

## **MSWMAC Advisory Committee Meeting**

February 11, 2021 - 11:15 a.m. to 1:15 p.m.

Virtual Meeting (Zoom)

<b><u>MSWMAC Members</u></b>	
Joan Nelson	Auburn
Emily Warnock	Bothell
Steve Friedman	Clyde Hill
Chris Searcy	Enumclaw
Rob Van Orsow	Federal Way
Tony Donati	Kent
Jenna McInnis	Kirkland
Penny Sweet—Chair	Kirkland
John MacGillivray	Kirkland
Phillippa Kassover	Lake Forest Park
Amy Shaw	Maple Valley
Jeff Brauns	Newcastle
Ernest Thompson	Normandy Park
Stacy Auer	Redmond
Aaron Moldver	Redmond
Linda Knight—Vice Chair	Renton
Mason Giem	Seatac
Autumn Salamack	Shoreline
Jason Rogers	Snoqualmie
Diana Hart	Woodinville

<b><u>King County Staff</u></b>
Joy Carpine-Cazzanti, SWD staff
Jenny Devlin, SWD staff
Jeff Gaisford, SWD staff
Tom Goff, KCC Staff
Brian Halverson, SWD staff
Lindy Honaker, SWD staff
Pat McLaughlin, SWD Director
Terra Rose, KCC staff
John Walsh, SWD staff
<b><u>Guests</u></b>
Quinn Apuzzo , Recology
Eyasu Ayalew, Seattle-King County Public Health
Natalie Caulkins, Republic Services
Frank Dorr
Erin Gagnon
Shannon Jones, ECY
Laura Moser, Waste Management
Elizabeth Szorad
Wendy Weiker, Republic Services
Jackie Wheeler, SCA
Madeline Yun

### **Call to Order and Introductions**

Chair Penny Sweet called the meeting to order at 11:15 a.m.

### **Election of Officers**

SWD Director Pat McLaughlin presided over election of the chair. Kassover nominated Chair Penny Sweet to remain in the role. Sweet accepted the nomination. Seeing no other nominations, after a brief but failed attempt to launch a Zoom poll to take the vote, the committee moved forward with the nomination of the Vice Chair role.

MacGillivray nominated Vice Chair Linda Knight to remain in the role. Knight accepted the nomination. Still with no success operating the Zoom poll, the committee voiced unanimous support for both Sweet and Knight to each serve another term.

### **Meeting Minutes**

Sweet asked for a motion to approve the minutes of the January meeting. Searcy moved, then Thompson seconded the motion. The minutes were unanimously approved as written.

### **Public Comment**

Sammamish resident Frank D'orr shared his understanding about the environmental impacts of the landfill. Dorr promoted his website as containing the answer to future waste management wherein all manners of waste is converted into plastic building material. Dorr shared a [press release](#) about his business solution with committee members.

### **SWD Update**

Division Director Pat McLaughlin provided the SWD update:

### **Snow Forecast**

The division was prepared for the predicted snow was not anticipating any disruption of service but will notify host cities if the weather affects operations at the transfer station. Haulers were planning on operating on their normal routes, albeit slower given road conditions.

### **2020 Odor Analysis Report**

The division shared a one-page [2020 Odor Fact Sheet](#) including a summary of odor management protocols and statistics collected in 2020. There were 24 odor complaints for the year: seven of which were related to the recycling and transfer stations, 17 from the landfill. The report described the most common sources were compost then smoke in surrounding communities.

