



Mike McGinn, Mayor
City of Seattle

July 27, 2012

Theo Galoozis
VP of Labor Relations
Waste Management, Inc.
1001 Fannin St, Ste 4000
Houston, TX 77002

Dean Kattler
Pacific NW Area VP
Waste Management, Inc.
720 4th Ave
Kirkland, WA 98033

Mary Evans
Area Director, Public Sector Services
Waste Management – Pacific Northwest Area
720 4th Avenue, Suite 400
Kirkland, WA 98033

Ms. Evans, and Messrs. Galoozis and Kattler:

It is my understanding that Waste Management's CBA with Teamsters Local 117, covering green-waste and recycling drivers, expired on May 31, 2012 and that, to date, there has been no progress toward a mutually agreed upon solution.

The current impasse has resulted in a strike and consequently service disruption for 90,000 households and 5,000 businesses over a substantial portion of our city. If not resolved, this situation could quickly escalate from an inconvenience to a hardship for a great number of individuals who live and work in Seattle.

As in our previous communication with the parties, dated June 8, 2012, I would again stress that you come back to the table and bargain in good faith to reach a resolution as soon as possible.

If our office can help facilitate a satisfactory outcome, do not hesitate to let us know how we can assist. However, should the service interruption continue we will take the necessary steps, as outlined in our contract with Waste Management, to protect our ratepayers and encourage restoration of service, including:

- If any services are interrupted, contractors need to provide make-up service on the following days.
- The City can deduct payments to Waste Management for any services that are not completed the next day, approximately \$4,500 per day.

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- For any interruptions that continue more than a week, contractors can also be fined substantially for service failure, up to \$250,000 per day (August 1, 2012, in this case).
- Additional steps as outlined in the agreement, including having the contractor's bonding agency attempt to provide service, and then finally to have the city take over the equipment and services.

In light of the hardship this service interruption has the potential to impose on your customers in Seattle and the region, I urge you to redouble your efforts to secure a new contract and restore service in the region.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike McGinn", with a stylized flourish at the end.

Mike McGinn
Mayor