

KING COUNTY METROPOLITAN SOLID WASTE MANAGEMENT ADVISORY COMMITTEE

November 15, 2005

11:45 – 2:15 p.m.

King Street Center, 7th Floor Conference Center

Approved Minutes

Members in Attendance

<u>Name</u>	<u>Agency</u>	<u>Title</u>
Sharon Hlavka	City of Auburn	Solid Waste Supervisor
Brad Miyake	City of Bellevue	Utilities Director
Alison Bennett	City of Bellevue	Utilities Policy Advisor
Joan McGilton	City of Burien	Councilmember
Don Henning	City of Covington	Councilmember
Rob Van Orsow	City of Federal Way	Solid Waste & Recycling Coordinator
Jessica Greenway	City of Kirkland	Councilmember
Elaine Borjeson	City of Kirkland	Solid Waste Coordinator
Daryl Grigsby	City of Kirkland	Public Works Director
Carolyn Armanini	City of Lake Forest Park	Councilmember
Jean Garber	City of Newcastle	Councilmember
Nina Rivkin	City of Redmond	Senior Policy Analyst
Linda Knight	City of Renton	Solid Waste Coordinator
Dale Schroeder	City of SeaTac	Public Works Director
Mick Monken	City of Woodinville	Public Works Director
Valarie Jarvi	City of Woodinville	Public Works Maintenance Supervisor
Pete Rose	City of Woodinville	City Manager

Others in Attendance

Solid Waste Division

Theresa Jennings, Director

Theresa Koppang, Lead Planner

Morgan John, Grants Administrator

Diane Yates, Intergovernmental Relations Liaison

Tom Karston, Finance and Rates Analyst

Kevin Kiernan, Engineering Services Manager

Thea Severn, Transfer and Transport Operations Manager

Gemma Alexander, Solid Waste Division staff

King County Council Staff

Mike Huddleston, King County Council Staff

Beth Mountsier, King County Council Staff

City Staff

Susan Fife-Ferris, City of Bellevue

1 **Call to Order**

2 MSWMAC Chair Jean Garber called the meeting to order at 12:05.

3
4 **Approve October Meeting Minutes and Review Agenda**

5 **MSWMAC Vice Chair Joan McGilton moved approval of the October minutes.**

6 On line 204, MSWMAC member Jessica Greenway asked to change the word “reduce”
7 to “eliminate.”

8 *The minutes were unanimously approved as amended.*

9
10 Garber said that copies of the division’s responsiveness summary for ITSG’s Additional
11 Issues were available. She said the Comp Plan schedule requested by Vice Chair
12 McGilton at last month’s meeting was also available.

13
14 Garber said that Ordinance 14971 calls for a report from ITSG that will address:

- 15 1. potential modification of the Solid Waste Interlocal Forum
- 16 2. identification of dispute resolution options
- 17 3. development of a framework for financial policies and host city mitigation
- 18 4. evaluation of the impact of the proposed waste export system plan on the
19 provisions of the interlocal agreements
- 20 5. identification of potential amendments to the solid waste interlocal agreements.

21
22 Garber said it is important that these tasks be initiated soon, so they can be completed by
23 April 30, 2006 along with the Waste Export System Plan.. She suggested that this issue
24 be placed on the next ITSG and MSWMAC agendas for discussion, with an emphasis on
25 what role MSWMAC should play in reviewing ITSG’s report, and how that review
26 would be integrated into MSWMAC’s work on the Waste Export System Plan.

27
28 Garber suggested that a briefing from council staff on the council’s plan for the
29 independent third party review would be useful in December.

31 She said Agenda Items 7 and 9 are labeled “Action Items” because the division needs
32 agreement from MSWMAC on the direction it is going.

33

34 MSWMAC member Nina Rivkin asked if Garber meant for ILA discussions to begin in
35 December. Garber replied that she intended that MSWMAC discuss a schedule for
36 completing the ILA work, and she hoped ITSG would discuss it first and make
37 recommendations.

38

39 Rivkin asked if the action items were meant not as formal actions but to give direction to
40 the division. Garber said yes, the next time MSWMAC will see these items will be as
41 part of the full draft of the report, so she wants MSWMAC to give the division direction
42 on how it should proceed with these topics.

43

44 Rivkin said she is concerned because MSWMAC usually discusses materials at one
45 meeting and takes action at the next meeting. She said members need to learn from the
46 discussion before giving direction to the division.

47

48 Garber said that the schedule calls for discussion today and formal action in December.

49

50 Greenway asked how the division would like to receive feedback on the draft that will be
51 released November 29.

52

53 Garber said that the complete draft report will be emailed on November 29. MSWMAC
54 members will have the opportunity to email comments to the division directly and then
55 discuss the report at MSWMAC’s December meeting. After that, the division will make
56 changes to the draft based on input, and MSWMAC will take action to approve the report
57 at its January meeting.