### **NERTS update**

- Four candidate sites have been selected for consideration for SEPA. The sites are in Woodinville, Redmond, and two in Kirkland, including the site of the existing Houghton Transfer Station. A decision on which sites to advance to SEPA is expected in April.
- A public survey seeking community members input and comments on the four sites is available on the project website [kingcounty.gov/northeast](http://kingcounty.gov/northeast). The survey closure date was extended from 2/9 to 2/18 to give community members more time to participate. Over 2000 responses have been received so far (1.5% in languages other than English).
- SWD staff will continue reaching out to community groups and offer discussions on the project. If you know of a group interested in a presentation, please contact the project at [northeast@kingcounty.gov](mailto:northeast@kingcounty.gov).
- Staff presented at the monthly meeting of the South Rose Hill – Bridle Trails Neighborhood Association on 2/9; neighbors expressed their perspectives in Q&A and comments. Other presentations are planned for the Houghton Community Council (2/22) and the Rotary Club of Kirkland Downtown in March.

### **Sustainable Salvaged Wood e-Tour**

- The e-tour took place on February 5<sup>th</sup> with over 50 people in attendance, including various MSWAC and SWAC members and King County Councilmember Kathy Lambert.
- We want to thank representatives from Second Use, City of Portland, ReUse Consulting, and Sankofa Lumber, and salvaged wood scientist Raphael Arbelaez, for leading different segments of the tour.
- We anticipate this tour will spark in the attendees the drive to actively support the transition of unpainted/untreated wood from deposition in landfills and use as a fuel to incorporation in new building products.

### **Legislative Update**

Gaisford summarized the [legislative update](#).

Kassover said she noticed several bills have similar goals and content. She asked if Gaisford heard if legislators are putting their ideas together and coalesce behind certain bills? Gaisford said yes, starting

with SB 5022, seeks to address what is in the Extended Producer Responsibility bill (EPR). While there is interest in it, everyone recognized it is a large and complicated bill and it introduces ideas. So, the substitute bill seeks to address some of what it raised. He said the same goes for HB 1488, which is getting at recycled content in packaging. He said they are trying to chip away at recycling plastic problems.

Thompson asked what the goal was for HB 2279 about digital repair. Gaisford said there have been Right to Repair bills in other states; this one is intended to make it easier to repair electronic items rather than dispose them and buy new. He said this bill focuses specifically on repairing electronic products such as computers and tablets and get them in hands of people who cannot afford new ones, particularly giving affordable access for students. He said the bill has made it through the policy committee and is going through executive committee on Monday, so it is still alive. Thompson asked if there was a cost estimate associated with it. Gaisford said he has not seen a fiscal note attached to it yet. Thompson said digital repair might be emotionally satisfying since things are rapidly changing but it is not like repairing radios years ago. He wondered if this is an economic boondoggle, while he does not want to discourage anyone, he would need more information before he could support the bill.

### **SWAC Update**

Kassover said the primary difference between the two meetings was SWAC received more of an update on the selection of the four sites for NERTS and held an election for officers, but otherwise they were identical meetings.

### **2022 Rates**

SWD's Strategic manager, Brian Halverson said his presentation will begin with a review of the preliminary rate presentation in January, followed by a discussion about recycling fees and then about the consequences if there was no rate increase in 2022.

Last month, Halverson presented about tonnage forecasts being better than anticipated when the division submitted the budget to council which now leads to increased projections about 129,000 tons over the next three-year period.

On the capital-spending side, Halverson reminded committee members the division is entering a high-spending phase from 2021 - 2026, spending an estimated \$500 million, which will increase debt service, so the division expects to increase the rate by \$32 by 2026. The capital projects include two recycling and transfer stations which will broaden access to recycling, extend the life of the landfill, and provide up to 1,400 jobs. Halverson said these were bond-funded projects, with another \$60 million for non-bond funded projects.

Halverson described the division's environmental investments including \$7 million toward the division's goal of zero waste of resources which could also create new jobs if more people needed to be hired at material sorting facilities, for example. The division also plans to spend \$2 million toward carbon neutrality. Halverson noted the division also identified over \$40 million in savings over the biennium, but these were one-time savings and the division likely will not find those savings again.

Then Halverson presented a review of the three preliminary rate scenarios: No Increase, the Middle Path, or the scenario used to build the Adopted Budget. Halverson said regardless of what scenario is selected, the division will wind up in the same spot.

