King County

516 Third Avenue, Council Chambers, 10th Floor, Seattle, WA 98104

King County

Meeting Agenda

Budget and Fiscal Management Committee

Councilmembers:
Rod Dembowski, Chair;
Jorge L. Barón, Vice Chair;
Steffanie Fain, Rhonda Lewis, Teresa Mosqueda, Sarah Perry

Lead Staff: April Sanders (206-263-3412)
Co-Lead Gene Paul (206-477-9378)
Committee Clerk: Gabbi Williams (206-477-7470)

9:30 AM | **Wednesday, August 26, 2026** | **Hybrid Meeting**

Hybrid Meetings: Attend King County Council committee meetings in person in Council Chambers (Room 1001), 516 3rd Avenue in Seattle, or through remote access. Details on how to attend and/or provide comment remotely are listed below.

Pursuant to K.C.C. 1.24.035 A. and F., this meeting is also noticed as a meeting of the Metropolitan King County Council, whose agenda is limited to the committee business. In this meeting only the rules and procedures applicable to committees apply and not those applicable to full council meetings.

HOW TO PROVIDE PUBLIC COMMENT: The Budget and Fiscal Management Committee values community input and looks forward to hearing from you on agenda items.

There are three ways to provide public comment:
1. In person: You may attend the meeting and provide comment in the Council Chambers.
2. By email: You may comment in writing on current agenda items by submitting your email comments to committees@kingcounty.gov. If your email is received before 8:00 a.m. on the day of the meeting, your email comments will be distributed to the committee members and appropriate staff prior to the meeting.
3. Remote attendance at the meeting by phone or computer (see "Connecting to the Webinar" below).

Sign language and interpreter services can be arranged given sufficient notice (206-848-0355).
TTY Number - TTY 711.
Council Chambers is equipped with a hearing loop, which provides a wireless signal that is picked up by a hearing aid when it is set to 'T' (Telecoil) setting.

You are not required to sign up in advance. Comments are limited to current agenda items.

You have the right to language access services at no cost to you. To request these services, please contact Language Access Coordinator, Tera Chea at 206 477 9259 or email tera.chea2@kingcounty.gov by 8:00 a.m. three business days prior to the meeting.

CONNECTING TO THE WEBINAR:

Webinar ID: 867 1228 9077

By computer using the Zoom application at https://zoom.us/join and the Webinar ID above.

Via phone by calling 1-253-215-8782 and using the Webinar ID above.

HOW TO WATCH/LISTEN TO THE MEETING REMOTELY: There are several ways to watch or listen in to the meeting:

1) Stream online via this link: http://www.kingcounty.gov/kctv, or input the link web address into your web browser.

2) Watch King County TV on Comcast Channel 22 and 322(HD) and Astound Broadband Channels 22 and 711(HD)

3) Listen to the meeting by telephone – See "Connecting to the Webinar" above.

To help us manage the meeting, if you do not wish to be called upon for public comment please use the Livestream or King County TV options listed above, if possible, to watch or listen to the meeting.

To show a PDF of the written materials for an agenda item, click on the agenda item below.

1. Call to Order

2. Roll Call

3. Approval of Minutes p. 4

July 22, 2026 meeting minutes

4. Public Comment

Sign language and interpreter services can be arranged given sufficient notice (206-848-0355).
TTY Number - TTY 711.
Council Chambers is equipped with a hearing loop, which provides a wireless signal that is picked up by a hearing aid when it is set to 'T' (Telecoil) setting.

Consent

5. Proposed Ordinance No. 2026-0217 **p. 8**

AN ORDINANCE relating to the temporary release of a restrictive covenant over the property commonly known as 12531 28th Avenue NE, Lake City, to support the construction and future operation of a community center and affordable housing within the city of Seattle.

Sponsors: Dembowski

Discussion and Possible Action

6. Proposed Ordinance No. 2026-0160 **p. 28**

AN ORDINANCE relating to solid waste fees charged at recycling and transfer facilities, at the Cedar Hills regional landfill; amending Ordinance 12564, Section 2, as amended, and K.C.C.10.12.021 and establishing an effective date.

Sponsors: Lewis

April Sanders, Council staff

7. Proposed Motion No. 2026-0233 **p. 86**

A MOTION requesting that the executive transmit two reports relating to solid waste division financial planning and rate increase implementation.

Sponsors: Fain

Contingent Upon Referral to the Budget and Fiscal Management Committee

April Sanders, Council staff

Other Business

Adjournment

Sign language and interpreter services can be arranged given sufficient notice (206-848-0355).
TTY Number - TTY 711.
Council Chambers is equipped with a hearing loop, which provides a wireless signal that is picked up by a hearing aid when it is set to 'T' (Telecoil) setting.

King County

King County

1200 King County
Courthouse
516 Third Avenue
Seattle, WA 98104

Meeting Minutes

Budget and Fiscal Management Committee

Councilmembers:
Rod Dembowski, Chair;
Jorge L. Barón, Vice Chair;
Steffanie Fain, Rhonda Lewis, Teresa Mosqueda, Sarah Perry

Lead Staff: April Sanders (206-263-3412)
Co-Lead Gene Paul (206-477-9378)
Committee Clerk: Gabbi Williams (206-477-7470)

9:30 AM | **Wednesday, July 22, 2026** | **Hybrid Meeting**

DRAFT MINUTES

1. Call to Order

Chair Dembowski called the meeting to order at 9:30 a.m.

2. Roll Call

Present: 6 - Barón, Dembowski, Fain, Lewis, Mosqueda and Perry

3. Approval of Minutes

Councilmember Barón moved approval of the July 8, 2026 meeting minutes. There being no objections, the minutes were approved.

4. Public Comment

The following individuals were present for public comment:
Alex Tsimmerman.

Discussion and Possible Action

5. **Proposed Motion No. 2026-0119**

A MOTION acknowledging receipt of the Harbor Island Studio Assessment Report required by the 2026-2027 Biennial Budget Ordinance, Ordinance 20023, Section 20, Proviso P1.

A motion was made by Councilmember Barón that this Motion be Recommended Do Pass Substitute Consent. The motion carried by the following vote:

Yes: 6 - Barón, Dembowski, Fain, Lewis, Mosqueda and Perry

Gene Paul, Council staff, briefed the committee and answered questions from the members.

Councilmember Barón moved Amendment 1. The Amendment was adopted. Councilmember Barón moved Title Amendment T1., The Amendment was adopted.

6. **Proposed Motion No. 2026-0146**

A MOTION acknowledging receipt of the Harbor Island surplussing analysis as required by the 2026-2027 Biennial Budget Ordinance, Ordinance 20023, Section 110, Proviso P3.

A motion was made by Councilmember Barón that this Motion be Recommended Do Pass Consent. The motion carried by the following vote:

Yes: 6 - Barón, Dembowski, Fain, Lewis, Mosqueda and Perry

Gene Paul, Council staff, briefed the committee and answered questions from the members. Rebecca Singer, Division Director, Solid Waste Division (SWD), Department of Natural Resources and Parks (DNRP), Lisa Pearson, Division Director, Facilities Management Division (FMD), and Derek Baker, Director of Strategic Initiatives, Office of the Executive, also addressed the committee and answered questions from the members.

Discussion Only

7. **Proposed Ordinance No. 2026-0160**

AN ORDINANCE relating to solid waste fees charged at recycling and transfer facilities, at the Cedar Hills regional landfill; amending Ordinance 12564, Section 2, as amended, and K.C.C.10.12.021 and establishing an effective date.

This matter was Deferred

Terra Rose, Council staff, briefed the committee and answered questions from the members. Rebecca Singer, Director, Solid Waste Division (SWD), DNRP, and David Pierce, Enterprise Service Section Manager, SWD, DNRP, also addressed the committee and answered questions from the members.

Discussion and Possible Action

8. **Proposed Ordinance No. 2026-0161**

AN ORDINANCE authorizing the execution of a new lease to support the operation of department of public health.

A motion was made by Councilmember Barón that this Ordinance be Recommended Do Pass Substitute Consent. The motion carried by the following vote:

Yes: 6 - Barón, Dembowski, Fain, Lewis, Mosqueda and Perry

Sam Porter, Council staff, briefed the committee.

Councilmember Barón moved Amendment 1. The Amendment was adopted.

9. **Proposed Ordinance No. 2026-0165**

AN ORDINANCE that adopts the Harborview Medical Center 2027 Capital Improvement Program Annual Budget for the year ending June 30, 2027, and makes appropriations for the capital improvements for the Harborview Medical Center.

A motion was made by Councilmember Mosqueda that this Ordinance be Recommended Do Pass Consent. The motion carried by the following vote:

Yes: 6 - Barón, Dembowski, Fain, Lewis, Mosqueda and Perry

Sam Porter, Council staff, briefed the committee and answered questions from the members. Darren Redick, Associate Administrator, Harborview Facilities and Capital Development Division, UW Medicine, also addressed the committee and answered questions from the members.

10. **Proposed Ordinance No. 2026-0097**

AN ORDINANCE relating to the sale of the surplus property parcel 152104-9016, located near South 328th Street and Military Road South, Federal Way, Washington, in council district seven.

A motion was made by Councilmember Barón that this Ordinance be Recommended Do Pass Substitute Consent. The motion carried by the following vote:

Yes: 6 - Barón, Dembowski, Fain, Lewis, Mosqueda and Perry

Councilmember Barón moved Amendment 1. The Amendment was adopted.

Other Business

There was no further business to come before the committee.

Adjournment

The meeting was adjourned at 10:39 a.m.

Approved this _____________ day of _________________

Clerk's Signature

ATTACHMENT 1

KING COUNTY

Signature Report

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Ordinance

Proposed No. 2026-0217.1 **Sponsors** Dembowski

AN ORDINANCE relating to the temporary release of a restrictive covenant over the property commonly known as 12531 28th Avenue NE, Lake City, to support the construction and future operation of a community center and affordable housing within the city of Seattle.

STATEMENT OF FACTS:

1. In 1944, trustees for the Lake City Lions Club conveyed to King County by statutory warranty deed APN 383450-0635 "for park purposes."

2. The King County park and recreation board, predecessor to the King County department of natural resources and parks, considered the area for a County park, but deemed it too small for development.

3. After King County declined to establish a park, the successors in interest to the grantors of the original deed quitclaimed the reversionary interest in the property to King County.

4. King County subsequently conveyed the parcel to the Lions Club, conditioned on the Lions Club using the property "as a site for a youth center building to provide recreational guidance to the young people in the Lake City community, and for no other purpose." King County's deed conveying the property to the Lions Club memorialized this restriction,

providing, in pertinent part, that the property "be used solely for park and recreational purposes."

5. In 1964, the Lions Club conveyed the property via quitclaim deed to the city of Seattle, which included the park and recreational use restriction imposed by King County.

6. Seattle Parks operated a community center on the property until 2023, when a fire led to the building's closure.

7. The Seattle Office of Housing, in partnership with Seattle Parks, desires to colocate a new community center with affordable housing where the former community center was located. The housing would have an average affordability of approximately forty-nine percent of the area's median income.

8. In conjunction with the development, the city of Seattle intends to complete a boundary line adjustment of APN 383450-0635, which would create a "parcel Y" and a "parcel Z." Parcel Y would be comprised of open space land, while parcel Z would be the location of the mixed-use affordable housing development.

9. Because the entirety of APN 383450-0635 is restricted to park and recreational uses only, King County must temporarily relinquish its interest in the deed restriction to allow for the city's proposed redevelopment.

10. Upon Seattle's completion of the boundary line adjustment of APN 383450-0635, the parties will rerecord the deed restrictions on parcel Y substantially in the form as Attachment B to this ordinance.

11. Parcel Z will continue to fulfil the original intent of the deed restriction through the operation of the community center on the property.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. The executive is authorized to execute a temporary release of the restrictive covenant over the property located at 12531 28th Avenue NE, Lake City, substantially in the form of Attachment A to this ordinance, to execute a new restrictive covenant over parcel Y substantially in the form of Attachment B to this ordinance, and to take all actions necessary to execute and implement the temporary release and reinstatement of the restrictive covenant.

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

____

Sarah Perry, Chair

ATTEST:

____

Melani Pedroza, Clerk of the Council

APPROVED this _____ day of _______________, ______.

____

Girmay Zahilay, County Executive

Attachments: A. Release of KC Restrictive Covenant, B. Reinstatement of KC Covenant

AFTER RECORDING, MAIL TO:

City of Seattle
Seattle City Attorney's Office
Civil Division
701 Fifth Avenue, Suite 2050
Seattle, Washington 98104-7095
Attn.: Charles Gussow/Rebecca Gobeille

RELEASE OF RESTRICTIVE COVENANT

Beneficiary:	KING COUNTY
Owner:	CITY OF SEATTLE
Abbreviated Legal Description:	PTN LOT 3 & 7, ALL LOTS 4-6, PTN LOTS 13-14 & ALL LOTS 15-17, BLOCK 7, KENWOOD DIV. 2, VOL. 21, P. 28, KING COUNTY
Full Legal Description:	See Exhibit A, attached hereto and made a part hereof
Assessor's Account Number:	383450-0635-08
Related Documents:	King County Recording no. 4396154

KING COUNTY, a home rule charter county and political subdivision of the State of Washington (the "County") is the beneficiary of certain restrictions contained in a Deed recorded November 12, 1953, Instrument No. 4396154 in the records of King County, Washington (the "Restrictions"). The Property burdened by the Restrictions (the "Property") is located at 12531 28th Avenue NE, Seattle, Washington, and further described on Exhibit A, attached hereto and made a part hereof is owned by the City of Seattle, a first-class charter city of the State of Washington ("City"). County and City are referred to herein collectively as the "Parties." The City intends to redevelop a portion of the Property to replace a community center building with a multi-use facility that includes both a community center and residential housing (the "Redevelopment").

The County does hereby release the property the Property from the Restrictions; provided, the Parties reinstate the Restrictions at a later date; such Restrictions to apply only to the portion of the Property outside the boundaries of the Redevelopment and to allow the use of the facility in the Redevelopment for both community center and housing purposes. This Release of Restrictive Covenant shall be null and void and of no further effect if the City does not record a new restrictive covenant on the Property consistent with the terms of this Release by December 31, 2035.

[Signature on following page]

DATED this ____ day of __________, 2026.

KING COUNTY

By: ________________________________

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this_______ day of ___________________, _____, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared ________________________, to me known (or proved by satisfactory evidence) to be the _______________________ of _______________ of **KING COUNTY**, the entity that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said political subdivision, for the purposes therein mentioned, and on oath stated that s/he was authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

____
NOTARY PUBLIC in and for the State of
Washington residing at ________________________
My commission expires: ______________________
PRINT NAME: ______________________________

Use this space for Notary Seal/Stamp

EXHIBIT A
(Legal Description)

THE SOUTH 30 FEET OF LOT 3 AND ALL OF LOTS 4 AND 5; THE WEST HALF OF LOT 13 AND ALL OF LOTS 14, 15, AND 16, BLOCK 7, KENWOOD DIVISION TWO, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 21 OF PLATS, PAGE 28, IN KING COUNTY, WASHINGTON;

383450-0635-08
12531 28th Avenue NE
Seattle, Washington 98125

AFTER RECORDING, MAIL TO:

City of Seattle
Seattle City Attorney's Office
Civil Division
701 Fifth Avenue, Suite 2050
Seattle, Washington 98104-7095
Attn.: Charles Gussow

Reinstatement of Restrictive Covenant

Grantor:	City of Seattle, a first-class city and political subdivision of the State of Washington
Grantee:	King County, a home rule charter county and political subdivision of the State of Washington
Abbreviated Legal Description:	PTN LOT 3 & 7, ALL LOTS 4-6, PTN LOTS 13-14 & ALL LOTS 15-17, BLOCK 7, KENWOOD DIV. 2, VOL. 21, P. 28, KING COUNTY
Full Legal Description:	See Exhibit A, attached hereto and made a part hereof
Assessor's Parcel No.:	343450-0635-08
Related Documents:	King County Recording Nos. 4396154 and [*Insert covenant release recording number here*]

Declaration of Restrictive Covenant

City of Seattle, a first-class city and political subdivision of the State of Washington, is the owner of real property located in King County, State of Washington, more particularly described in Exhibit A attached hereto and made part hereof (the "Property").

