

Metropolitan Solid Waste Management Advisory Committee

May 13, 2016 - 11:15 a.m. to 1:15 p.m.
King Street Center 8th Floor Conference Room

Draft Meeting Minutes

<u>Members</u>	
Diana Quinn	<i>Algona</i>
Joan Nelson	<i>Auburn</i>
Bill Peloza	<i>Auburn</i>
Susan Fife-Ferris	<i>Bellevue</i>
Sabrina Combs	<i>Bothell</i>
Austin Bell	<i>Burien</i>
Brian Roberts	<i>Burien</i>
Barre Seibert	<i>Clyde Hill</i>
Chris Searcy	<i>Enumclaw</i>
Rob Van Orsow	<i>Federal Way</i>
Micah Bonkowski	<i>Issaquah</i>
Gina Hungerford	<i>Kent</i>
Jenna Higgins	<i>Kirkland</i>
John MacGillivray	<i>Kirkland</i>
Penny Sweet	<i>Kirkland</i>
Phillippa Kassover	<i>Lake Forest Park</i>
Diana Pistoll	<i>Maple Valley</i>
Carol Simpson	<i>Newcastle</i>
Jonathan Chicquette	<i>Normandy Park</i>
Susan West	<i>Normandy Park</i>
Jerallyn Roetemeyer	<i>Redmond</i>
Gary Schimek	<i>Redmond</i>
Linda Knight	<i>Renton</i>
Beth Goldberg	<i>Sammamish</i>
Rika Cecil	<i>Shoreline</i>
Uki Dele	<i>Shoreline</i>
Frank Iriarte	<i>Tukwila</i>
Thomas Hansen	<i>Woodinville</i>
Kellye Mazzoli	<i>Woodinville</i>

<u>King County Staff</u>
Jamey Barker, SWD staff
Lauren Cole, SWD staff
Matthew Hobson, SWD staff
Mike Huddleston, Council staff
Beth Humphreys, SWD staff
Laila McClinton, SWD staff
Pat McLaughlin, SWD staff
Meg Moorehead, SWD staff
Mike Reed, Council staff
Olivia Robinson, SWD staff
Lisa Sepanski, SWD staff
Eben Sutton, SWD staff
Christie True, DNRP Director
Bryn Vander Stoep, Council staff
Kim van Ekstrom, SWD staff
Diane Yates, SWD staff
<u>Guests</u>
Doreen Booth, Sound Cities Association
David Della, Waste Management
Kelly Ferron, Recology CleanScapes
David A. Galazin, City of Kent
Michael Grayum, Republic
Kim Kaminski, Waste Management
Megan McCain, Recology CleanScapes
Laura Moser, Waste Management
Mark Reposo, Local Government Services, State Auditor
Sheri Sawyer, Local Government Services, State Auditor
Jeff Wagner, Republic

Minutes & Agenda Review

The April minutes were approved as written.

Updates

SWD

Cedar Hills Regional Landfill Community Meeting

SWD held a Cedar Hills Regional Landfill Community Meeting on April 13 in Issaquah. About 13 residents attended the meeting to hear about completed and upcoming projects and to ask questions. King County Councilmember Reagan Dunn, also in attendance, began the meeting by voicing his support for SWD and the landfill, and told residents how to contact him if they had issues or concerns.

Cedar Hills Regional Landfill 50th Anniversary Celebration a Success

In honor of Earth Day and 50 years of operations at the Cedar Hills Regional Landfill, SWD held a public open house on Saturday. The event gave the public a chance to see operations up close and personal, while also explaining the landfill's history and future. More than 100 people attended, including several King County Council members and elected officials, and former SWD employees that worked at the landfill in 1965. Deputy County Executive Fred Jarrett gave a speech about the importance of capturing landfill gas and converting it into clean, renewable natural energy.

Fire Quickly Extinguished at Enumclaw Recycling and Transfer Station

At approximately 1 p.m. on Friday, April 22, a fire broke out in a compactor at the Enumclaw Recycling and Transfer Station. After alerting the fire department, transfer station operators removed trash from the compactor to expose the fire so the fire department could properly extinguish the flames. The station was closed for less than an hour to allow the building to ventilate.