He then reviewed the list of pending decisions and information that will affect projected rates such as the updated tonnage forecast update, whether flow control matters are resolved, the revenues from the sale of surplus property, the costs of relocating landfill support facilities, and the labor savings resulting from potentially shifting to five-day operations.

SWD's Strategy, Communications, and Performance manager John Walsh presented on the division's goal to recover costs from recycling yardwaste and mattresses. The division's yardwaste fee has been \$75 a ton since 2013 and thus the division has spent \$300,000 more on yard waste and wood waste than what is collected in 2019 - 2020. The more yardwaste collected, the more money the division spends. In 2019, it cost an estimated \$112 per ton to recycle yardwaste but it is probably closer to \$114 per ton since Cedar Grove increased their rates last year.

Walsh said the committee discussed two options to address cost recover: an aggressive option (going from \$75/ton now toward \$100/ton then up to \$115/ton in 2023) and a gradual option (incremental increase over five years instead of two). The downside of the gradual option is the division will continue to lose revenue on recycling yard waste so the tipping fee will need to be raised higher to cover the costs. Walsh asked the cities what their thoughts on these options.

Knight said it is good to see there are options and this shows we need to continue to message to the public there is no free recycling and there is a cost in handling materials. Even if curbside customers do not pay separate fees for their recycling and yardwaste, it is incorporated in their garbage bill, even if it is not called out.

Walsh added: about 45% transactions at the transfer stations are the minimum fee transactions, so for most customers, the price will go up from \$12 to \$14.

Searcy asked if the division is seeing a lot of yardwaste end up in the refuse system or if there are illegal dumping concerns, otherwise, where is the yardwaste going now the division is trying to bring into the system. Walsh says for now it's largely a pilot out of the Bow Lake Recycling and Transfer Station as part of an Improved Sort it Out effort of helping customers know where to put their waste beyond the tipping floor. When customers are told where to put things, they do it but if transfer station operators cannot tell customers where to put things like yard waste and appliances, they will try to separate them later. Depending on results of the pilot, outreach may be rolled out at other stations.

Gaisford added since 2018, self-haul was prohibited to dispose of yardwaste at stations with recycling services and Walsh is describing a program that encourages customers to put the yardwaste in the yardwaste bins instead of the tipping floor. He also said yardwaste makes up half the tonnage of recycling, so it is an important and costly service at the transfer stations.

Walsh asked if city representatives had thoughts on which option the division ought to consider.

Thompson said his constituents know no matter what the rate is raised to it will always go up the next year, so they get cynical and he does not blame them. He said, personally, he would love for the division to get to the break-even rate asap and build in a slight surplus, so we do not need to come back next year to raise it again. He said many people might understand that better, even if everyone else wants the division to nibble away.

Searcy said in Enumclaw where they run their own collection, they routinely look at cost of service and would support concept of cost recovery so they would lean toward a more aggressive approach but understand the concerns in the economy.

Donati said he agrees the aggressive approach is more appropriate, even though he understands the economic uncertainty and appreciates the division being careful about raising fees now, but this approach saves the division from raising tipping fee more. He also said he agrees with the need for increased engagement at the transfer stations because anytime he is at one, he sees a lot of material where it doesn't belong and more engagement is needed so people better understand it has a place to go.

Hart asked how the recycling rate compares to the overall tipping fee. She asked if the rates are close enough customers with both yardwaste and waste might not care and dump both on the tipping floor because it is quicker or are they different enough to incentivize them sorting it out. Walsh said the garbage fee is \$141/ton and the minimum fee is \$25 per transaction. So, the comparison would be \$16 instead of \$25, so it would be cheaper than throwing it away.