King County, a home rule charter county and political subdivision of the State of Washington (the "County") is the beneficiary of certain restrictions burdening the Property described in that certain deed recorded November 12, 1953, Instrument No. 4396154, in the records of King County, Washington (the "Restrictions"). King County released the Restrictions by a Release of Restrictive Covenant recorded under Recording Number ________________________.

The purpose of this instrument is to reinstate the Restrictions over the Property.

Therefore, the Property is hereby subject to the following Restrictive Covenant:

The Property shall be used solely for park and recreation purposes.

In witness whereof has set its hand and seal this ____ day of ___________________, 2026.

The City of Seattle
a first-class city and political subdivision of the State of Washington

By: ______________________________

Title: _____________________________

STATE OF WASHINGTON)
)SS.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that ________________ is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he/she is authorized to execute the instrument and acknowledged it as the Superintendent of Seattle Parks and Recreation of The City of Seattle to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____________________

____

____
Printed name

Notary Public in and for the
State of Washington
Residing at __________________

My appointment expires _______

Exhibit A

Legal Description

Real property in the County of King, State of Washington, described as follows:

Parcel Y of Seattle Lot Boundary Adjustment No. __________, recording No. ______________________________

King County | Office of the Executive

Executive Girmay Zahilay
Chinook Building, CNK-EX-0800
401 Fifth Avenue, Suite 800
Seattle, WA 98104-2391

August 12, 2026

The Honorable Sarah Perry
Chair, King County Council
Room 1200
C O U R T H O U S E

Dear Councilmember Perry:

This letter transmits a proposed Ordinance that, if enacted, will enable King County to temporarily remove a deed restriction over the property located at 12531 28th Avenue NE, Seattle.

The property is encumbered by a deed restriction, in favor of King County, restricting the use of the property to park and recreation use only. The property is comprised of Albert Davis Park and the Lake City Community Center, which was destroyed by a fire in 2023.

The City of Seattle, in partnership with Mercy Housing, has proposed constructing affordable housing units on top of a replacement community center. The City's proposal includes completing a boundary line adjustment to create two separate parcels. One parcel will consist of affordable housing co-located with the community center, and the other will remain a park. King County must release the restrictive covenant to authorize affordable housing, non-recreational use, to be co-located with the new community center. Once construction is complete, the County and the City will re-record the restrictive covenant on the parcel encompassing the park.

This transaction is recommended per the rationale and considerations provided in the attached property summary. Thank you for your consideration of this proposed Ordinance.

If your staff have questions, contact Lisa K. Pearson, Director, Facilities Management Division at 206-263-9238.

Sincerely,

for

Girmay Zahilay
King County Executive

Enclosure

cc: King County Councilmembers
ATTN: Stephanie Cirkovich, Chief of Staff, King County Council
Melani Hay, Clerk of the Council
Karan Gill, Deputy Executive, Office of the Executive
Jasmin Weaver, Chief of Staff, Office of the Executive
Hyeok Kim, Chief Operating Officer, Office of the Executive
Sierra Howlett Browne, Director of Government Relations, Office of the Executive
Garrett Holbrook, Council Relations Manager, Office of the Executive
Lorraine Patterson-Harris, County Administrative Officer, Department of Executive Services (DES)
Lisa K. Pearson, Director, Facilities Management Division (FMD), DES
Julie Ockerman, Manager, Real Estate Services, FMD, DES

KING COUNTY FISCAL NOTE - *Property Leases and Sales*

GENERAL TRANSACTION INFORMATION

Ordinance/Motion:					
Title: Lake City Community Center	Covenant Temporary Release			Transaction Duration:	N/A
Affected Agency/Agencies:	N/A			Fair Market Value:	N/A
				Legal Transaction Type:	Removal and Reinstatement of Covenant
Note Prepared By:	Steve Rizika	Date Prepared:	04/05/2026		
Note Reviewed By:		Date Reviewed:		Fiscal Transaction Type:	Stand Alone
Description of Request:	Lake City Community Center - Covenant Temporary Release				

FINANCIAL IMPACTS

Part 1 - Net Present Value Analysis Results

Net Present Value to King County (all impacts): ***	NA	Net Present Value to Primary Impacted Agency (customer of transaction): ***	NA

Part 2 - Revenue and Expenditure Impacts

As of the preparation date of this fiscal note, the impact of the above legislation on the **financial affairs** of King County is *estimated* to be as indicated below:

Revenue to: [2,3,5]

Appropriation Unit	Appr. Number	Department	Fund Number	Project Number	Revenue Account Code and Source/Description	Sum of Revenues Prior to 2026	2026 / 2027	2028 / 2029	2030 / 2031	Sum of Outyear Impacts [2]
						$ -	$ -	$ -	$ -	$ -
						$ -	$ -	$ -	$ -	$ -
						$ -	$ -	$ -	$ -	$ -
TOTAL						**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Expenditures from: [2,3,4,5]

Appropriation Unit/Expenditure Type	Appr. Number	Department	Fund Number	Project Number	Expenditure Notes	Sum of Expenditures Prior to 2026	2026 / 2027	2028 / 2029	2030 / 2031	Sum of Outyear Impacts [2]
Real Estate Services Labor Costs						$ -	$ -	$ -	$ -	$ -
King County Project Management						$ -	$ -	$ -	$ -	$ -
Lease Payments/Associated O&M						$ -	$ -	$ -	$ -	$ -
Service Costs (Appraisal, Title, Move)						$ -	$ -	$ -	$ -	$ -
Tenant and Other Improvements						$ -	$ -	$ -	$ -	$ -
10% Art for General Fund Transactions						$ -	$ -	$ -	$ -	$ -
Other Transaction Costs						$ -	$ -	$ -	$ -	$ -
SUBTOTAL						**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Real Estate Services Labor Costs						$ -	$ -	$ -	$ -	$ -
King County Project Management						$ -	$ -	$ -	$ -	$ -
Lease Payments/Associated O&M						$ -	$ -	$ -	$ -	$ -
Service Costs (Appraisal, Title, Move)						$ -	$ -	$ -	$ -	$ -
Tenant and Other Improvements						$ -	$ -	$ -	$ -	$ -
10% Art for General Fund Transactions						$ -	$ -	$ -	$ -	$ -
Other Transaction Costs						$ -	$ -	$ -	$ -	$ -
SUBTOTAL						**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
TOTAL						**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

APPROPRIATION IMPACTS

As of the preparation date of this fiscal note, the impact of the above legislation on the **budget appropriation** of King County is *estimated* to be as indicated below: [1]

Appropriation Unit	Appr. Number	Department	Fund Number	Project Number	Appropriation Notes		2026 / 2027 Appropriation Change	Total 6-Year CIP Outyear Planning Level Costs
					0		$ -	$ -
							$ -	$ -
							$ -	$ -
TOTAL							**$ -**	**$ -**

Assumption and Additional Notes:

*** An NPV analysis was not performed because it is not required

1. If the expenditure impact equals or exceeds five percent of the fund expenditures, a copy of the most recent applicable appropriation unit financial plan is attached to this transmittal.
2. The sum of outyear impacts is provided for capital projects and agreements. This sum for revenue and expenditures includes all revenues/expenditures for the duration of the lease/other agreement or life of the capital investment.
3. This transaction does not require the use of fund balance or reallocated grant funding.
4. The transaction is backed by new revenue. The new revenue does not include grant revenue. The new revenue has not been received. The new revenue will be received by …
5. A detailed explanation of how the revenue/expenditure impacts were developed is provided below, including major assumptions made in developing the values presented in the fiscal note and other supporting data:
   - This transaction is a zero dollar cost to the County.

Property Summary: Temporary Covenant Release and Reinstatement

Photo of Property

Address	12531 28th Avenue NE
Location Price	N/A - $0.00
Location Area	58,774 sf
Assessor's Parcel	383450-0635
Zoning	NC 3-75 and LR 3
Council District	One
Funding Source	N/A
Declared Surplus	N/A
Template Status:	N/A
Offer Expiration:	Proposed Ordinance to be in effect by December 1, 2026.

Property Information

The property located at 12531 28th Avenue NE was conveyed by King County to the Lions Club in November 1953. The conveyance included a deed restriction, in the form of a covenant, requiring that the property be used solely for park and recreational purposes. In

1957, the property was transferred to the City of Seattle and served the neighborhood as the Lake City Community Center and Albert Davis Park. In 2023, a fire damaged a major portion of the building, and the Community Center was demolished. In 2025, the City of Seattle engaged with Mercy Housing to rebuild the Community Center on the street level along with approximately 113 units of housing on upper levels with an average affordability of less than 49 percent of the area median income (AMI).[1]

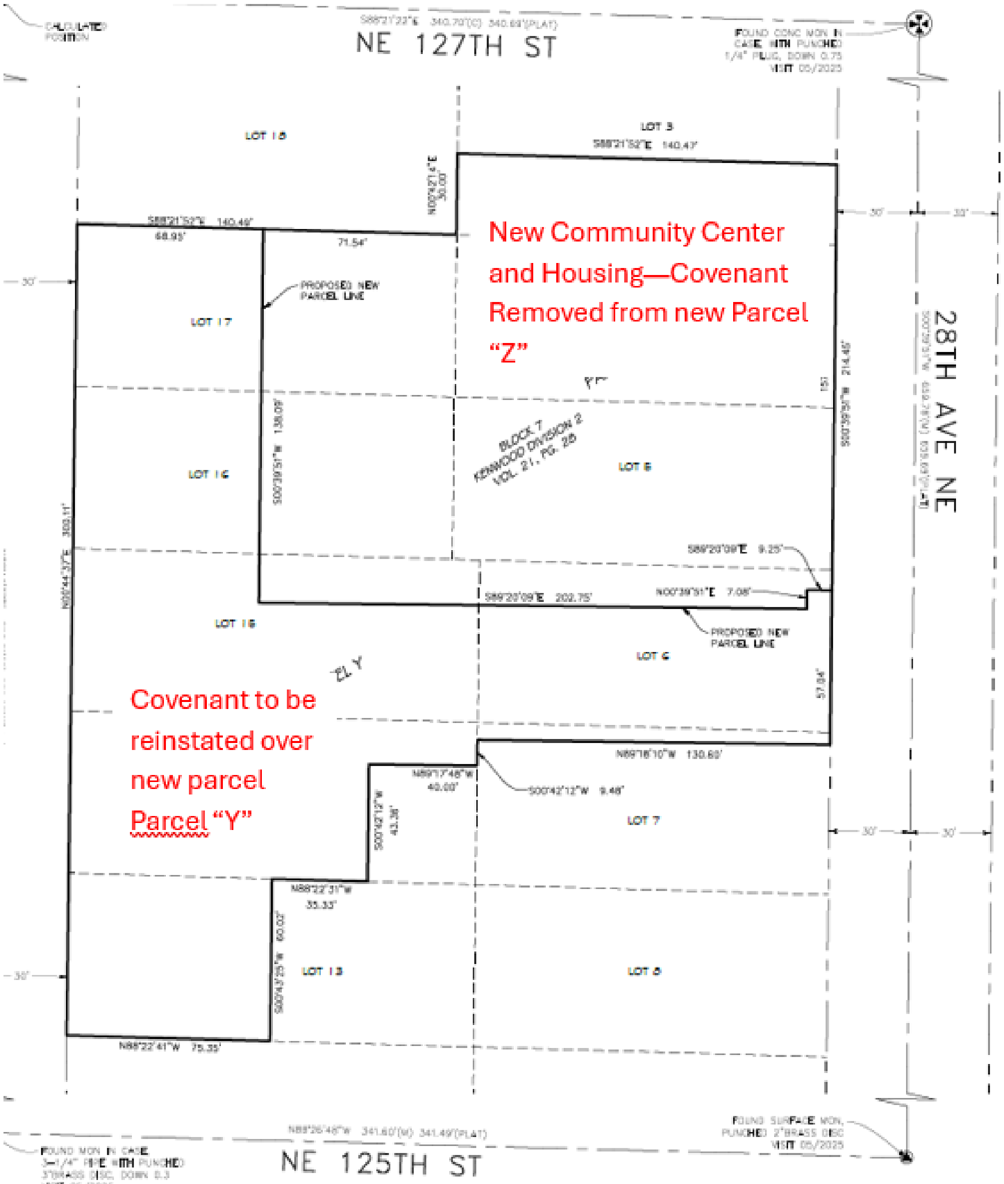
Context

Rationale for transaction: In order for this affordable housing project to receive financing, King County has agreed to temporarily lift the Covenant from areas of the current parcel, depicted as parcel "X", wait for the City of Seattle to complete a Lot Boundary Adjustment (LBA), and reinstate the covenant over Parcel "Y" of the proposed LBA. The reinstatement of the covenant document is in the form of Attachment B to this legislative package.

Picture 1: Current Covenant location (outlined in red), Parcel "X".

[1] Lake City Community Center Redevelopment Project [LINK]

Picture 2:Proposed LBA creating Lots “Z” and “Y”



Policy considerations : Partnership and cooperation with the City of Seattle and Mercy Housing is needed to create 113 new units of affordable housing and a new community center, while still protecting the remaining property for open space and recreation consistent with the original 1953 deed restriction.

Political considerations: The City of Seattle has asked King County to complete the Release of Covenant and to approve the action and for the proposed Ordinance to be effective by December 1, 2026.

Community considerations
or partnerships: The City of Seattle has been engaging with the community.

Fiscal considerations: This transaction is a zero dollar transaction between King County and the City of Seattle. There are no anticipated fiscal impacts with this transaction.

Other considerations: None

CIP/operational impacts: None

Change in property use: Use will change on Parcel Z (depicted in picture 2) to allow affordable housing to be constructed above the newly-constructed community center. The Community Center will provide recreational opportunities for the community, consistent with the intent of the original Covenant. The covenant will be reinstated over parcel Y.

SEPA Review Required yes/no: No

King County Strategic Plan impact: N/A

Equity and Social Justice impact: In accordance with Real Property Asset Management Plan (RAMP) policies, FMD reviewed this legislation for Equity and Social Justice (ESJ) impacts. This location is in the Lake City neighborhood of Seattle. This action will allow for the rebuilding of the Lake City Community Center along with 113 planned units of affordable housing.

