

SWAC Advisory Committee Meeting

Jan. 10, 2025 - 9:30 a.m. to 11:30 a.m.

Hybrid Meeting (Zoom or King Street Center)

<u>SWAC Members Present</u>		<u>King County Staff</u>	
April Atwood, Marketing and Education		Eyasu Ayalew, Public Health – Seattle & King County	
Jay Blazey, Manufacturer		Nat Bennett, DNRP staff	
James Borsum, Labor Representative		Ali Blum, SWD staff	
Alissa Campbell, Waste Industry		Sylvaine Bucher, SWD staff	
Robin Freedman, Waste Industry		Brian Halverson, SWD staff	
Kasia Grzebyk, Citizen Representative		Lindy Honaker, SWD staff	
Heather Trim, Recycling Industry		Christine Kim, SWD staff	
Wendy Weiker, Waste Industry		Patty Liu, SWD staff	
		Pat McLaughlin, SWD Director	
		Zainab Nejati, King County Auditor Office	
		Amy Ockerlander, SWD staff	
		David Pierce, SWD staff	
		Fanny Silverio G., Public Health – Seattle & King County	
		Hannah Scholes, SWD staff	
		Andy Smith, SWD staff	
		Chris Stubbs, SWD Deputy Director	
		Adrian Tan, SWD staff	
		Theresa Thurlow, SWD staff	
		Isabelle Trujillo, SWD staff	
		John Walsh, SWD staff	
<u>Guests</u>			
Katie Jerauld, Dept. of Ecology		Brad Lovaas, WA Refuse and Recycling Association	
Jeanette Jurgensen, Bin There Consulting			

Call to Order and Introductions

After introductions, Blazey called the meeting to order at 9:43 a.m.

Meeting Minutes

Blazey moved to approve the December minutes. The minutes were approved unanimously.

Public Comment

Jerauld shared a few items starting with the FundHubWA portal. The portal shares details on available federal and state funding and incentive sources for individuals, businesses, nonprofits, public agencies and Tribal governments. This portal is specifically focused on climate and clean energy related opportunities and is updated regularly as new opportunities are released. Users may filter opportunities to find relevant funding, for example, users may filter by Waste & Organics Management opportunities. FundHubWA is sponsored and administered by the Washington State Department of Commerce and is supported with funding from Washington’s Climate Commitment Act. To explore FundHubWA, please visit: <https://fundhub.wa.gov/>.

Next, Ecology will be hosting the 2nd annual LSWFA workshop on Jan. 15, from 9:30 a.m. to 3:00 p.m. Join the workshop to learn about program changes, and for a live demo of application forms, including tips on how to apply. Please [register](#) for the workshop. Lastly, Ecology was directed to adopt a model ordinance that local governments could use to support managing their organic materials. The model ordinance establishes disincentives for people to create or dispose of organic materials in a landfill. Local governments do not have to adopt this model ordinance language. However, jurisdictions who do adopt the model language are not required to get a State Environmental Planning Act (SEPA) review. Please visit the [webpage](#) for more information. The public comment period is open through January 28, 2025.

SWD Updates

McLaughlin provided the SWD update.

Tonnage update

Overall tonnage slowed slightly in November, but it is still up 0.31% through November (768K tons in 2024 vs. 770K ton in 2023) compared to last year at the same time. That's an additional 2,400 tons increase from last year at this time.

Transactions (698K through November) continue to rebound from a slow first quarter. We are ahead of last year at this time by +24,000 transaction (an increase of 3.54% over last year at this time) and almost 8,000 more transactions this November compared to last November.

Yard waste tonnage (over 17K tons through November) is now ahead of this time last year (+362, an increase of 2.15% over last year at this time). This November, we saw just shy of 1,400 tons more of yard waste than we did last November. That extra tonnage is from the bomb cyclone. We anticipate seeing a fuller picture of the impact of the bomb cyclone when December is accounted for.