Walsh said mattresses are big and bulky, taking up a lot of space in the landfill but they are also full of valuable materials such as steel and wood. So the division puts them in a truck to go to a private recycler who goes rips them apart and sorts materials, and they are who gets the materials to market for reuse. McLaughlin reiterated the division collects the mattresses, delivers them to the processor who recovers what they can and presumably, they pass their costs onto us.

Walsh said the reason the division is proposing \$30 a mattress is because the division wants to be a convenient option to the customer who wants to dispose their mattress, not a competitor to the mattress processor. He said the division will take the mattress and the \$30 to the processor or the customer can do it themselves.

Gaisford added this project was piloted at a couple stations so we could learn how much it costs us. Right now people are not paying a separate fee to recycle mattresses, they pay just the regular garbage fee and voluntarily putting their mattress in the pile. This charge would cover our costs and signal how much it costs to deal with it.

Moldver said he recently delivered a mattress and box spring to the mattress processor DTG and was surprised they charge \$30 for each since a box spring weighs less and easier to recover material from. Gaisford said the division sends mattresses to DTG and they charge the same \$30 for each, whether it is box or foam mattress, but their pricing might be different down road. Walsh said the same would be for the division, the charge would be \$60 total for both.

Walsh began the presentation about the possible expenditure reductions to consider if the committee was interested in not raising the rate in 2022, which would necessarily raise the rate 22.5% in 2023, the theory being if the division spends less money next year, then it goes into savings and makes the 2023 rate lower. Walsh added all the options presented would assume that path forward, not just for the one year.

The first reduction option would be with level of service such as reducing transfer station operations to four days a week, which would decrease the 2023 rate by 4% to 18.5%. Walsh said all these reduction options have consequences, so if the stations were closed Friday through Sunday, self-haul customers would have to visit during the week, increasing traffic and wait times, hauler rates might have to increase,

staff changes, etc. The division could also consider closing the low tonnage stations, which could save \$2 million a year, and lower the rate by 3%. The division could also consider ending recycling at transfer stations, no more yard waste or appliance collections, so everything would end up on the tipping floor, saving \$4 million, but lessening our carbon neutrality goals and filling the landfill sooner.

Searcy asked if the division was asked to come up with this analysis or was this done in anticipation of someone asking. McLaughlin said the division is sensitive to the fact the outlook is tentative, although the economic impacts are not as bad as first thought but if federal funding does not come to cities, out of respect, we want to analyze possibilities of deferring the rate one more time. He said it was not his personal recommendation as it all seems more problematic than beneficial, but he noted, it is not his call. The division wants committee members to be aware and get their feedback: are these ideas even palatable? Is it really important we avoid a rate increase? Do we want to absorb the consequences, or do we not want to spend a lot of time in this space?

Donati asked which are the lower tonnage stations. Walsh said the Cedar Falls Drop Box, then Renton since it receives the fifth most tons out of the eight stations, accounting for 7% of the division's total tonnage, and customers could go to Factoria or Bow Lake. Another option could be to eliminate night shift at Bow Lake.

McLaughlin asked if there was an appetite for these sorts of service level changes.

Thompson said reality is reality, and we live in an era of a lot of changes on multiple levels, but if you are not meeting your break-even point then you are building debt and denigrating your reputation down the line. You should tell people what the costs are because that's the way it is. He said it does not do any good to kick can down road.

Knight said she is in agreement with Thompson because it is incumbent upon us to be honest about the costs and the bottom line. The public is starting to get on board with waste prevention, but they cannot get fully on board if we continue to find ways to reduce costs; they will find other outlets to manage their solid waste and Renton would not be on board with these cuts.

Kassover said she does not find these service reductions to be in our best interest at all. While last year was uncertain and we need flexibility, the future is getting a little clearer and she is less horrified than she was six months ago. She said let's not reduce service areas, but let's also make sure we're offering appropriate support for those in our community for whom the cost of properly taking care of their garbage and recyclables is beyond their means. She said we started doing that and must remain committed to it, but she would not like to see this reduction.