Surplus Process

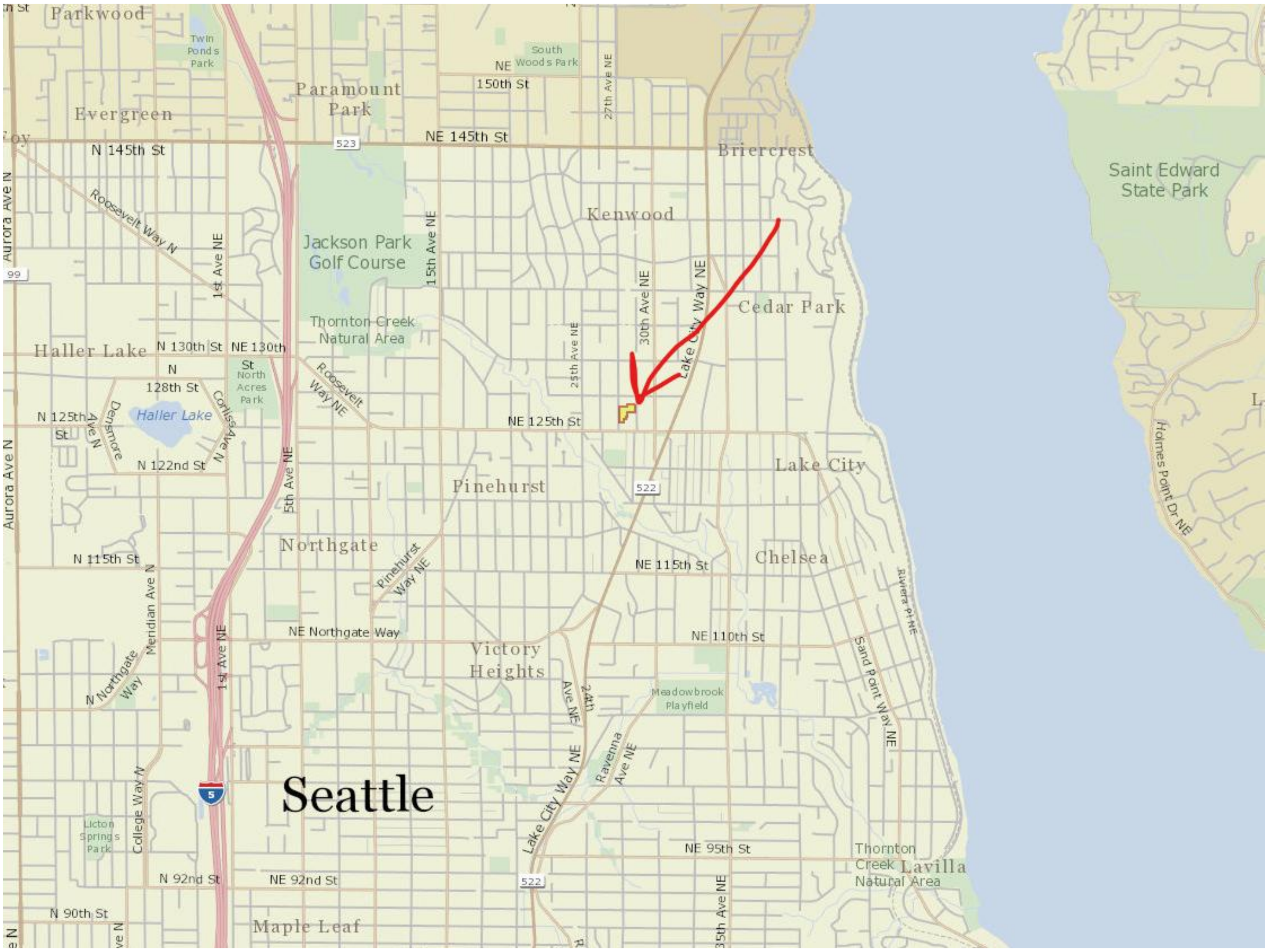
Interest from other county agencies? No
Property suitable for affordable housing? N/A
Property determined to be surplus? N/A

Marketing and Sale

Indicate whether the property was marketed or not, and if so, how it was marketed:

☐	MLS
☐	Commercial Broker
☐	County Website (number of website views:_______________)
☐	Social Media
☐	Onsite Signage
☒	Not Marketed (briefly explain)

Vicinity View Map


Parkwood
Twin Ponds Park
South Woods Park
NE 150th St
Paramount Park
Evergreen
N 145th St
NE 145th St
Briercrest
Saint Edward State Park
Aurora Ave N
Roosevelt Way N
1st Ave NE
Jackson Park Golf Course
15th Ave NE
Kenwood
30th Ave NE
Lake City Way NE
Cedar Park
Thornton Creek Natural Area
25th Ave NE
Haller Lake
N 130th St
NE 130th St
North Acres Park
Roosevelt Way NE
N 128th St
Haller Lake
NE 125th St
N 122nd St
5th Ave NE
Pinehurst
Lake City
Northgate
Pinehurst Way NE
N 115th St
NE 115th St
Chelsea
Meridian Ave N
NE Northgate Way
Victory Heights
NE 110th St
Sand Point Way NE
Meadowbrook Playfield
Ravenna Ave NE
Seattle
College Way N
Licton Springs Park
Lake City Way NE
NE 95th St
Thornton Creek Natural Area
Lavilla
N 92nd St
NE 92nd St
N 90th St
Maple Leaf
35th Ave NE
Holmes Point Dr NE

Parcel Map

Metropolitan King County Council
Staff Report

Committee:	Budget and Fiscal Management Committee		
Agenda Item:	6	**Analysts:**	Terra Rose April Sanders
Proposed No.:	2026-0160	**Meeting Date:**	August 26, 2026

OVERVIEW

TOPIC: Proposed Ordinance 2026-0160 would increase the disposal fees at County solid waste facilities for solid waste and other materials and modify how fees are reduced during unanticipated facility closures.

LEGISLATION SUMMARY

Proposed Ordinance 2026-0160 would, effective January 1, 2027, increase:

- Fees to accept solid waste, yard and clean wood waste, major appliances with refrigerants, mattresses, and special wastes by between 8% and 9% depending on the material;
- The amount of the Fixed-Annual Charge from approximately $26.8 million to $29.1 million, an increase of 8.5%; and
- The low-income discount from $20.00 to $22.00 per entry.

Additionally, the proposed ordinance would modify how fees are reduced for haulers during unanticipated facility closures.

The narrative accompanying the proposed ordinance indicates that the increases are necessary to support the rising costs of providing essential solid waste services and meeting legal and regulatory requirements, as well as providing for the Solid Waste Division's planned capital infrastructure projects. However, the fee narrative also notes that the Division has taken actions to control costs by limiting increases in existing operating expenses beyond inflation and deferring the Permanent Facility Relocation capital project to a later date.

The committee was first briefed on July 22, 2026, and updates to the July staff report are denoted by blue font.

KEY ISSUES FROM THE ANALYSIS

A. **Only minimal planning costs are assumed in the rate model through 2032 for certain capital projects that are expected to be needed or that support direction provided in the last Comprehensive Solid Waste Management Plan.** Executive staff have confirmed that, outside of some minimal planning costs, costs are not assumed in the rate model covering 2027 through 2032 for the following projects: the next disposal method for when the Cedar Hills landfill closes, the Permanent Facilities Relocation project, and the Northeast Recycling and Transfer Station. While the majority of the costs for the above projects may not be incurred during the rate model planning window, it is unclear how assuming only minimal costs now may impact the rates in 2032 and beyond when the projects are fully budgeted, and whether this may result in a significant rate spike.

B. **Proposed modifications to the unanticipated facility closure reduced fee program represent policy choices.** The proposed ordinance would make a series of changes to the unanticipated facility closure program, such as shifting from a reduced fee at the scale house to an after-the-fact credit system where solid waste collection entities (largely the major haulers) would be responsible with providing documentation to the Solid Waste Division. The proposed changes represent policy choices.

AMENDMENTS

- **Amendment 1** would make technical corrections, such as fixing a drafting error, adding omitted punctuation in the base code, making terminology consistent throughout the ordinance, and other corrections.

BACKGROUND & TIMING CONSIDERATIONS

↑ BACK TO TOP

Regional Solid Waste System. The King County Solid Waste Division (SWD; Division) is responsible for providing solid waste planning, management, transfer, and disposal services through 2040 for the unincorporated areas and the 37 partner cities[1] that have signed interlocal agreements, a service area that includes approximately 1.5 million people. SWD operates eight transfer stations and two drop boxes distributed throughout the region, the Cedar Hills Regional Landfill located in unincorporated Maple Valley, as well as waste prevention and recycling programs.

The County receives solid waste at its transfer stations and drop boxes from haulers and self-haul customers. These waste loads are consolidated, transferred onto trailers, and transported by truck by the County to the Cedar Hills Regional Landfill, which is the only operating landfill in the county.

[1] All cities in King County except Seattle and Milton participate in the County's regional system.

Long-Term System Planning. The County's solid waste system is currently in a period of transformation from one focused on disposal of materials to a system with greater emphasis on waste reduction, recovery, and recycling. In 2022, SWD released the Re+ Strategic Plan,[2] which describes the County's approach to meeting its adopted goal to achieve zero waste of resources[3] by 2030 through maximum feasible and cost-effective prevention, reuse, and reduction of solid waste being landfilled and going to other processing facilities.

Concurrently with its efforts toward zero waste (rebranded as "Re+"), SWD is in the middle of significant efforts related to current and future system planning, including:

- *Modernizing its transfer facilities*, some of which are from the 1960s;
- *Further developing the Cedar Hills landfill for additional capacity* in accordance with the adopted 2019 Comprehensive Solid Waste Management Plan;[4] and
- In conjunction with the partner cities *evaluating options for and determining the next disposal method to be used when the Cedar Hills landfill reaches capacity*, which has been projected between 2037 and 2046.[5] Options being considered include waste export by rail to an out-of-county landfill, construction of a waste-to-energy facility to manage the system's waste, and a hybrid approach where a portion of the waste is directed to a waste-to-energy facility and the remainder is exported by rail.[6] It is expected that the selected method will be included in an updated Comprehensive Solid Waste Management Plan, which Executive staff anticipate transmitting to the Council in 2029.

These elements of solid waste planning can influence future solid waste fees in a number of ways. Successful implementation of Re+ efforts could reduce the annual tons of waste that is landfilled, as well as the revenue associated with those tons, which could put an upward pressure on fees. Additionally, depending on what long-term disposal option is selected, the County and regional system may need to incur additional capital and operating costs related to the chosen method, which also could put upward pressure on future fees.

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[2] Re+ Strategic Plan: Reimagining a waste-free King County [Link]
[3] K.C.C. 10.14.020. Further, "zero waste of resources" is defined in Code as a planning principle and framework designated to eliminate the disposal of materials with economic value through reuse, recycling, or both."
[4] Ordinance 18893
[5] Cedar Hills Regional Landfill 2020 Site Development Plan and Facility Relocation Final Environmental Impact Statement [Link]
[6] July Metropolitan Solid Waste Management Advisory Committee meeting

Solid Waste System Revenues. Executive staff indicate that about 90% of SWD's revenue comes from disposal fees and the Fixed-Annual Charge, both of which are further described below. Other sources of revenue supporting the solid waste system include the sale of landfill gas collected and processed at the Cedar Hills landfill; rental income from property owned by the Division; a surcharge on construction and demolition waste disposal at designated non-County facilities; the commodity value of recyclables collected at County solid waste facilities; as well as grants and interest earnings.

Disposal Fees. Disposal fees are approved by the Council and vary based on:

- The type of material -- such as solid waste, yard waste, appliances;
- The type of customer vehicle -- "fixed-rate vehicles," such as a hatchback or sedan, pay a flat fee independent of the amount disposed and other vehicles like a hauler's collection vehicle or an SUV pay a per-ton fee; and
- Whether the facility receiving the material has a scale.

When a per-ton-rate vehicle disposes of less than 320 pounds of solid waste or yard/wood waste, a minimum fee applies. This minimum fee has historically been equal to the flat fee charged to fixed-rate vehicles.

The current fees were approved in 2025 and went into effect on January 1, 2026.[7]

Revenue Restructure and the Fixed-Annual Charge. In 2022, the Council approved changes to how fees were collected from certain customers and these changes were proposed by the Executive to improve revenue stability and predictability in times of volatility, such as in the case of tonnage declines during a recession or with successful waste reduction and recycling efforts.[8]

Prior to the restructure, haulers paid the same per-ton fee for solid waste disposal as self-haulers. This meant that a significant portion of the Division's revenues were directly tied to the annual waste tons received by the County, which can fluctuate depending on population growth, economic activity, and waste prevention and recycling efforts, among other factors.

The revenue restructure made the following changes:

1. *Reduced the per-ton fee paid by "solid waste collection entities" to be less than the fee paid by self-haul customers*. Solid waste collection entities are predominantly haulers serving cities and the unincorporated areas under contract or certificate.
2. *Introduced the Fixed-Annual Charge (FAC)*, which is the fixed dollar amount that SWD will collect each year from the system's "billing entities" independent of

[7] Ordinance 19970
[8] Ordinance 19413

tonnage received by the system. The billing entities -- either the haulers or the cities, whichever bills customers directly -- pay a proportionate share of the FAC based on the tonnage from the billing entity's service area compared to the systemwide tonnage. For example, if Republic Services is the billing entity for the Bellevue service area and Bellevue customers generated 10% of all commercially hauled tons countywide in the most recent calendar year for which data is available, Republic Services would be billed 10% of the FAC. Executive staff indicate that how a billing entity's share of the FAC is passed onto their customers is determined by the hauler and city through their collection contracts.

The FAC in 2026 is approximately $26.8 million.

One-Year Fee Proposal. SWD has historically proposed fee increases on a biennial cycle, typically with two one-year increases in a single ordinance. However, last year SWD, in consultation with the advisory committees, proposed a single year fee increase covering 2026 and noted this was to give the Division an opportunity to reprioritize and sequence capital investments and evaluate potential cost saving measures.

While Council-adopted fees do not expire and are in place until a new fee is adopted and effective, Executive staff expect to return to the biennial cycle next year.

Timing Considerations. For the proposed fees to go into effect on January 1, 2027, the Council would have to act prior to September 30 to allow for the 90-day notice to the state required by the Washington Utilities and Transportation Commission (WUTC). However, Executive staff are seeking Council action on the proposed ordinance in early September to allow the Division to communicate the final fee amounts to haulers and cities so that they can incorporate the new amounts into their billing and other systems, as well as notify the WUTC.

Further, because the proposed ordinance would establish fees, a 10-day advertising period is required. Therefore, the legislation could not be expedited to full Council should it be voted out of committee.

ANALYSIS

↑ BACK TO TOP

Proposed Ordinance 2026-0160 would, effective January 1, 2027, increase:

- Fees to accept solid waste, yard and clean wood waste, major appliances with refrigerants, mattresses, and special wastes by between 8% and 9% depending on the material and as summarized in Figures 1, 2, 3, and 4;
- The amount of the FAC from approximately $26.8 million to $29.1 million, an increase of 8.5%; and

- The low-income discount from $20.00 to $22.00 per entry.

Additionally, the proposed ordinance would modify how fees are reduced for haulers during unanticipated facility closures.

According to the fee narrative (Attachment A to the proposed ordinance), the increases are necessary to support the rising costs of providing essential solid waste services and meeting legal and regulatory requirements, as well as providing for the Division's planned capital infrastructure projects. Executive staff indicate that inflation and higher borrowing costs due to higher interest rates are impacting both the cost of operations and capital spending and also resulting in a lower tonnage forecast than previously projected.

However, the fee narrative also notes that the Division has taken actions to control costs by limiting increases in existing operating expenses beyond inflation and deferring the Permanent Facility Relocation project to a later date. This project would build a new permanent maintenance facility to replace structures at the landfill that will be demolished to expand landfill capacity. Additionally, the fee narrative notes that the revenues from the sale of processed landfill gas collected at the landfill is helping to offset fee increases.

Proposed Increases. Figures 1, 2, 3, and 4 summarize the current and proposed fees to dispose of solid waste and other materials.[9] According to the fiscal note, the proposed increases in fees and the FAC are projected to result in an additional $16.3 million in revenues relative to the current fees.

Figure 1. Current and Proposed Fees at Facilities WITH SCALES

(not including the Cedar Hills Landfill)

Material Type	Customer Type	Current 2026 Fee	Proposed 2027 Fee	Fee Unit	% Change
Solid Waste	**Fixed-rate vehicles** *e.g., hatchback or sedan*	$36.69	$39.76	*per entry*	8.4%
	Solid waste collection entity per-ton-rate vehicles *e.g., contract haulers, certificated haulers*	$179.18	$194.00	*per ton*	8.3%
	Self-hauler per-ton-rate vehicles *e.g., SUVs, trucks*	$229.29	$249.00	*per ton*	8.6%
	Minimum fee (<320 lbs.)	$36.69	$39.76	*per vehicle*	8.4%

[9] Shown pre-tax and without the moderate-risk waste surcharge that funds hazardous waste programs throughout the county.

	Charitable organizations	$176.55	$192.04	*per ton*	8.8%
	Charitable organizations - minimum fee (<320 lbs.)	$28.25	$30.83	*per entry*	9.1%
Yard Waste / Clean Wood Waste	**Fixed-rate vehicles**	$20.70	$22.50	*per entry*	8.7%
	Per-ton-rate vehicles	$129.38	$140.50	*per ton*	8.6%
	Minimum	$20.70	$22.50	*per vehicle*	8.7%
Appliances w/ Refrigerants	**All customer types**	$30.00	$32.50	*per unit*	8.3%
Mattress Disposal[10]	**All customer types**	$30.00	$32.50	*per unit*	8.3%

Figure 2. Current and Proposed Fees at Facilities WITHOUT SCALES

Material Type	Customer Type	Current 2026 Fee	Proposed 2027 Fee	Fee Unit	% Change
Solid Waste	**Fixed-rate vehicles**	$36.69	$39.76	*per entry*	8.4%
	Per-ton-rate vehicles (Compacted waste)	$66.49	$72.35	*per cubic yard*	8.8%
	Per-ton-rate vehicles (Uncompacted waste)	$38.98	$42.42	*per cubic yard*	8.8%
	Minimum fee	$36.69	$39.76	*per entry*	8.4%
Yard Waste / Clean Wood Waste	**Fixed-rate vehicles**	$20.70	$22.50	*per entry*	8.7%
	Per-ton-rate vehicles (Compacted waste)	$37.52	$40.75	*per cubic yard*	8.6%
	Per-ton-rate vehicles (Uncompacted waste)	$21.99	$24.00	*per cubic yard*	9.1%
	Minimum fee	$20.70	$22.50	*per vehicle*	8.7%

[10] Applies to the Algona, Cedar Falls, Houghton, and Renton facilities. The Bow Lake, Enumclaw, Factoria, Shoreline, and Vashon facilities offer mattress recycling for $30.00 per item.

