

**MSWAC Advisory Committee Meeting**  
 March 8, 2024 - 11:15 a.m. to 1:15 p.m.  
 Virtual Meeting (Zoom)

<b><u>MSWAC Members</u></b>		<b><u>King County Staff</u></b>
Troy Linnell	Algona	Sylvaine Bucher, SWD staff
Joan Nelson	Auburn	Lauren Cole, SWD staff
Jon Gire	Bellevue	Jerome Cruz, Public Health Seattle/King County
Ella Williams	Bellevue	Tristen Gardner, King County Hazardous Waste staff
Jenne Alderks	Bothell	Brian Halverson, SWD staff
Emily Warnock	Bothell	Lindy Honaker, SWD staff
Kim Muromoto	Clyde Hill	Elka Peterson Horner, PSB Staff
Shellie Bates	Covington	Christine Kim, SWD staff
Chris Searcy	Enumclaw	Eliza Kruszynski, SWD staff
Brian Spindor	Enumclaw	Patty Liu, SWD staff
Rebecca Kovar	Federal Way	Pat McLaughlin, SWD staff
Rob Van Orsow	Federal Way	Laila McClinton, SWD staff
Nina Rasmussen	Kenmore	Amy Ockerlander, SWD staff
Tony Donati	Kent	Terra Rose, King County Council
Jenna McInnis	Kirkland	Andy Smith, SWD staff
Penny Sweet	Kirkland	Christopher Stubbs, SWD Deputy Director
Jeff Brauns	Newcastle	John Taylor, DNRP Director
Sheri Healey	Normandy Park	Isabelle Trujillo, SWD staff
Micah Bonkowski	Redmond	John Walsh, SWD staff
Aaron Moldver	Redmond	Madelaine Yun, King County Hazardous Waste staff
Amy Tsai	Redmond	
Meara Heubach	Renton	<b><u>Guests</u></b>
Linda Knight, Vice Chair	Renton	Madeline Fleisher
Greg Statmatiou	Sammamish	Jeannette Jurgensen, Bin There Consulting
Genevieve Rubinelli	Sammamish	Han Kirkland, Waste Management
Mason Giem	SeaTac	Laura Moser, Waste Management
Sarah Bruemmer	Shoreline	Marty Mudd, Jacobs Engineering
		Kaylie Wallin, Republic Services
		Diana Wadley, Dept. of Ecology
		Wendy Weiker, Republic Services

**Call to Order and Introductions**

Chair Sweet called the meeting to order at 11:21 a.m. Introductions followed.

**Meeting Minutes**

Searcy moved to approve the February minutes. Knight seconded. Minutes passed unanimously.

**Public Comment**

Wadley shared two items beginning with that there is no universal symbol for reuse like there is for recycling (three arrow loop). More and more things are coming into the reuse arena like the r-cup program and to-go containers that are meant to be reused and brought back, which has created a niche market for reuse and a heightened importance in creating that reuse symbol. The group PR3 is working to develop a universal reuse symbol and will be taking a vote on the top symbols that are either currently in use or being brainstormed. Vote on your [favorite symbol](#).

The second item related to contracting - in 2022, Ecology worked with the Evans School of Public Policy and Governance on a report, and it is just now [published](#). This report has to do with solid waste and MRF mapping. There will also be a workshop style session at the WSRA Conference about managing your solid waste contract and will be hosted by Jeannete Jurgensen of Bin There Consulting.

### **SWD Updates**

McLaughlin provided the SWD update.

### **BEW Update**

On Feb. 9, the US District Court ruled in favor of King County in response to claims made by BEW that its plant condensate is not solid waste under the Hazardous Waste Management Action, thereby dismissing the claim.

The court also ruled in King County's favor over BEW's claim that certain environmental compliance credits known as D-3RINS are owned by the BEW, and not the county.

Finally, the court ruled that BEW's declaration of force majeure was invalid.

### **NERTS Draft EIS Meetings**

DRAFT NERTS EIS public meetings have begun. Our team and consultants have done an extraordinary job preparing for and executing this very important public access component of this project.