Sweet said the division should get a sense of the response from these comments. McLaughlin said the feedback is helpful.

Walsh showed the next slide depicting the consequences of reducing investments and delaying capital projects. There is \$7 million budgeted for achieving zero waste of resources – of reducing the approximate one-million tons of garbage a year closer to 300,000 tons of garbage by 2030. The division also wants to become carbon neutral by 2025. Walsh said we need to invest in these goals if we're to make progress on them. If we don't pay for these investments, we could potentially reduce the rate by 7.5% but it means we won't make those goals and would eventually need to reduce staff.

Another possibility is eliminating city grants, costing about \$1M a year, which would mean fewer recycling events hosted by cities. Walsh said the division could also delay major capital projects such as the two new recycling and transfer stations for a year, which would save about 2% on the rate increase. Delaying the building of these stations means the host cities do without services other cities get, as well as the loss of jobs these projects create.

Searcy asked if there were any bond issues for these major capital projects and did anyone know the interest rate. He also asked if the County's economist feel those rates will trend or remain stable. Walsh said the Office of Economic and Financial Analysis will issue new estimates in March which the division will use in the model, the last estimates were made in August at around 3%. Halverson said there was an expectation rates will go up, rates will be more favorable now than later. Searcy said he could not support more delays on these projects because it is not fair for those communities to continue to have to suffer those old stations.

Thompson said we're always behind the curve and need to find a method or strategy to get ahead of the curve. He is reminded of The Bullitt Building downtown, which is cash positive; the building makes money selling the waste via their composting toilets. He said he wants to see investment in research on how to make this situation cash positive.

Kassover said she agrees with Thompson, and noted money is cheap now and it would be crazy to borrow it when money will be more expensive, so she does not agree with delaying capital projects. She said the city recycling grants are important to raise awareness and educate the public about recycling. It is another investment into the future she does not want to see eliminated. She said she does not know enough about the investments the zero-waste project will propose and said it is difficult to ask this group about that since it is unknown if the investment will be worth it.

McLaughlin said he knows task force is evaluating different paths and options and agrees that we don't know enough yet to provide details. He said the task force recommendations will be made in a few months.

Moldver said he wanted to echo Kassover about the recycling grants. He said Redmond is in an interesting situation, they have phased out recycling events due to COVID-19, but they are still doing education and outreach. He said it would be harder to reach constituents without the city recycling grants.

### **Flow Control**

McLaughlin said he wanted to provide a quick recap about flow control. He said there is a legal framework in state that allows those operating regional systems such as King County and Seattle, to control flow of waste. This is not a discussion about recyclables, but the garbage generated in those districts. He said King County has a code to direct waste is disposed at the regional landfill. He added the interlocal agreements with cities, and most contracts between cities and haulers affirm the same for a long time. This was not an issue that was closely mentioned or enforced until recently when the division expanded the C&D network and became aware of the waste not staying in system as they began enforcing the C&D codes. He said the work was challenged in federal court where the division prevailed on summary judgement for many items, but there is an appeal, so story goes on. Nonetheless, he said the division sought to protect the flow of municipal solid waste because of our economic and environmental responsibilities. He said we want to keep the waste that belongs in our system in our system and keep waste that does not belong in our system out. This is not a money-grab. He said the County's landfill is a finite resource where we have room for our waste, but not everyone else's. So, while we have to turn away people from Seattle at our

transfer stations. Also, when recycling collected at the curb, goes to sorting facilities (MRFs), and they pull out a bowling ball or a garden hose, the facilities removes it for disposal.