58

59 Greenway said she was comfortable with that schedule.

60

61 Kiernan commented that the division would appreciate it if members could submit their
62 comments as early as possible to allow the most time for the division to make changes.
63 He said that if the division receives all comments by the December meeting, there will be
64 enough time to incorporate changes for the January meeting. He added that the division
65 understands the revision may trigger new comments.

66

67 In response to a question, Yates said the January meeting will be on Wednesday the 18th.

68

69 **Solid Waste Division Update**

70 Solid Waste Division Director Theresa Jennings said that the full draft of the 4th report
71 will be emailed to ITSG, MSWMAC and SWAC on November 29th.

72

73 Jennings said the division has met with labor and with the haulers; Allied, Waste
74 Connections and Waste Management. She said the haulers were very interested in new
75 commercial-only facilities, and in keeping the transfer system in place. The haulers want
76 to bid on a combined intermodal/long haul contract. Waste Management suggested a
77 new package, which the other haulers liked. Waste Connections also liked Package Two.

78

79 In response to a question, Kiernan said the haulers prefer to keep self-haul and
80 commercial service separate. They are very interested in operating new facilities, but do
81 not necessarily want to own them.

82

83 In response to another question, Jennings said a summary of the meetings could be made
84 available, and haulers would be happy to come speak directly with MSWMAC.

85

86 Jennings said the division gave labor representatives updates on the process. At this
87 point, labor is just listening, but they will want to be more involved at the level of the
88 business plan and staffing decisions.

89

90 Jennings reported that the state auditor's annual report has been released. The auditor's
91 opinion on Cedar Hills' rent was that it is appropriate for the county to charge the
92 division for current rent, but that the county could not charge rent retroactively.

93

94 **SWAC Update**

95 McGilton reported SWAC elected Carolyn Armanini to be their 2006 Chair, and Jerry
96 Hardebeck Vice Chair. At their last meeting, SWAC had basically the same the agenda
97 as MSWMAC has today. Forecasting, system options, work schedule, and the Report
98 Four outline were discussed. SWAC was primarily interested in the system packages.

99

100 **Public/Private Matrix Conclusions**

101 Kiernan said the public/private matrix was initially developed for Report 3, and
102 submitted in draft form including color coded comments. The matrix was useful as a tool
103 for understanding the issues around public vs. private systems, but it has to a large extent
104 been superseded by Chapter Three of the draft Fourth Report. The key points gained
105 from the development of the matrix were: private options require a contract, and private
106 options must be held to the same standards as public options.

107

108 Kiernan said although the matrix has already served its purpose, council requested a
109 finalized matrix, so a column has been added containing the division's recommendations
110 for the policy questions raised in the matrix. He said the matrix, once approved, will
111 become an appendix to Report Four. The division will accept comments by email, but
112 would prefer to focus on the chapter for the report.

113

114 Rivkin said she is not comfortable approving the matrix because it is not complete
115 enough to be a formal document. She agreed that the matrix has served its purpose and
116 said she did not want time spent on the kind of careful revision needed to finalize a
117 formal document.

118

119 Garber asked if council might withdraw its request for a finalized matrix. Jennings
120 replied that the request is part of the motion approving Report 3. Garber suggested a

121 letter to the Regional Policy Committee to let them know that the matrix has already
122 served its purpose as a working tool, and that MSWMAC would prefer not to spend the
123 time refining it further.

124

125 **Armanini moved MSWMAC convey to RPC that the matrix is a tool whose**
126 **usefulness has been realized and is not valuable as a document.**

127

128 County council staff Mike Huddleston suggested that for the sake of responsiveness the
129 most recent version of the matrix should accompany the letter. After discussion,
130 MSWMAC agreed that only the version with comments incorporated, not the color-coded
131 version, would be transmitted with the letter.

132

133 Garber suggested that division staff write the letter and MSWMAC Chair and Vice Chair
134 would review it before sending the letter and matrix to council.

135 *The motion passed unanimously.*

136

137 **Sensitivity Analysis Presentation**

138 Jennings introduced the division's new Finance and Rates Analyst, Tom Karston.
139 Karston gave a PowerPoint presentation of the division's sensitivity analysis. The
140 analysis considered three scenarios: full early export, partial early export and withdrawal
141 (diversion) of some waste from the system. Filling Cedar Hills to capacity before
142 beginning waste export was used as a baseline for cost comparison. Karston said that the
143 analysis assumes an efficiently functioning transfer system.