Figure 3. Current and Proposed Fees at the Cedar Hills Landfill

Material Type	Customer Type	Current 2026 Fee	Proposed 2027 Fee	Fee Unit	% Change
Solid Waste	**Regional direct[11]**	$194.89	$211.00	*per ton*	8.2%
	Solid waste collection entity per-ton-rate vehicles	$179.18	$194.00	*per ton*	8.3%
Per-Ton Mattress	**All customer types**	$1,090.00	$1,182.00	*per ton*	8.4%

Solid Waste. As noted in Figure 1, the proposed ordinance would increase the fee at facilities with scales, excluding the landfill, for solid waste collection entities at facilities with scales to $194.00 per ton, self-haul customers to $249.00 per ton, and the minimum fee to $39.76 per vehicle.

According to the fee narrative, the average monthly curbside impact for all residents in the County's service area, after haulers pass along the increased disposal fee, is forecasted to be approximately $0.73 per month for a customer with a 32-gallon can size. However, because all cities have different starting rates and distribute the disposal costs across their customer bases differently, the forecasted impact will not match an actual customer impact in a given city, but it is expected to be accurate in the aggregate across the entire County service area.

Yard and Clean Wood Waste. The fee to accept yard and clean wood waste is proposed to increase to $140.50 per ton. Between 2011 and 2021, the fee for yard and clean wood waste remained unchanged at $75 per ton, at which point the Division proposed and the Council approved an increase to $100 per ton in 2022 and subsequent increases through 2026 to begin to bring the fee more in line with the costs to provide the service.

Special Waste. The proposed ordinance would increase the special waste fees for materials that require special handling, recordkeeping, or both, such as asbestos-containing materials and contaminated soil. The proposed increases are summarized in Figure 4.

[11] The regional direct fee is a discounted fee charged to haulers that haul solid waste to the Cedar Hills landfill from their own transfer stations and processing facilities, thus bypassing County transfer stations. In the past Executive staff have indicated that this tonnage is typically composed of nonrecyclable material removed from recyclables during processing.

Figure 4. Current and Proposed Special Waste Fees

Fee Type	Current 2026 Fee	Proposed 2027 Fee	Fee Unit	% Change
Special Waste	$275.14	$299.00	*per ton*	8.7%
Special Waste - Minimum	$44.02	$47.78	*per entry*	8.5%
Special Waste, Extra Handling	$321.01	$349.00	*per ton*	8.7%
Special Waste, Extra Handling - Minimum	$51.36	$55.98	*per entry*	9.0%

FAC. The proposed ordinance would increase the FAC from $26,838,510 to $29,119,783, an increase of 8.5%. For comparison, the increase between 2025 and 2026 was 12.5%. As noted previously, the FAC is the amount that SWD collects annually and cumulatively, independent of solid waste tonnage received into the system, from billing entities -- either commercial haulers or cities, depending on which entity bills curbside customers directly.

According to the fee narrative, the amount of the FAC is set to equal the haulers' portion of the non-disposal service costs, such as administrative expenses, regional planning, Re+ actions, and regulatory compliance. The fee narrative provides the following example: if the sum of all the Division's non-disposal costs totaled $100 million, and the hauler customer class usage was 30%, the FAC would be set at $30 million.

Executive staff indicate that how a billing entity's share of the FAC is passed onto their curbside customers is determined by the hauler and city through their collection contracts.

Proposed Low-Income Discount. The proposed ordinance would increase the low-income discount available to eligible self-haul customers at transfer stations, called Cleanup LIFT, from the current $20.00 to $22.00 per entry in 2027, which would be equivalent to roughly half of the minimum fee for solid waste transactions. The discount can be applied to disposal of solid waste, yard and clean wood waste, appliances, and mattresses. Qualified customers must live in households at or below 200% of the federal poverty level and qualify by presenting their ORCA LIFT card, Electronic Benefits Card (EBT card), or Medicaid card (ProviderOne) at the transfer station.

Additional Financial Information About Fee Increases. Following the discussion at the July committee meeting, Council staff requested additional information underlying the fee increase and the cost mitigation strategies undertaken by the SWD.

Increase Drivers. Executive staff provided the table in Figure 5 that shows the cost drivers of the proposed fee increase and the percentage of the total increase attributable to each category.

Figure 5. Cost Drivers of Fee Increases and Percentage Attribution

Cost Drivers	2026	2027	Change	% of Increase within Category	% of Total Rate Increase
SWD Operating Costs	$163,389,569	$166,629,593	$3,240,024	2.0%	30.7%
Debt Service to Support Capital Projects	$40,220,707	$45,716,110	$5,495,403	13.7%	52.1%
Transfer to Landfill Reserve Fund	$15,010,586	$16,816,290	$1,805,704	12.0%	17.1%
		Total	$10,541,131	-	100%

Executive staff indicate that the increase in operating costs reflects inflationary increases, as well as the addition of one new position to support capital project delivery in 2027 at an estimated cost of approximately $190,000 per year. Executive staff expect to request an additional six positions to support the capital program delivery as a part of the 2028-2029 Budget, at an annual cost of approximately $1.7 million.

The debt service increases, according to Executive staff, reflect completing construction of the South County Recycling and Transfer Station, conducting the most critical asset rehabilitation, continuing work on landfill development projects, and investments required by regulation, such as those related to leachate management and remediation. Executive staff indicate that regulatory-related projects comprise about 25% of total capital spending in 2027.

Executive staff explain that the increases in the transfer to the Landfill Reserve Fund reflect the need to support landfill closure projects, as well as save the money required by the state for post-closure maintenance and monitoring of the landfill.

Strategies to Lower Fee Amounts Relative to Prior Projections. Executive staff indicate SWD was able to lower the proposed fee levels relative to the projections in the last fee increase by the following efforts:

- *Limiting operating spending to inflation and minimal personnel adds, as discussed in the prior subsection.*

- *Reducing debt service payments by deferring capital spending.* Executive staff indicate that the two largest capital projects resequenced were the Permanent Facility Relocation project and the Northeast Recycling and Transfer Station, which is currently under negotiation as part of a SEPA appeals process. According to Executive staff, these two projects account for the majority of the difference in capital spending between the 2026 and 2027 rate proposals. In addition, Executive staff indicate that a few smaller projects, such as the Harbor Island Dock Repair and Vertical Wells project, the latter of which concerns the landfill gas collection system, were also deferred to the later years of the rate model to reduce pressure on the 2027 rate.

- *Spending down reserves.* Historically, SWD has maintained three types of operating reserves: 30-day operating reserve required by County financial policies; the Recession Reserve, which is set aside for when tonnage declines due to reduced economic activity and equal to 5% of projected disposal revenue; and the Rate Stabilization Reserve to help smooth out rate increases and with no target amount set. Executive staff indicate that the rate model supporting the proposed ordinance allows for fully funding the 30-day operating reserve and partial funding of the Recession Reserve in each year of the 6-year planning window. Executive staff do not forecast building sufficient fund balance to replenish the Rate Stabilization Reserve and it is currently depleted.

- *Changing the rate mix.* According to Executive staff, the 2026 rate proposal projected a 12% annual increase to the self-haul fee between 2028 and 2031, whereas the rate model underlying the proposed ordinance now projects an 8.5% annual increase. Executive staff note that, on the other hand, the 2026 rate proposal projected an 8% annual increase in the "commercial rate" referring to the solid waste collection entity per-ton-rate, compared to an 8.5% annual increase. Since commercial fees represent a larger portion of the Division's revenue compared to the self-haul fees, the reduction in self-haul revenue is partially offset by the increase in commercial revenue.

Executive staff also note that revenues from the landfill gas processing facility now under County ownership and operation have helped offset fee increases. According to Executive staff, as of June 2026, actual revenues from the sale of processed landfill gas and the associated environmental attributes total approximately $14.5 million. Executive staff indicate that the County has agreements in place to sell the majority of the environmental attributes for the remainder of 2026 and is working on securing contracts for the remaining environmental attributes. Overall, they further note that the market for processed gas and environmental attributes remain soft but revenues are in line with forecasted conditions and that operating expenses are also consistent with expectations.

Modifications to Unanticipated Facility Closure Reduced Fee Program. In the solid waste fee ordinance approved last year, the Council added language in King County Code that authorized the Department of Natural Resources and Parks Director to reduce the fee to deliver waste directly to the Cedar Hills landfill in the event of the closure of two or more transfer stations with fewer than five days' notice provided to haulers.[12] The reduced fee is scaled based on the duration of the closure with a $125 per ton fee for a one-day disruption, $100 per ton fee for two days, and $75 per ton for three or more days.

The proposed ordinance would make the following modifications:

- Instead of a reduced fee only at the Cedar Hills landfill, the Director would be authorized to apply a credit for loads delivered at the County-owned facilities to which King County reroutes haulers during a disruption. The credit would be granted only upon receipt of scale ticket documentation submitted to the Division within five business days following resumption of normal operations.
- Instead of being applicable only in the event of a closure of two or more transfer stations, a credit of $20.00 per ton would apply during the closure of a single transfer station for twenty-four hours or longer.
- The following credits would be used for the closure of two or more transfer stations based on the duration of the closure:
    - One-day disruption: $70.00 per ton;
    - Two-day disruption: $94.00 per ton; and
    - Three or more days of disruption: $120.00 per ton.

The fee narrative indicates that the proposed changes are to address concerns raised during the 2027 rate development process where commercial hauler representatives on the Solid Waste Advisory Committee expressed dissatisfaction that there was no fee reduction in the case of an unanticipated closure of one transfer station and that the reduction only applied to the landfill and not when they were redirected to another facility.

[12] Ordinance 19970

Council staff analysis related to these proposed changes is ongoing.

Additional Information on Proposed Changes. Executive staff indicate that the purpose of the shift from a reduced fee to a credit is to ease operational challenges with the status quo, but that the effective rates a hauler would pay are the same under both the status quo and proposed as illustrated in Figure 6.

Figure 6. Comparison in 2026 Reduced Fees and Proposed 2027 Credit

Length of Closure for 2+ Stations	2026 Reduced Fee	2027 Fee (reflecting proposed credit)
1-Day Closure	$125	$124
2-Day Closure	$100	$100
3+ Days of Closure	$75	$74

Executive staff indicate that they chose to maintain the disruption rates at 2026 levels and did not adjust them by the amount of the proposed fee increase of 8.5%.

According to Executive staff, this year through July 31, there were seven unanticipated closures ranging from less than 24 hours to 48 hours, but none that had any revenue impact.

Council staff inquired about how SWD selects which facilities are considered "reroute" facilities. Executive staff indicate that SWD determines the reroute facility or facilities based on the operational circumstances at the time of the closure, including the geographic location of the closed facility or facilities, available capacity at other facilities, traffic conditions, and operational constraints. Once SWD establishes which facilities are reroute facilities, Executive staff state that it is communicated directly to the affected solid waste collection entities through their standard notification process.

Executive staff confirmed that all solid waste collection entities visiting a designated reroute facility would be eligible for a credit even if they hadn't been rerouted from another facility. According to Executive staff, this recognizes that solid waste collection entities may face impacts at designated reroute facilities, such as longer wait times, and provides an administratively efficient process for SWD.

Future Outlook. SWD is forecasting annual fee increases of 8.5% per year for both haulers and self-haul customers through 2032.

The fee narrative indicates that the current fee proposal will allow the Division to maintain the 30-day operating reserve required by County policy but will not fully fund the Recession Reserve or the Rate Stabilization Reserve.

Based on the discussion at the July committee meeting, Council staff inquired about the potential impact on outyear rates should the Harbor Island property be sold for the as-is appraisal amount. Executive staff indicate that they are not able to determine the exact potential impact on future rates without knowing SWD's revenue from the sale, but that they have started initial planning discussion to identify and assess different options for using sale proceeds. According to Executive staff, as an example, if SWD received sale proceeds for the property in the $15 million range, this could allow for fully funding 30-day Operating and Recession Reserves and leave funding available for the Rate Stabilization Reserve. If these proceeds were received in 2027, after fully funding the Recession Reserve, SWD would project to have approximately $10.6 million available for rate stabilization that could be applied all at once to reduce the rate by a larger amount in a single year or in smaller increments to achieve smaller reductions in rate increases in more than one year.

Advisory Committee Involvement. Both the Metropolitan Solid Waste Advisory Committee, composed of city representatives, and the Solid Waste Advisory Committee, which is made up of representatives for a range of interests including haulers and environmental organizations, provided advisory notes (Attachments 5 and 6).

Key Issue A. Only minimal planning costs are assumed in the rate model through 2032 for certain capital projects that are expected to be needed or that support direction provided in the last Comprehensive Solid Waste Management Plan. Executive staff have confirmed that, outside of some minimal planning costs, costs are not assumed in the rate model covering 2027 through 2032 for the following projects: the next disposal method for when the Cedar Hills landfill closes, the Permanent Facilities Relocation project, and the Northeast Recycling and Transfer Station, each of which is discussed below:

- *Next Disposal Method.* Executive staff have historically indicated that there is a significant difference in estimated capital costs for the long-term disposal options being considered and because these costs would likely occur outside of the rate model planning window, they have not been assumed. While there may be variability in total cost, some costs are expected to be incurred.
- *Permanent Facilities Relocation.* Executive staff indicate that this project will be needed, but that siting of the permanent facilities should strategically align with the future disposal option's geographic location to maximize efficiency. As this decision

is underway, Executive staff made the decision to defer the project and continue the temporary leased arrangement. Additionally, Executive staff state that the previously proposed footprint of the Permanent Maintenance Facility was partially located on an area of the landfill that is identified as a critical area and that the design and engineering required to mitigate the impacts drove the projected project costs significantly higher.

- *Northeast Recycling and Transfer Station.* As noted above, this project is delayed due to a SEPA appeal. The adopted Comprehensive Solid Waste Management Plan recommended building a new station and closing the Houghton station in Kirkland when complete.

While the majority of the costs for the above projects may not be incurred during the rate model planning window, it is unclear how assuming only minimal costs now may impact the rates in 2032 and beyond when the projects are fully budgeted. Should this produce a spike in rates, the timing may be challenging as it is expected that the interlocal agreements with the partner cities will have to be either renegotiated or extended prior to their expiration in 2040.

Key Issue B. Proposed modifications to the unanticipated facility closure reduced fee program represent policy choices. As noted above, the proposed ordinance would make the following changes to the unanticipated closure program:

- Shift from a reduced fee to an after-the-fact credit system where it is the responsibility of the solid waste collection entities to provide documentation within five days to the SWD;
- Instead of being limited to the Cedar Hills landfill under the status quo, the DNRP Director would be authorized to apply a credit at other County solid waste facilities designated as "reroute facilities";
- Allow a credit when a single transfer station is closed, as opposed to only when two or more facilities are closed under the status quo; and
- Allow all solid waste collection entities to receive the credit when visiting a "reroute facility" even if they were not rerouted from a different facility.

These represent policy decisions and the Council could choose to accept, reject, or modify what is proposed.

AMENDMENTS

↑ BACK TO TOP

The following amendments are publicly available as of the date of packet issuance and attached to this staff report. Additional amendments may be released prior to the committee meeting.

Amendment	Sponsor	Effect Statement
1 Technical Amendment	Lewis	Amendment 1 would make technical corrections, such as fixing a drafting error, adding omitted punctuation in the base code, making terminology consistent throughout the ordinance, and other corrections.

INVITED

- Rebecca Singer, Director, Solid Waste Division
- David Pierce, Enterprise Service Section Manager, Solid Waste Division

ATTACHMENTS

1. Proposed Ordinance 2026-0160 (and its attachment)
2. Amendment 1
3. Transmittal Letter
4. Fiscal Note
5. Metropolitan Solid Waste Advisory Committee Advisory Note
6. Solid Waste Advisory Committee Advisory Note

King County

KING COUNTY

ATTACHMENT 1

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

Ordinance

Proposed No. 2026-0160.1 **Sponsors** Lewis

AN ORDINANCE relating to solid waste fees charged at recycling and transfer facilities, at the Cedar Hills regional landfill; amending Ordinance 12564, Section 2, as amended, and K.C.C.10.12.021 and establishing an effective date.

STATEMENT OF FACTS:

1. The solid waste division of the department of natural resources and parks provides essential public services that protect human health, the environment, and the quality of life in our region.