The first public hearing was held in person meeting in Kirkland on Wednesday, with an online meeting on Thursday evening.

The 3rd and final meeting will be held on Wednesday, March 13, at Woodinville High School

### **NEW RES Unincorporated KC & Strategic Projects Manager**

We would also like to introduce and welcome Christine Kim to the Recycling & Environmental Services (RES) section as an Unincorporated King County & Strategic Projects Program Manager. Christine will be leading our efforts on Unincorporated King County Collection work with respect to advancing some of our Re+ work on Single Family Organics - which Eliza is briefing on today but Christine will be taking over in the future. We're excited to see Christine bring new perspectives and drive to transform the experience of Unincorporated King County rate payers.

### **Recycling Coordinators Meeting**

I want to thank the cities for participating in the recycling coordinators meeting. The meeting covered a number of important topics, including ones in which the Cities have requested – for example sustainable purchasing.

The meeting was extremely helpful in providing input to minimum service levels work and also providing updates on ESJ recycling baseline study, Wastemobile promotions and commercial organics.

We recognize that there is some overlap in the committee and MSWAC membership and attendance, but that most of you may not be privy to what is share. Moving forward for future quarterly meeting, we plan to bring forward presentations that with the group to our advisory committees to share the fantastic work that is being done outside of the meaty policy issues we are working on together. City-County collaboration is central to the success of the Re+

transition – so Cities who weren't able to attend are encouraged to attend the next one in May and to reach out to Hannah Scholes or Andy Smith with topics you are looking to see covered.

### **Long-term waste disposal forum**

Sweet shared that her and Knight received many concerns from cities about the long-term waste disposal options and they convened a group. This group collaboratively worked on a document that was sent to McLaughlin on Monday, March 4, and they received a prompt response from McLaughlin stating that everyone needs to be a part of this conversation and we need to be collaborative in addressing the city's issues. As a result of this effort, MSWAC members received an engagement proposition draft from the division and a revised agenda. As we move through this discussion, Sweet hopes that there will deep engagement with figuring out how we are going to make this long-term disposal decision work for everyone. Knight added that she hopes there will be a robust discussion with member engagement because there will only be a good solution with high participation and everyone weighing in.

The draft document was shared on the screen for committee review.

Van Orsow stated that this document might be hard to understand if you did not see the original email. There were four topics in the original email and this document attempts to address them: clear timelines, engaging with consultants, understanding SWD's approach to long-term disposal analysis, and having a forum.

McLaughlin added that this document is meant to outline our approach and is not meant to speak on how the specific criteria will be applied. We are just trying to talk about the approach of engaging and incorporating some specific statements of intent. Many members were present when we did this in 2013/2014 with the transfer station review.

Sweet said that the work that we are doing now is really building on previous conversations and addresses the issues of our engagement in the process.

McLaughlin stated that when we studied this, we really tried to make sure that these studies aren't generic but there are some specifics within the plan that we are operating under now. We made a specific choice to extend our practice of managing waste locally, but this also laid the path for what is next because we only have capacity until about 2040. With the timeline of this work, we have to start getting really busy and McLaughlin has heard from the subgroup of cities that part of their concern is if we are busy enough. As we look at the rate options ahead of us, there is worry that options will be precluded because we ran out of time.

We also recognize that since 2019, there has been a lot of turnover at the elected level, our partner organizations and even within our own division. We want to make sure that as we start to dive deeper into this work, we are aware of all the work that has already been done, including work around criteria. We have engaged with this group around what is the criteria, how will it be applied, and this committee has provided great feedback that has shaped what we have now. We are now approaching the period of time where prior discussions and decisions will be applied and it is clear that there is an interest and a need to remind ourselves what that is going to look like so you will see in our proposed approach opportunities for us to pull that work forward again.

