
16 waste shall not be considered transferred if it has been placed in a sealed shipping container prior
17 to being moved from one mode of transportation to another in the City. Solid waste transported
18 for recycling or reuse as recovered material (which solid waste shall contain no more than ten
19 percent non-recyclable material, by volume), yardwaste destined for composting, items to be
20 scrapped for salvage, and sand and gravel for construction of a public improvement shall not be
21 included in the tonnage by which the fee or tax is measured.

22
23 B. Upon everyone, including The City of Seattle, engaged in or carrying on the business of the
24 collection of garbage, rubbish, trash, CDL Waste, and other solid waste, a fee or tax measured by
25 the total of ~~((these two))~~ components 1 and 2 below:

26 1. Ten (10) percent of the total gross income from the collection of solid waste in Seattle, less
27 income derived from the activities identified in subsection C of this section; and
28

1
2 2. a. Twelve Dollars and Five Cents (\$12.05) per ton of ((the materials)) solid waste collected in
3 Seattle, excluding the tonnage ((identified in subsection C.)) from recycling when such recycling
4 contains no more than ten percent non-recyclable material by volume, yardwaste destined for
5 composting, items to be reused or scrapped for salvage, and/or sand and gravel for construction
6 of a public improvement; or

7 b. Effective January 1, 2003, Twelve Dollars and Forty Cents (\$12.40) per ton of solid waste
8 collected in Seattle, excluding the tonnage from recycling when such recycling contains no more
9 than ten percent non-recyclable material by volume, yardwaste destined for composting, items to
10 be reused or scrapped for salvage, and/or sand and gravel for construction of a public
11 improvement.

12 C. The gross receipts factor identified in subsection B1 of this section above shall exclude
13 income derived from:

- 14
15 1. Collection and/or sale of recycled materials and/or recovered materials, including charges for
16 the lease or rental of containers used in the collection of recycled/recovered materials;
17
18 2. Collection and/or sale after processing of yardwaste products, including charges for the lease
19 or rental of containers used in the collection of yardwaste products;
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21 3. Sale of containers used for collection of residential solid waste;
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23 4. Collection and disposal of bulky items and white goods;
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25 5. Grants and contracts from governmental agencies;
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27 6. The City of Seattle for collecting or disposing of residential garbage and other solid waste;
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1 7. The portion of the City's solid waste collection receipts expended for collection of recyclable
2 materials and yardwaste; and

3 8. Transportation or deposit of sand and gravel for construction or a public improvement.
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5 ~~((D. The tonnage factor identified in subsection B2 of this section above shall exclude income
6 derived from recycled materials and/or recovered materials, yardwaste destined for composting;
7 items to be recycled, reused, or scrapped for salvage, and/or sand and gravel for construction of a
8 public improvement.))~~

9
10 ~~((E.))~~ D. The tax imposed under subsection A of this section applies to transferring in the City of
11 all solid waste generated in or outside the City and the tax imposed under subsection B of this
12 section applies only to collecting solid waste in the City. The taxes imposed under subsections A
13 and B of this section are cumulative as to solid waste collected and transferred in the City, even
14 though the same tonnage of solid waste may be involved at each successive stage in the disposal
15 process, and the economic burden of the two (2) taxes may aggregate.

16 ~~((F.))~~ E. Income derived from activities described in subsection C of this section above shall be
17 taxed under SMC Chapter 5.45.
18

19 Section 2. The provisions of this ordinance are declared to be separate and severable.
20 If any one or more of the provisions of this ordinance shall be declared by any court of competent
21 jurisdiction to be contrary to law, then such provision or provisions shall be null and void and
22 severed from the rest of this ordinance, and all other provisions of this ordinance shall remain
23 valid and enforceable.

