

**Solid Waste Interjurisdictional Technical Staff Work Group**  
**Meeting Summary**  
**November 9, 2005**  
**King Street Center**

**Meeting Attendees:**

City Staff:

Sharon Hlavka – City of Auburn  
Susan Fife-Ferris – City of Bellevue  
Rob Van Orsow – City of Federal Way  
Elaine Borjeson – City of Kirkland  
Jon Spangler – City of Redmond  
Linda Knight – City of Renton  
Desmond Machuca – City of SeaTac

County Staff:

Tom Karston - SWD  
Kevin Kiernan - SWD  
Diane Yates – SWD  
Gemma Alexander - SWD

**I. Review October Minutes**

Susan Fife-Ferris of Bellevue asked for clarification on comments by council staff recorded on page four. The minutes were approved as submitted.

**II. SWD Update**

Intergovernmental Relations Liaison Diane Yates introduced the division's new finance and rate analyst, Tom Karston. Everyone present introduced themselves.

Engineering Services Manager Kevin Kiernan said the State Auditor has released their audit findings. He reported that the auditor did not support back rent on the Cedar Hills landfill, and King County is not going to charge the division back rent. The division will only pay current rent each year with a built-in escalator for cost-of-living adjustments. The rent does not impact rates and will end when Cedar Hills closes.

ITSG discussed property ownership issues related to Cedar Hills, existing transfer stations and potential new stations. Kiernan stated that the division's expenses exceeded revenues in to the early 1980's. Major capital acquisitions, including property, were charged to the County's current expense fund. It was not until the mid-1980's that the division became a self-sufficient enterprise. Properties acquired after that time used division funds and are the property of the SWD. The Enumclaw Transfer Station, the Eastgate property and the Harbor Island property are owned by the division rather than King County. Executive Sims has committed to not charging rent on the transfer stations.

**III. Long Haul Options**

Kiernan gave a PowerPoint presentation on the analysis of long haul transport options. Rail, barge and truck alternatives were evaluated. Barging requires an eleven day round-trip travel time, which has significant impacts on capital and operating costs and appears to be a fatal flaw. Trucking has very high staffing requirements which significantly impacts operating costs and appears to be a fatal flaw. While there are obstacles to rail as well, particularly local switchyard congestion, rail appears to be the most cost-effective alternative for long hauling. Fife-Ferris made several suggestions for improving the draft report chapter on this topic. The division agreed to the changes and to posting the presentation on an ftp site.

#### **IV. Public/Private Matrix Conclusions**

Kiernan presented the division's conclusions on the policy questions raised in the matrix, and said that this document has largely been superseded by the draft chapter on public and private options in Milestone Report #4. The division has continued to meet with the private haulers. They are primarily interested in bidding on commercial-only facilities, and would prefer not to provide self haul service. The haulers would like to see open bidding on disposal as soon as possible. In response to a question, Kiernan said the division has heard from the cities that they are interested in requiring the same siting standards for both public and private facilities. Many cities are considering amending their codes to address siting of future facilities. They are aware that new or expanded recycling facilities are necessary if recycling goals are to be achieved. Siting criteria will be included in the Comp Plan update.

Karston commented that public/private partnerships are primarily concerned with risk transfer and public sector debt/cash management. Kiernan added that the term "risk" can mean different things to different people. The division has frequently discussed risk in terms of the environment and responsibility for SuperFund sites. Economists also address risk in the context of capital project design, financing and execution.

Fife-Ferris asked the division to set aside time in a future meeting to discuss labor issues related to public/private options in more detail. She said that her city will want a deeper understanding of the issues that affect the county's ability to contract out work.

Kiernan said that there are substantial legal and contractual obstacles to contracting existing work, such as the operation of existing transfer stations. Contracting for an entirely new service, such as an intermodal operation, is allowable. Where there is a historical precedent for the private sector providing a service, contracting could be allowable. Up to 40% of King County's waste has historically passed through private transfer stations.

Rob Van Orsow of Federal Way asked the division to provide updates on the results of meetings with haulers and labor.

#### **V. Sensitivity Analysis**

Karston gave a PowerPoint presentation of the division's sensitivity analysis. The analysis considered three scenarios: full early export, partial early export and removal (diversion) of a portion of waste from the system. The scenario of filling Cedar Hills to capacity before beginning waste export was used as a baseline for cost comparison. The analysis found that exporting all of King County's waste as soon as possible would cost \$107 million (present value) more than the baseline scenario. Exporting approximately 200,000 tons (20%) of King County's waste would cost \$16 million (present value) more than the baseline scenario. Due to changes in the division's operating environment over the last several years this number is projected to be less than was projected in past models, and merits further evaluation. Entirely removing approximately 200,000 tons of

King County's waste from the system would cost \$103 million (present value) more than the baseline scenario.

This analysis, particularly partial early export, raises questions for further study, including:

- What export price would equal current costs?
- At what quantity might partial early export be cost effective?

ITSG discussed the analysis. Several members commented on the apparently high cost of diverting some waste from the current system, both to the smaller system that would remain, and to the new, small, operation that would manage the diverted waste. Issues related to long-term competitiveness were briefly discussed, as well as the City of Seattle's status with regard to its waste export plan.

## **VI. Transfer System Options**

Yates distributed copies of the suggestion submitted by the City of Redmond. Jon Spangler of Redmond introduced his city's suggestion. He said that the time remaining before Cedar Hills expected closure in 2015 is not sufficient to allow for all of the transfer system improvements required to prepare for waste export. With that in mind, Redmond considered what actions may help the system operate during the interim period that may occur if Cedar Hills closes before transfer station upgrades are complete. He said Redmond's suggestion is not meant as a long-term option for the solid waste system, but as a means of managing the system until the selected package can be achieved. He suggested that hydraulic slides may eliminate the need for 200 feet of clearance at transfer stations with retrofitted compactors, yard goats may achieve adequate compaction in place of compactors, and that forklifts may further mitigate space constraints.

Kiernan said the division is not familiar with hydraulic slides, and will investigate this technology. He said the division already uses yard goats at its transfer stations. He described the system used by Kitsap County at its only facility, which is a co-located transfer and intermodal facility. This system is similar to the forklift operation suggested, but may not be transferable to the King County system because of the walking floor trailers used by the division. Because of the short remaining lifespan of the landfill, replacing the division's walking floor trucks may not be cost effective. Kiernan added that although the cost is higher, it is possible to export uncompacted waste.

## **VII. Next Steps**

Yates said the division will email Redmond's suggestion to MSWMAC for discussion at next week's meeting. After the MSWMAC meeting on November 15, she will contact ITSG by email to schedule its December meeting.