5-Day Pilot and Service Disruptions

SWD is transitioning to 5-day hauling and tipping at CHRL beginning on January 18. This change has important benefits, including:

- Reducing operational expenditures, which will help decrease the amount of future rate increases
- Reducing weekend impacts to landfill neighbors – less truck traffic, heavy equipment operations and associated risks of odors and bird nuisances
- Increasing removal of “wet waste” during the weekdays so there is less chance of odor impacts to transfer station neighbors on the weekends
- Reducing wait times and create more space for commercial haulers at our compactor stations in the long run

To ensure a smooth transition to 5-day hauling, beginning on Monday, Jan. 13, we will redirect commercial waste hauls from our top-load transfer stations – Algona, Houghton, and Renton – to our compactor stations as we prepare for the 5-day hauling transition and manage schedule impacts due to the Martin Luther King Jr. Day holiday on Monday, Jan. 20. This coincides a reroute that Waste Management is doing, and we will be working with them.

We recognize that these changes present challenges for both haulers and our city partners. We have undertaken work to help make this pilot run as smoothly as possible and reduce the number of service disruptions at our transfer stations. We appreciate the feedback from cities and partners.

Hauler Forum

On Monday, January 13, SWD is hosting a Hauler Forum to meet with our hauler partners to discuss some of the unprecedented recent disruptions at our transfer stations and how we can support our hauler partners, especially as we move into initiatives like the 5-day hauling and tipping pilot.

We are grateful to our hauler partners for participating in this forum and for their insights and feedback.

NERTS Update

SWD is reviewing the draft final EIS. We anticipate issuing the Final EIS in February 2025 and a siting decision will follow.

SWD Division Director Search

We are in the middle of searching for a new SWD Director and are anticipating that this position will remain online through January.

Federal Way signs Re+ Proclamation

On January 7, the City of Federal Way signed a Proclamation in support of Re+. We are delighted that Federal Way joined 25 other cities in demonstrating their support of Re+ and the vision of healthy, safe, and thriving communities in a waste-free King County.

All of this work is part of our division's commitment to [King County Strategic Climate Action Plan](#) goals, which include 20 county projects gaining Zero Energy or Living Building Challenge certification by 2025, and an overall 80% reduction in greenhouse gas emissions from county operations by 2030.

Trim asked which parts of the hauling system McLaughlin was referring to. McLaughlin clarified he meant the movement of waste from the transfer stations to our landfill. Most of our waste arrives Monday-Friday and that's when most of the work is done by commercial haulers. We are going to focus our drivers on that period and avoid hauling or regular tipping on weekends.

MSWAC Update

No update.

2025 Work Plan

Blum led this.

Blum sent the revised work plan to members via email. We made some small changes based on committee feedback. We added a budget briefing in June, information on what's happening in unincorporated King County, Re+ information and post-storm follow-up. The work plan is a living document so things may shift.

Blazey asked how this is developed. Blum replied that she works internally with SWD leadership on key topics and with the committees for input. We meet monthly with committee chairs to assess the work plan and see if things need to be moved. If members have an item they want to hear about, they can reach out to Blum or chairs to get it added.

2026 Rates Early Look

Honaker gave this presentation.

Honaker began by saying that the information presented today is very preliminary and things may change. If you have questions about the process, please ask.

SWD will develop proposals for the 26-27 rate and budget this year, with most work in the first half of the year. The rate proposal is developed first but the rate and budget process are intertwined, requiring anticipation of what our spending needs will be during the rate process to ensure that revenue is available to support the division's needs. Many key inputs to the rate model like tonnage and capital spending forecasts are finalized in February. We will also make preliminary decisions on changes for the 2026-2027 budget. After finalizing inputs, we will hold briefings in March, and this is where we will try to finalize things so we can bring information to the committees in April. In May, we will seek letters of support – these are really valued by the Executive and King County Council (KCC). We aim to have these in hand by June for transmission, with KCC reviewing the legislative package over the summer. The rate is typically adopted in September.

