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Paul Hanna/mm
SPU Solid Waste Rates ORD
October 23, 2012
Version #2

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL 117645

AN ORDINANCE relating to the solid waste system of Seattle Public Utilities; revising rates and charges for solid waste services; revising credits to low income customers for solid waste services; offering free disposal at City recycling and disposal stations to low income customers under certain conditions; revising rates for yellow pages phone book recovery fees; establishing conditions for adjustments to 2015 and 2016 solid waste rates; establishing conditions for deposits to and withdrawals from the rate stabilization account of the Solid Waste Fund; and amending Chapters 21.40, 21.76 and 6.255 of the Seattle Municipal Code.

WHEREAS, the City last modified solid waste rates and charges January 1, 2012; and

WHEREAS, Resolution 30990 outlines actions to be taken to upgrade City facilities; and

WHEREAS, capital spending is expected to increase as a result of the facility upgrades, increasing the revenue requirements of the Solid Waste Fund; and

WHEREAS, demand for solid waste services declined since solid waste rates were last modified, causing revenue shortfalls; and

WHEREAS, the solid waste rates authorized by this ordinance are consistent with the general ratemaking policies set forth in Resolution 30695 and are intended to generate sufficient revenue to meet the expected increase in revenue requirements; and

WHEREAS, credits for qualified low income customers should be revised when solid waste rates change and Seattle Public Utilities desires to offer free disposal at City recycling and disposal stations to qualified low income customers under certain conditions; and

WHEREAS, the revenues from yellow book distributors are not recovering the costs associated with the program; and

WHEREAS, Resolution 30695 established financial policy targets for the Solid Waste Fund; and

WHEREAS, strong performance against financial policy targets by the Solid Waste Fund will increase the likelihood of receiving favorable interest rates on solid waste bonds and therefore lower costs for debt servicing; and

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WHEREAS, a portion of solid waste rates collected in the rates authorized under this ordinance will be used to pay for debt service on revenue bonds that the Solid Waste Fund expects to issue in 2013 and 2015 to fund facility upgrades; and

WHEREAS, during the its consideration of the rates authorized under this ordinance, the City Council expressed its desire for a midterm option to increase the 2015 and 2016 solid waste rates if the Solid Waste Fund were projected to not meet financial policy targets, or to reduce rates in those years if the Solid Waste Fund were projected to meet financial policy targets at such reduced rates; and

WHEREAS, Ordinance 118975 created a rate stabilization account in the Solid Waste Fund; and

WHEREAS, during the City Council's consideration of the rates authorized under this ordinance, the City Council also expressed its intention to provide direction for the deposit and withdrawal of excess Solid Waste Fund cash and revenues into and from the Solid Waste Fund's rate stabilization account; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Section 21.40.050 of the Seattle Municipal Code is amended as follows:

21.40.050 Residential can rates and charges.

A. Charges for residential can garbage and rubbish collection and disposal service shall be in accordance with the following schedules:

1. All residences with curbside/alley garbage container pickup: a charge per month or portion thereof, for once-a-week service for each service unit subscribed to, billed directly to the owner, homeowner association, or occupant thereof as follows:

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	~~Effective through December 31, 2010~~	~~Effective January 1, 2011~~	~~Effective January 1, 2012~~
~~**Service Units**~~	~~Rates per Service Unit~~	~~Rates per Service Unit~~	~~Rates per Service Unit~~

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~~**Micro-can (10-12 gallon)**~~	~~$15.65~~	~~$16.55~~	~~$17.55~~
~~**Mini-can (18-20 gallon)**~~	~~$19.15~~	~~$20.30~~	~~$21.55~~
~~**32 gallon can**~~	~~$24.85~~	~~$26.40~~	~~$28.05~~
~~**60 to 65 gallon cart**~~	~~$49.70~~	~~$52.80~~	~~$56.10~~
~~**90 to 96 gallon cart**~~	~~$74.55~~	~~$79.20~~	~~$84.15~~

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	Effective through March 31, 2013	Effective April 1, 2013	Effective April 1, 2014	Effective April 1, 2015	Effective April 1, 2016
Service Units	Rates per Service Unit	Rates per Service Unit	Rates per Service Unit	Rates per Service Unit	Rates per Service Unit
Micro-can (10-12 gallon)	$17.55	$18.65	$19.45	$20.25	$20.95
Mini-can (18-20 gallon)	$21.55	$22.90	$23.85	$24.85	$25.70
32 gallon can	$28.05	$29.80	$31.05	$32.35	$33.45
60 to 65 gallon cart	$56.10	$59.60	$62.10	$64.70	$66.90
90 to 96 gallon cart	$84.15	$89.40	$93.15	$97.05	$100.35

2. All residences with backyard garbage container pickup: a charge per month or portion thereof, for once-a-week service for each service unit subscribed to, billed directly to the owner, homeowners association, or occupant as follows:

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	~~Effective through December 31, 2010~~	~~Effective January 1, 2011~~	~~Effective January 1, 2012~~

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~~Service Units~~	~~Rates per Service Unit~~	~~Rates per Service Unit~~	~~Rates per Service Unit~~
~~32 gallon can~~	~~$34.80~~	~~$36.95~~	~~$39.25~~
~~60 to 65 gallon cart~~	~~$69.60~~	~~$73.90~~	~~$78.50~~
~~90 to 96 gallon cart~~	~~$104.40~~	~~$110.85~~	~~$117.75~~

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	Effective through March 31, 2013	Effective April 1, 2013	Effective April 1, 2014	Effective April 1, 2015	Effective April 1, 2016
Service Units	Rates per Service Unit	Rates per Service Unit	Rates per Service Unit	Rates per Service Unit	Rates per Service Unit
32 gallon can	$39.25	$41.70	$43.45	$45.30	$46.85
60 to 65 gallon cart	$78.50	$83.45	$86.95	$90.60	$93.65
90 to 96 gallon cart	$117.75	$125.15	$130.40	$135.85	$140.50

3. Multiunit residential consolidated curbside/alley garbage collection service. Multiunit residences with a single combined utility account may consolidate garbage into fewer service units than the number of dwelling units on the premise. Upon request, multiunit residences with multiple combined utility accounts, such as townhouse complexes, may consolidate garbage service if such premises share a single water irrigation meter for which a homeowners association is financially responsible and agrees to be financially responsible for the combined utility account, or as determined by the Director. In the event of consolidation, ((~~through December 31, 2010 an additional consolidation charge, equal to the minimum charge set forth in paragraph 4 of this subsection, will be applied for each dwelling unit in excess of the number of service units. Effective January 1, 2011,~~))the total consolidated service volume divided by the

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number of dwelling units must be at least equal to the minimum equivalent service volume per unit, as determined by the Director.

4. Minimum Charge, No Pickup Service. ((~~Effective January 1, 2008, a~~))A charge per month or portion thereof of ((~~Six Dollars and Eighty-five Cents (~~))$6.85((~~)~~)) shall be billed directly to the owner, homeowners association, or occupant, of any residence not subscribing to pick-up service to cover landfill closure costs, billing, collection, Low Income Rate Assistance, and hazardous waste costs. To be eligible for the minimum charge (zero ((~~(0)~~)) container rate) a customer may not generate any garbage or rubbish for collection or disposal. With occupied premises, the customer must demonstrate a consistent and effective practice of selective purchasing to minimize refuse, of recycling materials whenever practical, and of composting any yardwaste generated on the premises and the customer must have qualified for the rate on or before December 31, 1988. A customer is not eligible for the zero ((~~(0)~~)) container rate by hauling his or her garbage and rubbish to a transfer station, disposal site, or by disposal in another customer's containers or by the use of prepaid stickers. Vacant dwelling units in multiunit residences where each dwelling unit receives a separate combined utility bill qualify for the minimum charge where the conditions of this paragraph are met. Vacant dwelling units in multiunit residences with a single combined utility account do not qualify for the minimum charge((~~, except where a consolidation charge is applicable per the provisions of paragraph 3 of this subsection through December 31, 2010~~)).

