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SPU SWF Mid Term ORD
September 30, 2014
Version #1

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL 118268

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; and amending Chapters 21.40 and 21.76 of the Seattle Municipal Code.

WHEREAS, Ordinance 124056 adopted solid waste rates for 2013 through 2016 and provided for an evaluation of projected 2015 and 2016 Solid Waste Fund financial performance in mid-2014; and

WHEREAS, Ordinance 124056 allowed the City Council to increase 2015 and 2016 solid waste rates if the evaluation indicated that the Solid Waste Fund would not meet its financial policy targets in 2015 and 2016, or reduce rates if the financial evaluation indicated that such a reduction would allow the Solid Waste Fund to meet all its financial policy targets in 2015 and 2016; and

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

WHEREAS, Resolution 31516, adopted in April 2014, strengthened the Solid Waste Fund's financial policies by adding an additional debt service coverage policy; and

WHEREAS, the mid-2014 evaluation of Solid Waste Fund financial performance by Seattle Public Utilities determined that an increase to adopted 2015 and 2016 adopted solid waste rates is required to meet the additional debt service coverage requirements established per Resolution 31516; and

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

WHEREAS, a portion of increased solid waste revenues 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 2015 to fund facility upgrades; and

WHEREAS, credits for qualified low income customers should be revised when solid waste rates change; 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((~~, except residences assigned to the One Less Truck Pilot Program, as set forth in subsection 21.40.050.A.12~~)): 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 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~~

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	Effective through March 31, 2015	Effective April 1, 2015	Effective April 1, 2016
Service Units	Rates per Service Unit	Rates per Service Unit	Rates per Service Unit
Micro-can (10-12 gallon)	$19.45	$20.60	$21.30

Mini-can (18-20 gallon)	$23.85	$25.25	$26.10
32 gallon can	$31.05	$32.90	$34.00
60 to 65 gallon cart	$62.10	$65.75	$68.00
90 to 96 gallon cart	$93.15	$98.65	$102.00

2. All residences with backyard garbage container pickup((~~, except residences assigned to the One Less Truck Pilot Program, as set forth in subsection 21.40.050.A.12~~)): 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 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~~

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	Effective through March 31, 2015	Effective April 1, 2015	Effective April 1, 2016
Service Units	Rates per Service Unit	Rates per Service Unit	Rates per Service Unit
32 gallon can	$43.45	$46.00	$47.55
60 to 65 gallon cart	$86.95	$92.10	$95.25
90 to 96 gallon cart	$130.40	$138.10	$142.80

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, the total consolidated service volume divided by the 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. A charge per month or portion thereof of $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 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 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.

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 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:

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~~Effective through March 31, 2013: $8.60 per bundle~~

~~Effective April 1, 2013: $10.00 per bundle~~

~~Effective April 1, 2014:~~

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Effective through March 31, 2015: $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. Curbside electronics pickup service will be available by customer request to all residential can accounts. 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 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~~

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	Effective through March 31, 2015	Effective April 1, 2015	Effective April 1, 2016
Service Units	Rates per Service Unit	Rates per Service Unit	Rates per Service Unit
Mini can (10 to 20 gallon)	$5.15	$5.45	$5.65
32 gallon can	$7.75	$8.20	$8.50
90-96 gallon can	$9.90	$10.50	$10.85
Extra bundle	$4.90	$5.20	$5.40

9. Mandatory Curbside/Alley Compostable Waste Service and Exemptions. Curbside/alley compostable waste service shall be mandatory for all 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 $10 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 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.

((~~12. Seattle Public Utilities shall conduct an One Less Truck Pilot Program (Program) for approximately 800 residences assigned to participate in the Program for six months, to be completed no later than January 31, 2013. All residences assigned to the Program shall be billed a charge per month or portion thereof, for every other week service for each service unit subscribed to, billed directly to the owner, homeowner association, or occupant effective for the six-month Program to be completed no later than January 31, 2013, as follows:~~

