



## City Council

### Approval of an Ordinance Creating a Waste ReSources Capital Fund for Monies Being Set Aside for a Future Maintenance Center and Other Capital Expenditures

**Agenda Date:** 12/18/2018  
**Agenda Item Number:** 4.O  
**File Number:** 18-1191

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**Type:** ordinance **Version:** 2 **Status:** Passed

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#### **Title**

Approval of an Ordinance Creating a Waste ReSources Capital Fund for Monies Being Set Aside for a Future Maintenance Center and Other Capital Expenditures

#### **Recommended Action**

##### **Committee Recommendation:**

Not referred to a committee.

##### **City Manager Recommendation:**

Move to approve the ordinance to create a Waste ReSources Capital Fund for monies being set aside for a future Maintenance Center and other capital expenditures on second reading.

#### **Report**

##### **Issue:**

Whether to create a Waste ReSources Capital Fund for monies being collected to fund a future Maintenance Center and other capital expenditures.

##### **Staff Contact:**

Olivia Oudman, Senior Accountant, Administrative Services, 360.753.8435

##### **Presenter(s):**

None - Consent Calendar Item

##### **Background and Analysis:**

Background and analysis has not changed from first reading to second reading.

As part of the 2018 budget, City Council approved a 4 percent rate increase to the Waste ReSources base services on residential, commercial and drop box utility rates as authorized by Ordinance No. 7113. The purpose of the rate increase was to fund a future maintenance center for the Waste ReSources Utility.

Currently, the revenue collected from the 4 percent rate increase is being accounted for in the operating budget. Since the intent of the increase is to cover a future capital expense, staff recommends establishing a Waste ReSources Capital Fund.

The new fund will be restricted to capital expenditures for the Waste ReSources Utility.

**Neighborhood/Community Interests (if known):**

None known.

**Options:**

1. Move to approve the ordinance establishing a Waste ReSources Capital Fund to account for the 4 percent additional utility rate increase. The rate increase, intended to cover the cost of a future Waste ReSources maintenance facility, will be tracked.
2. Do not approve the ordinance to establish a capital fund for monies collected by the 4 percent Waste ReSources utility rate increase. The additional revenue collected will remain in the operating budget.

**Financial Impact:**

The Waste ReSources Utility projects additional revenue in 2018 and 2019 to be \$374,400 and \$390,300, respectively.

**Attachments:**

Ordinance