

# 2021 Seattle City Council Budget Action

Council Budget Action: Agenda

Tab	Action	Option	Version
BLG	017	A	001

**Budget Action Title:** Pass CB 119922 - SPU 2021 Drainage and Wastewater System Bond Ordinance

Ongoing: Yes Has Budget Proviso: No

Has CIP Amendment: No Has Attachment: No

Primary Sponsor: Budget Committee

Council Members:

Staff Analyst: Brian Goodnight

Council Bill or Resolution: CB 119922

Date		Total	LH	TM	KS	AP	DJ	DS	AL	TM	LG
	Yes	0									
	No	0									
	Abstain	0									
	Absent	0									

### Summary of Dollar Effect

See the following pages for detailed technical information

	2021 Increase (Decrease)	2022 Increase (Decrease)
<b>General Fund</b>		
<b>General Fund Revenues</b>	\$0	
<b>General Fund Expenditures</b>	\$0	
<b>Net Balance Effect</b>	<b>\$0</b>	
<b>Total Budget Balance Effect</b>	<b>\$0</b>	

### Budget Action Description:

This budget action recommends passage of CB 119922, Seattle Public Utilities' (SPU) 2021 drainage and wastewater system bond ordinance. This CB would amend Ordinance 125454, passed in November 2017, as amended by Ordinance 125712, passed in November 2018, to authorize up to \$500 million of 30-year fixed-rate bonds to support the City's drainage and wastewater system.

Up to \$150 million would be used for debt optimization, a process that would be authorized by a separate piece of proposed budget legislation, CB 119923, the Drainage and Wastewater Omnibus Bond Defeasance ordinance.

The other \$350 million would be used to fund capital expenditures. Of this amount, \$192 million has already been issued in the form of a U.S. Environmental Protection Agency Water Infrastructure Finance and Innovation Act loan for the Ship Canal Water Quality project. The remaining \$158 million of bond

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proceeds would support approximately 24 months of construction activity. SPU estimates the annual debt service on the \$158 million of bonds to be about \$8 million, beginning in 2022.

The City's Debt Management Policy Advisory Committee voted on October 14, 2020 recommending that the City approve the loans and bonds that would be authorized by this legislation.

## Budget Action Transactions

#	Transaction Description	Position Title	Number of Positions	FTE	Dept	BSL	Fund	Year	Revenue Amount	Expenditure Amount
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