2. The solid waste division operates the Cedar Hills regional landfill, eight transfer stations, and two drop boxes. It also provides innovative programs to help customers prevent and recycle waste.

3. The department of natural resources and parks is proposing to change the rate solid waste collection entity per-ton-rate vehicles are charged for disposal of municipal solid waste from $179.18 to $194.00 per ton, effective January 1, 2027.

4. The department of natural resources and parks is proposing to increase the fixed-annual charge for disposal of municipal solid waste from $26,838,510 to $29,119,783, effective January 1, 2027.

5. The impact on the average single-family household with a 32-gallon weekly garbage collection service would be approximately seventy-three cents per month in 2027.

6. Solid waste collection entities rely on the availability of King County transfer stations to complete their collection routes. The department of natural resources and parks is proposing providing a credit to solid waste collection entities, if temporary, unplanned closures of King County transfer stations occur lasting longer than twenty-four hours.

7. Fee increases for 2027 enable the solid waste division of the department of natural resources and parks to maintain essential solid waste disposal and recycling services and generate the revenue needed to carry out programmatic responsibilities required under adopted policies.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

<u>SECTION 1.</u> Ordinance 12564 Section 2, as amended, and K.C.C. 10.12.021 are hereby amended as follows:

Except as otherwise provided in K.C.C. 10.04.020 and 10.12.058, all persons using county-operated solid waste transfer stations, drop boxes and Cedar Hills regional landfill shall pay the service fees in the following schedules:

A. Fees for the use of solid waste facilities with scales, excluding Cedar Hills, shall be:

1. Solid waste disposal:

Fixed-rate vehicles	((~~$36.69~~)) <u>$39.76</u> per entry
Solid waste collection entity per-ton-rate vehicles	((~~$179.18~~)) <u>$194.00</u> per ton

Self-hauler per-ton-rate vehicles	((~~$229.29~~)) $249.00 per ton
Charitable organizations	((~~$176.55~~)) $192.04 per ton
Minimum	((~~$36.69~~)) $39.76 per vehicle
Charitable organizations, minimum charge	((~~$28.25~~)) $30.83 per entry

2. Deposit of source-separated yard waste, clean wood waste, or any combination thereof:

Fixed-rate vehicles	((~~$20.70~~)) $22.50 per entry
Per-ton-rate vehicles	((~~$129.38~~)) $140.50 per ton
Minimum charge	((~~$20.70~~)) $22.50 per vehicle

3. Deposit of major appliances:

Major appliances with refrigerants ((~~$30.00))~~ $32.50 per unit

4. Deposit of mattresses:

Mattresses ((~~$30.00))~~ $32.50 per unit

5. Qualified low-income customers shall receive fee discounts of ((~~$20.00~~)) $22.00 per entry for deposit of solid waste, yard waste, clean wood waste appliances and mattresses. Customers with mixed loads must separate and deposit materials with sequential visits to the scale house to receive a discount on the individual waste types.

B. Each billing entity in the solid waste system will pay a share of the fixed-annual charge. The share each billing entity pays, for each service area it serves, is directly proportional to the total tons of municipal solid waste, deposited by solid waste collection entities at county-operated solid waste facilities in the most recent calendar year for which data is available, as shown in the following formula:

1. W = X * (Y / Z), where:

a. W is the billing entity's share in dollars of the fixed-annual charge for a specific service area;

b. X is the total amount of the fixed-annual charge for the calendar year;

c. Y is the number of tons of municipal solid waste from a specific service area of the billing entity that is deposited at county-operated solid waste facilities in the most recent calendar year for which data is available; and

d. Z is the total number of tons of municipal solid waste from all service areas deposited at county-operated solid waste facilities by all solid waste collection entities in the most recent calendar year for which data is available, excluding regional direct tons.

2. Beginning January 1, ((~~2026~~)) 2027, the fixed-annual charge is ((~~$26,838,510~~)) $29,119,783.

C. Fees for the use of solid waste facilities without scales shall be based upon the cubic yard or fraction thereof as follows:

1. Solid waste disposal:

Fixed-rate vehicle	((~~$36.69~~)) $39.76 per entry
Per-ton-rate vehicles:	
Compacted wastes	((~~$66.49~~)) $72.35 per cubic yard
Uncompacted wastes	((~~$38.98~~)) $42.42 per cubic yard
Minimum charge	((~~$36.69~~)) $39.76 per vehicle

2. Deposit of source separated yard waste, clean wood waste or any combination thereof:

Fixed-rate vehicle	((~~$20.70~~)) $22.50 per entry
Per-ton-rate vehicles:	

Compacted wastes ((~~$37.52~~)) $40.75 per cubic yard

Uncompacted wastes ((~~$21.99~~)) $24.00 per cubic yard

Minimum charge ((~~$20.70~~)) $22.50 per vehicle

3. Qualified low-income customers shall receive fee discounts of ((~~$20.00~~)) $22.00 per entry for deposit of solid waste, yard waste, clean wood waste appliances and mattresses. Customers with mixed loads must separate and deposit materials with sequential visits to the scale house to receive a discount on the individual waste types.

D. Fees at the Cedar Hills regional landfill shall be:

Cedar Hills Regional Direct ((~~$194.89~~)) $211.00 per ton

Solid waste collections entity per-ton-rate vehicles ((~~$179.18~~)) $194.00 per ton

Per-ton mattress ((~~$1,090.00~~)) $1,182.00 per ton

Disposal by other vehicles is at the discretion of the division director.

((~~In the event of a temporary closure of two or more King County transfer stations, excluding drop box facilities, when the solid waste division has provided fewer than five days' notice to certificated haulers, the department of natural resources and parks director, or designee, is authorized to modify the Cedar Hills Regional Direct fee at the Cedar Hills regional landfill for the duration of the temporary closure. A closure resulting from causes beyond the control of the solid waste division, such as severe weather, acts of God, natural disasters, strikes or hauler service disruptions, shall not trigger a reduced Cedar Hills Regional Direct fee at the Cedar Hills regional landfill.~~

~~The following fees shall be used, based on the duration of the closure:~~

~~One-day disruption $125 per ton~~

~~Two-day disruption $100 per ton~~

~~Three or more days of disruption $75 per ton~~))

E.1. In the event of a temporary closure of one or more King County transfer stations to solid waste collection entities, excluding drop box facilities, when the solid waste division has provided fewer than five days' notice to solid waste collection entities, the division director is authorized to apply a credit to the solid waste collection entity per-ton-vehicle rate for the duration of a unplanned temporary closure of twenty-four hours or longer. A closure resulting from causes beyond the control of the solid waste division, such as severe weather, acts of God, natural disasters, strikes or hauler service disruptions, shall not trigger a credit.

2. The credit that shall be used for the closure of one transfer station is $20.00 per ton for one or more day of disruption.

3. The following credits shall be used for the closure of two or more transfer stations, based on the duration of the closure:

a. One-day disruption: $70.00 per ton;

b. Two-day disruption: $94.00 per ton; and

c. Three or more days of disruption: $120.00 per ton.

4. The credits under subsection E.2. and 3. of this section apply to loads delivered at the county owned facilities to which King County reroutes solid waste collection entities during a disruption and will be granted only upon receipt of scale ticket documentation submitted to the solid waste division from the solid waste collection entities within five business days following the resumption of normal operations.

F. A moderate-risk waste surcharge shall be added to all solid waste disposed by nonsolid waste collection entities using county operated solid waste facilities. The fee schedule is as follows:

1. For facilities with scales:

Per-ton-rate vehicles	$5.84 per ton
Minimum charge	$2.23 per entry
Fixed-rate vehicle	$2.23 per entry

2. For facilities without scales:

Compacted	$1.28 per cubic yard
Uncompacted	$0.73 per cubic yard
Minimum charge	$2.23 per entry
Fixed-rate vehicles	$2.23 per entry

((~~F.~~)) G. As determined by the division director, a special waste fee shall be charged for special waste including asbestos-containing waste material and other wastes requiring clearances in accordance with King County Board of Health Code Title 10 or rules adopted by the department. The fee schedule is as follows:

Special waste fee	((~~$275.14~~)) $299.00 per ton
Special waste fee minimum charge	((~~$44.02~~)) $47.78 per entry
Special waste fee, extra handling	((~~$321.01~~)) $349.00 per ton
Special waste fee, extra handling Minimum charge	((~~$51.36~~)) $55.98 per entry

((~~G.~~)) H. In the absence of exact weights or measurements, the estimate by the division director is binding upon the user.

((~~H.~~)) I. The division director may establish fees for handling and processing of recyclable materials for which no other fee has been established by ordinance. The fees need not recover the full cost of handling and processing.

SECTION 2. This ordinance takes effect January 1, 2027.

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

____

Sarah Perry, Chair

ATTEST:

____

Melani Pedroza, Clerk of the Council

APPROVED this _____ day of _______________, ______.

____

Girmay Zahilay, County Executive

Attachments: A. Proposed Solid Waste Disposal Fees for 2027

Attachment A

Proposed Solid Waste Disposal Fees for 2027

June 2026

King County

Summary

The Department of Natural Resources and Parks (DNRP) is proposing an 8.5 percent across-the-board tipping fee increase for 2027. Currently, the division forecasts the same 8.5 percent annual rate increase each year from 2028 to 2032. Table 1 shows the proposed 2027 rate, as well as the 2028 to 2032 forecasted rates, for commercial and self-haul customers.

Table 1: Current, proposed, and forecasted rates, 2026-2032

Fee/Rate	2026 Current	2027 Proposed	2028 Forecast	2029 Forecast	2030 Forecast	2031 Forecast	2032 Forecast
Self-Haul Tipping Fee (per ton)	$229.29	$249	$270	$293	$318	$345	$374
Commercial Tipping Fee (per ton)	$179.18	$194	$210	$228	$247	$268	$291
Commercial Fixed Annual Charge	$26.8M	$29.1M	$31.6M	$34.3M	$37.2	$40.3M	$43.8M

The rate increases are necessary to support the rising costs of providing essential solid waste services, including recycling and waste disposal services at transfer stations, continued operations at the Cedar Hills Regional Landfill (CHRLF), and waste-prevention programs. The rates also support the maintenance, purchase, and construction of the vital capital infrastructure required for the division's operations and to meet legal and regulatory requirements.

The impact of King County rate increases for a typical residential customer with a 32-gallon can, after commercial haulers pass along these costs, is forecasted to be $0.73 per month in 2027.

Major drivers of the 2027 proposed rate include:

- Completion of South County Recycling and Transfer Station
- Major landfill development projects, including development of Areas 5/6 and Area 9 to increase capacity of CHRLF
- Projects to ensure safety and compliance with regulatory requirements

Cost mitigation measures reflected in the 2027 proposed rate include:

- Leveraging revenue from the Cedar Hills Renewable Gas to Energy (CHRGE) facility
- Limiting operational adds (one new staff hire in 2027)
- Reprioritizing capital projects

I. Background

The Solid Waste Division of the King County Department of Natural Resources and Parks (DNRP) is guided by its vision to achieve zero waste of resources and enhance the environment through collaboration and innovation.[1] The Solid Waste Division (SWD, or the division) operates eight transfer stations, two rural drop boxes, and the Cedar Hills Regional Landfill (CHRLF), which is the only operational landfill in the county. SWD serves residents and business owners in unincorporated King County and 37 cities throughout the county, with a combined 1.5 million people relying on the division's disposal services.

The bulk of SWD's services are supported with revenues generated by tipping fees. Annual increases in the tipping fee are required to cover the rising costs of providing essential waste services, including recycling and waste disposal services at transfer stations, continued operations at the CHRLF, and waste-prevention programs.

Typically, SWD tipping fee rate proposals have set biennial tipping fees in alignment with the County's biennial budget process. However, during 2026-2027 rate deliberations, SWD and DNRP, in consultation with the solid waste advisory committees, chose to pursue a single-year rate proposal covering 2026. The rationale to pursue a one-year rate in 2026 was to give the division an opportunity to reprioritize and sequence capital investments and evaluate cost-saving measures. This current 2027 rate proposal reflects months of internal work within the division and extensive partner engagement.

The proposal seeks to fund capital and operating expenditures, meet the division's commitments to regional partners, successfully implement actions in the Comprehensive Solid Waste Management Plan (Comp Plan) and Strategic Climate Action Plan (SCAP), and fulfill the mandate to maintain essential services, while also keeping rate increases as low as possible.[2,3]

II. 2027 Proposed Disposal Fees

DNRP is proposing an 8.5 percent across-the-board tipping fee increase for 2027. At this time, the division is forecasting annual rate increases at the same level of 8.5 percent in each year from 2028 to 2032.

Table 1 shows the proposed 2027 rate as well as the 2028 to 2032 forecasted rate increases of 8.5 percent per year for commercial and self-haul customers.[4] The impact of King County rate increases for a typical residential customer with a 32-gallon can, after commercial haulers pass along these costs, is forecasted to be $0.73 per month in 2027. Details on the curbside impact calculation are provided in Appendix A.

When there are unanticipated closures at transfer stations, SWD offers a service disruption credit to commercial haulers, discussed in Appendix E.

Table 1. Current, proposed, and forecasted rates, 2026-2032

Tipping Fee	2026 Current	2027 Proposed	2028 Forecast	2029 Forecast	2030 Forecast	2031 Forecast	2032 Forecast
Commercial (per ton)	$179	$194	$210	$228	$247	$268	$291
Self-haul (per ton)	$229	$249	$270	$293	$318	$345	$374
Regional Direct (per ton)	$195	$211	$229	$248	$269	$292	$317
Yard Waste (per ton)	$129	$140	$152	$165	$179	$194	$210
Special Waste (per ton)	$275	$299	$324	$352	$381	$414	$449
Self-haul (minimum)	$36.62	$39.76	$43.38	$47.24	$51.58	$56.17	$61.24
Appliances (per transaction)	$30	$33	$36	$39	$42	$46	$50
Mattresses (per transaction)	$30	$33	$36	$39	$42	$46	$50
Cleanup Lift (per transaction)	$20	$22	$24	$26	$28	$30	$33
Commercial Fixed Annual Charge (calculated)	$26.8M	$29.1M	$31.6M	$34.3M	$37.2M	$40.4M	$43.8M

III. Benefits and Drawbacks of the Rate Proposal

Key benefits of this rate proposal include the following:

(1) **Funds key capital investments.** The rate proposal will allow for full funding of projects that are critical for operations, including:
- Projects associated with landfill development and closure
- Projects associated with regulatory compliance and safety
- Projects related to the Comp Plan, Re+, and landfill gas collection efficiencies.[5]

(2) **Allows for opening of the South County Recycling and Transfer Station (SCRTS).** The facility is slated to open in 2026.

(3) **Funds landfill reserves to reach estimated liability at closure.** Regulations require the division to have funds available to support ongoing maintenance of the CHRLF for 50 years after closure. The current proposal allows SWD to build the fund balance to meet SWD's projected liability when the landfill closes.
(4) **Provides stable rate path**. The 8.5 percent annual rate increase for six years will provide rate stability for customers.

A key drawback of the rate proposal is:

> **Limited growth in operating reserves.** County policy requires that SWD maintain a 30-day operating reserve, a Recession Reserve, and Rate Stabilization reserves. The current rate proposal will allow the division to maintain a 30-day operating reserve, but will not fully fund the Recession Reserve or build fund balance for rate stabilization.[6]
>
> A full cash flow analysis associated with this proposal can be found in Appendix B.

IV. Cost-Control Measures

The division has taken a number of actions to control costs that are reflected in this rate proposal and are discussed below.

Deferring capital projects. As rate pressure from the growth in capital spending has increased, the division has been exploring ways to mitigate the impact to rate payers. One approach is to defer appropriate projects into the future to distribute spending more evenly over several years rather than have a spike in spending, with the associated high debt service. One such project is the Permanent Facilities Relocation project, which would build a new permanent maintenance facility to replace structures that will be demolished during the development of Area 9 at the CHRLF. The project has been delayed in order to control rate growth.

Limiting additional operating costs. The division is planning limited increases in existing operating expenses beyond inflation. Any emergent needs will be funded out of existing outlays. Minimal growth in operating expenses will help mitigate the upward pressure from capital growth. The overarching goal of the fiscal planning work for this 2027 rate proposal has been to maximize value for customers while mitigating financial impacts on rate payers.