5. Extra Bundles. A customer may place an extra bundle with its container for regular pickup. The charge will be billed directly to the owner or occupant, unless a prepaid sticker is

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used. A prepaid sticker authorizes pickup of the bundle when placed with the customer's container. The sticker must be affixed to the bundle in order for the bundle to be picked up by the collector, and the customer not to be billed. The following charges will apply to each extra bundle:

((~~Effective through December 31, 2010: $7.60 per bundle~~

~~Effective January 1, 2011: $8.10 per bundle~~))

Effective through March((~~January~~)) 31, 201((~~2~~))3: $8.60 per bundle

Effective April 1, 2013: $10.00 per bundle

Effective April 1, 2014: $10.20 per bundle

Effective April 1, 2015: $10.45 per bundle

Effective April 1, 2016: $10.60 per bundle

6. Bulky and White Goods Pickup. Charges for the pickup of bulky and white goods, as well as additional charges for items containing hazardous waste such as chlorofluorocarbons (CFCs), shall be billed as follows:

	Effective March 30, 2009
Bulky/White Goods Pickup (per item)	$30.00
Hazardous Waste Charge (per item)	$8.00

7. Curbside Electronics Recycling Pickup. ((~~Effective March 30, 2009, e~~))Curbside electronics pickup service will be available by customer request to all residential can accounts.

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Each pickup of up to three electronic products set out at the curb shall be billed at $20. The Director may establish additional conditions for electronic products eligible for pickup.

8. Curbside/Alley Compostable Waste. A collection charge for weekly service will be billed monthly directly to the owner, homeowners association, or occupant, according to the following schedule: ((

	~~Effective through December 31, 2010~~	~~Effective January 1, 2011~~	~~Effective January 1, 2012~~
~~Service Units~~	~~Rates per Service Unit~~	~~Rates per Service Unit~~	~~Rates per Service Unit~~
~~Mini can (10 to 20 gallon)~~	~~$4.10~~	~~$4.35~~	~~$4.65~~
~~32 gallon can~~	~~$6.10~~	~~$6.50~~	~~$6.95~~
~~90-96gallon can~~	~~$7.85~~	~~$8.35~~	~~$8.95~~
~~Extra bundle~~	~~$3.90~~	~~$4.15~~	~~$4.45~~

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	Effective through March 31, 2013	Effective April 1, 2013	Effective April 1, 2014	Effective April 1, 2015	Effective April 1, 2016
Service Units	Rates per Service Unit	Rates per Service Unit	Rates per Service Unit	Rates per Service Unit	Rates per Service Unit
Mini can (10 to 20 gallon)	$4.65	$4.95	$5.15	$5.40	$5.55
32 gallon can	$6.95	$7.45	$7.75	$8.05	$8.35
90-96 gallon can	$8.95	$9.50	$9.90	$10.35	$10.70
Extra bundle	$4.45	$4.75	$4.90	$5.15	$5.30

9. Mandatory Curbside/Alley Compostable Waste Service and Exemptions. ((~~Effective March 30, 2009, c~~))Curbside/alley compostable waste service ((~~will~~))shall be mandatory for all

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residential solid waste can accounts, except customers who qualify for a home composting exemption or customers with no garbage pick-up service, per the provisions of paragraph 4 of this subsection. To qualify for the home composting exemption, customers must actively compost all vegetative foodwaste on-site and agree to comply with public and environmental health guidelines and allow Seattle Public Utility representatives to evaluate their composting methods.

10. New/Changed Account. A charge of ((~~Ten Dollars (~~))$10((~~.00~~))) for the establishment of a new account or for each change in an existing account. This charge shall apply when the owner or property manager of any single-family residence or multifamily structure (duplex, triplex, fourplex, or structure with five (((~~5~~))) or more units) establishes a new account or requests any change in his/her account requiring a change in account number or customer number. The new/changed account charge is not applicable to customers qualified for Low Income Rate Assistance.

11. Physical Disability Exemption. An exemption will be provided to qualified residents to allow for backyard collection at curbside rates when the resident is physically unable to take his or her garbage and rubbish containers to the curb. Qualifying criteria shall include, but are not limited to, the resident's physical condition, qualification for backyard service in other City programs, a physician's recommendation, the presence of other physically capable persons in the household, special topography and other unique property conditions, taking into account the contractors' ability to provide different combinations of container sizes to make curbside pickup feasible.

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B. All Residential Customers Requesting and Receiving Nondetachable Container (Can) Special, Nonroutine Collection Service for Garbage, Yardwaste, or Recyclable Materials. The following charges shall apply to special collections of all nondetachable containers (cans), bundles or bundles-of-yardwaste:

	Effective Through March 3((~~0~~))1, 20((~~09~~))13	Effective April 1, 2013	Effective April 1, 2014	Effective April 1, 2015	Effective April 1, 2016
First unit	$34.45	$36.60	$38.10	$39.75	$41.10
Each additional unit	$3.70	$3.95	$4.10	$4.30	$4.45

C. Ancillary and Elective (A&E) Service Charges. The following charges shall apply to residential can customers receiving any of the A&E Services listed in the table below.

Type of Service	((~~Effective through December 31, 2010~~	Effective Through((~~January~~)) March 31, 201((~~1~~))3	Effective April 1, 2013	Effective April 1, 2014	Effective April 1, 2015	Effective April 1, 2016
Deliveries/Pick-Ups/Swap-outs:						
Can/Toter	~~$20.25~~	$21.50	$22.85	$23.80	$24.80	$25.65
Container Special Services:	-					
Can/Cart Pressure - Washing	~~$8.30~~))	$8.60	$9.15	$9.55	$9.95	$10.30

D. The charges imposed by subsections A1 through A4 of this section inclusive shall not apply to residences which elect to use detachable containers supplied either by the City's contractor or by the customer for the storage of garbage and rubbish. Application for detachable container service for a minimum period of six (((~~6~~))) months shall be made to the Director of Seattle Public Utilities on forms supplied by him/her, and collection of garbage and rubbish from such premises shall be made at such frequency as is necessary as determined by the Director of Seattle Public Utilities, but in no event less than once each week. The monthly charges for detachable container service for the container and frequency selected shall be in accordance with the rates set forth in Section 21.40.060.

E. The Director of Seattle Public Utilities may adjust the service level to a single-family residence to match the garbage and rubbish actually collected from the premises, or, for multifamily structures, to match the amount of garbage and rubbish reasonably anticipated from the dwelling units on the premises and the customer will be responsible for the appropriate charges for the adjusted service level in accordance with this section.

Section 2. Section 21.40.060 of the Seattle Municipal Code is amended as follows:

21.40.060 Residential detachable container rates and charges.

A. Account charges. ((~~Effective March 30, 2009, a~~))A fixed fee will be charged to each residential detachable container solid waste account, according to the following schedule.