~~For residences with curbside/alley garbage container pickup:~~

	~~Rate Structure "A"~~	~~Rate Structure "B"~~
~~Service Units~~	~~Rates per Service Unit~~	~~Rates per Service Unit~~
~~Micro-can (10 to 20 gallon)~~	~~$16.40~~	~~$8.60~~
~~Mini-can (18-20 gallon)~~	~~$20.40~~	~~$14.40~~
~~32 gallon can~~	~~$25.10~~	~~$24.20~~
~~60 to 65 gallon cart~~	~~$31.25~~	~~$40.50~~
~~90 to 96 gallon cart~~	~~$39.30~~	~~$68.00~~

~~For residents with backyard garbage container pickup:~~

~~A rate equal to 1.4 times the "A" or "B" Program rate for curbside/alley garbage pickup.~~

~~The SPU Director is authorized to assign approximately 800 residences to participate in the Program and assign each participating residence to either the "A" or "B" rate structure.~~

~~The SPU Director is authorized to pay a stipend of up to $100 to each residence participating in the Program no later than two months after the end of the Program, the amount of which the SPU Director shall determine based on the rate paid by each residence during the Program.~~))

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:

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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~~
~~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~~

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	Effective Through March 31, 2015	Effective April 1, 2015	Effective April 1, 2016
First unit	$38.10	$40.35	$41.70
Each additional unit	$4.10	$4.35	$4.50

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.

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~~Type of Service~~	~~Effective Through March 31, 2013~~	~~Effective April 1, 2013~~	~~Effective April 1, 2014~~	~~Effective April 1, 2015~~	~~Effective April 1, 2016~~
~~**Deliveries/Pick-Ups/Swap-outs:**~~					
~~- Can/Toter~~	~~$21.50~~	~~$22.85~~	~~$23.80~~	~~$24.80~~	~~$25.65~~
~~**Container Special Services:**~~					
~~Can/Cart Pressure - Washing~~	~~$8.60~~	~~$9.15~~	~~$9.55~~	~~$9.95~~	~~$10.30~~

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Type of Service	Effective Through March 31, 2015	Effective April 1, 2015	Effective April 1, 2016
Deliveries/Pick-Ups/Swap-outs:			
Can/Toter	$23.80	$25.20	$26.05
Container Special			

Services:			
Can/Cart Pressure Washing	$9.55	$10.10	$10.45

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 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. A fixed fee will be charged to each residential detachable container solid waste account, according to the following schedule.

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~~Effective 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~~

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Effective Through March 31, 2015: $33.15

Effective April 1, 2015: $35.25

Effective April 1, 2016: $37.40

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 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~~

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	Effective through March 31, 2015	Effective April 1, 2015	Effective April 1, 2016
Trip Rate	$25.65	$27.15	$28.05
Volume Rate	$19.70	$20.85	$21.55

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.

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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~~

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	Effective through March 31, 2015	Effective April 1, 2015	Effective April 1, 2016
Trip Rate	$25.65	$27.15	$28.05
Volume Rate	$40.00	$42.35	$43.80

D. Pre-Paid Bag Service. 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:

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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~~
~~15 gallon bag~~	~~$3.70~~	~~$3.95~~	~~$4.10~~	~~$4.30~~	~~$4.50~~
~~30 gallon bag~~	~~$5.30~~	~~$5.65~~	~~$5.85~~	~~$6.10~~	~~$6.35~~
~~45 gallon bag~~	~~$8.00~~	~~$8.50~~	~~$8.85~~	~~$9.25~~	~~$9.55~~

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	Effective Through March 31, 2015	Effective April 1, 2015	Effective April 1, 2016
15 gallon bag	$4.10	$4.35	$4.50
30 gallon bag	$5.85	$6.20	$6.40

Compostable waste bag rates for pre-paid bag service shall be 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.

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 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~~

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	Effective through March 31, 2015	Effective April 1, 2015	Effective April 1, 2016
Lock installation	$94.10	$99.65	$103.05
Extra key	$6.75	$7.15	$7.40
Extra padlock	$13.45	$14.25	$14.75

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

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.

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~~Effective through March 31, 2013: $8.60 per bundle~~

~~Effective April 1, 2013: $10.00 per bundle~~

~~Effective April 1, 2014:~~

))

Effective through March 31, 2015: $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	$30.00

(per item)	
Hazardous Waste Charge (per item)	$8.00

J. Curbside Electronics Recycling Pickup. 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. It 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 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.