The purpose of this partner engagement plan is to make sure the city partners feel like they are fully informed during this entire discussion, know what the various options are and know what the imperative impacts of these options are because without our city partners, we don't have a regional system. Secondly, we want to make sure that we, the county, are fully informed of the different cities' perspectives. This engagement is meant to be a significant lever in informing what will be our recommendation to the Executive for that best fit long-term disposal option.

These guiding principles are about how we engage but not specifically to the criteria of how that decision will be made. First, we will recognize that our ILA partners and SWAC committee have a significant role in the process because you all help define our regional system. We are committed to making sure that we provide the information necessary to help facilitate your own recommendations in formats that you prefer. We are going to operate in a very transparent and

collaborative manner and make sure that the cities have timely access to the information. Next, we will work together to develop a process that recognizes that cities need to have the ability to engage within their own organizations. We recognize that regardless of individual opinions, representatives need to solicit broader perspectives from the cities and organizations that you represent.

We need committee members to establish their own internal engagement plan to support how you will share, distribute and discuss the perspectives of the cities and organizations that you represent. And let the county know what the plan is and how we can best support it. We will be looking to you to help identify what the plan is.

Ultimately, we will carry out all reasonable measures to ensure that this process maximizes a regional understanding of what the options are, what the implications are, what the clarity of recommendations are and ensuring that all of this work can be completed in a timely manner. We want to make sure that we have access to the best solutions and not have to take things off the table because of time constraints.

Some of things listed in the document are in response to issues brought over by the subcommittee of cities. Regarding clarity of future Re+ actions, we have a tonnage forecast that factors in Re+ actions and there is a high and low tonnage forecast based on how confident we are in what we are going to achieve with the Re+ actions over time. You'll see later today that we have incorporated assumptions around the regions waste tonnage as a result of Re+. The importance is that the lower our waste tonnage, the broader our alternatives and options are for waste disposal.

We will also need to an Environmental Impact Statement (EIS) – either a standard EIS or a supplemental EIS (SEIS). And we will want to know the results prior to making a final recommendation for long term disposal choice.

We need to make sure there is no gap in our disposal services and make sure that there is always a place for the garbage to go. As a result of that, there are dates that we have to follow:

- EIS or SESI shared, discussed and completed by February 2025
- Recommendations from partners April 2025
- Transmit recommendation to Executive by June 2025

The other assumption is that an interim disposal option may be required depending on the option that is chosen. Understandably, some disposal options are going to have a longer implementation time than others but may best represent what the region wants long term.

We will use insights from past studies and will use inputs from our partners to influence and shape our recommendation to the Executive.

We are proposing to use these committee members as the primary forum to present and discuss the options, the implications of each option, and ultimately the comparative analysis of each. An alternative to using this committee time is to hold separate monthly workshops solely focused on long-term disposal and we would like to hear feedback if this holds any interest. We intend to engage with the SCA and give briefings that they want, as well as work with individual partners for whatever is helpful to inform their perspectives.

We are expecting to receive the comparative analysis in April 2024, and this is where we will see the different options side by side. This will be distributed to the committees as soon as we receive it so that we can discuss it in May. We will get a complete presentation of the report in June 2024 and that will also be shared with the committee so we can have a conversation in July 2024. Following this, we will go into a series of briefings and engagement, finalize the EIS, seek affirmation/recommendations from partners and then submit the comp plan and our long-term disposal recommendations.

This will also focus on the internal and external parts of engagement and will have our own internal discussions with the Department of the Executive Council and will be working on the comp plan simultaneously. The schedule could also be

modified depending on the EIS choice. At the end of the day, we will not move forward unless we achieve strong alignment with our partners and cities.

Tsai thanked McLaughlin for the summary and for getting this conversation started. Tsai wanted to know what SWD's recommendation was on the timeline. McLaughlin said we will submit the proposed option to the Executive in July 2025. Tsai followed up asking if SWD is envisioning getting a temperature check prior to submitting the option to the Executive and Council. McLaughlin replied yes.

Sweet stated that she hoped that there would be more than a temperature check and that there would be significant alignment. McLaughlin replied that whenever SWD takes things like this forward to the Executive or Council, we are always asked what the cities think by the Executive and Council. Ideally, we'd have written letters of recommendation from the advisory committees and cities.