144

145 Full early export:

146 The analysis found that exporting all of King County's waste as soon as possible would
147 cost \$107 million (present value) more than the baseline scenario.

148

149 Partial early export:

150 Exporting approximately 200,000 tons (20%) early would cost \$16 million (present
151 value) more than the baseline scenario. Due to changes in the division's operating

152 environment over the last several years this number is less than was projected in past
153 models, and merits further evaluation.

154

155 Withdrawal of some waste from the system:

156 Entirely removing approximately 200,000 tons of King County's waste from the system
157 would cost \$103 million (present value) more than the baseline scenario.

158

159 Karston said this analysis, particularly partial early export, raises questions for further
160 study, including:

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

163

164 MSWMAC member Linda Knight asked about the Landfill Reserve Fund. Karston said
165 it is to pay for post-closure maintenance of Cedar Hills.

166

167 In response to a question, Jennings said income from the landfill gas to energy project is
168 not enough to impact this analysis.

169

170 MSWMAC member Alison Bennet asked how partial withdrawal would affect capital
171 costs. Karston replied that although the answer would partly depend on which part of the
172 system withdrew, 20% of the tonnage would be unlikely to alter capital investment needs.

173

174 In response to a question, Kiernan said that if waste were withdrawn from the King
175 County system, it would become part of another waste management system, which would
176 assume the costs for managing that amount of waste. A past example would be the City
177 of Seattle withdrawing from the county system to form its own system. A hypothetical
178 future example could be the formation of Cedar County. Kiernan said each of these
179 scenarios was analyzed at the cities' request.

180

181 Jennings commented that past analyses concluded that partial early withdrawal was too
182 expensive. Recent changes such as rent at Cedar Hills have made that option look more
183 attractive. The division will look into it more closely.

184

185 In response to a question, Kiernan said that how tonnage affects transfer station design
186 depends partly on how the tonnage is distributed. When tonnage is widely distributed it
187 has very little effect on design, which depends more on operational requirements related
188 to commercial truck size. Tonnage concentrated in a particular area could affect the
189 number of compactors required at a station.

190

191 MSWMAC member Dale Schroeder asked about the transition time that would be
192 required to move to waste export. Kiernan replied that Seattle transitioned in two
193 months, while Portland took only one day.

194

195 Garber said that the full draft of the report will be available on November 29, which
196 should give members time to review the material presented today. She asked if anyone
197 had concerns or issues with the direction the sensitivity analysis has taken so far.

198

199 No issues were raised.

200

201 **Long Haul Options**

202 Kiernan gave a PowerPoint presentation on the analysis of long haul transport options.
203 Rail, barge and truck alternatives were evaluated. He said that barging requires an eleven
204 day round-trip travel time, which has significant impacts on capital and operating costs
205 and appears to be a fatal flaw. Trucking has very high staffing requirements which
206 significantly impacts operating costs and appears to be a fatal flaw. While there are
207 obstacles to rail as well, particularly local switchyard congestion, rail appears to be the
208 most cost-effective alternative for long hauling. This is supported by the new issue of
209 Waste Age magazine, which concluded that for systems exporting more than 150,000
210 tons to a landfill which is more than 200 miles away, the economics favor rail.

211

212 MSWMAC member Don Henning asked how the system would respond to rail
213 interruptions. Kiernan said that most jurisdictions have contracts that put the burden on
214 the hauler with high liquidated damages per day for disruptions.

215

216 In response to another question, Kiernan said ownership of rail cars could be determined
217 by contract. He said that waste handling would take place at the transfer stations, where
218 waste would be placed in containers. The waste would not be handled again until it
219 reached the landfill. He added that although it is possible to export uncompacted waste,
220 this analysis assumed that only compacted waste would be exported.

221

222 Schroeder asked about rail traffic. Kiernan said that locally, intermodal capacity is
223 constrained, but that regionally, there are no congestion issues with long-haul rail traffic.

224

225 **Transfer Station Packages**

226 Kiernan described the fourth package, which was suggested by Waste Management, and
227 separates self-haul service from commercial service.

228

229 MSWMAC member Daryl Grigsby asked if that is a common practice. Kiernan replied
230 that it is. The private sector often operates commercial only stations. The City of Seattle
231 is moving in the direction of separating service types in its solid waste plan. The public
232 sector offers self-haul at transfer stations as a constituent service, but it is not the most
233 cost effective way to handle waste.

234

235 Schroeder asked where Bow Lake's current self-haul customers would go if Bow Lake
236 became a commercial only station. Kiernan said that under Package 4, which converts
237 Bow Lake to commercial only service, Renton would become a self-haul facility. The
238 baseline package (Package 1) would close Renton and keep Bow Lake open to both self-
239 haul and commercial customers.