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~~Type of Service~~	~~Effective Through March 31, 2013~~	~~Effective April 1, 2013~~	~~Effective April 1, 2014~~	~~Effective April 1, 2015~~	~~Effective April 1, 2016~~
~~**Deliveries/Pick-Ups/Swap-outs:**~~					
- ~~Can/Toter~~	~~$21.50~~	~~$22.85~~	~~$23.80~~	~~$24.80~~	~~$25.65~~

- ~~Detachable Container~~	~~$25.85~~	~~$27.50~~	~~$28.65~~	~~$29.90~~	~~$30.90~~
- ~~Drop Box 2-8 CY~~	~~$34.50~~	~~$36.65~~	~~$38.15~~	~~$39.80~~	~~$41.15~~
- ~~Drop Box 10-40 CY~~	~~$53.90~~	~~$57.30~~	~~$59.65~~	~~$62.20~~	~~$64.30~~
~~**Pickup Ancillary Services:**~~					
~~Can/Cart Roll out (>100~~ - ~~fit or up/down stairs)~~	~~$2.15~~	~~$2.30~~	~~$2.40~~	~~$2.50~~	~~$2.60~~
~~Roll Out, Container (<3~~ - ~~CY)~~	~~$6.40~~	~~$6.80~~	~~$7.10~~	~~$7.40~~	~~$7.65~~
~~Reposition, Container >2~~ - ~~CY~~	~~$6.40~~	~~$6.80~~	~~$7.10~~	~~$7.40~~	~~$7.65~~
~~Entering Secured~~ - ~~Buildings~~	~~$4.30~~	~~$4.55~~	~~$4.75~~	~~$4.95~~	~~$5.10~~
~~**Container Special Services:**~~					
~~Detachable Container Washing and Steam~~ - ~~Cleaning, per container~~	~~$32.35~~	~~$34.40~~	~~$35.80~~	~~$37.35~~	~~$38.60~~
~~Drop Box Washing and Steam Cleaning, per Drop~~ - ~~Box~~	~~$43.10~~	~~$45.80~~	~~$47.70~~	~~$49.75~~	~~$51.45~~
~~Can/Cart Pressure~~ - ~~Washing~~	~~8.60~~	~~$9.15~~	~~$9.55~~	~~$9.95~~	~~$10.30~~
~~**Compactor/Drop Box Special Services:**~~					
~~Compactor Disconnect/Reconnect~~ - ~~Cycle~~	~~$36.60~~	~~$38.90~~	~~$40.50~~	~~$42.25~~	~~$43.70~~

~~- Dry Run~~	~~$75.40~~	~~$80.15~~	~~$83.45~~	~~$87.05~~	~~$90.00~~
~~**Other Ancillary Services:**~~					
~~Hourly Paid Special, - Truck and Driver~~	~~$193.95~~	~~$206.15~~	~~$214.60~~	~~$223.85~~	~~$231.45~~
~~Hourly Paid Special, - Swamper~~	~~$64.60~~	~~$68.65~~	~~$71.45~~	~~$74.50~~	~~$77.05~~

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Type of Service	Effective through March 31, 2015:	Effective April 1, 2015	Effective April 1, 2016
Deliveries/Pick-Ups/Swap-outs:			
Can/Toter	$23.80	$25.20	$26.05
Detachable Container	$28.65	$30.35	$31.40
Drop Box 2-8 CY	$38.15	$40.40	$41.75
Drop Box 10-40 CY	$59.65	$63.15	$65.30
Pickup Ancillary Services:			
Can/Cart Roll out (>100 fit or up/down stairs)	$2.40	$2.55	$2.65
Roll Out, Container (<3 CY)	$7.10	$7.50	$7.75
Reposition, Container >2 CY	$7.10	$7.50	$7.75
Entering Secured Buildings	$4.75	$5.05	$5.20
Container Special Services:			