Searcy asked if McLaughlin could be more specific about the statement that partners will submit affirmation. McLaughlin said that at a minimum, advisory committees would agree to submit letters of recommendations, and because there is a strong commitment for the ILA to follow this, we'd also encourage the cities to submit letters too.

Gire shared that in 1960, King County established the transfer system which was innovative nationwide and that we have an amazing opportunity to keep this innovation going with what is ahead of us. Gire asked if Equity and Social Justice is part of the criteria. McLaughlin responded that Equity and Social Justice (ESJ) is an element that will be evaluated to inform our ultimate recommendations. This is being led by Tetra Tech. Walsh added that the social impact is a general category that is being studied but since we don't have a specific site, we can't do a site-specific impact. So, we have zoomed out and looked at things like traffic, noise, and waste-to-energy vs. Gasification. Once a site is selected, more in-depth location specific ESJ analysis will occur.

Tsai said that this is a great explanation of how SWD will move through each option. There is a need of more understanding on the front end of what is happening with the consultants and the need for cities to weigh in. The criteria are just one segment, but the criteria themselves are supposed to be a capture of the SWD plan but they are not an exact capture. If the consultant is going forward with these criteria that are not an exact match, the cities have to be able to understand. For example, siting is not in the criteria and if siting is not on the consultant report and SWD is doing their own, there are questions on how it will be incorporated. Tsai asked how RWP will be taken and translated into action and said that is where questions will come out. As the cities see and understand why criteria were/were not included, they will begin to gain more trust. It would be very helpful to have the front end meet and greet with the consultants and see what they are thinking and how they are operationalizing and help give the cities confidence in the process. There is worry that if the cities have any major concerns, it will be too late. Tsai also wondered how the siting will be evaluated and how ESJ will be if it is tied to siting. If the consultant says that it is at a later date, that is a concern.

Sweet believed that the group needs to meet with tetra tech as soon as the report is available.

Knight said that given that there has been a lot of staff transition and new faces at the different county meetings, it is important to keep having these separate engagement workshops so that they can do a deeper dive. To Knight, MSWAC is not a long enough meeting and based on the questions shared today and need to meet with Tetra Tech, a separate meeting seems necessary. Prior to that meeting, there should be something that gives more of the historical overview of what studies have been done and what the conclusions were. Knight shared her appreciation for the cities and staff that brought this issue forward and is appreciative of SWD who responded quickly. Knight liked the idea of having workshops or meetings where there can be deeper dives and all of the issues can get out on the table so that there is a better understanding of what the process is, what information the reports contain, what criteria is being used and how in-depth the criteria will go. Knight believed that this would alleviate some of the concerns.

McInnis echoed Knight's comments and believed that while MSWAC is a great venue for this information and conversation, there is not always enough time to have the in-depth conversation to weigh in. There is always a lot going

on so it can be hard to be fully prepared to have these in-depth discussions on these topics so any separate workshop or meeting would be helpful.

Sweet added that we are talking about billion-dollar decisions, so the cities need to be engaged in this process. She liked the concept of starting off the report directly from Tetra Tech and having an in-depth discussion with the whole group.

McLaughlin said that SWD is very open to that approach, and we can mobilize in April but are happy to try and do something sooner. McLaughlin shared that he heard two requests – having Tetra Tech speak on how they are going to operationalize these criteria and how it will look like in the report, and that it would be valuable to have a workshop that would provide the historical overview of past studies, the criteria themselves, and engagement in how the criteria will be applied.

Knight shared that she is interested in having clarity on what the plan is moving forward. Knight asked if there is a way to have clarification on what the group wants moving forward and then take an informal vote.

Sweet asked members to raise their hands if members are interested in going with this approach moving forward.

Tsai stated that if the draft comes in April, questions will be more cemented and wondered how quickly something could happen with the consultants. Sweet asked Walsh if there was any fluidity with the criteria. Walsh responded that the county has not received any information yet and is happy to share the information with people and get feedback when it is available. If there is a fatal flaw, we should address it.

