

## SUMMARY and FISCAL NOTE\*

<b>Department:</b>	<b>Dept. Contact/Phone:</b>	<b>CBO Contact/Phone:</b>
Seattle Public Utilities	Hans Van Dusen/4-4657	Aaron Blumenthal/3-2656

*\* Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

### 1. BILL SUMMARY

1. **Legislation Title:** AN ORDINANCE authorizing the General Manager/CEO of Seattle Public Utilities to execute contracts with Recology King County and Waste Management of Washington, for solid waste collection and transfer services; and ratifying and confirming certain prior acts.
  
2. **Summary and background of the Legislation:** Seattle Public Utilities (SPU) solid waste collection contracts will end on March 31, 2019. SPU issued a Request for Proposal last year for new contracts and reviewed the submitted proposals. The utility selected two firms based on the evaluation criteria in the RFP and negotiated new 10-year service contracts that will begin in April 2019. The selected firms are also the current service providers, Recology and Waste Management. This ordinance would authorize SPU to sign and implement these new service contracts in early 2018, which is necessary to provide sufficient lead time for the new contractors to purchase, receive, and deploy the new collection vehicles required under the contracts.

### 2. CAPITAL IMPROVEMENT PROGRAM

- a. **Does this legislation create, fund, or amend a CIP Project?**      Yes  No

### 3. SUMMARY OF FINANCIAL IMPLICATIONS

- a. **Does this legislation amend the Adopted Budget?**      Yes  No

The new service contracts will be effective April 2019. The new contracts are estimated to generate \$4.3 million in savings compared with current contracted costs in 2019, which will be incorporated in the 2019 budget currently in development.

- b. **Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?**  
No

- c. **Is there financial cost or other impacts of *not* implementing the legislation?**  
The current solid waste collection and transfer contract ends March 2019, with an option for a two-year extension to March 2021. Without the new contract in place, there would be no mechanism for the City to collect and transfer solid waste.

The new service contracts would be an ongoing change starting April 1, 2019 and running through March 31, 2029. Due to the contract term beginning in April, savings from the new contract, compared with current contracts, are estimated to be \$4.3 million for 2019, and \$5.2 average annually for 2020-2029. Annual savings will be incorporated in the budget for 2019 and all future years.

#### **4. OTHER IMPLICATIONS**

- a. Does this legislation affect any departments besides the originating department?**  
No.
- b. Is a public hearing required for this legislation?**  
No.
- c. Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?**  
No.
- d. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**  
No.
- e. Does this legislation affect a piece of property?**  
No.
- f. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?**  
No.
- g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s).**  
N/A

**List attachments/exhibits below:**