

# Seattle Public Utilities Construction Waste Contract

Civil Rights, Utilities, Economic Development,  
& Arts Committee

February 26, 2019



# Proposed Ordinance

- Authorizes SPU to sign new **6-12 year contract** with **Waste Management** for construction waste hauling in Seattle.
- Covers delivery and collection of **temporary drop boxes** at **construction sites** for **non-recyclable waste**.
- Most construction waste is serviced outside of this contract – by **independent recyclers** or **self-hauled by large construction firms**.
- Covers less than 10% of total disposed construction waste.
- Seattle required to regulate and contract for this remaining waste hauling.



# RFP for Construction Waste Services

- Request for Information and **Request for Proposals** posted last fall - to continue services in 2019 and beyond.
- Six firms engaged in the procurement process and **final proposals** were received from **Recology and Waste Management** in October 2018.
- Both proposals were rated high. **Waste Management received slightly higher marks** across all elements, including proposed operations, customers service, past performance, and prices.
- SPU selected Waste Management as the finalist and negotiated a final contract.



# Service Highlights

- **All renewable natural gas fleet.**
- **Enhanced customer service and education at construction sites.**
- **Smooth service transition for April 1, 2019.**
- **Improved load monitoring and customer outreach to increase recycling and salvage.**



# Costs and Fees

- New retail **service prices are comparable to current expiring contract.**
- There is **minimal impact on SPU budget** since SPU retains only the franchise fee in the current and future service agreements.
- Franchise revenue will increase from approximately \$15,000 per year to \$20,000 per year.
- The contract value is under \$400,000 per year for Waste Management.



# Questions?