24 Section 3. This ordinance shall take effect and be in force thirty (30) days from and
25 after its approval by the Mayor, but if not approved and returned by the Mayor within ten (10)
26 days after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.
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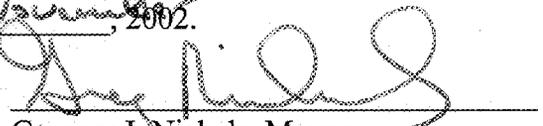
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Passed by the City Council the 18th day of November, 2002, and signed by me in open session in authentication of its passage this 18th day of November, 2002.



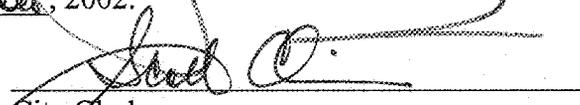
President _____ of the City Council

Approved by me this 25 day of November, 2002.



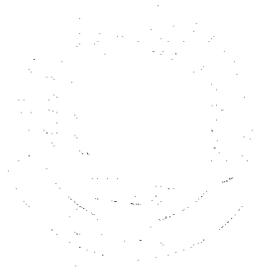
Gregory J. Nickels, Mayor

Filed by me this 27th day of November, 2002.



City Clerk

(Seal)



Fiscal Note

Each piece of legislation that is financial in nature requires a fiscal note. The fiscal note should be drafted by department staff and should identify operating, capital, revenue, and FTE impacts of the legislation. After preparation by departmental staff, the Department of Finance (DOF) will review and make necessary revisions before transmittal to Council.

Department: SPU	Contact Person/Phone: Julia Veghte, 684-7779	DOF Analyst/Phone: Cameron Keyes, 684-8084
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Legislation Title: AN ORDINANCE relating to rates and terms of taxes on the collection or transfer of solid waste; and amending Seattle Municipal Code Chapter 5.48 in connection therewith.

Summary of the Legislation:

This ordinance revises the tax rates for the two taxes related to solid waste based on tonnage of that waste. It also clarifies that recycling that contains no more than ten percent non-recyclable material is exempt from the taxes.

Background (Include justification for the legislation and funding history, if applicable):

The tonnage taxes were established to recover solid waste system costs from waste generators that cannot be equitably recovered through collection rates, City transfer station rates or the commercial disposal rate alone. The City does not set rates for, or send a bill to, many of those who benefit from activities such as litter pick-up programs or landfill closure. These taxes reach a broader base and are the only mechanism the City has to equitably recover such costs.

Public Private Partnership Review Status:

Is the project referenced in the legislation subject to P4 review? If yes, identify P4 review to date. NO

Is the legislation subject to public hearing requirements? If yes, what public hearings have been held to date? No

Fiscal Sustainability Issues (related to grant awards):



Estimated Expenditure Impacts:

FUND (List # and/or Account)	2002	2003	2004
TOTAL			

One-time \$ _____ On-going \$ _____

Estimated Revenue Impacts:

FUND (List # and/or Account)	2002	2003	2004
General Fund		\$382,716	\$782,529
TOTAL		\$382,716	\$782,529

One-time \$ _____ On-going \$ 782,529

Estimated FTE Impacts:

FUND (List # and/or Account)	2002	2003	2004
TOTAL			

Full Time _____ # Part Time _____ # TES _____

Do positions sunset in the future? If yes, identify sunset date?

Other Issues (including long-term implications of the legislation):





City of Seattle

Gregory J. Nickels, Mayor

Office of the Mayor

September 23, 2002

Honorable Peter Steinbrueck
President
Seattle City Council
Municipal Building, 11th Floor

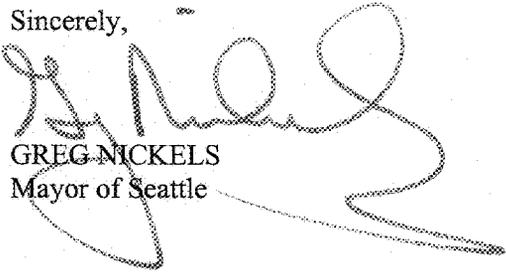
Dear Council President Steinbrueck:

The attached ordinance revises two solid waste tax rates for 2003 and 2004, and clarifies that recycling is exempt from both taxes when it contains no more than 10% non-recyclable materials by volume.