Effective ((~~through December 31, 2010: $26.55 per account per month~~

~~Effective January 1, 2011: $28.20~~))

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Effective ((~~January 1~~))through March 31, 2013: $29.95

Effective April 1, 2013: $31.85

Effective April 1, 2014: $33.15

Effective April 1, 2015: $34.55

Effective April 1, 2016: $35.75

B. Uncompacted container rates. There is imposed upon residential premises that use detachable containers without mechanical compactors a monthly charge for garbage and rubbish collection and disposal service in accordance with the following formula:

(A*m) + ((B*cy)*m), where

A = Trip rate

B = Volume rate

m = number of pick-ups per month

cy = number of cubic yards picked up at each collection

The following trip and volume rates will apply.

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	~~Effective through December 31, 2010~~	~~Effective January 1, 2011~~	~~Effective January 1, 2012~~
~~Trip Rate~~	~~$20.55~~	~~$21.85~~	~~$23.20~~
~~Volume Rate~~	~~$15.75~~	~~$16.75~~	~~$17.80~~

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	Effective through March 31, 2013	Effective April 1, 2013	Effective April 1, 2014	Effective April 1, 2015	Effective April 1, 2016
Trip Rate	$23.20	$24.65	$25.65	$26.80	$27.70
Volume Rate	$17.80	$18.90	$19.70	$20.55	$21.25

C. Compacted container rates. There is imposed upon residential premises that use detachable containers with compactors a monthly charge for garbage and rubbish collection and disposal service in accordance with the following formula:

(A*m) + ((B*cy)*m), where

A = Trip rate

B = Volume rate

m = number of pick-ups per month

cy = number of cubic yards picked up at each collection

The following trip and volume rates will apply.

((

	~~Effective through December 31, 2010~~	~~Effective January 1, 2011~~	~~Effective January 1, 2012~~
~~Trip Rate~~	~~$20.55~~	~~$21.85~~	~~$23.20~~
~~Volume Rate~~	~~$31.95~~	~~$34.00~~	~~$36.15~~

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	Effective through March 31, 2013	Effective April 1, 2013	Effective April 1, 2014	Effective April 1, 2015	Effective April 1, 2016
Trip Rate	$23.20	$24.65	$25.65	$26.80	$27.70
Volume Rate	$36.15	$38.40	$40.00	$41.70	$43.10

D. Pre-Paid Bag Service. ((~~Effective March 30, 2009, e~~))Customers located in specific areas designated by Seattle Public Utilities, and who permanently store garbage containers in the right-of-way, will be required to subscribe to pre-paid bag service, in lieu of detachable container service, for garbage and rubbish collection and disposal, subject to the following charges:

	((~~Effective through December 31, 2010~~	Effective Through March ((~~January~~)) 31, 201((~~1~~))~~3~~	Effective April 1, 2013	Effective April 1, 2014	Effective April 1, 2015	Effective April 1, 2016
15 gallon bag	~~$3.50 per bag~~	$3.70	$3.95	$4.10	$4.30	$4.50
30 gallon bag	~~$5.00 per bag~~	$5.30	$5.65	$5.85	$6.10	$6.35
45 gallon bag	~~N/A~~))	$8.00	$8.50	$8.85	$9.25	$9.55

Compostable waste bag rates for pre-paid bag service shall be ((~~thirty-two (~~))32((~~)~~)) percent less than the corresponding rates above for garbage service. Recycling bags shall be provided free of charge. Yardwaste shall not be mixed with garbage, refuse or rubbish for disposal.

((~~Effective January 1, 2011, b~~))Bags set out for collection that are not pre-paid shall be charged at the rate for extra bundles, per subsection H of this section.

E. Mixed-use Building. The Director of Seattle Public Utilities will determine the appropriate residential collection service level for a mixed-use building according to the estimated amount of residential garbage or refuse generated and to be collected by the City.

F. Charges for Lockable Containers. Customers using detachable containers (compacted or noncompacted) may have a lock installed by the collection contractors, subject to the following charges. Only customers who own their own containers may install their own locks.

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	~~Effective through December 31, 2010~~	~~Effective January 1, 2011~~	~~Effective January 1, 2012~~
~~Lock installation~~	~~$75.35~~	~~$80.10~~	~~$85.05~~
~~Extra key~~	~~$5.40~~	~~$5.75~~	~~$6.10~~
~~Extra padlock~~	~~$10.75~~	~~$11.45~~	~~$12.15~~

))

	Effective through March 31, 2013	Effective April 1, 2013	Effective April 1, 2014	Effective April 1, 2015	Effective April 1, 2016
Lock installation	$85.05	$90.40	$94.10	$98.15	$101.5
Extra key	$6.10	$6.50	$6.75	$7.05	$7.30
Extra padlock	$12.15	$12.90	$13.45	$14.05	$14.55

G. All Residential Customers Receiving Detachable Container Special, Nonroutine Collection Service for Garbage, Compostable Waste, or Recycling Materials. The following charges shall apply to special collections of all detachable containers or bundles of garbage,

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compostable waste or recycling materials. These charges shall be in addition to any charges applicable to regular solid waste collection and disposal service.

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	~~Effective Through December 31, 2010~~	
~~Detachable Container Size~~	~~Uncompacted Service~~	~~Compacted Service~~
~~3/4 cubic yards~~	~~$41.35~~	~~$53.80~~
~~1 cubic yards~~	~~$44.25~~	~~$60.75~~
~~1.5 cubic yards~~	~~$50.70~~	~~$75.50~~
~~2 cubic yards~~	~~$66.40~~	~~$99.50~~
~~3 cubic yards~~	~~$79.35~~	~~$129.00~~
~~4 cubic yards~~	~~$92.25~~	~~$158.45~~
~~6 cubic yards~~	~~$116.60~~	~~$215.95~~
~~8 cubic yards~~	~~$141.75~~	~~$274.20~~
~~10 cubic yards~~	~~$285.75~~	~~$451.30~~
~~20 cubic yards~~	~~$400.65~~	~~$731.75~~

~~Through December 31, 2010, additional containers will be charged at the same rate as the first container. Effective January 1, 2011, s~~))Special collections will be charged at 130 percent of the rate for a single pickup of the same size detachable container, per subsections B and C of this section.

H. Extra Bundles of Garbage. A customer may place extra bundles of garbage with its container for regular pickup. ((~~Effective through December 31, 2010 extra bundles of garbage will be billed in quarter yard increments as follows:~~

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	~~Effective Through December 31, 2010~~
~~1/4 yard =~~	~~$8.05~~
~~1/2 yard =~~	~~$24.15~~
~~3/4 yard =~~	~~$32.15~~
~~1 yard =~~	~~$48.25~~

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((~~Effective January 1, 2011 each extra bundle of garbage shall be charged as follows:~~

~~Effective January 1, 2011: $8.10 per bundle~~))

Effective through March((~~January~~)) 31, 201((~~2~~))3: $8.60 per bundle

Effective April 1, 2013: $10.00 per bundle

Effective April 1, 2014: $10.20 per bundle

Effective April 1, 2015: $10.45 per bundle

Effective April 1, 2016: $10.60 per bundle

The charge will be billed directly to the owner or occupant.

I. Bulky and White Goods Pickup. Charges for the pickup of bulky and white goods, as well as additional charges for items containing hazardous waste such as chlorofluorocarbons (CFCs), shall be billed as follows:

	Effective March 30, 2009
Bulky/White Goods Pickup (per item)	$30.00
Hazardous Waste Charge (per item)	$8.00

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J. Curbside Electronics Recycling Pickup. ((~~Effective March 30, 2009, e~~))Curbside electronics pickup service will be available by customer request to residential detachable container accounts, with approval by the applicable solid waste account owner or designee. Each pickup of up to three electronic products set out at the curb shall be billed at $20. The Director may establish additional conditions for electronic products eligible for pickup.