McLaughlin said that we will take this feedback and welcome the committee to continue to provide this feedback because we want to finalize things and will use the feedback to guide the work that we do. We will begin to do some pre-planning for work in April. McLaughlin asked how SWD should share and receive feedback around the workshops and how would the committee like the county to engage with the subgroups.

Van Orsow stated that part of the reason that the cities joined together is because there is already a subcommittee and it seemed that the subcommittee zoned out. Van Orsow asked what the status is of that group and what role they will have. Liu responded that there were a lot of changes made to the subcommittee schedule and the subject matter experts decided that the subcommittee input was not needed because they were going to use what was laid out in the 2019 Comp Plan and not change anything.

Sweet believed that the committee anticipated that the subcommittee would have more information and thought that it was too small and needed to be more broad representation of the cities. Sweet asked Van Orsow if it would be beneficial to have a subcommittee working with the county in addition to a special meeting. Moldver shared that his impression of his role in the subcommittee was to help shape MSWAC conversations and the limited conversations were not enough to meet SWD's schedules. Everyone or just certain people could be invited, but a separate meeting is needed.

Sweet stated that they should relook at the subcommittee constitution and make sure that there is enough involvement. Knight said that her comments will be aimed at the workshops and requested that McLaughlin send the primary materials to Knight and Sweet and they will reach out to interested cities to see if they are really capturing the essence of perspectives and will see if they have a better understanding of long-term disposal moving forward.

### **John Taylor introduction**

Taylor introduced himself and shared his love for solid waste. He shared his appreciation with the work that McLaughlin does and is looking forward to focusing on this. One of the areas that he will be involved in is long-term disposal and believes that we need to have a really good partnership.

Sweet shared that she is looking forward to working with Taylor and based on the last 30 minutes, there will be a strong partnership regarding Long-term waste disposal.

### **SWAC Update**

No updates.

### **2025 Rates Update and Discussion**

Mclaughlin reminded the committee that we will have a one-year budget. We have some very challenging dynamics during this time and we have already made some big regional decisions like with the upgrade of SCRTS and the Cedar Hills Development and Facilities Relocation project that are converging at the same time which will put pressure on the rate. We implemented the fixed annual charge (FAC) so we are less susceptible to change in tonnage. You are going to see these different pressure points and one hand, we have services that will develop environmental outcomes and on the other hand, we are also seeing the economic pressures that will put pressure on our rate. We actually forecasted a lower number of expenditures so we have done a good job of holding the amount below, but the problem is that tonnage has dropped so much that it is more than the reduced expenditure rate. Overall, we are doing a really good job of suppressing expenditures and tonnage.

Honaker began by reminding members that many key inputs for the rate model are under development and are subject to change prior to final recommendation. In terms of actual rate model inputs, we are expecting lower tonnage near term while Re+ impacts lag. What you can see is that we have received a lot less tonnage. In the out years of 2028+, we are expecting much more impacts from Re+. As you all know, extended producer responsibility (EPR) has been delayed so impacts probably wouldn't start until 2030. Mixed waste processing (MWP) was expected to start diverting tonnage in 2028, but now that we know more, we are forecasting that the earliest we will see impacts is 2033.

Tonnage is down significantly from the 2023-2024 forecast. This is 200k over the 2029-209 period.

Rate Revenue will fulfill 2019 Comp Plan Commitments:

- South County Recycling and Transfer Station (SCRTS) will replace Algona Transfer Station (opens in 2026).
- Northeast Recycling and Transfer station (currently in siting) will replace ageing Houghton Transfer Station
- Area 9 Development and Facilities Relocation will maximize landfill capacity. Local disposal was the most economic and had the least environmental impact of the options considered.

The cost of Capital Projects is projected to increase. The overall volume of spending has increased, and we have had several cost drivers during these projects – escalating labor and material costs.

The increasing debt service will impact OPEX. The cost drivers are increased capital costs and higher borrowing costs. This is something we have always known and anticipated, but it is coming in more expensive than we anticipated.