Leveraging new revenues. DNRP reached a settlement in March 2025 with the former owner of the renewable natural gas processing facility located at the CHRLF and acquired the plant in August of that year. Acquisition of the Cedar Hills Renewable Gas to Energy (CHRGE) facility has enabled the County to put the landfill gas it collects to beneficial use, displacing virgin fossil fuel extraction, and generating additional revenue that can help offset rate increases.

V. Rate Model Methodology

A detailed view of the rate methodology is provided in Appendix C. Revenue generated by the rates charged supports all the services provided by SWD, including:

- The municipal solid waste (MSW) transfer system
- Disposal of MSW and Special Waste at the CHRLF
- Recycling and yard waste collection at most transfer stations
- Hazardous and moderate-risk waste collection
- Waste-reduction programs
- Education and outreach

The vast majority of revenues to the Solid Waste Fund are comprised of disposal fees and the fixed annual charge (FAC). Three primary variables drive the revenue received from disposal fees: 1) the FAC, 2) tonnage, and 3) the tipping fees charged for tonnage. When tonnage decreases, revenue is reduced. Appendix D provides tonnage forecasts through 2031.

Revenue generated by the rates must align with costs to ensure services are available for customers and jurisdictions. The cost to provide services (also referred to as the revenue target, revenue requirements, or expenditures) is determined by analyzing SWD's spending patterns; updating assumptions about inflation and interest rates; factoring in changes in central rates; reviewing proposals for budget additions and reductions; determining the level of reserve cash to maintain each year; and examining a host of other factors that influence the cost of solid waste services.

Next, the amount of the FAC must be determined through a cost-of-service analysis at the customer class level. A customer class is "a grouping of solid waste customers with similar usage characteristics who are served at similar costs."[7] The cost-of-service analysis looks at the cost to provide services to each customer class, including both disposal and non disposal-related costs.

For example, to provide disposal service to commercial haulers, the County employs scale house and transfer station operators, drivers, mechanics, and landfill crews; it also builds, operates, and maintains transfer stations and the landfill. A portion of each of these costs is allocated to each of the customer classes based on their usage of that resource, usually determined by the number of tons or transactions a class generates.

Non-disposal costs include expenses, such as administration, regional planning, Re+ actions, and regulatory compliance. The FAC is based on the commercial haulers' portion of the non-disposal services costs. For example, if the sum of all non-disposal costs totaled

$100 million, and the commercial customer class share were 30 percent, the FAC would be set at $30 million.

Nearly all other Solid Waste Fund revenues other than the FAC come from tonnage received at transfer stations. The remaining revenues include rents on County-owned property, interest income, grant funding, and landfill gas revenues. Once the FAC and other revenues are subtracted from the overall cost of service, or revenue requirement, the remaining cost must be divided by the projected tonnage to set the per-ton rates.

At a high level, the relationship between the cost to provide services (expenditures), revenue, tonnage, and rates can be characterized as shown in the equation below:

$$\textbf{Expenditures} + \textbf{Reserves} = \frac{\textbf{Revenues Required} - (\textbf{FAC} + \textbf{Other Revenues})}{\textbf{Tonnage}} = \textbf{Per Ton Rate}$$

VI. Conclusion

This proposed rate increase would support DNRP making an investment in critical infrastructure projects between now and 2032. Investments in infrastructure, such as SCRTS, extending the life of the landfill, and improving the efficiency of landfill gas capture, will yield long-term financial benefits for rate payers, boost the local economy, and reduce the impact of waste on the environment.

Spending has been prioritized to focus on maintaining delivery of essential services and delivering on the commitments made in the Comp Plan and the SCAP.

The focus on the revenue side has been one of mitigating the impact of increased capital spending. The economic turbulence caused by inflation and higher borrowing costs is impacting the cost of operations and capital spending, resulting in a lower tonnage forecast than previously projected. During this rate-setting process, the department has been sensitive to the needs of its customers and other partners and worked to reduce the need for rate increases. Despite increased cost pressure in King County's capital program and reduced tonnage due largely to high interest rates, DNRP has been able to maintain a rate increase proposal consistent with projections from the last two rate cycles—all while preserving essential services and providing investments needed to reach the County's strategic goals and commitments.

[1] DNRP has rebranded these zero waste of resources efforts as Re+.
[2] King County Comprehensive Solid Waste Management Plan
[3] Strategic Climate Action Plan
[4] The commercial rate applies to certified and contracted haulers.
[5] Re+ is an innovative and multifaceted program aimed at reducing the amount of garbage that needs to be managed by keeping materials in use longer and recovering economically valuable resources that now get buried in a landfill.
[6] The Solid Waste Fund has three reserves. The Rainy-Day (30-day operating) Reserve, Recession Reserve, and Rate Stabilization Reserve. Each reserve account has rules regarding the amount of cash to be held in reserve and when those monies can be spent. More information about reserves is provided in Section IV of this report and in Appendix C.
[7] Section V.B. Solid Waste Classes of Service, Solid Waste Cost of Service and Rate Restructure Study, FCS Group. October 2021.

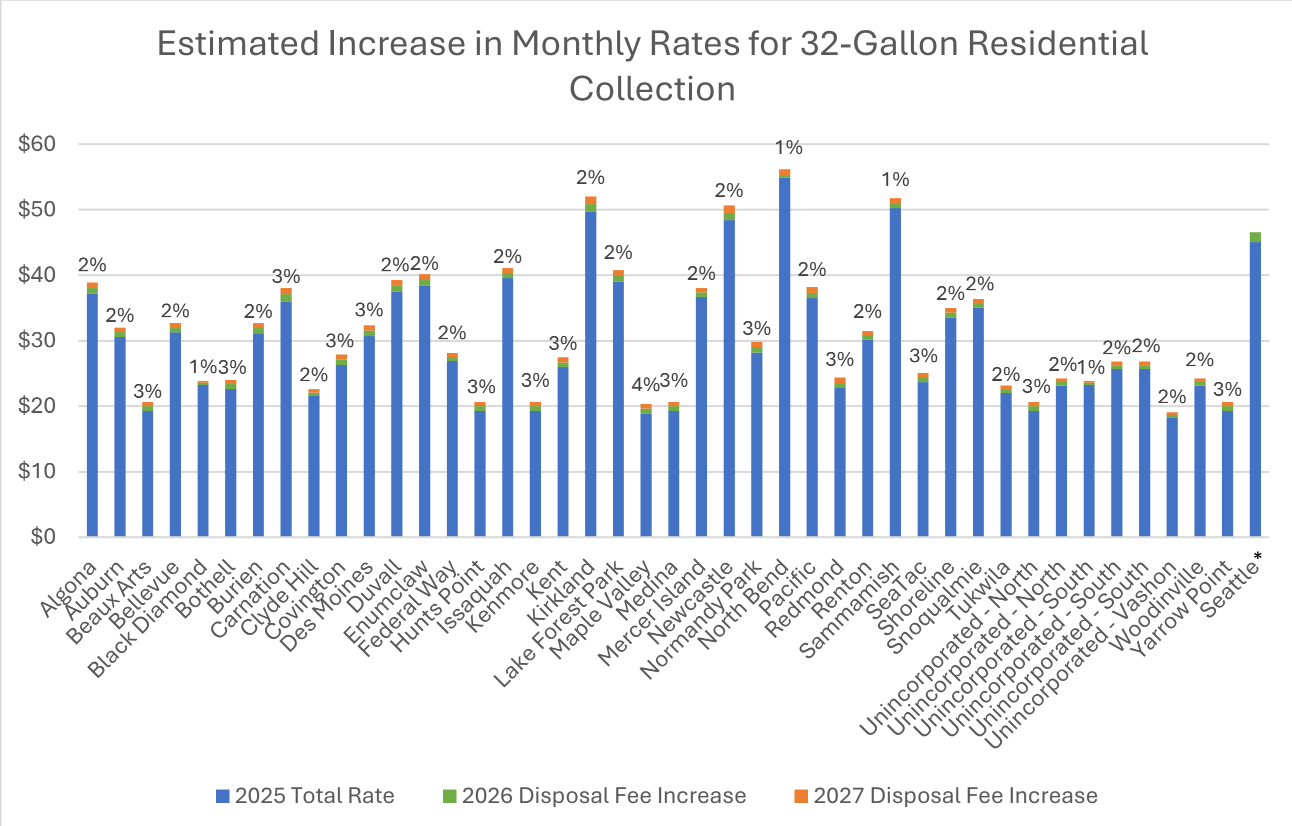
Curbside Impact Calculation

Solid waste customers and jurisdictions have historically asked for and come to expect a measurement of the impact a rate increase proposal would have on residents' waste collection bills, referred to as "curbside impact." To fill this need, DNRP created a curbside impact measure that generates an average monthly curbside impact for all residents in the County's service area, based on amount of garbage generated by a typical household. It will not match the actual curbside impact in any given city because all cities have different starting rates and distribute the disposal costs across their customer bases differently. However, it should be accurate in the aggregate across the entire Solid Waste Division (SWD, or the division) service area. In addition, the division has gathered rate data and modeled the impact in different jurisdictions for the most common can size: the 32/35-gallon cart. This provides more context for the potential variability of impacts across the service areas.

The curbside impact to customers varies considerably between cart sizes and collection contract/ Washington Utilities and Transportation Commission (UTC)-service areas. To model the potential impact, the division gathered rate data across the service area for the most common residential can size: the 32/35-gallon cart. The amount attributable to the disposal portion of the monthly service cost was not available for all contracts and the UTC areas. The division compiled the most recent available contract data and found that, on average, 26 percent of the cost was attributable to the disposal fee. This factor was then used across the monthly service cost to estimate the monthly increase. **On average, a 32/35-gallon cart customer would be expected to see a $0.73 increase per month due to the proposed 2027 rate increase.**

Figure 1 below shows a breakdown of the curbside impact by jurisdiction.
Figures 2 and 3 provide more information on our estimation methodology.

Figure 1. Impact of the Proposed Rate Increase on Monthly Solid Waste Service Fees



*Seattle 2026 increase includes both service and disposal fee components.

Figure 2. Key to City Disposal Rate Estimation Methods

Estimation Method	
City disposal percentage is based on the current year rate sheet.	1
City disposal percentage is based on the most recent past-year rate sheet disposal component out of total rate. This percentage is then applied to published current-year rates to calculate the current disposal component.	2
City disposal percentage is based on the average disposal percentage across all current-year and recent past year, for available City and UTC rate sheets. This percentage is then applied to published current-year rates to calculate the current disposal component.	3

City disposal percentage is based on most recent past-year rate model. This percentage is then applied to published current-year rates to calculate the current disposal component.	4
Unincorporated King County (UKC) disposal percentage is estimated as the hauler cost of disposal out of total hauler costs, as outlined in Rate Case Sheets. Defaults to average disposal percentage when recent estimated costs are unavailable. This percentage is then applied to published current-year rates to calculate the current disposal component.	5
Provided for comparison.	6

Figure 3. 32/35 Gallon Service Rates and Disposal Component Estimation Method

See Figure 3 for key to estimation method

City	2025 Estimated Monthly Cost	2025 Estimated Disposal Component	Estimation Method Used
Algona	$37.17	$9.03	3
Auburn	$30.59	$7.43	3
Beaux Arts	$19.31	$7.03	5
Bellevue	$31.25	$7.58	1
Black Diamond	$23.28	$3.17	5
Bothell	$22.64	$5.92	2
Burien	$31.14	$6.52	2
Carnation	$35.97	$8.74	3
Clyde Hill	$21.59	$5.24	3
Covington	$26.27	$8.69	4
Des Moines	$30.66	$6.98	2
Duvall	$37.53	$9.12	3
Enumclaw	$38.40	$9.33	3
Federal Way	$26.90	$6.53	3
Hunts Point	$19.31	$7.03	5
Issaquah	$39.55	$7.33	2
Kenmore	$19.31	$7.03	5
Kent	$25.94	$8.02	2
Kirkland	$49.70	$12.07	3
Lake Forest Park	$39.02	$9.48	3
Maple Valley	$18.86	$5.77	2
Medina	$19.31	$7.03	5
Mercer Island	$36.64	$6.16	2

Newcastle	$48.41	$11.76	3
Normandy Park	$28.18	$8.83	2
North Bend	$54.89	$8.50	2
Pacific	$36.50	$8.87	3
Redmond	$22.76	$8.47	4
Renton	$30.19	$6.72	4
Sammamish	$50.21	$8.26	1
SeaTac	$23.63	$5.74	3
Shoreline	$33.52	$6.27	2
Snoqualmie	$35.07	$6.98	2
Tukwila	$21.97	$6.34	2
UKC - North (Republic of Bellevue)	$19.31	$7.03	5
UKC - North (WM - Northwest)	$23.18	$5.63	5
UKC - South (Republic of Kent)	$23.28	$3.17	5
UKC - South (WM - Seattle)	$25.64	$6.23	5
UKC - South (WM - South Sound)	$25.64	$6.23	5
UKC - Vashon	$18.24	$4.43	5
Woodinville	$23.18	$5.63	5
Yarrow Point	$19.31	$7.03	5
Seattle	$45.05	-	6

Cash Flow through 2032

	Budget	Proposed	Forecast				
Revenues	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**
Beginning Fund Balance (4040)	$19,000,000	$19,168,921	$25,985,211	$29,846,238	$34,587,380	$33,283,468	$30,415,724
Disposal Revenue	$161,627,280	$179,177,046	$191,818,182	$205,549,033	$215,849,788	$229,882,968	$245,055,991
FAC	$26,838,510	$29,119,783	$31,594,965	$34,280,537	$37,194,383	$40,355,905	$43,786,157
CHRGE Revenue	$28,537,339	$25,268,247	$26,185,383	$26,529,889	$23,941,123	$22,452,370	$21,554,757
All Other Revenue	$13,114,691	$13,211,438	$13,363,018	$13,519,996	$13,682,567	$13,850,933	$14,025,303
Total Revenues	**$230,117,820**	**$246,776,514**	**$262,961,548**	**$279,879,455**	**$290,667,861**	**$306,542,176**	**$324,422,208**
Expenditures							
SWD Operating Expenditures	$163,389,569	$166,629,593	$174,217,417	$180,913,143	$187,866,306	$195,086,806	$202,584,924
Debt Service	$40,220,707	$45,716,110	$52,229,681	$59,277,007	$66,552,452	$74,034,156	$78,595,659
Fund 3901 Construction Transfer	$5,328,037	$5,328,037	$7,000,000	$7,245,000	$7,498,575	$7,761,025	$8,032,661
Fund 3910 Landfill Reserve Transfer	$15,010,586	$16,286,485	$17,988,423	$19,868,213	$21,944,441	$24,237,635	$26,770,468
Fund 3810 Capital Equipment Recovery Transfer	$5,500,000	$5,500,000	$5,665,000	$5,834,950	$6,009,999	$6,190,298	$6,376,007
Fund 1040 Landfill Post-Closure Maintenance Transfer	$500,000	$500,000	$2,000,000	$2,000,000	$2,100,000	$2,100,000	$2,163,000
Total Expenditures	**$229,948,899**	**$239,960,225**	**$259,100,520**	**$275,138,313**	**$291,971,773**	**$309,409,921**	**$324,522,719**
Ending Fund Balance	**$19,168,921**	**$25,985,211**	**$29,846,238**	**$34,587,380**	**$33,283,468**	**$30,415,724**	**$30,315,212**
30 Day Operating Reserve	$19,162,408	$19,996,685	$21,591,710	$22,928,193	$24,330,981	$25,784,160	$27,043,560
Recession Reserve	$6,513	$5,988,525	$8,254,528	$11,659,187	$8,952,487	$4,631,564	$3,271,652

Rate Methodology

The solid waste rate model seeks to balance expenditures and reserve requirements with anticipated revenues. The ending fund balance can be carried over from prior years to smooth out demands on revenues from one biennium to the next.[1] Descriptions of each of the major components of the rate model are provided below.

Expenditures

Expenditures – funds the Solid Waste Division (SWD) spends to provide public services – are divided into three major categories: operating expenditure, capital expenditures, and fund transfers.

Operating Expenses

Projected spending levels for existing operations are calculated by reviewing the current adopted biennial budget and actual spending levels for the biennium. As part of the rate development process, SWD identifies the need for new or additional services across each section of the division. Once new programs or bodies of work to meet County goals are identified, they are evaluated and prioritized based on whether they meet a regulatory mandate, their cost, and environmental and social justice impacts.