K. Residential detachable container customers who are not required to subscribe to pre-paid bag garbage service have the option to subscribe to either residential can curbside/alley compostable waste collection service per the terms of SMC 21.40.050.A.8 or commercial compostable waste collection service per the terms of SMC 21.40.070. Customers who are required to subscribe to pre-paid bag garbage service have the option to subscribe to either one or more residential can curbside/alley compostable waste collection services per the terms of SMC 21.40.050.A.8 or pre-paid bag compostable waste collection service per the terms of SMC 21.40.060.D. Detachable container customers are not subject to the provisions of SMC 21.40.050.A.9, which requires mandatory curbside/alley compostable waste service as of March 30, 2009. ((~~Effective September 1, 2011, i~~))It ((~~will~~))shall be mandatory for all residential detachable container customer accounts to subscribe to one of the compostable waste services described in this subsection, except in the following circumstances:

1. Existing Structures: Existing residential structures that do not have adequate storage space for compostable waste may be exempt from all or portions of this subsection if so determined by the Director of Seattle Public Utilities. The Director of Seattle Public Utilities, in

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cases where space constraints are determined to exist, shall also evaluate the feasibility of shared compostable waste containers by contiguous businesses or multifamily structures.

2. New or Expanded Structures: New residential structures that have demonstrated difficulty in meeting the solid waste and recyclable materials storage space specifications required under SMC Section 23.47.029 Subsections A, B, C and D may be exempt from all or portions of this ordinance as determined by the Director of Seattle Public Utilities.

L. Ancillary and Elective (A&E) Service Charges. The following charges shall apply to residential detachable container customers receiving any of the A&E Services listed in the table below.

Type of Service	((~~Effective Through December 31, 2010~~	Effective Through March ((~~January~~)) 31, 201((~~1~~)) ~~3~~	Effective April 1, 2013	Effective April 1, 2014	Effective April 1, 2015	Effective April 1, 2016
Deliveries/Pick-Ups/Swap-outs:	-					
Can/Toter	~~$20.25~~	$21.50	$22.85	$23.80	$24.80	$25.65
Detachable Container	~~$24.30~~	$25.85	$27.50	$28.65	$29.90	$30.90
Drop Box 2-8 CY	~~$32.45~~	$34.50	$36.65	$38.15	$39.80	$41.15

Drop Box 10-40 CY	~~$50.70~~	$53.90	$57.30	$59.65	$62.20	$64.30
Pickup Ancillary Services:						
Can/Cart Roll out (>100 fit or up/down stairs)	~~$2.00~~	$2.15	$2.30	$2.40	$2.50	$2.60
Roll Out, Container (<3 CY)	~~$6.00~~	$6.40	$6.80	$7.10	$7.40	$7.65
Reposition, Container >2 CY	~~$6.00~~	$6.40	$6.80	$7.10	$7.40	$7.65
Entering Secured Buildings	~~$4.05~~	$4.30	$4.55	$4.75	$4.95	$5.10
Container Special Services:						
Detachable Container Washing and Steam Cleaning, per container	~~$30.45~~	$32.35	$34.40	$35.80	$37.35	$38.60
Drop Box Washing and Steam Cleaning, per Drop Box	~~$40.55~~	$43.10	$45.80	$47.70	$49.75	$51.45
Can/Cart Pressure Washing	~~$8.10~~	8.60	$9.15	$9.55	$9.95	$10.30
Compactor/Drop Box Special Services:						
Compactor Disconnect/Reconnect Cycle	~~$34.45~~	$36.60	$38.90	$40.50	$42.25	$43.70
Dry Run	~~$70.95~~	$75.40	$80.15	$83.45	$87.05	$90.00
Other Ancillary Services:						

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Hourly Paid Special, Truck and Driver	~~$182.50~~	$193.95	$206.15	$214.60	$223.85	$231.45
Hourly Paid Special, Swamper	~~$60.80~~))	$64.60	$68.65	$71.45	$74.50	$77.05

Section 3. Section 21.40.070 of the Seattle Municipal Code is amended as follows:

21.40.070 Commercial collection rates and charges.

A. Commercial Solid Waste Service Rates and Charges. There is imposed upon all commercial establishments in the City receiving container or drop service from one of the City's contract collectors of commercial solid waste or one of the City's contract collectors of commercial compostable waste the following schedule of rates and charges:

1. Account charges. ((~~Effective March 30, 2009, i~~))In addition to any fees for service charged to commercial establishments, per the provisions of this Subsection A, a fixed fee will be charged to each commercial solid waste account, according to the following schedule.

((~~Effective through December 31, 2010: $19.55 per account per month~~))

Effective through March ((~~January~~)) 31, 201((~~1~~))3: $20.80

Effective April 1, 2013: $22.10

Effective April 1, 2014: $23.00

Effective April 1, 2015: $24.00

Effective April 1, 2016: $24.80

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2. Container Service Rates. The following charges shall apply to commercial establishments receiving container service for solid waste. Compostable waste container service rates shall be ((~~thirty-two (~~))32((~~)~~)) percent less than the corresponding rate for primary container service for solid waste (the basic service charge including container rent multiplied by 0.68), plus any applicable taxes. Commercial container service customers may subscribe to one or more residential can curbside/alley compostable waste collection services per the terms of SMC 21.40.050.A.8.

The charge for each detachable container will be calculated in accordance with the following formula:

(A*m) + ((B*cy)*m), where

A = Trip rate

B = Volume rate

m = number of pick-ups per month

cy = number of cubic yards picked up at each collection

The following trip and volume rates will apply for uncompacted material:

	((~~Effective Through December 31, 2010~~	Effective Through March ((~~January~~)) 31, 201((~~1~~))~~3~~	Effective April 1, 2013	Effective April 1, 2014	Effective April 1, 2015	Effective April 1, 2016
Trip Rate	~~$12.70~~	$13.50	$14.35	$14.95	$15.60	$16.10
Volume Rate	~~$21.55~~))	$22.90	$24.35	$25.35	$26.45	$27.35

The following trip and volume rates will apply for compacted material:

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	((~~Effective Through December 31, 2010~~	Effective Through March ((~~January~~)) 31, 201((~~1~~))3	Effective April 1, 2013	Effective April 1, 2014	Effective April 1, 2015	Effective April 1, 2016
Trip Rate	~~$12.70~~	$13.50	$14.35	$14.95	$15.60	$16.10
Volume Rate	~~$43.75~~))	$46.50	$49.40	$51.45	$53.65	$55.50

3. Pre-Paid Bag Service. ((~~Effective March 30, 2009, e~~))Customers located in specific areas designated by Seattle Public Utilities, and who permanently store garbage containers in the right-of-way, will be required to subscribe to pre-paid bag service, in lieu of detachable container service, for garbage and rubbish collection and disposal, subject to the following charges:

	((~~Effective through December 31, 2010~~	Effective Through March ((~~January~~)) 31, 201((~~1~~))3	Effective April 1, 2013	Effective April 1, 2014	Effective April 1, 2015	Effective April 1, 2016
15 gallon bag	~~$3.50 per bag~~	$3.70 per bag	$3.95 per bag	$4.10 per bag	$4.30 per bag	$4.50 per bag
30 gallon bag	~~$5.00 per bag~~	$5.30 per bag	$5.65 per bag	$5.85 per bag	$6.10 per bag	$6.35 per bag
45 gallon bag	~~N/A~~))	$8.00 per bag	$8.50 per bag	$8.85 per bag	$9.25 per bag	$9.55 per bag

Customers required to subscribe to pre-paid bag garbage service may also subscribe to either residential can curbside/alley compostable waste collection service per the terms of SMC 21.40.050.A. 8 or pre-paid bag compostable waste collection service, at rates which shall be

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((~~thirty-two (~~))32((~~)~~)) percent less than the rates specified above for pre-paid bag garbage collection. Yardwaste shall not be mixed with garbage, refuse or rubbish for disposal. Compostable waste service is optional.