The budget process runs concurrently, starting with a baseline budget based on the prior year, and all decisions are made relative to this base budget. Budget submissions are due to the central office in June. Over the summer, the Executive Office reviews all King County agency budgets formulate the proposed county budget. The proposed budget is transmitted to KCC in September and typically adopted in November.

The advisory committees will have the most time to provide feedback on the rate and budget proposals in the first half of the year.

The 2024 Tonnage was 30k higher than projected. We expect a more moderate economic forecast and changes in the timing of Re+ actions. A deeper diver will be done in February. While higher rates lead to more revenue, it also means more waste going to the landfill.

The primary revenue increase will be from capital project spending, with operating expenditures expected to rise gradually due to inflation. Capital spending will have a dramatic increase, and this will continue through the forecast period because of large upcoming capital projects. All the capital projects will increase the SWD debt, which will lead to a steep increase. We also expect a modest increase in the landfill reserve fund for infrastructure and post-care costs. There's also an inclusion of a small amount of money for new additions in the projected spending but it is minimal, as funding for new initiatives will be constrained by rising debt service for the capital program.

Key decisions and updates to the model are still pending:

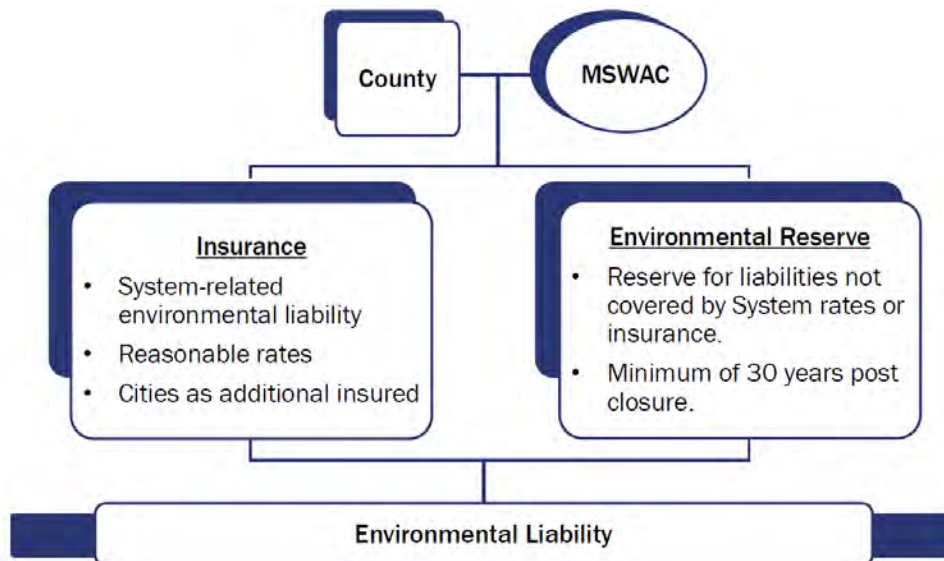
- NERTS siting decision expected mid-February 2025.
 - Overall cost probably won't change but the timing of the spending will be dependent on the location selected.
- Mixed waste processing feasibility report draft is being reviewed.
- Permanent facilities project is under review.
- Long-term disposal decision in 2026
- Received a \$2M grant from Ecology. We are continuing to pursue other funding opportunities.

The fixed annual charge (FAC) allocation remains at 20% of commercial revenue and applies to commercially hauled garbage. The FAC covers non-disposal costs such as Re+, regional planning, and regulatory compliance. Disposal related costs, including the scale house, transfer station, transport and disposal, are covered by the tipping fee. The projected amount of commercial revenue generated by the FAC has consistently been just under 20% of total revenue and is expected to remain stable in the 2026-2027 period.