Detachable Container Washing and Steam Cleaning, per container	$35.80	$37.90	$39.20
Drop Box Washing and Steam Cleaning, per Drop Box	$47.70	$50.50	$52.20
Can/Cart Pressure Washing	$9.55	$10.10	$10.45
Compactor/Drop Box Special Services:			
Compactor Disconnect/Reconnect Cycle	$40.50	$42.90	$44.35
Dry Run	$83.45	$88.35	$91.35
Other Ancillary Services:			
Hourly Paid Special, Truck and Driver	$214.60	$227.25	$235.00
Hourly Paid Special, Swamper	$71.45	$75.65	$78.20

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. 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 March 31, 2013: $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~~

))

Effective through March 31, 2015: $23.00

Effective April 1, 2015: $24.35

Effective April 1, 2016: $25.20

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 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 March 31, 2013~~	~~Effective April 1, 2013~~	~~Effective April 1, 2014~~	~~Effective April 1, 2015~~	~~Effective April 1, 2016~~
~~Trip Rate~~	~~$13.50~~	~~$14.35~~	~~$14.95~~	~~$15.60~~	~~$16.10~~
~~Volume Rate~~	~~$22.90~~	~~$24.35~~	~~$25.35~~	~~$26.45~~	~~$27.35~~

))

	Effective Through March 31, 2015	Effective April 1, 2015	Effective April 1, 2016
Trip Rate	$14.95	$15.85	$16.45
Volume Rate	$23.35	$26.85	$27.75

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

((

	~~Effective Through March 31, 2013~~	~~Effective April 1, 2013~~	~~Effective April 1, 2014~~	~~Effective April 1, 2015~~	~~Effective April 1, 2016~~
~~Trip Rate~~	~~$13.50~~	~~$14.35~~	~~$14.95~~	~~$15.60~~	~~$16.10~~
~~Volume Rate~~	~~$46.50~~	~~$49.40~~	~~$51.45~~	~~$53.65~~	~~$55.50~~

))

	Effective Through March 31, 2015	Effective April 1, 2015	Effective April 1, 2016
Trip Rate	$14.95	$15.85	$16.40
Volume Rate	$51.45	$54.50	$56.35

3. Pre-Paid Bag Service. 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 March 31, 2013~~	~~Effective April 1, 2013~~	~~Effective April 1, 2014~~	~~Effective April 1, 2015~~	~~Effective April 1, 2016~~
~~15 gallon bag~~	~~$3.70 per bag~~	~~$3.95 per bag~~	~~$4.10 per bag~~	~~$4.30 per bag~~	~~$4.50 per bag~~
~~30 gallon bag~~	~~$5.30 per bag~~	~~$5.65 per bag~~	~~$5.85 per bag~~	~~$6.10 per bag~~	~~$6.35 per bag~~
~~45 gallon bag~~	~~$8.00 per bag~~	~~$8.50 per bag~~	~~$8.85 per bag~~	~~$9.25 per bag~~	~~$9.55 per bag~~

))

	Effective Through March 31, 2015	Effective April 1, 2015	Effective April 1, 2016

15 gallon bag	$4.10	$4.35	$4.50
30 gallon bag	$5.85	$6.20	$6.40

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 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.

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. 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.

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

((

	~~Effective Through March 31, 2013~~	~~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~~	~~$8.80~~	~~$9.40~~	~~$9.75~~	~~$10.15~~	~~$10.50~~

~~Per 60-65 gallon can pickup~~	~~$17.20~~	~~$18.30~~	~~$19.05~~	~~$19.85~~	~~$20.55~~
~~Per 90-96 gallon can pickup~~	~~$20.20~~	~~$21.45~~	~~$22.35~~	~~$23.30~~	~~$24.10~~

))

	Effective Through March 31, 2015	Effective April 1, 2015	Effective April 1, 2016
Per 10-20 gallon can pickup	$6.65	$7.05	$7.30
Per 32 gallon can pickup	$9.75	$10.35	$10.70
Per 60-65 gallon can pickup	$19.05	$20.15	$20.85
Per 90-96 gallon can pickup	$22.35	$23.65	$24.45

When a set number of units are serviced each week, the customer may be billed at a flat monthly collection charge equal to 4.33 times the applicable unit rate, times the number of units serviced each week.

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. The charges for extra garbage collection will be assessed per bundle. Any such charges will be in addition to the customer's regular container collection service charges.