((~~Effective January 1, 2011, b~~))Bags set out for collection that are not pre-paid shall be charged at the rate for extra bundles, per subsection 6 of this section.

4. Special Container Pick-up Charges. ((~~Effective through December 31, 2010, the following charges shall apply to special collections of all detachable containers of garbage and compostable waste. These charges shall be in addition to any charges applicable to regular solid waste collection and disposal service.~~

	~~Effective Through December 31, 2010~~	
~~Detachable Container Size~~	~~Uncompacted Service~~	~~Compacted Service~~
~~3/4 cubic yards~~	~~$41.35~~	~~$53.80~~
~~1 cubic yards~~	~~$44.25~~	~~$60.75~~
~~1.5 cubic yards~~	~~$50.70~~	~~$75.50~~
~~2 cubic yards~~	~~$66.40~~	~~$99.50~~
~~3 cubic yards~~	~~$79.35~~	~~$129.00~~
~~4 cubic yards~~	~~$92.25~~	~~$158.45~~
~~6 cubic yards~~	~~$116.60~~	~~$215.95~~
~~8 cubic yards~~	~~$141.75~~	~~$274.20~~
~~10 cubic yards~~	~~$285.75~~	~~$451.30~~
~~20 cubic yards~~	~~$400.65~~	~~$731.75~~

~~Effective January 1, 2011, s~~))Special collections will be charged at 130 percent of the rate for a single pickup of the same size detachable container, per subsection 2 of this Section.

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5. Can-unit Pickup Rates. Customers receiving regularly scheduled can-unit pickup service for one (((~~1~~))) or more cans will be charged according to the following schedule:

	((~~Effective Through December 31, 2010~~	Effective Through March ((~~January~~)) 31, 201((~~1~~)) 3	Effective April 1, 2013	Effective April 1, 2014	Effective April 1, 2015	Effective April 1, 2016
Per 10-20 gallon can pickup		$6.00	$6.40	$6. 65	$6.95	$7.15
Per 32 gallon can pickup	~~$8.30~~	$8.80	$9.40	$9.75	$10.15	$10.50
Per 60-65 gallon can pickup	~~$16.20~~	$17.20	$18.30	$19.05	$19.85	$20.55
Per 90-96 gallon can pickup	~~$19.00~~))	$20.20	$21.45	$22.35	$23.30	$24.10

When a set number of units are serviced each week, the customer may be billed at a flat monthly collection charge equal to ((~~four and one-third (4 1/3)~~))4.33 times the applicable unit rate, times the number of units serviced each week.

((~~Effective through December 31, 2010, customers requesting special, non-routine can-unit pickup service for one (1) or more cans will be charged according to the following schedule:~~

	~~Effective Through December 31, 2010~~
~~Per 0 – 32 gallon can special pickup~~	~~$10.40~~
~~Per 33 – 64 gallon can special pickup~~	~~$20.25~~
~~Per 65 – 96 gallon can special pickup~~	~~$23.75~~

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~~Effective January 1, 2011, s~~))Special collections will be charged at 130 percent of the rate for a single pickup of the same size container, per the rates listed in this subsection.

6. Extra Garbage and Bulky Waste Collection. ((~~Customers setting out extra garbage will be charged at the following rates:~~

~~Effective through December 31, 2010: $26.55 per cubic yard~~))

The charges for extra garbage collection will be assessed per ((~~one-quarter (1/4) cubic yard~~))bundle. Any such charges will be in addition to the customer's regular container collection service charges.

((~~Effective January 1, 2011 extra garbage will be charged by the bundle as follows:~~

~~Effective January 1, 2011: $8.10 per bundle~~))

Effective through March((~~January~~)) 31, 201((~~2~~))3: $8.60 per bundle

Effective April 1, 2013: $10.00 per bundle

Effective April 1, 2014: $10.20 per bundle

Effective April 1, 2015: $10.45 per bundle

Effective April 1, 2016: $10.60 per bundle

Bulky Waste and White Goods Pickup. Charges for the pickup of bulky waste and white goods, as well as additional charges for items containing hazardous waste such as chlorofluorocarbons (CFCs), shall be billed as follows:

	Effective January 1, 2011

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Bulky Waste/White Goods Pickup (per item)	$30.00
Hazardous Waste Charge (per item)	$8.00

7. Overload Container Charges. A container whose contents exceed one ((~~(1)~~)) foot above the top of the container will be charged at the applicable extra garbage collection rate, per subsection 6 of this Section.

8. Drop Box Service Rates. The following charges shall apply to commercial establishments receiving drop box service for solid waste. Compostable waste container service rates shall be ((~~thirty-two (~~))32((~~)~~)) percent less than the corresponding rate for drop box service for solid waste (the basic service charge multiplied by 0.68).

The following price schedules shall apply for drop box service for both compacted and noncompacted material:

Service Type	((~~Effective Through December 31, 2010~~	Effective Through March ((~~January~~)) 31, 201((~~1~~))3	Effective April 1, 2013	Effective April 1, 2014	Effective April 1, 2015	Effective April 1, 2016
Permanent Account Pickup						
Up to 8 cu yd	~~$120.30~~	$127.85	$135.90	$141.45	$147.55	$152.55

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Over 8 cu yd	~~$161.45~~	$171.60	$182.40	$189.90	$198.05	$204.80
Special/Temporary Pick-Up						
Up to 8 cu yd	~~$132.35~~	$140.65	$149.50	$155.65	$162.35	$167.85
Over 8 cu yd	~~$177.60~~	$188.75	$200.65	$208.90	$217.90	$225.30
Monthly Account/Rental	~~$98.40~~))	$98.40	$98.40	$98.40	$98.40	$98.40

9. A&E (Ancillary and Elective) Service Charges. The following charges shall apply to commercial establishments receiving any of the A&E (Ancillary and Elective) Services listed in the table below.