Van Orsow wanted clarification that the dark blue line is the debt service, and the light blue line is the operating costs. Honaker replied that it is the other way around.

Walsh said that during the 2023-2024 Rate Proposal discussions, we moved away from talking about the rate increase percentages because it was not an apples-to-apples between the old and new rate structures. Under the old structure, there was one per-ton fee charged to commercial haulers and self-haulers. In the new structure, three fees were created – a self-haul only fee, a commercial hauler only fee, and the Fixed Annual Charge (FAC). Because we couldn't compare year over year increases on a rate-to-rate basis, we decided to show year over year comparisons from a revenue requirement perspective instead. The revenue requirement shows how much revenue is needed to cover expenditures and keep a healthy fund balance each year. A healthy fund balance includes having enough to cover our reserves, such as the 30-day Rainy Day Reserve (setting aside 30 days of operating expenditures in our fund balance).

The 2023-2024 rate forecast showed an average increase in revenue requirement of 9.6% each year. Our current forecast shows an average increase of 8.2% each year, so it is lower. However, the tonnage forecast between 2023-2024 and now has dropped considerably. We forecast that we'll receive around 200,000 less tons over 2023-2030 period. Because of this tonnage drop, the rate increases we are now projecting (because rates are based on tons) are much higher than what was projected in 2023-2024. In the 2023-2024 Rate, we were projecting annual increases of around 10%-11% each year.

Due to the drop in tonnage and the timing of spending on capital projects, there is a spike in the rate in 2026. The current forecast shows an 11% increase for 2025, 20% for 2026, 17% for 2027, and then drops down to 10% or below in the out years. If we went with a smoother rate, it would be between 16%-17% per year. Even though we introduced the Fixed Annual Charge as a way to mitigate rate increases, this only collects around 10% of revenue, and is currently limited in its effectiveness.

Van Orsow believed that the whole reason we were going through this fixed rate process was to help fund the fixed costs of the system and the variable costs would be dealt with the rate adjustments. Walsh responded that the FAC is not based on fixed and variable charges but based on disposal vs. non-disposal costs. Disposal costs are related to work at the landfill or stations while non-disposal are related to things like spending on the Re+ program or strategic planning work. As Re+ takes up more costs, it will go into the non-disposal bucket and the FAC portion will increase.

Knight said that it is a good thing that fewer tons are being disposed of than originally predicted and wondered if there has been a deeper analysis of where those tons are going. The cities have reports from haulers that there's a high amount of contamination in the waste stream. Walsh answered that during Covid, there was a lot of financial easements, so part of the issue was that as these easements went away, a lot of this supplemental income went away, and people spent less. During Covid, people had more money to spend on goods because they weren't going out and had more stuff to throw away. Now, people are spending more on services rather than on things that can be thrown away. There is also the inflation increase and with people's fear of the economy, people have started to tighten their budgets and are not moving as much (moves tend to result in higher self-haul tons as they throw away old furniture and items).

Honaker said that as we increase diversion, we have a difference in the way our flow control is working and we are adding a position that will look at the holistic view of the waste in our region and not just what is diverted from the landfill. This will be a key piece as we move forward. We know that the cities receive data that we don't see.

Knight stated that as we amp up Re+ efforts and divert materials from the landfill, there could be a waste from the system that is not recyclable if there isn't close monitoring of the entities that collect the material. Knight asked if the county has any plans to watch this part of the waste stream and where the material goes. Honaker replied that is exactly what we are envisioning and that is why we have added a new position.

Walsh added that we are still working the numbers and seeing how we can smooth the hump, and seeing what we can do within the model to make things work. Walsh wanted to know where people stand with what they see now and if there is a preference for going with a spiky or smooth rate path.

McLaughlin said that the want for smoothing out the hump is really a want for a higher increase in 2025. Walsh followed with saying that when we started to move the numbers around, the increase is at about 16-17%. Honaker stated that increase would really be what we have at the moment, and we are starting with trying to bring down the need for the increase. We need to look at capital spending to see if the costs can be smoothed out instead of mostly occurring in 2026. This will be the first measure to address this.