Section 5.48.055 of the Seattle Municipal Code establishes two taxes related to solid waste based on the tonnage of that waste. The purpose of these taxes is to recover certain solid waste system costs from waste generators that cannot be equitably recovered through collection rates, City transfer station rates or the commercial disposal rate alone. The City does not set rates for, or send a bill to, many of those who benefit from activities such as litter pick-up programs or landfill closures. These taxes are the only mechanism the City has to equitably recover costs related to these activities.

Thank you for your consideration of this legislation. Should you have questions please contact Julia Veghte, Financial Planning Manager, SPU at 684-7779.

Sincerely,


GREG NICKELS
Mayor of Seattle

600 Fourth Avenue, 12th Floor, Seattle, WA 98104-1873

Tel: (206) 684-4000, TDD: (206) 684-8811 Fax: (206) 684-5360, E:mail: mayors.office@ci.seattle.wa.us

An equal employment opportunity, affirmative action employer. Accommodations for people with disabilities provided upon request.



1 A. Upon everyone engaged in or carrying on the business of operating a garbage transfer station
2 or upon the business of transferring solid waste generated in or outside of Seattle from one (1)
3 mode of transportation to another a fee or tax equal to Six Dollars and Twenty-five Cents (\$6.25)
4 per ton of the waste handled for transportation or transported for garbage disposal, landfill, or
5 incineration purposes. Effective January 1, 2003, upon everyone engaged in or carrying on the
6 business of operating a garbage transfer station or upon the business of transferring solid waste
7 generated in or outside of Seattle from one (1) mode of transportation to another a fee or tax
8 equal to Six Dollars and Forty Five Cents (\$6.45) per ton of the waste handled for transportation
9 or transported for garbage disposal, landfill, or incineration purposes. Effective January 1, 2004,
10 upon everyone engaged in or carrying on the business of operating a garbage transfer station or
11 upon the business of transferring solid waste generated in or outside of Seattle from one (1) mode
12 of transportation to another a fee or tax equal to Six Dollars and Sixty-five Cents (\$6.65) per ton
13 of the waste handled for transportation or transported for garbage disposal, landfill, or
14 incineration purposes. To prevent pyramiding of the tax under this subsection when two (2) or
15 more transfers occur in Seattle, the fee or tax is imposed only upon the last transferor and shall
16 not apply to earlier transfers. Waste is transferred from one (1) mode of transportation to another
17 whenever it is moved from a motor vehicle (including, for example, landgrading or earthmoving
18 equipment), barge, train or other carrier to another motor vehicle (including landgrading or
19 earthmoving equipment), barge, train or other carrier, irrespective of whether or not temporary
20 storage occurs in the process, provided that waste shall not be considered transferred if it has
21 been placed in a sealed shipping container prior to being moved from one mode of transportation
22 to another in the City. Solid waste transported for recycling or reuse as recovered material (which
23 solid waste shall contain no more than ten percent non-recyclable material, by volume),
24 yardwaste destined for composting, items to be scrapped for salvage, and sand and gravel for
25 construction of a public improvement shall not be included in the tonnage by which the fee or tax
26 is measured.
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1 B. Upon everyone, including The City of Seattle, engaged in or carrying on the business of the
2 collection of garbage, rubbish, trash, CDL Waste, and other solid waste, a fee or tax measured by
3 the total of ~~((these two))~~ components 1 and 2 below:

4 1. Ten (10) percent of the total gross income from the collection of solid waste in Seattle, less
5 income derived from the activities identified in subsection C of this section; and

6
7 2. a. Twelve Dollars and Five Cents (\$12.05) per ton of ~~((the materials))~~ solid waste collected in
8 Seattle, excluding the tonnage ~~((identified in subsection C.))~~ from recycling when such recycling
9 contains no more than ten percent non-recyclable material by volume, yardwaste destined for
10 composting, items to be reused or scrapped for salvage, and/or sand and gravel for construction
11 of a public improvement; or