Type of Service	((~~Effective Through December 31, 2010~~	Effective Through March ((~~January~~)) 31, 201((~~1~~)) 3	Effective April 1, 2013	Effective April 1, 2014	Effective April 1, 2015	Effective April 1, 2016
Deliveries/Pick-Ups/Swap-outs:						

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Can/Toter	~~$20.25~~	$21.50	$22.85	$23.80	$24.80	$25.65
Detachable Container	~~$24.30~~	$25.85	$27.50	$28.65	$29.90	$30.90
Drop Box 2-8 CY	~~$32.45~~	$34.50	$36.65	$38.15	$39.80	$41.15
Drop Box 10-40 CY	~~$50.70~~	$53.90	$57.30	$59.65	$62.20	$64.30
Pickup Ancillary Services:						
Can/Cart Roll out (>100 fit or up/down stairs)	~~$2.00~~	$2.15	$2.30	$2.40	$2.50	$2.60
Roll Out, Container (<3 CY)	~~$6.00~~	$6.40	$6.80	$7.10	$7.40	$7.65
Reposition, Container >2 CY	~~$6.00~~	$6.40	$6.80	$7.10	$7.40	$7.65
Entering Secured Buildings	~~$4.05~~	$4.30	$4.55	$4.75	$4.95	$5.10
Container Special Services:						
Detachable Container Washing and Steam Cleaning, per container	~~$30.45~~	$32.35	$34.40	$35.80	$37.35	$38.60
Drop Box Washing and Steam Cleaning, per Drop Box	~~$40.55~~	$43.10	$45.80	$47.70	$49.75	$51.45
Can/Cart Pressure Washing	~~$8.10~~	$8.60	$9.15	$9.55	$9.95	$10.30
Compactor/Drop Box Special Services:						

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Compactor Disconnect/Reconnect Cycle	~~$34.45~~	$36.60	$38.90	$40.50	$42.25	$43.70
Dry Run	~~$70.95~~	$75.40	$80.15	$83.45	$87.05	$90.00
Other Ancillary Services:						
Hourly Paid Special, Truck and Driver	~~$182.50~~	$193.95	$206.15	$214.60	$223.85	$231.45
Hourly Paid Special, Swamper	~~$60.80~~))	$64.60	$68.65	$71.45	$74.50	$77.05

10. Disposal Fee for MSW and Processing Fee for Compostable Waste Drop Box Service. Disposal fees for MSW drop box service shall be assessed on each MSW drop box load at the rates set forth below, measured on a per tip basis rounded to the next highest ((~~one-hundredth (1/100)~~)).01 ton.

((~~Effective through December 31, 2010: $137.75 per ton~~))

Effective through March ((~~January~~)) 31, 201((~~1~~))3: $146.40 per ton

Effective April 1, 2013: $155.60 per ton

Effective April 1, 2014: $162.00 per ton

Effective April 1, 2015: $168.95 per ton

Effective April 1, 2016: $174.70 per ton

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Processing fees for compostable waste drop box service shall be assessed on each compostable waste drop box load and measured on a per tip basis rounded to the next highest ((~~one-hundredth (1/100)~~)).01 ton. Charges for this service shall be as follows:

((~~Effective through December 31, 2010: $68.90 per ton~~))

Effective through March ((~~January~~)) 31, 201((~~1~~))3: $73.25 per ton

Effective April 1, 2013: $77.85 per ton

Effective January 1, 2014: $81.05 per ton

Effective January 1, 2015: $84.55 per ton

Effective January 1, 2016: $87.40 per ton

11. Payment of Charges -- Delinquency and Lien.

a. Collection and disposal charges shall be against the premises served and when such charges have not been paid within ((~~ninety (~~))90((~~)~~)) days after billing, service shall be discontinued and the charges may constitute a lien against the premises served. Notice of the City's lien specifying the amount due, the period covered and giving the legal description of the premises sought to be charged may be filed with the County Auditor within the time required and may be foreclosed in the manner and within the time prescribed for liens for labor and material, as authorized by RCW 35.21.140.

b. Penalty interest at the rate of ((~~twelve (~~))12((~~)~~)) percent per year, computed monthly, shall be added to collection and disposal charges that become delinquent. Penalty interest shall be imposed on all such charges that remain unpaid ((~~thirty (~~))30((~~)~~)) days after their bill date and shall continue until such charges are paid.

C. The Director of Seattle Public Utilities may adjust the service level to a commercial establishment to match the amount of garbage and rubbish actually collected from that establishment and the customer will be responsible for the appropriate charges for the adjusted service level in accordance with this section.

Section 4. Section 21.40.080 of the Seattle Municipal Code is amended as follows:

21.40.080 Recycling and disposal station rates.

A. Basic Rates.

The following charges will apply at the City's recycling and disposal stations. The flat rate will apply to sedans, station wagons, sport utility vehicles (all without trailers or modifications) and all garbage or compostable material must be fully contained within the interior of vehicle.

The per ton rate, subject to the minimum charge, will apply to all other vehicles, including but not limited to trucks, vans (including minivans), vehicles with trailers or modifications, travel-alls, motor homes, modified buses, aid cars and commercial vehicles.

Effective January 1, 2010		
Recyclables*		No charge
Garbage	per ton	$145
	minimum/flat rate	$30
Yard Waste	per ton	$110
	minimum/flat rate	$20
Wood Waste	per ton	$110
	minimum/flat rate	$20
Tires (maximum of four per load)	per load	$13

Appliances (maximum of two per load)	per appliance	$30
	per appliance if included with garbage	$8

*Contaminant-free clean recyclables

((~~*Contaminant-free clean recyclables~~))

B. Collection of Charges. It shall be the duty of the Director of Seattle Public Utilities, or his/her authorized agent, to issue and sell tickets at City recycling and disposal stations for the privilege of such disposal; provided, that such disposal charges shall not apply to the disposal of earth or other material suitable for road construction when disposal of same has been approved by the Director of Seattle Public Utilities or his/her authorized agent.

C. State Tax Collection and Refund. The Director of Seattle Public Utilities, or his/her authorized agent, has the authority to collect taxes due as required by state law and to make refunds to any person entitled thereto under state law.

D. Charitable Organizations Reusing Goods.

1. Qualified charitable organizations shall be charged on an ongoing basis, rather than on an occasional or incidental basis, for the disposal of refuse generated within Seattle only, that is deposited at City recycling and disposal stations, at the following rates.

Effective January 1, 2010: $82.65 per ton

2. Qualified charitable organizations may dispose of white goods at no charge under the following conditions:

a. White goods must be delivered directly to the City's selected vendor for white good processing ("vendor").

b. By the tenth of each month, the qualified charitable organization must provide Seattle Public Utilities with dated receipts from the vendor for all of the white goods disposed of in the previous month.

c. The number of white goods disposed of in a calendar year may not exceed the average the number of white goods delivered to City recycling and disposal stations by the qualified charitable organization in 1997 and 1998. If the above conditions are not met or if limits set forth in subsection D2c are exceeded, qualified charitable organizations shall be charged at a per-unit rate equal to that established by contract between the City and its selected vendor.

3. For purposes of this subsection D, a charitable organization shall be considered a qualified charitable organization if found by the Director of Seattle Public Utilities, or his/her authorized agent, after application by such organization to the Director, to:

a. Be a credit customer of the Seattle Public Utilities;

b. Be a nonprofit charitable organization recognized as such by the Internal Revenue Service; and

c. Be engaged, as a primary form of its doing business, in processing abandoned goods for resale or reuse.

E. Interest on Delinquent City Recycling and Disposal Stations Payments. Interest shall accrue on delinquent payments of customers at City recycling and disposal stations at the rate of ((~~twelve (~~))12((~~)~~)) percent per annum from ((~~thirty (~~))30((~~)~~)) days after the bill date and shall continue until the bill is paid.

F. Requirements for Special Event, Free Disposal. Under certain conditions, Seattle Public Utilities shall offer free disposal at City recycling and disposal stations for special events.

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An organization shall be qualified for free disposal for a special event if the organization's written application to the Director of Seattle Public Utilities is found by the Director, or his/her authorized agent, to:

1. Be the only such request from the organization for the calendar year;
2. Support the City's goals for cleaner neighborhoods and environments;
3. Not to supplant any current or existing agency responsibilities or activities; and
4. Provide benefit to SPU as well as the community or the City.

