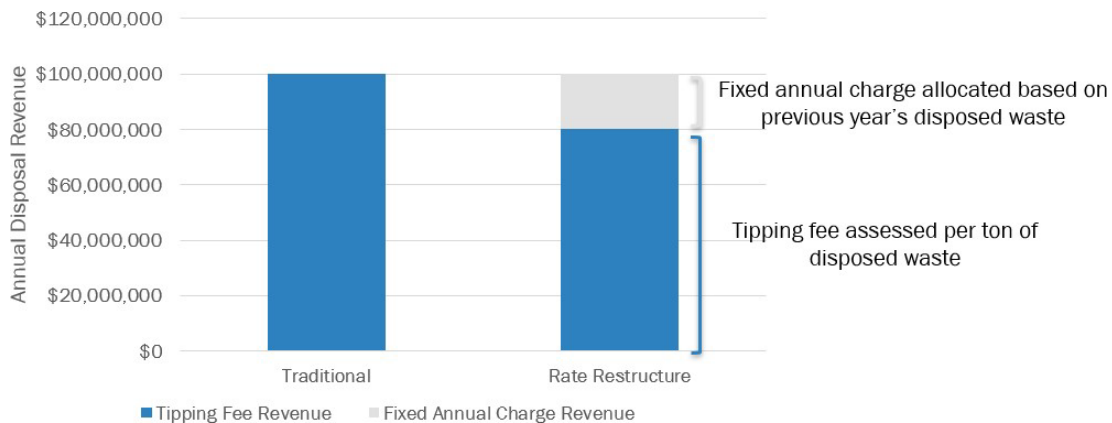


What's this new part of my bill?

After your waste hauler empties your garbage, they bring its contents to a King County (the county) recycling and transfer station where they pay a fee for disposal of each ton of waste. That is how the county earns the revenue it needs to pay for the transfer station system and the landfill. The fees also fund recycling efforts and environmental compliance, among other things.

As more material is recycled and diverted from the landfill, the less revenue will be generated by garbage disposal. So, as waste reduction and recycling improve and revenues drop, eventually the county would not be able to fund the transfer system and landfill which will still be needed.

Enter the rate restructure. The county redesigned how it charges your waste hauler for disposing of the garbage they collect at your curbside. Instead of relying solely on the traditional per-ton tipping fee, the rate now has two components. The new component is called the fixed-annual charge or FAC. The FAC is a fixed amount of money the county collects from commercial haulers regardless of the tonnage they bring to the county. The rest of the revenue is still collected through a per-ton tipping fee.



The chart above illustrates an example of how the old and the new systems work using hypothetical numbers. For the sake of example, let us say the system needs \$100 million each year to run. The bar on the left shows all commercial hauler revenue coming from the per-ton tip fee as it has traditionally been done. For example, if the county estimated the commercial haulers would deliver 600,000 tons of garbage, the county would set the tip fee at \$166.67 (\$100 million divided by 600,000).

The new structure (shown on the right) illustrates how the FAC works with the tipping fee. Instead of all the revenue being generated by a single per-ton fee, a portion of the revenue (20%) is recovered through the FAC, and the larger portion is still recovered through the per-ton fee. The result is the county collects the same amount of revenue, but the per-ton rate is decreased and the FAC charge is added to customer's rates.

The FAC is charged to haulers/cities based on the percentage of total tons they send the county. For example, if City A provides 60,000 tons (10% of total garbage tons in this example) they would pay 10% of the FAC (10% of \$20 million is \$2 million). The city and haulers work together to determine how the fee is collected from haulers. This pass through varies depending on the terms of the contract between your city and your waste hauler. Some cities have opted to add a per volume charge to each container; others have opted to increase the disposal component to cover both the fixed annual charge and the per-ton fee.

What is the new Fixed-Annual Charge on my bill?

Garbage collected by your local waste hauler goes to one of King County's recycling and transfer stations, and eventually to the Cedar Hills Landfill in Maple Valley. To cover the cost of operating the regional solid waste system, King County charges your hauler a per-ton tipping fee part of which is reflected on your garbage and recycling bill, usually based on the size of your garbage cart.

Beginning, January of 2024, your bill will also include a new fee called a Fixed-Annual Charge that your hauler will pay in addition a reduced per-ton tipping fee. A portion of that charge will be passed along by the hauler on each customer's bill. The Fixed-Annual Charge will help King County keep investing in facility operations, maintenance, and service improvements as higher recycling rates reduce the amount of revenue generated from garbage tipping fees.

Why is the Fixed-Annual Charge needed?

King County's new Re+ Program sets an ambitious yet achievable goal to get the 70% of the recyclable or reusable material that ends up in the landfill back into the economy. These materials include metal, wood, cardboard, and food waste, which is a major cause of greenhouse gas emissions.

Less garbage in the landfill means less revenue from garbage tipping fees. But King County must keep funding the regional system that will still be needed to manage garbage, meet environmental permit standards, and expand access to recycling services. The portion of the Fixed-Annual Charge included in your bill, which is determined by your local hauler or city, will help bridge the funding gap as garbage revenue shrinks.

What are the benefits of the Fixed-Annual Charge?

Revenue from the Fixed-Annual Charge and the per-ton tipping fee will invest in programs and services that protect public health and the environment and increase access to waste disposal and recycling services. Examples include:

- Monitoring air and water quality to meet environmental permit standards at the Cedar Hills Regional Landfill and other locations.
- Modernizing facilities, including replacing two 60-year-old transfer facilities in northeast and south King County with new facilities that feature more services, reduced customer wait-times, and better design to reduce noise, dust, and odor.
- Investing in public-private partnerships to recycle more, reduce waste, and create new markets for recyclable materials.
- Working with companies to reduce waste created by the products they make and sell.
- Asset management and maintenance at all facilities to keep them in good working condition.