12
13 b. Effective January 1, 2003, Twelve Dollars and Forty Cents (\$12.40) per ton of solid waste
14 collected in Seattle, excluding the tonnage from recycling when such recycling contains no more
15 than ten percent non-recyclable material by volume, yardwaste destined for composting, items to
16 be reused or scrapped for salvage, and/or sand and gravel for construction of a public
17 improvement; or

18 c. Effective January 1, 2004, Twelve Dollars and Seventy-five Cents (\$12.75) per ton of solid
19 waste collected in Seattle, excluding the tonnage from recycling when such recycling contains no
20 more than ten percent non-recyclable material by volume, yardwaste destined for composting,
21 items to be reused or scrapped for salvage, and/or sand and gravel for construction of a public
22 improvement.

23
24 C. The gross receipts factor identified in subsection B1 of this section above shall exclude
25 income derived from:
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- 1 1. Collection and/or sale of recycled materials and/or recovered materials, including charges for
2 the lease or rental of containers used in the collection of recycled/recovered materials;
- 3 2. Collection and/or sale after processing of yardwaste products, including charges for the lease
4 or rental of containers used in the collection of yardwaste products;
- 5 3. Sale of containers used for collection of residential solid waste;
- 6 4. Collection and disposal of bulky items and white goods;
- 7 5. Grants and contracts from governmental agencies;
- 8 6. The City of Seattle for collecting or disposing of residential garbage and other solid waste;
- 9 7. The portion of the City's solid waste collection receipts expended for collection of recyclable
10 materials and yardwaste; and
- 11 8. Transportation or deposit of sand and gravel for construction or a public improvement.

12 ~~((D. The tonnage factor identified in subsection B2 of this section above shall exclude income
13 derived from recycled materials and/or recovered materials, yardwaste destined for composting;
14 items to be recycled, reused, or scrapped for salvage, and/or sand and gravel for construction of a
15 public improvement.))~~

16 ~~((E.))~~ D. The tax imposed under subsection A of this section applies to transferring in the City of
17 all solid waste generated in or outside the City and the tax imposed under subsection B of this
18 section applies only to collecting solid waste in the City. The taxes imposed under subsections A
19 and B of this section are cumulative as to solid waste collected and transferred in the City, even
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1 though the same tonnage of solid waste may be involved at each successive stage in the disposal
2 process, and the economic burden of the two (2) taxes may aggregate.

3 ~~((F-))~~E. Income derived from activities described in subsection C of this section above shall be
4 taxed under SMC Chapter 5.45.

5
6 Section 2. The provisions of this ordinance are declared to be separate and severable.
7 If any one or more of the provisions of this ordinance shall be declared by any court of competent
8 jurisdiction to be contrary to law, then such provision or provisions shall be null and void and
9 severed from the rest of this ordinance, and all other provisions of this ordinance shall remain
10 valid and enforceable.

11
12 Section 3. This ordinance shall take effect and be in force thirty (30) days from and
13 after its approval by the Mayor, but if not approved and returned by the Mayor within ten (10)
14 days after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

15 Passed by the City Council the ____ day of _____, 2002, and signed by me in open
16 session in authentication of its passage this ____ day of _____, 2002.

17
18
19 _____
President _____ of the City Council

20 Approved by me this ____ day of _____, 2002.

21
22 _____
Gregory J. Nickels, Mayor

23 Filed by me this ____ day of _____, 2002.

24
25 _____
City Clerk

26 (Seal)



STATE OF WASHINGTON – KING COUNTY

--SS.