Sweet stated that this puts the Northeast Recycling and Transfer Station (NERTS) project at considerable risk since we are already committed to SCRTS and the Cedar Hills Relocation. Honaker responded that we are committed to NERTS since it is in the Comp Plan, and the other two projects that are under construction are already underway.



Knight chimed in that many of the representatives love the smoothing because elected officials love the smoothing but we are going to have really high rates over the next years. Knight wanted to remind the county that many of the cities go through their own rate remodeling and whatever the county does impacts cities. There is a lot of pressure on all of the systems that residents and businesses will feel.

Moldver said that 2028 shows EPR and MWP having impacts and does not understand how MWP will be impacted because people would still pay a tipping fee so there wouldn't be a revenue loss. It seems that we are losing a lot of revenue but we may not be. Honaker replied that in this case, we are assuming that this would not impact at all and start much later. What will probably happen is that we will start tracking two different things – incoming tonnage and tonnage received at the hill and those will be two different numbers. We will have to model these numbers differently.

Searcy stated that the City of Enumclaw has been pretty clear on their want for having smooth increases. He asked if in the future, we could show what the rate will be and what the rate currently is, and where the divisions reserve sits and how are the revisions able to handle the smoothing. Honaker answered that right now, we have the rate stabilization reserve that is used to smooth out the peak of capital spending increases. We expect to bring it down and continue to smooth the curve. When it reaches the bottom at the end of the 2026 biennium, there will only be about \$1M left and then we will have to buffer it back up again. This is different money than the reserves that we have. Walsh added that there is a 30-day rainy day reserve that we must have. There is about \$20M other than the rate stabilization reserve that we currently have.

Van Orsow asked why the MWP is delayed until 2033. Honaker replied that when we were originally planning, we were not fully aware of what a capital project would look like to build a MWP plant. Now that we have had time to talk through these options, we have realized it will be more on part with building a transfer station and based on the timeline of those type of projects, we have extended it until at least 2033.

Van Orsow followed up asking for clarification on if MWP was integrated into the Re+ program. Honaker responded that it was integrated, but we were in an early stage of the process, so it does not reflect what we know now. Van Orsow commented that this really changes the perspective on Re+. He asked if the slide with rate project includes NERTS costs as well as SCRTs costs. Honaker answered that our forecast for NERTS includes \$30M as early as 2025 based on the Knowledge that we will be making a siting decision in Q3 2024.

Walsh asked if there are any cities that want to band together to understand how this translates into the cities rates. SWD is interested in meeting with people, and we want to work together to understand how this impacts cities. Sweet suggested that if any members are interested, reach out to Walsh.

Bonkowski asked in chat how much landfill life in years does it add to reduce tonnage projections by 200,000 tons. Halverson answered that we get between 800,000 and 900,000 tons a year, which amounts to about 3-4 months' worth of tonnage.

#### Revenue Requirement Projection and Rate Path:

- The 23-24' rate projection was 9.6% increases through 2028
- The early projections suggest that revenue requirement will adhere to this path
  - Additional allocation work is needed to project rates for each customer class
- Note: Re+ costs are not fully priced into existing rate path. As specific policies are implemented, there may be additional investment necessary

#### **Re+ Organics**

Kruszynski gave this update.

The estimated food waste opportunity by the numbers totals in 147,000 tons of food sent to the landfill:

- 58,000 tons food waste from single family homes + 65,000 food waste tons from non-residential + 24,000 tons food waste from multifamily

As a brief recap, the 2022 Organics Management Law (OML) requires businesses in these areas to divert organic waste from the landfill. The geographic area (“BOMA”) is annually updated by Ecology in July based on proximity to compost sites and curbside hauling. This excludes multifamily residences and includes schools. This is specifically for businesses that generate a certain amount of waste. There will be a phased in approach with the OML:

- 2024 – 8 yards/week of organics waste
- 2025 – 4 yards/week of organic waste
- 2026 – 4 yards/week of garbage

As of 2/29, HB 2301 is in the Senate Committee. If signed by the Governor, the 2026 threshold will change to .25 yards of organic waste/week (about 96 gallons). Ecology has come out and said that this relates to generators year round.