((

~~Effective through March 31, 2013: $8.60 per bundle~~

~~Effective April 1, 2013: $10.00 per bundle~~

~~Effective April 1, 2014:~~

))

Effective through March 31, 2015: $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
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 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 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 March 31, 2013~~	~~Effective April 1, 2013~~	~~Effective April 1, 2014~~	~~Effective April 1, 2015~~	~~Effective April 1, 2016~~
~~Permanent Account Pickup~~					
~~Up to 8 cu yd~~	~~$127.85~~	~~$135.90~~	~~$141.45~~	~~$147.55~~	~~$152.55~~
~~Over 8 cu yd~~	~~$171.60~~	~~$182.40~~	~~$189.90~~	~~$198.05~~	~~$204.80~~
~~Special/Temporary Pick-Up~~					
~~Up to 8 cu yd~~	~~$140.65~~	~~$149.50~~	~~$155.65~~	~~$162.35~~	~~$167.85~~
~~Over 8 cu yd~~	~~$188.75~~	~~$200.65~~	~~$208.90~~	~~$217.90~~	~~$225.30~~
~~Monthly Account/Rental~~	~~$98.40~~	~~$98.40~~	~~$98.40~~	~~$98.40~~	~~$98.40~~

))

Service Type	Effective Through March 31, 2015	Effective April 1, 2015	Effective April 1, 2016
Permanent Account Pickup			
Up to 8 cu yd	$141.45	$149.80	$154.90
Over 8 cu yd	$189.90	$201.10	$207.95
Special/Temporary Pick-Up			
Up to 8 cu yd	$155.65	$164.85	$170.45
Over 8 cu yd	$208.90	$221.25	$228.75
Monthly Account/Rental	$98.40	$104.20	$107.75

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 March 31, 2013~~	~~Effective April 1, 2013~~	~~Effective April 1, 2014~~	~~Effective April 1, 2015~~	~~Effective April 1, 2016~~
~~**Deliveries/Pick-**~~					

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

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

))

Type of Service	Effective Through March 31, 2015	Effective April 1, 2015	Effective April 1, 2016
Deliveries/Pick-Ups/Swap-outs:			
- Can/Toter	$23.80	$25.20	$26.05
- Detachable Container	$28.65	$30.35	$31.40
- Drop Box 2-8 CY	$38.15	$40.40	$41.75
- Drop Box 10-40 CY	$59.65	$63.15	$65.30
Pickup Ancillary Services:			
- Can/Cart Roll out (>100 fit or up/down stairs)	$2.40	$2.55	$2.65

- Roll Out, Container (<3 CY)	$7.10	$7.50	$7.75
- Reposition, Container >2 CY	$7.10	$7.50	$7.75
- Entering Secured Buildings	$4.75	$5.05	$5.20
Container Special Services:			
- Detachable Container Washing and Steam Cleaning, per container	$35.80	$37.90	$39.20
- Drop Box Washing and Steam Cleaning, per Drop Box	$47.70	$50.50	$52.20
- Can/Cart Pressure Washing	$9.55	$10.10	$10.45
Compactor/Drop Box Special Services:			
- Compactor Disconnect/Reconnect Cycle	$40.50	$42.90	$44.35
- Dry Run	$83.45	$88.35	$91.35
Other Ancillary Services:			
- Hourly Paid Special, Truck and Driver	$214.60	$227.25	$235.00
- Hourly Paid Special, Swamper	$71.45	$75.65	$78.20

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 0.01 ton.

((

~~Effective through March 31, 2013: $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~~

))

Effective through March 31, 2015: $162.00 per ton

Effective April 1, 2015: $171.55 per ton

Effective April 1, 2016: $177.40 per ton

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 0.01 ton. Charges for this service shall be as follows:

((

~~Effective through March 31, 2013: $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~~

))

Effective through March 31, 2015: $81.05 per ton

Effective April 1, 2015: $85.85 per ton

Effective April 1, 2016: $88.75 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 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 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 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. 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~~
~~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~~

))

Effective Date	**Per ton rate**	**Total minimum charge**
Effective through March 31, 2015	$103.55	$2,589.00
April 1, 2015	$109.65	$2,740.00
April 1, 2016	$113.40	$2,835.00

* * *

Section 5. 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 one-half (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 one-half (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 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~~

))

	Effective Through March 31, 2015	Effective April 1, 2015	Effective April 1, 2016
Garbage can customers	$15.55 per month	$16.45 per month	$17.00 per month
Detachable container customers	$12.70 per month	$13.45 per month	$13.90 per month
Yardwaste customers	$4.95 per month	$5.25 per month	$5.45 per month

* * *

Section 6. 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 7. 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 8. 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 _____, 2014, and signed by me in open session in authentication of its passage this _____ day of _____, 2014.