Capital Expenditures

Solid waste capital projects and post-closure obligations at the landfill are funded through direct cash transfers to capital funds or by using bond funding to raise revenue. The Department of Natural Resources and Parks (DNRP) has three capital funds: the solid waste capital improvement fund (CIP), the solid waste capital equipment replacement program fund (CERP), and the landfill reserve fund (LRF).

Construction Fund Transfer

Funding is transferred from the operating fund to the construction fund to pay for small capital projects when bond financing is not the appropriate funding instrument. The transfer amount is evaluated by DNRP during each rate-setting process.

CERP Fund Transfer

DNRP develops an annual spending plan, the CERP, to address solid waste equipment replacement needs over the rate-setting period and the two subsequent biennia. The transfer rate is calculated to provide the necessary funding for the planned spending above the required reserve amount.

LRF Transfer

The LRF transfer amount is calculated on a per-ton basis. Key variables include the tonnage forecast, the estimated date that Cedar Hills Regional Landfill (CHRLF) reaches capacity, and the projected cost for post-closure activities. Traditionally, new landfill development and closure projects were cash-funded from the LRF. Given the desire to keep rates low and the projected cost of planned development of Area 9, it became apparent that debt-financing these projects (instead of cash financing them) would provide significant relief to rate payers.[2] King County Code 4A.200.390, which governs the LRF, was updated in 2020 to explicitly allow bond proceeds to fund these projects.

Debt Service

DNRP annually reviews its CIP to update planned spending on existing projects and decide what other projects are needed. The cash flows are then multiplied by an accomplishment rate, and these amounts are used to project the needed bond issuances to estimate the cost of debt service over the next six years.[3] The projected amount of new debt service is added to the scheduled debt service to arrive at an estimated expenditure in the rate model.

Reserve Requirements

DNRP has three financial reserves: the Rainy Day Reserve, the Recession Reserve, and the Rate Stabilization Reserve.

Rainy Day Reserve

King County Comprehensive Financial Management Policies require that operating funds include a Rainy Day Reserve sufficient to cover operating expenditures for up to 60 days but no less than 30 days.[4] The department has set this reserve amount equal to 30 days of operating expenditures.

Recession Reserve

In case of a recession, this reserve provides a buffer for the rate to protect the rate payers from the financial impacts of falling tonnage so that customers are not faced with major rate increases during a recession. It is set at five percent of annual disposal revenue. In years with a recession, this fund is intended to be drawn down by no more than 50 percent per year. After the recession has ended, the fund is gradually refilled over a five-year period.[5]

Rate Stabilization Reserve

The Rate Stabilization Reserve allows for ending fund balances to be carried over between budget periods, which, when utilized, can help smooth revenue demands over time. This creates a more predictable path for rate payers. For example, when a department spends less than it collects in a given year, it can carry that savings over into future years through the Rate Stabilization Reserve. This reserve can be used to cover costs in future years and reduce the impact of cost increases in future years, helping to keep rates from spiking from one year to the next.

Revenues

Typically, about 90 percent of the solid waste program's revenue has come from a combination of disposal fees and the fixed annual charge (FAC). Other sources of revenue include the sale of gas collected at the CHRLF; rental income from real property owned by the department; a fee from construction and demolition waste collected at third-party recycling facilities; and the commodity value of recyclables collected at the stations. DNRP also receives reimbursement income from the Hazardous Waste Management Program in exchange for providing household hazardous waste collection services. Miscellaneous sources of revenue include various grants, interest earnings, and other small-dollar sources.

Disposal and Recycling Fees

Disposal and recycling fees are collected on a per-ton and per-item basis, depending on the material. The projected revenues for these sources are calculated using the tonnage forecast. The rate model is used to determine the revenue requirement and fee schedule needed to balance the expenditure and reserve requirements once all other revenue sources are incorporated into the model.

Per-Ton Fees

- **Commercial Fee.** The per-ton fee charged to customers disposing of municipal solid waste (MSW) at transfer facilities and to curbside collection vehicles at the CHRLF. Until 2024, the basic fee was charged to both commercial and self-haul customers. However, since the 2024 implementation of the rate restructure and its FAC, the basic fee was split into the commercial tipping fee and the self-haul fee.
- **Fixed Annual Charge (FAC).** Beginning in 2024, the fee charged to each of the primary curbside collection haulers based on the share of total tons brought in from each of their service areas. The FAC is based on the share of the cost of non-disposal activities allocated to the commercial solid waste hauler customer class.
- **Self-Haul Fee.** The per-ton fee charged to customers disposing of MSW at transfer facilities. The minimum fee that a customer would pay is equivalent to 320 pounds. Until 2024, the basic fee was charged to both commercial and self-haul customers. However, in 2024, upon the implementation of the rate restructure and its FAC, the basic fee was split into the commercial tipping fee and the self-haul fee. Since the FAC is not collected from self-haul customers, the self-haul tipping fee is higher than the commercial tipping fee.
- **Regional Direct Fee.** A discounted fee charged to commercial collection companies that haul solid waste to CHRLF in transfer trailers from their own transfer stations and processing facilities, thus bypassing County transfer stations. This fee is set at 85 percent of the self-haul rate.[6]
- **Special Waste Fee.** The fee charged for certain materials that require special handling, record keeping, or both, such as asbestos-containing materials and contaminated soil. This fee is set at 120 percent of the self-haul rate.
- **Yard Waste and Clean Wood Waste.** A fee for separated yard waste and clean wood delivered to facilities that have separate collection areas for these materials.

Per-Item Fees

- **CFC Appliances.** Appliances with CFCs, such as refrigerators, are charged on a per-item basis.
- **Mattresses.** Mattresses, box springs, and other mattress-like items are charged on a per-item basis.
- **Unsecured Loads.** Customers that arrive at the division's stations with unsecured loads are charged a fee.

Cleanup LIFT

For self-haul customers, the County offers a discount for low-income individuals on their transactions if they can provide an ORCA LIFT, Electronic Benefits Transfer card (often referred to as an EBT card), or Medicaid card.

Other Revenue

Sale of Landfill Natural Gas

Methane, which is a natural byproduct of the decomposition of waste, is captured at CHRLF and converted to pipeline-quality natural gas at the Cedar Hills Renewable Gas to Energy (CHRGE) facility located at the landfill. The processed gas has value as both a commodity that can displace the use of conventional fossil fuels and an environmental attribute, which monetizes the environmental benefits of the gas.

Rental Income

DNRP receives revenue from a variety of rental properties. The rent from the schedule for each lease is modelled and properties that are near the end of their lease terms are re-evaluated for income potential.

Construction and Demolition (C&D) Fee

DNRP collects a small fee from each ton of construction and demolition (C&D) waste collected at third-party sorting and reclamation facilities. This revenue funds the cost of administering the C&D recycling program.

Moderate-Risk Waste Reimbursement Expense

DNRP receives reimbursement income from the Hazardous Waste Management Program in exchange for providing household hazardous waste collection services.

Recyclable Materials Proceeds

Recycling materials collected at the transfer stations are sent to materials processing facilities, and DNRP pays for hauling costs and processing. The department then receives the commodity value of the processed material as revenue. After China implemented a policy that effectively banned the importation of recyclable materials, values for many common materials fell precipitously. Thus, the proceeds from the sale of recyclable material are projected to be a declining revenue source for the department.

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[1] A fund is a financial accounting unit used to control and monitor the planned use of resources, usually with a specific scope and often in compliance with legal and administrative requirements. Ending fund balance, or fund balance, refers to the amount of money left in a fund at the end of an operating period. In this document, it refers to a calendar year or biennium.

[2] While cash funding projects is less expensive overall due to no interest cost, debt financing spreads those costs over time, so the rate does not have to increase sharply for a few years to cash-fund expensive projects like transfer stations or new landfill cells. By employing bond financing in place of cash financing (where permitted), rates are kept lower in the near term.

[3] The capital accomplishment rate is how much of the forecasted project cost was spent in a given year. For example, if one forecasts spending $100 million in a year but only spends $85 million, the accomplishment rate for that project for that year is 85 percent. Assuming an accomplishment rate below 100 percent means the rate

model will forecast that less debt will need to be issued (in this example, 15 percent less), the resulting debt service payments—and, by extension, the rate—will be lower.

[4] Financial Management Polices

[5] Per King County Comprehensive Management Policies

[6] The new rate restructure for commercial revenues creates a challenge when comparing pre-restructure rates to the new format. To do so, the restructured commercial fee and the FAC can be combined to create a rate value called the composite commercial rate (CCR), which can then be compared directly with the pre-restructure basic fee. The CCR is used solely to facilitate equal comparisons between pre-restructure rates with rates under the new structure; it is not for billing customers.

Tonnage Forecast Through 2031

The rate proposal was developed using a forecast of the amount of waste that will be disposed of at SWD facilities during the rate period. The forecast relies on established statistical relationships between waste being disposed of and some economic and demographic variables that affect it—namely population, employment, and consumption.[i] Additional adjustments are made based on policy action expected impact on tonnage, primarily related to recovery programs (Re+), and statewide legislation.

Year	Type	Transfer Station Tons	Other Waste	Regional Direct	Special Waste	Yard Waste
2017	Actual	895,672	19,898	12,161	3,446	21,966
2018	Actual	849,506	18,336	17,039	3,632	19,150
2019	Actual	840,878	17,422	7,542	2,690	22,739
2020	Actual	813,703	21,390	32,553	1,504	23,583
2021	Actual	827,211	22,792	24,736	2,130	24,838
2022	Actual	821,860	25,578	15,730	1,988	23,588
2023	Actual	798,765	30,521	3,741	2,206	17,780
2024	Actual	797,128	29,718	10,81	1,950	19,016
2025	Actual	779,059	43,954	7,529	3,146	19,491
2026	Forecast	784,582	36,100	11,100	3,400	19,300
2027	Forecast	773,162	36,100	11,100	3,400	19,300
2028	Forecast	761,413	36,100	11,100	3,400	19,300
2029	Forecast	750,616	36,100	11,100	3,400	19,300
2030	Forecast	721,861	36,100	11,100	3,400	19,300
2031	Forecast	705,775	36,100	11,100	3,400	19,300

[i] Consumption measured in dollars spent for retail sales, excluding automobiles.

2027 Service Disruption Credit

In 2026, the Solid Waste Division (SWD) implemented a reduced fee schedule for commercial haulers that comes into effect when there are unanticipated closures of two or more transfer stations. This reduced fee schedule was developed in collaboration with hauler partners.

During the 2027 rate development process, commercial hauler representatives on the Solid Waste Advisory Committee provided feedback on the current reduced fee structure, expressing dissatisfaction that there was no fee reduction in the case of an unanticipated closure of one transfer station. They also expressed concern that fee reductions only applied if SWD redirected haulers to the Cedar Hills Regional Landfill, and not when they were redirected to another transfer station.

To address these concerns, SWD is proposing an alternative structure to provide fee relief in the event of the unanticipated closure of one transfer station in 2027, while maintaining fee relief for unanticipated closures of two or more transfer stations in alignment with the 2026 status quo. To receive the credits outlined in the 2027 rate proposal, commercial haulers must submit scale ticket documentation to SWD within five business days following the resumption of normal transfer station operations. See Table 1 for the 2026 (status quo) and 2027 service disruption rate proposal.

Table 1. Service Disruption Credits

	2026 (Status Quo)	**2027 Proposed**
When one transfer station experiences an unexpected closure longer than 24 hours	• No reduced rate	• $20 dollars per ton credit **Applies when haulers are redirected to either another transfer station or Cedar Hills Regional Landfill*
When two or more transfer stations experience an unexpected closure longer than 24 hours	1-day: $125/ton 2-day: $100/ton 3+-day: $75/ton **Applies only when haulers are redirected to Cedar Hills Regional Landfill*	1-day: $70 per ton credit 2-day: $94 per ton credit 3+-day: $120 per ton credit **Applies when haulers are redirected to either another transfer station or Cedar Hills Regional Landfill*

1

8/11/26
Technical

[T. Rose]

Sponsor: Lewis

Proposed No.: 2026-0160

AMENDMENT TO PROPOSED ORDINANCE 2026-0160, VERSION 1

On page 2, beginning on line 33, strike lines 33 through 159, and insert:

" SECTION 1. Ordinance 12564, Section 2, as amended, and K.C.C. 10.12.021 are hereby amended as follows:

Except as otherwise provided in K.C.C. 10.04.020 and 10.12.058, all persons using county-operated solid waste transfer stations, drop boxes, and the Cedar Hills regional landfill shall pay the service fees in the following schedules:

A. Fees for the use of solid waste facilities with scales, excluding the Cedar Hills regional landfill, shall be:

1. Solid waste disposal:

Fixed-rate vehicles	((~~$36.69~~)) $39.76 per entry
Solid waste collection entity per-ton-rate vehicles	((~~$179.18~~)) $194.00 per ton
Self-hauler per-ton-rate vehicles	((~~$229.29~~)) $249.00 per ton
Charitable organizations	((~~$176.55~~)) $192.04 per ton
Minimum	((~~$36.69~~)) $39.76 per vehicle
Charitable organizations, minimum charge	((~~$28.25~~)) $30.83 per entry

2. Deposit of source-separated yard waste, clean wood waste, or any combination thereof:

Fixed-rate vehicles ((~~$20.70~~)) $22.50 per entry

Per-ton-rate vehicles ((~~$129.38~~)) $140.50 per ton

Minimum charge ((~~$20.70~~)) $22.50 per vehicle

3. Deposit of major appliances:

Major appliances with refrigerants ((~~$30.00~~)) $32.50 per unit

4. Deposit of mattresses:

Mattresses ((~~$30.00~~)) $32.50 per unit

5. Qualified low-income customers shall receive fee discounts of ((~~$20.00~~)) $22.00 per entry for deposit of solid waste, yard waste, clean wood waste, appliances, and mattresses. Customers with mixed loads must separate and deposit materials with sequential visits to the scale house to receive a discount on the individual waste types.

B. Each billing entity in the solid waste system will pay a share of the fixed-annual charge. The share each billing entity pays, for each service area it serves, is directly proportional to the total tons of municipal solid waste((~~,~~)) deposited by solid waste collection entities at county-operated solid waste facilities in the most recent calendar year for which data is available, as shown in the following formula:

1. W = X * (Y / Z), where:

a. W is the billing entity's share in dollars of the fixed-annual charge for a specific service area;

b. X is the total amount of the fixed-annual charge for the calendar year;

c. Y is the number of tons of municipal solid waste from a specific service area of the billing entity that is deposited at county-operated solid waste facilities in the most recent calendar year for which data is available; and

d. Z is the total number of tons of municipal solid waste from all service areas deposited at county-operated solid waste facilities by all solid waste collection entities in the most recent calendar year for which data is available, excluding regional direct tons.

2. Beginning January 1, ((~~2026~~)) 2027, the fixed-annual charge is ((~~$26,838,510~~)) $29,119,783.

C. Fees for the use of solid waste facilities without scales shall be based upon the cubic yard or fraction thereof as follows:

1. Solid waste disposal:

Fixed-rate vehicles	((~~$36.69~~)) $39.76 per entry
Per-ton-rate vehicles:	
Compacted wastes	((~~$66.49~~)) $72.35 per cubic yard
Uncompacted wastes	((~~$38.98~~)) $42.42 per cubic yard
Minimum charge	((~~$36.69~~)) $39.76 per vehicle

2. Deposit of ((~~source separated~~)) source-separated yard waste, clean wood waste, or any combination thereof:

Fixed-rate vehicles	((~~$20.70~~)) $22.50 per entry
Per-ton-rate vehicles:	
Compacted wastes	((~~$37.52~~)) $40.75 per cubic yard
Uncompacted wastes	((~~$21.99~~)) $24.00 per cubic yard
Minimum charge	((~~$20.70~~)) $22.50 per vehicle

3. Qualified low-income customers shall receive fee discounts of ((~~$20.00~~)) $22.00 per entry for deposit of solid waste, yard waste, clean wood waste, appliances,

and mattresses. Customers with mixed loads must separate and deposit materials with sequential visits to the scale house to receive a discount on the individual waste types.

D. Fees at the Cedar Hills regional landfill shall be:

((~~Cedar Hills~~)) Regional Direct	((~~$194.89~~)) $211.00 per ton
Solid waste collection((~~s~~)) entity per-ton-rate vehicles	((~~$179.18~~)) $194.00 per ton
Per-ton mattress	((~~$1,090.00~~)) $1,182.00 per ton

Disposal by other vehicles is at the discretion of the division director.