G. Waiver of Residential Disposal Rates Under Certain Circumstances. The Director of Seattle Public Utilities has discretion to waive disposal rates for City residents for yard waste or refuse for up to ((~~sixty (~~))60((~~)~~)) days at a time when the Director determines that unique or emergency situations, such as transitions in collection service, incidents of arson, windstorms, etc., make it prudent to encourage self-haul of refuse or yard waste to City recycling and disposal stations by waiving the disposal fee for a limited period.

H. The Seattle Housing Authority shall be charged for the disposal of up to ((~~five thousand eight hundred (~~))5,800((~~)~~)) tons per calendar year of refuse that is deposited at City recycling and disposal stations, at the following rates.

Effective January 1, 2010: $82.65 per ton

If the actual tons delivered in a calendar year exceed this maximum, the Seattle Housing Authority shall be charged the per ton rate for refuse set forth in subsection A of this section for the additional tons.

I. Requirements for Special Assistance, Free Disposal. Seattle Public Utilities shall offer free disposal at City recycling and disposal stations to qualified Low Income Rate Assistance (LIRA) recipients per SMC 21.76.040, under the following conditions:

1. Eligible recipients shall request special assistance free disposal no more than once per year.

2. Free disposal per eligible recipient shall be limited to less than or equal to 1,000 pounds of garbage and/or yard waste, and/or two appliances, and/or four tires. If garbage and/or yard waste exceeds 1,000 pounds, the recipient shall be charged the per tons rate, subject to the minimum/flat rate. Three or more appliances shall be charged the current rate each. More than four tires shall not be permitted.

Section 5. Subsection 21.40.085 A of the Seattle Municipal Code is amended as follows.

21.40.085 Commercial railyard rate.

A. Nonresidential, non-contract solid waste generated within the City and directed by the City to the Argo Yard or its successor facility for transport and disposal shall be charged at the following rates per ton, with the specified total minimum charges per disposal.

Effective Date	**Per ton rate**	**Total minimum charge**
((~~Through December 31, 2010~~	~~$88.05~~	~~$2,201.00~~))
January 1, 2011	$93.60	$2,340.00
April 1, 2013	$99.50	$2,488.00
April 1, 2014	$103.55	$2,589.00
April 1, 2015	$108.00	$2,700.00
April 1, 2016	$111.70	$2,793.00

* * *

Section 6. Subsection 21.76.040 B of the Seattle Municipal Code is amended as follows.

21.76.040 Low Income Rate Credits.

* * *

B. Solid Waste. Persons qualified by the Director of the Human Services Department as eligible recipients of Low Income Rate Assistance (LIRA) shall be granted low income billing credits or rates as follows:

1. Eligible recipients who are billed directly by Seattle Public Utilities for garbage container, as defined in SMC Section 21.36.014, services, or compostable waste services, shall receive a credit equal to 0.5 times the current billing.

2. Eligible recipients with twice weekly garbage container, as defined in SMC Section 21.36.014, service shall be charged 0.5 times the rate calculated in subsection B of SMC Section 21.40.050.

3. Eligible recipients not billed directly by Seattle Public Utilities for solid waste services and receiving garbage container, as defined in SMC Section 21.36.014, compostable waste, as defined in SMC Section 21.36.012, or detachable container, as defined in SMC Section 21.36.012, service shall receive the following credits:

((

	~~Effective Through December 31, 2010~~	~~Effective January 1, 2011~~	~~Effective January 1, 2012~~
~~Garbage can customers~~	~~$12.45 per month~~	~~$13.20 per month~~	~~$14.05 per month~~
~~Detachable container customers~~	~~$10.20 per month~~	~~$10.85 per month~~	~~$11.50 per month~~
~~Yardwaste customers~~	~~$3.95 per~~	~~$4.20 per~~	~~$4.50 per~~

	~~month~~	~~month~~	~~month~~

))

	Effective Through March 31, 2013	Effective April 1, 2013	Effective April 1, 2014	Effective April 1, 2015	Effective April 1, 2016
Garbage can customers	$14.05 per month	$14.90 per month	$15.55 per month	$16.20 per month	$16.75 per month
Detachable container customers	$11.50 per month	$12.20 per month	$12.70 per month	$13.25 per month	$13.70 per month
Yardwaste customers	$4.50 per month	$4.75 per month	$4.95 per month	$5.20 per month	$5.35 per month

* * *

Section 7. Subection 6.255.100 A of the Seattle Municipal Code is amended as follows:

6.255.100 Recovery Fee

A. A recovery fee is hereby imposed on the distribution of yellow pages phone books within the City to be calculated as follows: ((~~Fourteen Cents ($0.14)~~))$0.27 for each yellow pages phone book distributed within the City. The recovery fee is intended to reflect the cost to the City of administering the Opt-Out Registry.The Director of Seattle Public Utilities may recommend adjustments to the recovery fee as part of the development of adjustments to the solid waste rates.

* * *

Section 8. Conditions governing a mid-term rate adjustment. In mid-2014, Seattle Public Utilities will provide the City Council with an evaluation of projected 2015 and 2016 Solid

Waste Fund financial performance that considers updated historical and projected data for solid waste contract and non-contract operating expense, debt service expense, service and non-service revenues, and any projected savings associated with implementation of One Less Truck in 2014. The City Council will consider increasing 2015 and 2016 solid waste rates if this evaluation indicates that the Solid Waste Fund will not meet its financial policy targets in 2015 and 2016 due to: i) lower revenues in 2013 or 2014 than were assumed in the 2013-2016 Solid Waste Fund Rate Study; ii) higher contract inflation in 2013 or 2014 than was assumed in the 2013-2016 Solid Waste Fund Rate Study; or iii) other unanticipated expense increases or accounting adjustments, specifically approved by the City Council. The City Council may likewise reduce rates if the financial evaluation indicates that such a reduction will allow the Solid Waste Fund to meet all operating cash balances in Section 9 and financial policy targets for net income, debt service coverage and cash-financed CIP.

Section 9. Conditions governing deposits to and withdrawals from the Solid Waste Fund's Rate Stabilization Account . Seattle Public Utilities shall deposit cash into the Solid Waste Fund's Rate Stabilization Account and defer revenues equal to the amount that Solid Waste Fund operating cash balances at the end of each fiscal year exceed the following balances: $21 million in 2013; $21.8 million in 2014; $17.8 million in 2015; and $15.9 million in 2016. Such deposits shall be limited to cash and revenues that are not required to meet the financial policy targets for the Solid Waste Fund with respect to debt service coverage, net income, cash-financed capital expense. Seattle Public Utilities may withdraw revenues from the Solid Waste Fund's Rate Stabilization Account in the following circumstances: i) such a withdrawal will

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allow the Solid Waste Fund to meet one or more its financial policy targets that it would not have otherwise met in the absence of such withdrawal; or ii) to reduce the size of any adjustment to 2015 or 2016 solid waste rates, if such a reduction to the solid waste rates would not jeopardize Solid Waste Fund's ability to meet operating cash balances specified in this Section, and the financial policy targets for debt service coverage, net income, and cash-financed CIP. Any deposits to or withdrawals from the Rate Stabilization Fund may be made up to and including the date 90 days after the end of the fiscal year for which the deposit or withdrawal will be excluded from or included in Solid Waste Fund operating revenues.

Section 10. This ordinance does not affect any existing right acquired or liability or obligation incurred under the sections amended or repealed in this ordinance or under any rule or order adopted under those sections, nor does it affect any proceeding instituted under those sections.

Section 11. The provisions of this ordinance are declared to be separate and severable. If any one or more of the provisions of this ordinance shall be declared by any court of competent jurisdiction to be contrary to law, then such provision or provisions shall be null and void and severed from the rest of this ordinance, and all other provisions of this ordinance shall remain valid and enforceable.