SWD Receives Keys to New Factoria Transfer Building

Following a final walkthrough on April 22, SWD received the keys to the new Factoria transfer building. To ensure a smooth transition, customers will begin using the new building in phases. Commercial haulers will be the first to use the building, followed by household hazardous waste (HHW), and then self-haulers. The next phase of the project involves deconstructing the old station and constructing a new HHW building. The entire project is slated to be completed in December 2017.

SWD Begins Recruitment for New Assistant Division Director

The search for SWD's next Assistant Division Director began last week. SWD contracted with Ralph Andersen and Associates to develop a recruitment brochure and solicit interest from across the nation. The current assistant director, Kevin Kiernan, will retire at the end of the year.

McLaughlin also introduced new staff member Matt Hobson, Strategic Planning Manager.

SWAC

Joan Nelson gave an update on the April SWAC meeting. She noted that since Senate Bill 6605 passed, all SWACs in WA will be adding an agricultural position.

Other

Vice Chair Chris Searcy said that at the recent medicine return event in Enumclaw they collected 113 pounds of unused prescription drugs. They are working with the local pharmacies to establish a permanent collection site.

Brian Roberts mentioned that he had seen an [article](#) about a jurisdiction that had local graffiti artists paint dumpsters using paint from their paint stewardship program. He thought that might be something that could be done in Washington State to raise awareness about the paint stewardship bill. He speculated that a contest at the State Capitol might gain some attention. Bill Peloza agreed and said that the City of Auburn paints their electrical boxes to limit graffiti. He said that MSWMAC should continue to talk about the idea at another meeting.

State Budget: Embedded Commercial Collection Rates: Discussion

Sheri Sawyer, Deputy Director of Local Government Services and Mark Raposo, Deputy Director of Local Audit of the Washington State Auditor's office gave a brief presentation about a proviso in the 2015-2016 operating budget. They have the option to conduct an audit or a study and they have decided to do the latter. The specific proviso language is:

Sec. 123. 2015 3rd sp.s. c 4 s 124 (uncodified):

(4) Some local governments have combined fees for commercial solid waste collection services with fees for the collection of source-separated recyclable materials from commercial entities, establishing a single bundled rate charged to all ratepayers that purports to provide free recycling collection services to commercial entities. The state auditor is directed to: (a) Investigate whether such bundled rates result in the imposition of the solid waste collection tax on services related to material collected primarily for recycling and salvage in violation of RCW 82.18.010(3); (b) Assess (i) whether the bundled rates result in payment of fees by ratepayers for services that they may not receive or need, and (ii) the amount of such excess payments; and (c) Assess whether ordinances establishing bundled rates result in de facto regulation of commercial source-separated recycling collection services by local governments in violation of state law.

Comments and questions:

- Frank Iriarte commented that most cities don't do their own billing – the commercial haulers do it for them.
- In response to a question from Susan Fife-Ferris about who had introduced the proviso, Sawyer said that Senator Fain had introduced it, but that they did not know about the reasons for the proviso.

- Fife-Ferris stated that there is a disposal component and a service component in the rate that a customer pays. The disposal component is directly related to the weight. She recalled that in 2003, King County got a legal opinion that said that embedding rates doesn't violate RCW 70.95.
- John MacGillivray said that Kirkland does their own billing. If they lost the ability to embed recyclables it would have a huge negative impact to the recycling program. He suggested that the Auditor's Office talk to the finance people with the City.
- Searcy said that if there was mandatory recycling, this might not be an issue.

Sawyer wrapped up the presentation by saying that the cities should not be nervous about the study. The Auditor's office will talk with cities as a part of the study and they will be transparent as the study is conducted. They hope to have the study completed by the end of the year. She asked for names of people that would be willing to talk with the Auditor's Office about this. Fife-Ferris, MacGillivray, and Vice-Chair Searcy all volunteered to talk further about this subject. Chair Sweet said that the committee would get any information to the Auditor's office that was requested to assist with the study.

Line of Business Plan and Rates

McLaughlin introduced Meg Moorehead by saying that she would be presenting the division's preliminary rate proposal. He stated that this work began in 2015, with the product family champions working on trying to align the budget with the division's lines of work – waste prevention, resource recovery and disposal. He said that the division would be submitting the rate proposal to the Executive in June. The division is scheduling individual briefings with cities and will be bringing the proposal back to MSWMAC in June for more discussion.