Another consideration in the rate model is the difference in customer classifications. In 2025, we show the cost allocation relative to revenue recovery for each customer class. Yard waste customers, who account for 9% of customers but only 1% of revenue, have a significant cost differential due to policy decisions aimed at incentivizing organics diversion. It's important to keep this rate below the garbage rate to incentive organics diversion. This differential also reflects the division's high fixed costs, which don't scale with tonnage volumes. As yard waste has a small tonnage base, the cost allocation is spread over very small amounts of tons, leading to a high the allocation per ton. For the 2026-2027 rate process, the division may consider shifting more revenue recovery to self-haulers, increasing the rate difference between self-haul and commercial customers.

While the shift between customer classes will affect station rates, the impact may be felt by the same individuals. Although these are separate customer groups for the division, they may not represent distinct groups of people. Self-haul garbage customers may also use curbside service, and people dropping off yard waste could return as garbage customers later.

The Environmental Reserve Fund was established by ordinance to address environmental liability under section 8.6 of the ILA. The ILA outlines two measures to mitigate liability: purchasing insurance and/or creating a reserve fund. The adequacy of these measures is supposed to be determined by the county in consultation with MSWAC.



References: Ordinance [18826](#), which establishes Environmental Reserve Fund in response to Section 8.6 of the [ILA](#).

The division maintains a pollution liability policy for the landfill, renewed every five years, with important exclusions for PFAS, post-closure, and reclamation costs. It covers only the landfill, excluding other parts of the system like the transfer stations and closed landfills. The division has added cities as additional insured at no extra cost. The county plans to consult with MSWAC on a long-term strategy and must determine what's included in the 2026-2027 rate in the interim.

We want to make sure the yard waste fee is lower than the garbage fee. The yard waste fee has remained steady in recent years, as yard waste customers are well below the rate of cost recovery for policy reasons. The division proposes tying the yard waste rate increase to the rate of increase for self-haul customers to prevent long-term erosion and address inflationary costs in the program.

Blazey asked if Honaker expected the CapEx chart to decrease. Honaker explained that the expenditures shown reflect the

cumulative long-term increase related to the debt service. While capital expenditures are expected to peak in the next five years, the debt will remain for the term of the bonds. In March, an updated spending chart will be available, showing raw spending.

Blazey wanted to know how SWAC fits into the letters. Honaker said that each committee drafts their own letter. SWD typically uses the previous year's letter as a base and then we work with the committees to make changes. The review and finalization process usually takes a couple of months.

Comp Plan Chapter Review Process

Liu presented this.

We are currently updating the chapters and will send them to our consultants after MSWAC and SWAC review. Once handed off, we've been asked to have no further changes to avoid delaying the EIS, which is expected to be completed by the end of 2026. After final updates, Liu will send the Comp Plan through the final process, aiming for adoption in 2028.

Previous participation

- November 2022
 - SWD presented list of recommended updates.
 - Sought feedback and additional updates from SWAC and MSWAC
- March 2023
 - SWD presented final list of updates, including suggestions from advisory committees.
 - SWD provided explanation for suggested updates not moving forward.

Advisory committee update examples

- Address the option to reserve landfill space for future/emergency use.
- Narrative on organics management law and how it will impact the system.
- If the region pursues a food waste ban, how would this be enforced?

Comp plan chapters

1. Introduction
2. The Existing Solid Waste System
3. Forecasting and Data
4. Sustainable Materials Management
5. Solid Waste transfer and processing
6. Landfill management and solid waste disposal
7. Solid waste system finance

We will update a chapter every month and ask for feedback. For each chapter:

1. SWD update and review chapter
2. Provide advisory committees with chapter
3. Subgroup meeting
 - a. Purpose: discuss and come up with proposals on policies to bring to MSWAC
4. Discuss at advisory committees (1-2months)
5. SWD to edit chapter
6. Hand chapter off to SEPA consultants

The tentative schedule

- April – Chapter 7
- May – Chapter 6
- June – Chapter 4
- July – Chapter 7
- August – Chapter 2
- September – Chapter 3

The first three chapters are the heaviest and Liu expects the full two months to be used for each chapter. The others should be more straightforward.

