



**KING COUNTY**

1200 King County Courthouse  
516 Third Avenue  
Seattle, WA 98104

**Signature Report**

**February 2, 2016**

**Motion 14542**

**Proposed No. 2015-0322.1**

**Sponsors Dembowski**

1           A MOTION accepting receipt of a report related to review  
2           of the solid waste interlocal agreement in accordance with  
3           the 2015/2016 Biennial Budget Ordinance, Ordinance  
4           17941, Section 105, Proviso P1, and authorizing the release  
5           of \$5,000,000.

6           WHEREAS, Ordinance 17941 contains a proviso in Section 105, stating that five  
7           million dollars could not be encumbered or expended until the executive transmitted a  
8           solid waste interlocal agreement review report and a motion that accepts receipt of the  
9           report and the motion is passed by the council, and

10          WHEREAS, the solid waste division of the department of natural resources and  
11          parks, with participation of the metropolitan solid waste management advisory  
12          committee, its financial policies subcommittee, and the solid waste advisory committee,  
13          reviewed issues related to differential disposal rates and other financial policies, and

14          WHEREAS, the solid waste division, with participation of the metropolitan solid  
15          waste management advisory committee and solid waste advisory committee, is  
16          continuing to review issues such as community impacts of waste diversion, regional  
17          direct waste hauling, transfer station construction or upgrade and other issues identified  
18          in Ordinance 17677 through the transfer plan review and comprehensive solid waste  
19          management plan update processes, and

20           WHEREAS, based on that ongoing review and input from the cities that are  
21 signatory to the amended and restated interlocal agreement, the solid waste division  
22 developed a report, and

23           WHEREAS, the review and analysis determined that changes to the interlocal  
24 agreement are not necessary at this time, and

25           WHEREAS, the executive has transmitted to the council the requested report and  
26 a motion;

27           NOW, THEREFORE, BE IT MOVED by the Council of King County:

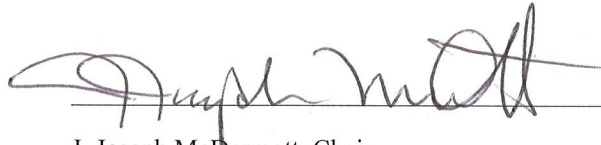
28           The report related to review of the solid waste interlocal agreement, submitted as

29 Attachment A to this motion in accordance with Ordinance 17941, Section 105, Proviso  
30 P1, is hereby accepted and the appropriation is released.  
31

Motion 14542 was introduced on 8/24/2015 and passed by the Metropolitan King County Council on 2/1/2016, by the following vote:

Yes: 9 - Mr. von Reichbauer, Mr. Gossett, Ms. Lambert, Mr. Dunn,  
Mr. McDermott, Mr. Dembowski, Mr. Upthegrove, Ms. Kohl-Welles  
and Ms. Balducci  
No: 0  
Excused: 0

KING COUNTY COUNCIL  
KING COUNTY, WASHINGTON



J. Joseph McDermott, Chair

ATTEST:



Anne Noris, Clerk of the Council

**Attachments:** A. Solid Waste Interlocal Agreement Review Report

**Solid Waste Interlocal Agreement Review Report**

Prepared in accordance with the 2015/2016 Biennial  
Budget Ordinance, Ordinance 17941, Section 105, Proviso P1

July 2015



**King County**

Department of Natural Resources and Parks  
**Solid Waste Division**

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This report was developed in accordance with the 2015/2016 Biennial Budget Ordinance, Ordinance 17941, Section 105, Proviso P1 which states:

Of this appropriation, \$5,000,000 shall not be expended or encumbered until the executive transmits a 2015 solid waste interlocal agreement review report and a motion that accepts the report and the motion is passed by the council. The motion shall reference the subject matter, the proviso's ordinance, ordinance section and proviso number in both the title and body of the motion.

The report shall include, but not be limited to:

- A. A review and analysis of issues related to community impacts of waste diversion, regional direct waste hauling, differential disposal rates, financial policies, transfer station construction or upgrade or issues identified in Ordinance 17677, that may involve updates to the 2013 amended and restated solid waste interlocal agreement;
- B. Recommendations for revisions to the agreement based on input from partners in the federated solid waste system in King County and the solid waste division; and
- C. Drafts of any agreements necessary to effectuate the recommendations.