_____
President _____of the City Council

Approved by me this ____ day of _____, 2014.

_____
Edward B. Murray, Mayor

Filed by me this ____ day of _____, 2014.

_____
Monica Martinez Simmons, City Clerk

(Seal)

Srinivas Duggirala
SPU SWF Mid-Term FISC
September 30, 2014
Version #1

Form revised: December 6, 2011

FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
Seattle Public Utilities	Srinivas Duggirala/233-7153	Aaron Blumenthal/233-2656

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; and amending Chapters 21.40, 21.76 of the Seattle Municipal Code.

Summary of the Legislation:
This proposed ordinance would adjust solid waste rates for residential and commercial customers for 2015 and 2016 based upon the adjustment mechanism outlined in Ordinance 124056, and change the low-income assistance credits for solid waste customers.

Background:

The Council in November of 2012 adopted solid waste rates for 2013-2016 and provided a mid-term adjustment mechanism to modify rates if the Solid Waste Fund was not expected to meet its financial policy targets. Earlier this year the Council passed Resolution 31516 to help preserve the Solid Waste Fund's favorable bond rating by introducing a new debt service coverage policy. This ordinance would increase the scheduled solid waste rate increase in 2015 by 1.6% to 5.9% to meet this new debt service coverage policy. The previously scheduled 2016 rate increase of 3.4% will remain, though 2016 rates will be higher due to an increase of the previously approved base rate in 2015.

Please check one of the following:

____ **This legislation does not have any financial implications.**

__X__ **This legislation has financial implications.**

Anticipated Revenue/Reimbursement Resulting from this Legislation:

Fund Name and Number	Department	Revenue Source	2015 Revenue	2016 Revenue
Solid Waste Fund 45010	Seattle Public Utilities	Solid Waste Services	$2,438,010	$3,282,062
TOTAL			$2,438,010	$3,282,062

Revenue/Reimbursement Notes:
The 2015 and 2016 revenues are the additional solid waste revenues resulting from the upward adjustment in SPU's solid waste rates compared to already-approved rates.

Other Implications:

a) **Does the legislation have indirect financial implications, or long-term implications?**
No.

b) **What is the financial cost of not implementing the legislation?**
The Solid Waste Fund would not meet its financial policy obligations, possibly risking a rating downgrade and increasing the cost of future bond financing.

c) **Does this legislation affect any departments besides the originating department?**
City of Seattle departments incurred roughly $400,000 in solid waste collections costs in 2013. With the already approved 2014-2106 rate increases, those costs would increase to $460,000 by 2016. This legislation will increase those costs by an additional $7,000. Utility tax payments to the general fund will increase by $279,000 in 2015 and by $375,000 in 2016.

d) **What are the possible alternatives to the legislation that could achieve the same or similar objectives?**
Not raising solid waste rates at this time would result in the Solid Waste Fund failing to meet its financial policy targets.

e) **Is a public hearing required for this legislation?**
No.

f) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
No.

g) **Does this legislation affect a piece of property?**
No.

h) **Other Issues:**
None.

List attachments to the fiscal note below:

Exhibit A: Solid Waste Fund Mid-Term Adjustment 2015-2016 Changes Since Rate Study

Srinivas Duggirala
SPU SWF Mid-Term FISC EXH A
September 30, 2014
Version #1

EXHIBIT A

10/14/2014

Seattle Public Utilities
Solid Waste Fund Mid-Term Rate Adjustment
2015-2016 Changes Since Rate Study
($ millions)