Moorehead added that the division presented the preliminary rate proposal to Executive Constantine on Monday and got positive feedback. She then gave a presentation on the rate proposal ([see presentation](#)). Drivers behind the proposal include recycling goals, goals to provide disposal through 2040, and the Strategic Climate Action Plan goals of achieving carbon neutrality by 2025.

- In response to a question from Beth Goldberg about restoring post-closure reserve balances, Moorehead said that the division has drawn down the balance in the Cedar Hills Reserve fund in part because development rates for Area 8 have been higher than expected. In addition, the post-closure fund for closed landfills was set up with the requirement to provide for post-closure maintenance of the landfills for 20 – 30 years. Six of the seven landfills have already past that point, but they still haven't met the regulatory thresholds to be able to cease monitoring activities, so the division needs to continue to put money into this fund.
- Goldberg stated that it would be helpful to know more about the new increments being proposed in the rate – for instance, how much of the rate increase is due to inflation, and what is new that is being proposed in the rate? Moorehead replied that

about 73% of the proposed rate is to cover what we are already doing. The division will present more detailed information on this topic at the June MSWMAC meeting.

- In response to Diana Pistol's question about the consistency of the new rate with the tonnage forecast, Moorehead replied that the current rate projection agrees with the last rate proposal – it had a projection of \$140 for 2017.
- Fife-Ferris commented that the word "required" means "mandatory" to her. Moorehead responded that the division will be asking Council to institute mandatory curbside recycling, single family organics recycling, and every other week garbage collection in the unincorporated part of the County. This doesn't mean that garbage collection is required, but that if a customer signs up for garbage collection it will include curbside recycling, organics and every other week collection.
- Pistol stated that single family customers in the unincorporated part of the county pay the highest rate in the county. She wants to ensure that before the mandate goes through, that more service options are available to customers. Right now, customers don't have organics collection in the winter and have limited choices for container size. Moorehead responded that the division will need to determine whether cart sizes would need to be different. In a pilot that was done in Seattle, most people kept the same cart size.
- In response to some questions on slide # 19 (Cedar Hills Development Provides Lowest Rate Impact Disposal Option) Jamey Barker, SWD staff, explained that if a decision is made to extend the life of Cedar Hills landfill, the rate impact would be lower, because costs are spread out over a longer period of time. The green line reflects this. The red line is higher because it assumes that Area 8 isn't being developed and that waste export would start in 2027.
- Goldberg wanted to know more about the red line. She asked if the red-dotted line meant you are exporting waste or you are just planning to export. McLaughlin responded that the division is using what we know about Seattle's probable rate to estimate what costs might be if we went to waste export. The rate proposal includes funds to build up the post closure fund for Cedar Hills. By keeping the landfill open longer, it gives more time to build up the reserves.
- Mike Reed said that he thought that he had been hearing that 2030 is when Cedar Hills would reach capacity. Has something changed? Moorehead responded that the division is always recalculating the closure date because we want to be sure to have enough landfill capacity.
- McLaughlin said that the forecast changes over time – at one time we were expecting 1.6 million tons of garbage a year. Now we are receiving half of that. From a capacity planning standpoint, we are more careful and are not assuming the 70% recycling.
- Gary Schimek asked if the \$22 million that rate payers saved by delaying the rate increase by 2 years was through efficiencies. Moorehead responded that some things weren't done and some were deferred, such as not replacing some equipment.

- Fife-Ferris said that she appreciates that the division is being more conservative in planning for capacity at Cedar Hills. She thinks that if we plan on 70%, we might get in trouble.
- Searcy commented that the Enumclaw council's philosophy is to do more frequent, smaller rate increases.
- Pistol stated that rural customers want to recycle.
- Carol Simpson said that she likes incentives. Right now, the cities aren't all working towards the 70% recycling rate. She suggested that if the rate increase is delayed a year or so the cities would be more willing to participate.

McLaughlin wrapped up the discussion by saying that the division is looking at our rate structure and rate model. Right now we are incentivized to dispose waste. In the 2019-2020 period, we anticipate being ready to discuss a new rate structure. A new rate structure would give us the opportunity to discuss differential rates and incentives.

Member and Public Comment

There were no comments.