152253
City of Seattle, Clerk's Office

No. ORDINANCE IN FULL

Affidavit of Publication

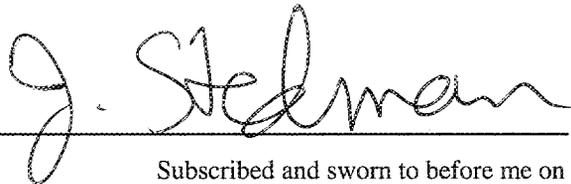
The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:ORDINANCE 121000

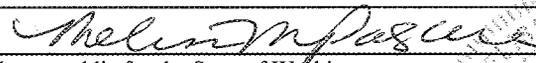
was published on

12/3/2002



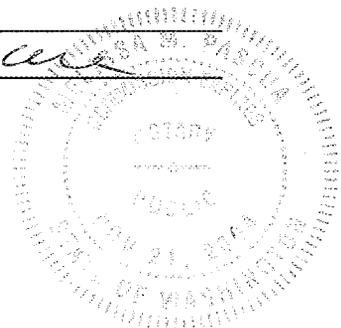
Subscribed and sworn to before me on

12/3/2002



Notary public for the State of Washington,
residing in Seattle

Affidavit of Publication



State of Washington, King County

City of Seattle

ORDINANCE 12100

AN ORDINANCE relating to rates and terms of taxes on the collection or transfer of solid waste, and amending Seattle Municipal Code Chapter 5.45 in connection therewith.

WHEREAS, the City does not set rates for, or send a bill to, many of those who benefit from City activities such as litter pick-up programs or landfill closures; and

WHEREAS, the City established solid waste taxes to recover certain solid waste system costs that cannot be equitably recovered through collection rates, City transfer station rates, and the commercial disposal rate; and

WHEREAS, the City last modified solid waste tax rates effective December 31, 1989; and

WHEREAS, in the second and third quarters of 2002 the City conducted a solid waste rate review; and

WHEREAS, recommendations to modify the solid waste tax rates were developed from this rate review; and

WHEREAS, the City desires to implement these recommendations; and

WHEREAS, the City desires to clarify that to be exempt from solid waste taxes, solid waste collected or transported for recycling shall contain no more than 10% non-recyclable material, by volume; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Seattle Municipal Code Section 5.45.053 is amended as follows:

SMC 5348.055 Solid waste activities subject to tax — Amount.

There is levied upon, and shall be collected from everyone including The City of Seattle, on account of the following business activities engaged in or carried on with respect to solid waste, an annual license fee or occupation tax in the amount to be determined by the application of the rates given below:

A. Upon everyone engaged in or carrying on the business of operating a garbage transfer station or upon the business of transferring solid waste generated in or outside of Seattle from one (1) mode of transportation to another a fee or tax equal to Six Dollars and Twenty-five Cents (\$6.25) per ton of the waste handled for transportation or transported for garbage disposal, landfill, or incineration purposes. Effective January 1, 2005, upon everyone engaged in or carrying on the business of operating a garbage transfer station or upon the business of transferring solid waste generated in or outside of Seattle from one (1) mode of transportation to another a fee or tax equal to Six Dollars and Forty Five Cents (\$6.45) per ton of the waste handled for transportation or transported for garbage disposal, landfill, or incineration purposes. To prevent pyramiding of the tax under this subsection when two (2) or more transfers occur in Seattle, the fee or tax is imposed only upon the last transfer and shall not apply to earlier transfers. Waste is transferred from one (1) mode of transportation to another whenever it is moved from a motor vehicle (including, for example, landgrading or earthmoving equipment), barge, train or other carrier to another motor vehicle (including landgrading or earthmoving equipment), barge, train or other carrier, irrespective of whether or not temporary storage occurs in the process, provided that waste shall not be considered transferred if it has been placed in a sealed shipping container prior to being moved from one mode of transportation to another in the City. Solid waste transported for recycling or reuse as recovered material (which solid waste shall contain no more than ten percent non-recyclable material, by volume), yard-waste destined for composting, items to be scrapped for salvage, and sand and gravel for construction of a public transportation