		2015 Rate Study	2015 Revised	Change	2016 Rate Study	2016 Revised	Change
1	**APR 1 RATE INCREASE**	**4.3%**	**5.9%**	**1.6%**	**3.4%**	**3.4%**	**0.0%**
2							
3	**REVENUES**						
4	**Service Revenue**	**$163.1**	**$160.0**	**($3.1)**	**$168.2**	**$164.3**	**($3.9)**
5	*- Single Family Can Size*	*28.7*	*27.7*				
6	*- Multi Family pickups per year*	*453,000*	*438,000*				
7	**Transfer Station Revenue**	**$10.2**	**$8.0**	**($2.2)**	**$9.7**	**$8.8**	**($0.8)**
8	*- 28% reduction from NTS closure*						
9	**Recycling Revenue** *(lower commodity prices)*	**$2.9**	**$0.8**	**($2.1)**	**$2.9**	**$0.8**	**($2.1)**
10	**Other Revenue**	**$0.5**	**$0.7**	**$0.2**	**$0.5**	**$0.4**	**($0.0)**
11	**RSF** *(better than expected 2013/14 results)*	**$0.0**	**$2.5**	**$2.5**	**$0.0**	**$3.5**	**$3.5**
12	**Mid-Term Adjustment (new DSC)**	**$0.0**	**$2.4**	**$2.4**	**$0.0**	**$3.3**	**$3.3**
13	*- DSC excluding taxes*	*1.30*	*1.50*				
14	**TOTAL REVENUES**	**$176.7**	**$174.5**	**($2.2)**	**$181.2**	**$181.3**	**$0.1**
15							
16	**EXPENSES**						
17	**Contracts, O&M**	**$136.2**	**$132.4**	**($3.9)**	**$139.3**	**$135.9**	**($3.4)**
18	*- 2013/2014 contract inflation (2.5% -> 1.8%)*						
19	*- 2015/2016 contract inflation*	*2.5%*	*2.5%*		*2.5%*	*2.5%*	
20	*- Lower demand*						
21	**Interest, Depreciation**	**$18.6**	**$20.4**	**$1.8**	**$19.2**	**$20.7**	**$1.5**
22	*- 2014 bond issue rate*	*4.5%*	*3.3%*				
23	**Taxes** *(lower due to lower revenues)*	**$21.2**	**$21.0**	**($0.1)**	**$21.5**	**$21.5**	**($0.1)**
24	**Clean City, Net** *(GF support for shortfall)*	**$0.7**	**$0.0**	**($0.7)**	**$1.0**	**$0.0**	**($1.0)**
25	**TOTAL EXPENSES**	**$176.7**	**$173.8**	**($2.8)**	**$181.1**	**$178.1**	**($3.0)**
26							
27	**Net Income**	**$0.0**	**$0.7**	**$0.6**	**$0.1**	**$3.1**	**$3.0**
28							
29	*Debt Service Coverage (1.7x Policy)*	*2.61*	*2.83*	*0.22*	*2.27*	*2.69*	*0.42*
30	**Debt Service Coverage (1.5x Policy)**	**1.30**	**1.50**	**0.20**	**1.15**	**1.50**	**0.35**

City of Seattle
Edward B. Murray
Mayor

November 4, 2014

Honorable Tim Burgess
President
Seattle City Council
City Hall, 2nd Floor

Dear Council President Burgess:

I am transmitting the attached proposed Council Bill that would adjust Seattle Public Utilities' solid waste rates for 2015 and 2016. The Council two years ago approved solid waste rates through 2016 which included a mid-term adjustment provision for 2015 and 2016 in the case the Solid Waste Fund (SWF) was projected to miss its financial policy targets. These proposed rate changes are necessary to meet the obligations of the new SWF debt service coverage financial policy, which was approved last April to preserve the SWF bond ratings.

The already-approved 2015 rate will increase by 1.6% to 5.9%. The 2016 rate increase will remain at 3.4%, but will now be applied to the higher 2015 rates. A typical monthly residential solid waste bill as of April 1 of each year will increase from $40.95 in 2014 to $43.40 in 2015 and $44.85 in 2016. Rates at SPU's transfer stations will not change. To partially offset the impact of the rate increase, this legislation would revise credits for qualifying low-income customers.

Thank you for your consideration of this legislation. Should you have questions, please contact Vas Duggirala at 233-7153.

Sincerely,

Edward B. Murray
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

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