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

Passed by the City Council the ____ day of _____, 2012, and signed by me in open session in authentication of its passage this _____ day of _____, 2012.

_____
President _____of the City Council

Approved by me this ____ day of _____, 2012.

_____
Michael McGinn, Mayor

Filed by me this ____ day of _____, 2012.

_____
Monica Martinez Simmons, City Clerk

(Seal)

Form revised: December 6, 2011

FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
Seattle Public Utilities	Leanne Galati 684-0455	Karl Stickel 684-8085

Legislation Title:
AN ORDINANCE relating to the solid waste system of Seattle Public Utilities; revising rates and charges for solid waste services; revising credits to low income customers for solid waste services; offering free disposal at City recycling and disposal stations to low income customers under certain conditions; revising rates for yellow pages phone book recovery fees; establishing conditions for adjustments to 2015 and 2016 solid waste rates; establishing conditions for deposits to and withdrawals from the rate stabilization account of the Solid Waste Fund; and amending Chapters 21.40, 21.76 and 6.255 of the Seattle Municipal Code.

Summary of the Legislation:
This ordinance proposes solid waste rates for residential and commercial customers for 2013 through 2016, adjusts the low-income assistance credits for solid waste customers, offers free disposal at City recycling and disposal stations to low income customers under certain conditions, revises the yellow page phone book recovery fee, establishes conditions for midterm adjustments by City Council to 2015 and 2016 solid waste rates, and establishes conditions for deposits to and withdrawals from the rate stabilization account of the Solid Waste Fund by Seattle Public Utilities.

Background:
(Include a brief description of the purpose and context of legislation and include record of previous legislation and funding history, if applicable.)

Solid Waste rates were last increased on January 1, 2012. The costs of solid waste services are supported by rates charged to solid waste customers. These rates are set in accordance with financial policies adopted by the City Council. The continuation of the recent recession has caused a drop in demand for services since rates were last set, resulting in lower-than-expected revenues. SPU has completed a rate study showing that existing rates will not provide sufficient revenues to fund planned operating expenditures and infrastructure investment from 2013 through 2016. Rate increases in 2013 through 2016 are required to allow the Solid Waste Fund to maintain strong financial performance.

In addition, the revenues from yellow book distributors are not recovering the costs associated with the program, which requires an increase in the yellow pages phone book recovery fee.

Historically, Council has typically adopted solid waste rates for a two-year rate cycle. Under this ordinance, Council adopts rates for a longer four-year rate cycle to improve predictability for City solid waste ratepayers. During this four-year period, Seattle Public Utilities expects that the Solid Waste Fund will issue significant debt to fund major facility improvements. In recognition of the importance of maintaining strong financial performance to reduce Solid Waste Fund

borrowing costs, City Council has expressed willingness to adopt midterm adjustments to 2015 and 2016 solid waste rates if the Solid Waste Fund is not projected to meet financial targets in those years due to lower revenues, higher contract inflation, or other unanticipated expense, as approved by Council, that is not assumed in the rates adopted under this Ordinance. City Council also reserves the right to make a downward midterm adjustment to rates if stronger than projected performance would allow the Solid Waste Fund to meeting 2015 and 2016 financial targets at lower rates. This ordinance also specifies conditions for the movement of revenues and cash that exceed rate study projections to and from the Solid Waste Fund's rate stabilization account. While there has not been movement of funds in and out of the Solid Waste Fund rate stabilization account for many years, use of this mechanism will enhance the Solid Waste Fund's ability to meet financial targets across the longer rate cycle by using revenues and cash set aside in years with strong performance to address shortfalls in years with leaner financial performance.

A complete description of the 2013-2016 rate package is contained in the 2013-2016 Solid Waste Rate Study, which is attached to the fiscal note for C.B. 117522.

Please check one of the following:

___ **This legislation does not have any financial implications.**
(Please skip to "Other Implications" section at the end of the document and answer questions a-h. Earlier sections that are left blank should be deleted. Please delete the instructions provided in parentheses at the end of each question.)

_X_ **This legislation has financial implications.**
(If the legislation has direct fiscal impacts (e.g., appropriations, revenue, positions), fill out the relevant sections below. If the financial implications are indirect or longer-term, describe them in narrative in the "Other Implications" Section. Please delete the instructions provided in parentheses at the end of each title and question.)

Anticipated Revenue/Reimbursement Resulting from this Legislation:

(This table should reflect revenues/reimbursements that are a direct result of this legislation. In the event that the issues/projects associated with this ordinance/resolution have revenues or reimbursements that were, or will be, received because of previous or future legislation or budget actions, please provide details in the Notes section below the table.)

Fund Name and Number	Department	Revenue Source	2012 Revenue	2013 Revenue
Solid Waste Fund 45010	Seattle Public Utilities	Solid Waste Services	$0	$5,818,718
TOTAL			$0	$5,818,718

Revenue/Reimbursement Notes:
The 2013 revenues are the additional solid waste revenues resulting from the increase in SPU's solid waste rates. The 2013 revenues represent the difference between revenues calculated at 2012 rates and at proposed 2013 rates, using 2013 demand assumptions in both cases.

Spending/Cash Flow Notes:

Other Implications:

a) Does the legislation have indirect financial implications, or long-term implications?
(If yes, explain them here.)

No.

b) What is the financial cost of not implementing the legislation?
(Estimate the costs to the City of not implementing the legislation, including estimated costs to maintain or expand an existing facility or the cost avoidance due to replacement of an existing facility, potential conflicts with regulatory requirements, or other potential costs.)

The Solid Waste Fund would not fully recover the cost of its solid waste operations.

c) Does this legislation affect any departments besides the originating department?
(If so, please list the affected department(s), the nature of the impact (financial, operational, etc), and indicate which staff members in the other department(s) are aware of the proposed legislation.)

Several City departments incur solid waste costs. These departments' costs will increase commensurate with the rate increases proposed in this legislation (by 6.3 percent in 2013, 4.1 percent in 2014, 4.3 percent in 2015 and 3.4 percent in 2016). The appropriation impacts will be included in the 2013-2014 Proposed Budget and subsequent budget legislation.

d) What are the possible alternatives to the legislation that could achieve the same or similar objectives? (Include any potential alternatives to the proposed legislation, such as reducing fee-supported activities, identifying outside funding sources for fee-supported activities, etc.)

Not raising solid waste rates at this time would result in the Solid Waste Fund failing to recover the cost of its operations in accordance with its financial policies. Alternatively, the Fund could meet its financial policies without raising rates by cutting the cost of its operations; however, this would result in an inability to pay for basic operations or make important investments in the system.

e) Is a public hearing required for this legislation?
(If yes, what public hearing(s) have been held to date, and/or what public hearing(s) are planned for the future?)

No

f) Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?
(For example, legislation related to sale of surplus property, condemnation, or certain capital projects with private partners may require publication of notice. If you aren't sure, please check with your lawyer. If publication of notice is required, describe any steps taken to comply with that requirement.)

No

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g) Does this legislation affect a piece of property?

(If yes, and if a map or other visual representation of the property is not already included as an exhibit or attachment to the legislation itself, then you must include a map and/or other visual representation of the property and its location as an attachment to the fiscal note. Place a note on the map attached to the fiscal note that indicates the map is intended for illustrative or informational purposes only and is not intended to modify anything in the legislation.)

No

h) Other Issues:

None

List attachments to the fiscal note below: