

**King County Solid Waste Advisory Committee  
September 18, 2020 - 9:30 a.m. to 11:30 p.m.  
Virtual Meeting (Zoom)**

Meeting Minutes

<u>Members Present</u>
Kevin Kelly—Chair
Gib Dammann
Phillipa Kassoover
Barbara Ristau
Stephen Strader
April Atwood-Vice Chair
Ken Marshall
Heather Trim
Lee Momon
Karen Dawson
Penny Sweet

<u>King County Staff</u>
Lindy Oliver Honaker
Hilary Leonard
Pat McLaughlin
Beth Humphreys
John Walsh
Dorian Waller
Brian Halverson
Rory O’Rourke

<u>Others</u>
Lane Covington
Jackie Wheeler
Wendy Weiker

**Elections**

Kevin Kelly and April Atwood were unanimously reelected as Chair and Vice Chair, respectively.

**Minutes**

Minutes of the July SWAC meeting were approved as presented.

**Public Comments**

Strader announced that today’s session will be his final SWAC meeting. Strader prepared and read a statement copied in its entirety below:

*“It has been an enlightening experience to serve on the King County SWAC for the past eight and a half years. I’ve been inspired by the passion that I’ve seen in this group and by the dedication of the staff.*

*joined this committee as a “concerned citizen”, and I’ve consistently been one of the few members that stands outside of the solid waste industry and the government. I have considered it my role to voice the concerns of the “average citizen” including the impact of our solid waste policies on small businesses and private enterprise. Over the years I have been troubled by some remarks by committee members that denigrate private enterprise and the “average citizen”, but thankfully not from those who currently serve on the committee. I specifically want to commend the Solid Waste Division staff for always keeping a positive and cooperative attitude toward business and the concerns of the broader population.*

*We have been talking a lot about the diversity on this committee regarding race and background – and while this is critically important – I invite the committee to also prioritize diversity of thought. I realize it’s tough to get people to apply to this, or any, committee. It is especially difficult to convince Libertarians like myself to participate; generally, people in favor of more government are those that are interested in being involved with government. Today’s committee may be the most diverse I’ve seen in eight years, and I encourage you to continue to recruit members with different points-of-view.*

*The current pandemic restrictions have shown that it is possible to have productive remote committee meetings. I believe that continuing to allow virtual participation will break down one of the walls to joining this committee. We all know that it isn’t all that fun or time effective to drive into Seattle from very far outside Seattle, and allowing remote participation would help drive greater representation from our landfill neighbors.*

*I hope the committee will continue its current emphasis on cooperative problem solving and diversity of representation. It has been a privilege to serve with you, and I wish good luck to all in your future endeavors.”*

## **Updates**

SWD Director Pat McLoughlin provided the SWD update:

### **Enumclaw Transfer Station Solar Project**

A new solar panel project constructed on top of the Enumclaw Transfer Station's recycling canopy went operational in late July. The panels are expected to meet at least half the station's annual energy needs.

### **Tonnage and Transaction**

We continue to track actual tons and transactions in August 2020 compared with August 2019. We're experiencing a moderate loss in tonnage, down about 1.4%. It's been a relatively busy summer and transactions are up 4% from 2019.

### **Zero Waste of Resources Tours**

On September 2<sup>nd</sup>, SWD hosted an Organics E-Tour focused on processing technologies for food and yard waste. Four organizations presented including Cedar Grove, Impact Bioenergy, Oregon Metro, Z-Best Composting, and Waste Management. We recorded the session and will make it available for viewing online. There was a great turnout of about 50 attendees. More tours to come before the end of the year. We expect to know dates and topics by the end of this month and will keep you informed.