240

241 Henning asked if the system will subsidize self-haulers. Kiernan replied that has been an
242 ongoing discussion during the 19 years he has worked for the division. In the past, the

243 division has suggested focusing self-haul service at certain stations. Jennings added that
244 self-haul customers includes businesses.

245

246 MSWMAC member Jessica Greenway asked if the analysis of the packages will include
247 costs. Kiernan replied that both capital and operating costs will be addressed.

248

249 Greenway asked about the distribution of commercial and self-haul traffic. Garber said it
250 will be considered in the analysis of whether to convert a station to self-haul only.

251 Jennings added that Report 4 will include costs, and the Export System Plan will include
252 recommendations.

253

254 Rivkin said that three packages include rebuilding Bow Lake as a station to serve both
255 commercial and self-haul, while the fourth package would maintain Bow Lake as a
256 commercial only station. Kiernan commented that Package 4 was submitted by the
257 haulers. He said Bow Lake will require significant reconstruction in order to continue
258 operation through the planning horizon, regardless of which option is selected.

259

260 Bennet asked what the other haulers thought about Package 4. Kiernan replied that they
261 both support the package, but that Waste Connections preferred Package 2.

262

263 Knight suggested the division clarify the difference between commercial and self-haul
264 customers because there could be a shift to redefine business self-haulers as commercial.

265

266 Kiernan commented that the CDL contracts define commercial haulers by vehicle type or
267 load size. If business self-haulers were redefined, then self-haul would only include the
268 most inefficient service, service to residential self-haulers.

269

270 Rivkin suggested the division be very careful about using language consistently and
271 precisely throughout the report.

272

273 Kiernan described Package 3, which was suggested by the City of Bellevue and does not
274 include developing the Eastgate property. He said that Waste Management responded to
275 this package, commenting that the Northeast Lake Washington geographic area was too
276 large and was growing too rapidly to be efficiently served by a single commercial station.

277
278 Kiernan said the division has received feedback from the City of Redmond which
279 contained operational suggestions for stretching the life of existing facilities, such as use
280 of yard goats. The division currently employs several of these practices, but will explore
281 the remaining suggestions. He said that these suggestions do not constitute a separate
282 package as such.

283
284 Rivkin said Redmond believes compaction can be achieved on site and that the stations
285 do not need to be replaced. Kiernan replied that there are two constraints to compaction
286 at the existing stations. The analysis presented at October's MSWMAC meeting showed
287 that site constraints mean there is insufficient ability for both getting waste into and out
288 of a compactor. Redmond's suggestions address how to get waste out of a compactor,
289 but do not address the limitation on getting waste into a compactor at existing facilities.

290
291 MSWMAC member Pete Rose said that, in essence, Redmond is asking the division to
292 prove that compaction is impossible at the existing sites.

293
294 Susan Fife-Ferris of Bellevue asked whether the group would be able to pick elements
295 from different packages. Kiernan said the group can recommend what it wants, but the
296 division is responsible for analyzing the packages.

297
298 Huddleston said he would like to see the timing aspect of each package. Garber said the
299 division has attached to Redmond's suggestion a schedule showing the tentative design
300 and construction schedule for major transfer station projects in the baseline package.
301 Kiernan added that the schedule assumes regional consensus is reached through this
302 process and shows that projects can be completed without service disruptions. The

303 division had expected to sequence projects, but in these packages multiple projects can
304 proceed simultaneously.

305

306 Jennings added that the schedule assumes a 2015 closure date for Cedar Hills. It is
307 possible that Cedar Hills could remain open longer than that.

308

309 Kiernan said the division will also consider costs of early export as a safeguard for
310 project delays. It may be worthwhile to incur slightly higher costs earlier to protect
311 against delay. That will be a policy choice, not an analytical one.

312

313 Huddleston recommended using conservative timeframes because jurisdictions may not
314 be happy with siting. He said it will be useful for RPC to see that there are choices that
315 may increase costs or extend the life of Cedar Hills.

316

317 Kiernan agreed that it is important to identify risks in the schedule. He said there are
318 clearly risks in the assumption of a 2015 closure date but the division must work to the
319 date suggested by analysis.

320

321 **Adjourn**

322 Garber asked Huddleston if MSWMAC could have a briefing on the independent review
323 at its December meeting. Huddleston agreed. He asked members to let him know if they
324 have specific ideas or expectations for the review so that he can address them.

325

326 The meeting was adjourned at 2:10 p.m.

327

328 Submitted by:

329 Gemma Alexander, SWD Staff