As a response, we have started the commercial organics resource (COR) program that will be working with consultants to conduct business outreach. The goal is to have 55 businesses in 2024 and will begin with unincorporated King County. They will prioritize BIPOC, LGBTQ+, women owned businesses, as well as businesses where English is not the primary language spoken by customers and/or staff. There will be a website updated that will have an explanation of OML, a visual reference of containers/thresholds, and high-level diversion strategies. The new intake inbox is at [organics@kingcounty.gov](mailto:organics@kingcounty.gov). We are always seeking collaboration opportunities!

Sweet wanted to know if there are dollars attached to this financial assistance? Kruszynski replied that there is not any at this time. There are technical assistance programs that are being run by cities that have received grants from Re+ city grants.

Sweet stated that there have been serious concerns over how small businesses will be able to do this. Kruszynski responded that this is why she believed that it is being passed in over the year and Ecology continues to come out with guidance. We acknowledge that there will be more challenges with smaller businesses, and we have to meet them as they come.

Kruszynski transitioned to provide a single-family organics update.

Every year, 8,428 tons of organics from unincorporated King County single-family residences to the landfill. If composted, we could save:

- 4,970 tons of CO<sub>2</sub> = 1,076 cars off the road

If ten KC cities also collected organic waste from single-family households currently going to landfill, together we could divert:

- 10,740 tons of CO<sub>2</sub>e every year = 2,325 cars off the road

The policy options that were under discussion in 2023:

1. Require all households with garbage service to subscribe to curbside organics. This would create new subscribers.
2. Reduce garbage to every-other-week. This would encourage utilization of service.
3. Implement a food waste disposal ban. This would encourage utilization of service.

An average household could divert 40-70 lbs. of organic waste each month.

Our 2023 progress and successes:

- Survey advertising and awareness campaign
  - 8 cities shared using social media toolkit

- 9+ features in newsletters and local news outlets
- Over 3200 respondents, largest jurisdictional group UKC
- Four focus groups held with 52 participants total from key demographics
- Public meeting held
- Four advisory group briefings where we shared survey data tailored to each city
- Recommendation presented to SWD leadership

Support is high for policy change despite variable cost concerns.

HB 2301: Residential Service that passed and is on the Governor's desk:

- Beginning in April 2027, source-separated organic solid waste collection service are required to be provided year-round to all residents
- Beginning in April 2030, source-separated organic solid waste collection service must be provided to customers on a non-elective basis
  - Exemption if customer certifies they're managing organic waste on-site or self-hauling
- Beginning in April 2030, jurisdiction's source-separated organic solid waste collection service must include acceptance of food waste year-round
- Beginning April 2030, all persons, when using curbside collection for disposal, may use only source-separated organic solid waste collection services to discard unwanted organic materials
  - By April 2027, Ecology must adopt standards under which jurisdictions may exempt persons from requirement if organic materials will be managed through alternative mechanism that provides equal or better environmental outcomes

Some exemptions based on jurisdictional population, population density, annual solid waste tonnage, and/or urban growth area designation.

Next steps assuming that the bill is signed include:

- Require households with garbage service to subscribe to curbside organics:
  - If HB 2301 passes: shift focus to supporting transition toward 2030
  - If HB 2301 does not pass: work with 5-10 cities and unincorporated King County to agree collection requirements
- Implement a food waste disposal ban
  - If HB 2301 passes: change King County code to align code/acceptance policies to ban food waste in 2030
  - If HB 2301 does not pass: continue with discussion in 2024 to seek agreement on a ban
- Continue to explore garbage to every-other-week through comp plan process in 2024-2025

### **Member Comment**

No member comment.

### **Adjourn**

Meeting adjourned at 1:20 p.m.