### **CHLF EIS and NERTS mailers**

Yesterday we sent out a series of mailers regarding the Cedar Hills Regional Landfill draft EIS 45-day comment period and the kickoff of the Northeast Recycling and Transfer Station (NERTS) siting process. About 20,000 residents in Maple Valley and Renton will receive the EIS mailer. About 114,000 residents living in Redmond, Kirkland, Sammamish, and Woodinville will receive the NERTS mailer. Residents can email their comments, mail them, or attend one of our virtual open houses. We'll a more detailed update to the committee on the projects next month.

### **Department of Local Services Town Halls**

SWD is participating in a series of town hall meetings online. The first of the Department of Local Services' annual town hall events took place on September 4. Events run through the end of October. The town halls provide all county service agencies the opportunity to engage with residents living in unincorporated King County.

### **Ardagh Glass Plant**

The lease negotiations between King County and Ardagh are going well. The Facilities Management Division, which is handling the negotiations, expects there won't be an issue in renewing the lease next year. An agreement is not in place yet but seems favorable. There are no specifics yet around the environmental remediation terms, but the county is taking an untraditional approach by looking at ways to tie regulatory performance to lease terms. We'll update you when we know more.

Marshall asked for details on NERTS meetings and schedule. McLoughlin responded that there will be a more significant update on SWD's capital projects at the October meeting. There is a project [website](#) with more info.

Kassover asked if Lake Forrest Park is within the bounds that will be reached by the mailer. Pat responded that NERTS recruitment for public input is mainly focused on Redmond, Kirkland, Sammamish, and Kenmore. Lake Forrest Park is considered to be within Shoreline's service area.

## **MSWAC**

Kassover commented that cities were onboard with ensuring flow control provisions are enforced.

### **Flow Control**

Pat McLaughlin presented an update on Flow Control:

Flow control has a direct impact on our system's service capacity, environmental controls, and financial stewardship. It's our primary mechanism for directing how solid waste is processed within our regional system that serves over 1.5 million customers. Under COVID we had a huge influx of customers, almost 35% whom were from outside our service area. The inundation of customers from outside our service area equated to us struggling to serve our own customers. Our system is designed to manage waste in an environmentally and fiscally responsible way. We invest in infrastructure and make policy decisions based on our system's tonnage capacity. Critically, flow control also helps us preserve landfill capacity.

We're looking to establish a clear action plan with our partners to enforce flow control. The problem is waste from outside of our service area is entering our system while waste generated in our system is leaving without authorization. Both issues are a violation of King County code. We want to establish an action plan with our city partners to enforce flow control.

There's a strong legal foundation to defend our position that access to our facilities must be restricted to customers within or service area. Secondly, all generators of C&D waste must deliver their waste to a designated facility. Self-haul customers from outside our system cost us money by using our "free recycling" and consuming landfill space. We have found municipal solid waste (MSW) and construction and demolition(C&D) MRF Operators are not directing waste to Cedar Hills or a designated C&D landfill. They're not honoring their city contracts.

The City of Seattle and Tacoma along with Snohomish County maintain that "waste" is generated where it was sorted, regardless of where it was collected. "Waste" is defined differently under King County code. In 2019 an estimated \$1.5M in revenue was lost because MRFs did not send residuals to Cedar Hills for disposal. That poses long term liabilities and sends a message to violators that it's possible to expand illegal practices. Public Health and Ecology have gotten involved and sent warning letters to violators, but the issue is still growing.

Marshall commented that his investigations reveal a more dire situation. At the 3<sup>rd</sup> and Lander Republic Services facility the residuals are being given to DTG. Grievances were filed and it turns out that bales of processed recycled materials and residuals are being trucked out of the system. We don't know yet where they're going or how the material is being processed. McLoughlin added that it's a serious issue that will likely expand if action is not taken now. SWD is asking the cities to help with enforcement as they have the direct contract with haulers. We were asked by MSWAC to develop a letter to the mayors to increase awareness. Concurrently, we're meeting with other jurisdictions to discuss mutual interests on flow control.

Kassover commented that SWAC should communicate the issue directly to Council as part of their advisory function. Marshall added that a letter should be sent to Council along with additional outreach efforts. Sweet added that Council Members should at least be copied on any communications that go out.