McLaughlin said Recology and Republic Services do that sorting work within Seattle, who has their own jurisdiction and views the waste coming from the MRFs, becomes theirs. This is two municipalities at odds. Waste Management operates outside of Seattle, so they are not affected but we are keeping them aware of the situation. The other hauling partners are aware of the situation. Seattle tells them they are in their city, and if they give the waste to King County, then they are violating Seattle's code. The haulers received notice they must comply with Seattle's code by March 1. McLaughlin said the division does not believe we should walk away from our rights to expect and enforce flow control, but we recognize we can't keep butting heads and need resolution. He said the division spent last year establishing and defending our position as has Seattle. He said they have not yet focused on solution but over the past few weeks, the division met with haulers and Seattle and suggest we meet as a group and find a resolution at least on an interim basis. Haulers want to do the right thing either way but can't do both.

McLaughlin noted as mentioned in the briefing this morning, this issue could have an effect on the rate. He said last year, the haulers complied with the division and we saw a 25,000 increase in tonnage at the landfill.

McLaughlin said that since he last spoke about flow control at a committee meeting, there has not been any change, just a few letters exchanged and a few meetings, but positions remain fairly solid. He said he wanted the committee members to be aware of the conflict since your haulers are likely caught in the middle and are seeking relief.

Thompson shared an anecdote about Franklin Roosevelt who called arguing representatives into meeting, gave them tea and coffee, and telling them no one can leave without solution, locked them in room while he left to use the bathroom; later he came back and it worked. Thompson asked what the proper regional forum to settle issues that become multi-county matters.

McLaughlin said the dispute is between Seattle and King County, and the division is not actively in dispute with Snohomish or Pierce Counties, but there is potential bleed off the flow control there too. He noted the uniqueness of the situation due to the number of solid waste jurisdictions, there are not that many and even fewer with MRFs, and fewer again where the MRFs services different jurisdictions.

Thompson asked if this is going to end up in lawsuits. He asked if they are looking at the possibility of sharing the revenues.

McLaughlin said that idea was proposed as a possibility but the both jurisdictions have to be cautious about what we agree to in the long term, but the idea of reaching an agreement about allocation is a possible outcome.

Kassover said her thought was exactly that, if there is a way to divide up situation. She said she is trying to understand the motivation of Seattle Public Utilities (SPU) and asked if they are also worried about loss of revenue.

McLaughlin said he asked them their motivation and they were candid it was a financial issue for them. He said at end of day, if it is determined by the courts, that we don't have rights to the waste, that's fine. We only want what's right and we are happy to back off. He said if the division was motivated by money,



we would not be turning customers from outside our system away. He noted it is possible this decision ends up in court, and any party could initiate that. He said he anticipates another meeting in a couple of weeks.

Kassover said the problem that needs to be resolved is how the two sets of code work or don't work together. She said she imagines the County's lawyers would be concerned this establishes precedent of one code overtaking the other.

McLaughlin said yes, that is part of it, but the hauler contracts are very specific that the residuals from recovery facilities must go to Cedar Hills. He said it is possible cities have most influence in resolving this since you have contracts as well. So that will be another element to be resolved. Seattle asked why these contracts were ever created when they violate Seattle's code. They were created because they match our code.

Kassover said it seems the only way to resolve this is legally in a court of law, while it will cost money to go to court, it is less costly to get a summary judgement. She suggested you can tell the court: we're at an impasse, take a look, see what works. McLaughlin said he will keep the committees posted if there are any significant breakthroughs.

Sweet said she assumes the division's attorneys and Seattle's are already involved. McLaughlin said yes.

#### **Member Comment**

Kassover said Lake Forest Park hosted a remarkable event a while back in conjunction with the grocery store to collect Styrofoam, and while normally these events will fill one semitruck, this time it filled four of them.

Knight said with everyone spending more time at home and shopping online there is a lot packing material for disposal. She thanked the division for the work analyzing impacts on the rate; it is good to see the dire side of what inaction may cause. She said we also need to continue looking at waste prevention and the work of the zero-waste task force in examining alternatives so we find a strategy to help with costs and turn things around with how we manage the waste we produce. She said we should not let go of waste prevention education, because we need the public to get on board with preventing waste.

#### **Adjourn**

Meeting adjourned at 1:04 p.m.