The report shall exclude any privileged and confidential attorney-client communications or advice related to the agreement, but when the report is filed such information shall be communicated separately in writing by the prosecuting attorney's office to the council's chief legal counsel.

### **Interlocal Agreement Review Process**

To respond to the budget proviso on potential revisions to the Amended and Restated Interlocal Agreement (ILA), the Solid Waste Division of the Department of Natural Resources and Parks discussed the proviso with city participants of the Metropolitan Solid Waste Management Advisory Committee (MSWMAC). At the recommendation of the committee, the division also communicated with each city that signed the ILA to ask if they had any suggested revisions to the agreement. Neither the cities nor the division is recommending any revisions to the ILA at this time.

### **Transfer Plan Review and the Comprehensive Solid Waste Management Plan update**

Many of the issues identified in the proviso (community impacts of waste diversion, regional direct waste hauling and transfer station construction or upgrade) are considered in the Transfer Plan Review Part 2 Report that was transmitted to Council on June 30, 2015. Other issues, such as differential disposal rates, financial policies, and clarification of solid waste management planning responsibilities for cities that are not committed to the system after 2028 (from Ordinance 17677), will be addressed in the Comprehensive Solid Waste Management Plan (Plan) update process that is underway. If changes to the ILA are necessary as a result of these processes, revisions can be made at a later date.

The Transfer Plan Review Part 2 Report focuses on the following issues that are mentioned in the proviso:

- **Community impacts:** There are multiple options available to the region for shifting transactional demand at the transfer stations. The impacts vary by station; therefore the solutions are also different at each station. Some of the recommended demand management strategies suggested to mitigate impacts include peak/incentive pricing, extending the hours at certain transfer stations, adding staffing, and other operational changes. The division has recommended pilot programs to further assess the impacts of these strategies.
- **Regional Direct Fee:** The Regional Direct Fee (RDF) is a discounted fee charged to commercial collection companies that bring solid waste to the Cedar Hills Regional Landfill in large transfer trailers via their own transfer stations and processing facilities. This strategy has the potential to alleviate some congestion in the northeast part of the county because the commercial haulers would use the county transfer stations less frequently. According to the commercial haulers, however, any waste diverted from the transfer stations would be from the Bow Lake, Algona, and Renton transfer stations. Additionally, the haulers say that at this time there is not sufficient private transfer capacity available to handle the diverted waste.
- **Transfer station construction or upgrade:** The Transfer Plan Review Part 2 Report concludes that although a new Northeast Recycling and Transfer Station is not needed at this time, it should be an option for the future. Once discussions are complete and the Plan is adopted, the system’s infrastructure should be reassessed to ensure it fully supports the adopted strategies and goals of the system.

### Financial Policies Subcommittee

The MSWMAC Financial Policies Subcommittee recommended policies to be included in the Finance Chapter of the Plan to the whole MSWMAC committee which reviewed and discussed them. The Solid Waste Advisory Committee (SWAC) also reviewed the recommended policies. Figure 1 below shows the proposed policies and recommendation that address issues identified in Ordinance 17677, Section G:

1. Latecomer provisions;
2. Changes to the disposal rates charged based on the number of parties to the ILA; and
3. Potential alternative financing mechanisms for future capital investments in solid waste facilities.

**Figure 1**

ORDINANCE 17677 ISSUES	LANGUAGE PROPOSED TO BE INCLUDED IN THE PLAN UPDATE
Latecomer Provisions	Proposed as a recommendation in the Finance Chapter of the Plan: By December 31, 2017, agree to a process to determine the conditions to which “latecomers” to the Amended and Restated Interlocal Agreement will be subject.
Changes to the disposal rates charged based on the number of parties to the ILA (differential disposal rates)	Proposed as a policy in the Finance Chapter of the Plan: Define customer classes and establish equitable fees for each customer class based on services provided, benefits received, use of the system, and the costs, incurred or avoided, of providing those services.
Potential alternative financing mechanisms for future capital investments in solid waste facilities	Proposed as a policy in the Finance Chapter of the Plan: Consider various financing options for capital projects and in consultation with stakeholders evaluate projected costs, benefits, schedules, project features, and overall rate payer value for the design

	and construction of the project.
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## **Recommendations**

MSWMAC and the thirty-two signatory cities to the ILA did not recommend any amendments related to issues identified in the proviso, and did not propose any amendments related to any other topics. The division concurs and does not recommend any solid waste interlocal agreement amendments at this time.