McLoughlin commented that SWD would welcome an advisory letter on this issue. Kassover called a motion to prep a letter to the King County Council detailing the flow control issue and SWAC's support of action. The motion was approved.

Dawson asked if there's any update on what Safeway is doing with their organic waste as far as flow control. McLoughlin answered that he doesn't know specifics, but SWD is looking into it.

Marshall commented that he is also working with SPU on the issue of flow control.

### **Harmonized Curbside Bin**

John Walsh presented an update on the Harmonized Curbside Materials Action:

It's important to create clear messaging and clear guidelines on what belongs in the bin. We had a Responsible Recycling Task Force (RRTF) action to develop criteria for adding/removing items from curbside recycling and organic bins. The purpose of the criteria is to establish best practices on materials, not to change contracts. Organics were discussed and added to the original RRTF action by the advisory committees in late 2019.

Last year, we discussed plastic bags and shredded paper. We decided that when an alternative method for recycling, such as a drop-off program is not available, these materials belong in the garbage because they are a major source of contamination.

Our process for changing the criteria has changed since COVID. We decided not to change the list at this time due to the uncertainty and stress generated by COVID. Next year we may consider discussion on aseptic packaging, polycoated packaging, aluminum foil, and compostable packaging. We learned through our MRF questionnaires that these materials are particularly troublesome and cause a lot of contamination.

Marshall commented that he doesn't agree it's not a good time to implement criteria as lots of people are working from home and homeschooling, which simplifies some things.

### **Rate Restructure and Zero Waste of Resources Task Force**

Lindy Honaker presented an update on the Rate Restructure:

About 90% of our revenues comes from tonnage, yet we're striving for zero waste of resources by 2030. Zero waste of resources means diverting the 70% of materials that still have value away from the disposal stream. Our success will impact disposal revenue and, under the current rate structure, will result in significant rate hikes. If we remain wholly dependent on tonnage and meet our goals, by 2030 we could expect the tipping fee to rise to over \$700/ton, more than triple current projections.

In late 2017 we had a consultant study options for a rate restructure. The consultant compared the stability of the self-haul and commercial tonnage streams with that of retail accounts from 2007 to 2015. Compared with self-haul tonnage and commercial tonnage, retail accounts remained relatively stable during a period of economic turmoil.

After completing their research, the consultant proposed a rate structure that kept the model revenue neutral and maintained the same ratio of revenue from commercial vs. self-haulers. The self-hauler stream would still be collected solely through tripping fees, but the commercial stream would be collected through three different means: a tipping fee, a volume fee, and an account fee. The tipping fee would be lowered and would

capture about 29% of revenue. The volume fee could cover another 29% and would be based on the size and number of containers per customer. The account fee would equate to 11% of revenue. It would function according to a tiered system determined by customer container type.

The impact on curbside customers would vary greatly according to container size, pickup frequency and jurisdiction. A typical city may have 100 different combinations based on these variables, each with a different impact to customers. The consultant created a composite analysis that found the impact to a monthly bill would range from none to a 9% increase.

The Task Force is considering the consultant's findings in reimagining SWD's rate structure. We are also researching other solid waste systems. We spoke with system representatives along the west coast that had either a similar system or similar zero waste of resource goals.

We found several key differentiators between other systems and King County. The first was disposal method—several cities, like Palo Alto and the City of Seattle, contract waste disposal with other entities. Others, like the Monterey Regional Waste Management District, own their own landfill, but the lifecycle phase is different. Monterey has over 100 years left on their landfill and they generate revenue by accepting waste from outside jurisdictions. Metro Vancouver's system includes a city-owned landfill with a lifespan of about 15 years.

The systems also differ by the number of collection facilities. Most have one or two collection points maximum. Metro Vancouver is most like us with 5 and one additional transfer station in the works.