Liu added that the SWD team is working on a FAQ for the LTD study. This will be sent out soon by Blum.

State Legislative Update

Scholes and Tan provided this update.

This upcoming session is going to be a long session of 105 days. It will start Jan. 13, 2025, and the last day is expected to be April 27, 2025. With long sessions, we tend to see more bills.

For those that are newer to the process, you can get email notifications on the status of a bill by visiting leg.wa.gov. and insert the bill number. If you don't know it, click "Go to Bills" to browse through prefiled bills, bills by topics, etc., and once on the bill page, click "get email notifications" and enter your email.

2025 Legislative Session – solid waste related bills. Those that have been filed, have numbers.

- **HB 1150:** Recycling Reform Act (EPR for Packaging & Paper Products). In previous years, this was known as the WRAP bill.
 - Sponsored by Rep. Liz Berry.
 - This is following Minnesota's bill but is still very similar to previous years.
 - Extends recycling to all residents with curbside garbage at no costs (funded by producers)
 - Increases recycling & reuse. Materials must be sent to verified responsible markets.
- **HB 1071/SB 5058:** implementing strategies to achieve higher recycling rates within Washington's existing solid waste management system.
 - Sponsor: Rep. Jake Fey
 - Statewide recycling lists for residential curbside and drop-off collection and a statewide needs assessment.
 - Post-consumer recycled content requirements for plastic PP tubs, PET thermoforms and single-use cups.
 - Very similar to last year with some changes. There is a section in this bill that allows solid waste handlers operating in UTC areas to propose low-income discounts – typically counties do this.
- **HB 1154:** Changes to issuing permits for solid waste handling facilities. This would change the facility permitting process for solid waste handling facilities to require approval from Ecology in addition to the current local health jurisdiction.
 - Sponsor: Rep. Davina Duerr
 - Amendments to the process of issuing solid waste handling permits.
 - Changes to the review and approval of landfilling permits
 - Scheduled for hearing on Jan. 13.
- **SB 5045:** Electric Vehicle Battery Recycling - expanding the state battery stewardship program to include electric vehicle batteries.
 - Sponsor: Sen. Jeff Wilson

- Expanding current Battery Stewardship Law to include EV batteries.
- We expect to see another bill related to vehicle batteries that would propose a separate system.
- **SB 5175:** Delaying solar panel stewardship (state agency request)
 - Sponsor: Sen. Sharon Shewmake
 - Delays the effective date of the Solar Panel Stewardship and Takeback Program
 - Establishes a photovoltaic module advisory committee that would develop recommendations to the law. Stewardship plans were due earlier this year, but many producers didn't submit their plans which would put them out of compliance.
 - Scheduled for hearing on Jan. 15.
- Amending safe medication return (state agency request)
 - The changes would allow the Department of Health to better manage and secure funding for the program.

Other bills we are tracking:

- HB 1107: Concerning environmental impacts of fashion.
 - Scheduled for hearing on Jan. 13.
- HB 1134: Promoting resource conservation practices in public schools
- SB 5033: Concerning sampling or testing of biosolids for PFAS chemicals
 - Returning bill.
- Hydrofluorocarbon (HFC) refrigerant gases recycling
- Ban single-use vaping devices

Blazey asked if Scholes or Tan thought composting would be included in the EPR bill, noting it's mentioned as covered material, though they don't accept compostable packaging. Tan replied that compostable packaging and paper products are included in the bill, making producers responsible for the management of those materials. The bill also creates a statewide list of recyclable and compostable materials.

Blazey asked Scholes for updates on HB 1154, as it appears to be an agency request bill. Scholes replied she hasn't heard anything further.

Member Comment

No member comment.

Adjourn

Meeting adjourned at 10:41 a.m.