Some of the systems include ancillary facilities. For example, Monterey has a retail store, Last Chance Mercantile, and they were partners with a company doing anaerobic digestion up until a few years ago. Metro Vancouver has a WTE facility that handles about 20% of their tonnage.

Most of the cities managed hauler contracts directly and consequently their revenue structure differs greatly.

Finally, flow control was a major difference for Metro Vancouver. Commercial generators can bypass their system for cheaper options, mainly in the US because they don't have flow control. They must consider the exchange rate when setting their rates. Despite this difference, Metro Vancouver is the most like King County and presents some interesting ideas for us to consider. They have volume-based pricing for tipping fees where smaller amounts are charged at a higher fee, a minimum fee that varied by time of day, and hefty surcharges for banned materials at the stations. Loads that contain banned materials are charged at up to double the standard tipping fee. The additional revenue does not offset the cost and requires enforcement.

We also contacted several electric utilities to see how their conservation efforts have impacted their revenue structure. The key differences in comparison with solid waste is the sector is highly regulated. Generators can sell power wholesale to other markets, which mitigates the impact on retail rates. There is also a lot of volatility in wholesale markets that creates complications for rate setting.

Over the past few years, consumption of energy has fallen more dramatically than forecasted. The main driver is major advancements in energy technology. City Light's long-term plan to stabilize revenue is to increase fixed charges and decrease volumetric charges gradually so the annual impact does not exceed 10%. Some stakeholders, however, would prefer keeping pricing tied to consumption because it creates a strong incentive for conservation. On the other hand, there is not a strong political appetite for raising rates.

Last month the task force provided initial feedback on the evaluation criteria. We have baseline requirements around equity, fiscal responsibility, and full cost recovery. The feedback we received will be finalized at the upcoming October meeting. SWD will also discuss a low-income discount program. In November, SWD will take the feedback from the task force and draft a recommendation. Task Force members will be able to vote to approve the recommendation in December.

In January, we'll brief MSWAC and SWAC on the rate restructure work and gather input. That input will be used to shape a final SWD proposal that will be presented to you in March 2021.

Zero Waste of Resources and Rate Restructure Task Force

Beth Humphreys presented an update on Zero Waste of Resources:

The Zero Waste of Resources Task Force is focused on the materials that present the greatest potential for diversion including food waste, yard waste, wood, and other organics. A recent waste characterization study confirmed that about 70% of the materials sent to the landfill are either recyclable or compostable.

The task force has had 4 meetings so far. At the first meeting in May we provided background information on zero waste. The June and July meetings were focused on organics. In August we turned to paper, plastic and other curbside materials to explore how we can impact disposal of those products.

At our July meeting the task force identified existing barriers and other challenges to waste reduction. These challenges include consumer behavior, equity impacts at the community level, financial resources, infrastructure and market risks, public opinion, regulatory changes, and uncertainty over future benefits or impacts.

We'll be focusing on the different generator streams. Our current tools for creating change are through education campaigns, creating incentives, market development, policies and regulation, and infrastructure. Within these buckets, the task force is developing potential priorities and actions.

Our schedule will parallel the Rate Restructure, but a few months behind. At our upcoming September meeting we'll discuss extended producer responsibility. In October the task force will make recommendations on materials and infrastructure, then in December we'll draft recommendations. The draft plan will be available at the end of January 2021.

Atwood asked if material producers have been included in the discussion. It would be good to get their involvement early to help understand what direction they are planning to take. Beth commented that the task force has not reached out to manufacturers for participation. but SWD is working with them in other arenas such as EPR efforts. Some staff participate in planning groups that include manufacturers.

O'Rourke asked if SWD is aware of any major impacts from COVID on the waste stream. Beth answered that SWD is anticipating waste composition will be different this year, but we don't know how it will be different. It's something we're monitoring. There are still many unknowns around what 2020 can tell us about future years when COVID-19 is no longer a factor.

### **Member Comment**

No member comments

**Adjourn**

Meeting adjourned at 11:17 am.