((~~In the event of a temporary closure of two or more King County transfer stations, excluding drop box facilities, when the solid waste division has provided fewer than five days' notice to certificated haulers, the department of natural resources and parks director, or designee, is authorized to modify the Cedar Hills Regional Direct fee at the Cedar Hills regional landfill for the duration of the temporary closure. A closure resulting from causes beyond the control of the solid waste division, such as severe weather, acts of God, natural disasters, strikes or hauler service disruptions, shall not trigger a reduced Cedar Hills Regional Direct fee at the Cedar Hills regional landfill.~~

~~The following fees shall be used, based on the duration of the closure:~~

~~One-day disruption $125 per ton~~

~~Two-day disruption $100 per ton~~

~~Three or more days of disruption $75 per ton~~))

E.1. In the event of a temporary closure of one or more King County transfer stations to solid waste collection entities, excluding drop box facilities, when the solid waste division has provided fewer than five days' notice to solid waste collection entities, the division director is authorized to apply a credit to the solid waste collection entity per-ton-vehicle rate for the duration of a temporary closure of twenty-four hours or longer. A closure resulting from causes beyond the control of the solid waste division, such as severe weather, acts of God, natural disasters, strikes, or solid waste collection entity service disruptions, shall not trigger a credit.

2. The credit that shall be used for the closure of one transfer station is $20.00 per ton for one or more days of closure.

3. The following credits shall be used for the closure of two or more transfer stations, based on the duration of the closure:

a. One-day closure: $70.00 per ton;

b. Two-day closure: $94.00 per ton; and

c. Three or more days of closure: $120.00 per ton.

4. The credits under subsection E.2. and 3. of this section apply only to loads delivered at the county-owned facilities to which King County reroutes solid waste collection entities during a closure and will be granted only upon receipt of scale ticket documentation submitted to the solid waste division from the solid waste collection entities within five business days following the resumption of normal operations.

F. A moderate-risk waste surcharge shall be added to all solid waste disposed by nonsolid waste collection entities using ((~~county operated~~)) county-operated solid waste facilities. The fee schedule is as follows:

1. For facilities with scales:

Per-ton-rate vehicles	$5.84 per ton
Minimum charge	$2.23 per entry

Fixed-rate vehicles	$2.23 per entry

2. For facilities without scales:

Compacted	$1.28 per cubic yard
Uncompacted	$0.73 per cubic yard
Minimum charge	$2.23 per entry
Fixed-rate vehicles	$2.23 per entry

((~~F.~~)) G. As determined by the division director, a special waste fee shall be charged for special waste, including asbestos-containing waste material and other wastes requiring clearances in accordance with King County Board of Health Code Title 10 or rules adopted by the department. The fee schedule is as follows:

Special waste fee	((~~$275.14~~)) $299.00 per ton
Special waste fee minimum charge	((~~$44.02~~)) $47.78 per entry
Special waste fee, extra handling	((~~$321.01~~)) $349.00 per ton
Special waste fee, extra handling ((~~M~~))minimum charge	((~~$51.36~~)) $55.98 per entry

((~~G.~~)) H. In the absence of exact weights or measurements, the estimate by the division director is binding upon the user.

((~~H.~~)) I. The division director may establish fees for handling and processing of recyclable materials for which no other fee has been established by ordinance. The fees need not recover the full cost of handling and processing."

Renumber the remaining sections consecutively and correct any internal references accordingly.

EFFECT prepared by *T. Rose*: Amendment 1 would make technical corrections, such as fixing a drafting error, adding omitted punctuation in the base code, making terminology consistent throughout the ordinance, and other corrections.

King County | Office of the Executive

Executive Girmay Zahilay
Chinook Building, CNK-EX-0800
401 Fifth Avenue, Suite 800
Seattle, WA 98104-2391

June 15, 2026

The Honorable Sarah Perry
Chair, King County Council
Room 1200
C O U R T H O U S E

Dear Councilmember Perry:

This letter transmits a proposed Ordinance that, if enacted, would increase King County's disposal fees charged at transfer stations or the Cedar Hills Regional Landfill (CHRLF) for disposal of municipal solid waste. The revenue provided by these fees would enable King County to maintain essential solid waste disposal services, expand access to recycling, meet obligations in the 2019 Comprehensive Solid Waste Management Plan (Comp Plan), and make progress toward County environmental goals.

The Department of Natural Resources and Parks (DNRP) is proposing an 8.5 percent across-the-board increase in tipping fees for 2027. At this time, the Solid Waste Division (division) is forecasting annual rate increases at the same level of 8.5 percent in each year from 2028 to 2032. The impact of King County rate increases for a typical residential customer with a 32-gallon can, after commercial haulers pass along these costs, is forecasted to be $0.73 per month in 2027.

The proposed legislation would provide for continued implementation of actions outlined in the Comp Plan, including completion of the South County Recycling and Transfer Station and development to maximize the capacity of CHRLF. To balance projected increases in capital spending, and maintain more affordable rates, the division is reprioritizing projects to spread costs over a longer time horizon.

The proposed legislation supports the goals in the Strategic Climate Action Plan related to energy and preparation for climate change impacts; advancing toward the goal of zero waste of resources through actions to increase recycling of food waste, organics, and recyclables; and further improving landfill gas collection at the CHRLF.

Thank you for your consideration of this proposed Ordinance. This important legislation would enable King County to continue to provide essential, safe, reliable, efficient, and environmentally sustainable solid waste transfer, recycling, and disposal services to our community, and help the County continue to move toward zero waste of resources.

If your staff have questions, please contact Rebecca Singer, Division Director of the Solid Waste Division, Department of Natural Resources and Parks, at 206-263-2244.

Sincerely,

for

Girmay Zahilay
King County Executive

Enclosure

cc: King County Councilmembers
ATTN: Stephanie Cirkovich, Chief of Staff, King County Council
Melani Hay, Clerk of the Council
Karan Gill, Deputy Executive, Office of the Executive
Jasmin Weaver, Chief of Staff, Office of the Executive
Hyeok Kim, Chief Operating Officer, Office of the Executive
Sierra Howlett Browne, Director of Government Relations, Office of the Executive
Garrett Holbrook, Council Relations Manager, Office of the Executive
John Taylor, Director, Department of Natural Resources and Parks (DNRP)
Rebecca Singer, Division Director, Solid Waste Division, DNRP

2026-2027 FISCAL NOTE

Ordinance/Motion: 2026-XXXX
Title: 2027 Solid Waste Rate Proposal
Affected Agency and/or Agencies: Solid Waste Division, Department of Natural Resources and Parks (DNRP)
Note Prepared By: David Pierce, Enterprise Svcs. Section Manager, Alex Chew, Budget and Rates Unit Supervisor
Date Prepared: 4/28/2026
Note Reviewed By:
Date Reviewed:

Description of request:

This proposal would allow the Solid Waste Division to increase disposal fees in 2027. The last rate increase went into effect on January 1, 2026. These proposed rate increases would be implemented on January 1, 2027, if adopted.

Revenue to:

Agency	Fund Code	Revenue Source	2027	2028-2029	2030-2031
Solid Waste Division	4040	Tipping Fees	14,036,912	73,500,244	137,098,484
Solid Waste Division	4040	Fixed Annual Charge	2,281,273	12,198,482	23,873,268
TOTAL			**16,318,185**	**85,698,726**	**160,971,752**

Expenditures from:

Agency	Fund Code	Department	2026-2027	2028-2029	2030-2031
TOTAL			**0**	**0**	**0**

Expenditures by Categories

	2026-2027	2028-2029	2030-2031
TOTAL	**0**	**0**	**0**

Does this legislation require a budget supplemental? Yes/No

Notes and Assumptions:

Increment is based on comparing revenues to the forecasted tonnage revenue based on the current rates.

Revenues: Under the proposal, all tipping fees would increase by 8.5% annually beginning in 2027

Effective January 1, 2027

MSWAC | Metropolitan Solid Waste Advisory Committee

King Street Center | 201 South Jackson Street, Suite 6400 | Seattle, WA 98104-3855

June 10, 2026

To: King County Executive Girmay Zahilay
King County Councilmember Rod Dembowski
King County Councilmember Rhonda Lewis
King County Councilmember Sarah Perry
King County Councilmember Jorge L. Barón
King County Councilmember Steffanie Fain
King County Councilmember Claudia Balducci
King County Councilmember Pete von Reichbauer
King County Councilmember Teresa Mosqueda
King County Councilmember Reagan Dunn

CC: Mo McBroom, Department of Natural Resources and Parks Interim Director
Rebecca Singer, Solid Waste Division Director

RE: Advisory note in support of the 2027 solid waste rate proposal

Dear Executive Zahilay, Council President Perry, and Councilmembers,

The Metropolitan Solid Waste Advisory Committee (MSWAC) recognizes the need for an adequate revenue stream to support the regional solid waste system, make progress on environmental goals, and meet commitments made in the 2019 Comprehensive Solid Waste Management Plan (the Plan). Toward this objective, the proposed 2027 solid waste rate includes a uniform 8.5% increase across all fee categories.

MSWAC would like to commend SWD Director, Rebecca Singer, on her leadership in re-examining the solid waste rate to help mitigate the impacts of rate increases on ratepayers. MSWAC supported one-year rates for 2026 and 2027 to allow this analysis to take place. MSWAC concurs with the division's plan to return to the typical approach of two-year rates for the next biennium.

MSWAC also appreciates former Department of Natural Resources and Parks Director, John Taylor, and former King County Executive Shannon Braddock for bringing together elected officials, regulators, and subject matter experts at the Regional Utilities Rate Affordability Summit in 2025. MSWAC members believe this dialogue on rate affordability is valuable and should continue, especially as investments for long-term disposal anticipated in the next solid waste comprehensive plan are projected to be significant.

The current proposal forecasts a stable rate path with an annual 8.5% rate increase for the next six years, providing stability and predictability for customers. Rate stability was achieved through the implementation of cost savings measures, some of which are listed below:

- Funding critical capital investments while deferring appropriate projects into the future to more evenly distribute spending over several years
- Limiting additional operating costs beyond inflation
- Leveraging new revenues, such as the revenue generated by the newly acquired Cedar Hills Renewable Gas to Energy (CHRGE) facility

MSWAC supports the division's cost control efforts that have helped drive down the proposed 2027 rate increase from the previous projection of over ten percent.

MSWAC is committed to programs and services that protect the environment and enhance the quality of life in our communities. The proposed 2027 solid waste rate will fund our key priorities adopted in the Plan, including:

- Decreasing the tonnage of materials being landfilled by adopting waste-prevention and resource-recovery programs, such as Re+, that are beneficial to the environment and local economy.
- Providing access to recycling and waste disposal services seven days a week at eight transfer stations and six days a week at two rural drop boxes.
- Implementing planned transfer station capital improvements that expand recycling access to communities that are currently underserved, including the new South County Recycling and Transfer Station slated to open later this year.
- Continuing planning and engagement on the long-term disposal method to be used after Cedar Hills Regional Landfill reaches capacity.

The King County solid waste fee generally makes up about 20% to 33% of the overall solid waste retail rate, so the proposed 8.5% King County solid waste rate increase would increase the overall rate for single-family, multi-family, and commercial customers by approximately 1.5% to 3%. An example of the proposed rate increase for a residential customer with a 32-gallon garbage can (a common service level that usually represents about a third to a half of single-family residential customers in jurisdictions) is forecasted to be $0.73 per month on average in 2027.

This proposal was discussed in this year's February, March, April, and May MSWAC meetings. We value this dialogue with County staff and look forward to continuing to work together to maintain a responsible rate path for the County's crucial solid waste infrastructure and planning needs.
We thank the Executive and King County Council for considering our advisory input on the proposed 2027 solid waste rates.

Signed on behalf of MSWAC,

Signed by: Jon Gire 78913B6142FE433...	Signed by: Joan Nelson CC127E17156C4B8...
Jon Gire	Joan Nelson
Chair, MSWAC	Vice Chair, MSWAC
Solid Waste Program Manager, City of Bellevue	Utility Billing Services Manager, City of Auburn

SWAC | Solid Waste Advisory Committee

King Street Center | 201 South Jackson Street, Suite 6400 | Seattle, WA 98104-3855

June 12, 2026

To: King County Executive Girmay Zahilay
King County Councilmember Rod Dembowski
King County Councilmember Rhonda Lewis
King County Councilmember Sarah Perry
King County Councilmember Jorge L. Barón
King County Councilmember Steffanie Fain
King County Councilmember Claudia Balducci
King County Councilmember Pete von Reichbauer
King County Councilmember Teresa Mosqueda
King County Councilmember Reagan Dunn

RE: Advisory note in support of the 2027 solid waste rate proposal

Dear Executive Zahilay, Council President Perry, and Councilmembers,

Despite significant regional affordability challenges for King County residents and business owners, including higher than usual projected rate increases for all critical regional utility systems, the King County Solid Waste Advisory Committee (SWAC) recognizes the need for an adequate revenue stream to support the County's regional solid waste system, environmental conservation policy goals, and the 2019 Comprehensive Solid Waste Management Plan.

To achieve these operational and programmatic requirements, the proposed 2027 King County solid waste rate schedule contains a uniform 8.5% annual increase across all customer segments and fee schedules. This 2027 solid waste rate proposal also reflects a forecasted stable rate path going forward with a projected annual 8.5% rate increase for the next six years. This rate plan provides stability and predictability for the County and our disposal system customers now and in the years ahead.

SWAC members appreciate the Solid Waste Division's cost-control efforts for the 2027 rate setting process. Members support the continuation of these efforts, as they could identify efficiencies and cost-saving opportunities that could lower future projected rate increases. SWAC members also value the ongoing dialogue with County staff regarding future solid waste rates. These efforts include:

- Funding critical capital investments while deferring appropriate projects into the future to more evenly distribute spending over several years
- Reviewing programmatic and operational opportunities for efficiency and effectiveness that balance the priorities of fiscal and environmental responsibility.
- Leveraging new revenues, such as the revenue generated by the newly acquired Cedar Hills Renewable Gas to Energy (CHRGE) facility

SWAC members also support the Solid Waste Division's incorporation of providing reduced rates to commercial haulers in the event of temporary, unplanned closures of King County transfer stations. These reduced fees reflect the cost savings to the County and enable haulers to recoup a portion of their unexpected labor, fuel, operating costs and route inefficiencies if closed transfer stations require them to divert their drivers to another transfer station or directly to the Cedar Hills Regional Landfill.

Finally, SWAC members request that the County convene another Regional Utilities Rate Affordability Summit in the fall of 2026. Our region's residents and business owners are facing significant economic headwinds that include unsustainable forecasted rate increases in all their utility bills over the next several years. It is recommended the County take a leadership role in addressing this affordability challenge and coordinate efforts to review and address ways to mitigate utility rate increases in the systems the County operates on behalf of King County residents and business owners.

Thank you for your consideration of the SWAC input on the proposed 2027 solid waste rates.

Signed on behalf of SWAC,

Signed by:
Wendy Weiker
B78CD657E16844F...

Wendy Weiker
Chair, Solid Waste Advisory Committee
Sustainability and Community Outreach Manager, Republic Services

DocuSigned by:
Bill Louie
B5E0F60A85AD450...

William Louie
Vice Chair, Solid Waste Advisory Committee
Interested Resident

Metropolitan King County Council
Staff Report

Committee:	Budget and Fiscal Management Committee		
Agenda Item:	7	**Analyst:**	April Sanders
Proposed No.:	2026-0233	**Meeting Date:**	August 26, 2026

OVERVIEW

TOPIC: Proposed Motion 2026-0233 would request the Executive transmit two reports relating to Solid Waste Division financial planning and rate increase implementation.

LEGISLATION SUMMARY

Proposed Motion 2026-0233 requests the Executive transmit the following two reports relating to the Solid Waste Division ("SWD" or "Division"):

- The first report would be a SWD Rate Increase Implementation Plan for using additional revenue to be collected under Proposed Ordinance 2026-0160, due December 31, 2026.
- The second report would be a SWD Financial Planning Report, detailing information about the Division's overall spending and financial planning, operations, and capital program, due May 27, 2026.

KEY ISSUES FROM THE ANALYSIS

No issues have been identified.

BACKGROUND & TIMING CONSIDERATIONS

↑ BACK TO TOP

2027 Solid Waste Fee Increase. Proposed Ordinance 2026-0160 would, effective January 1, 2027, increase:

- Fees to accept solid waste, yard and clean wood waste, major appliances with refrigerants, mattresses, and special wastes by between 8% and 9% depending on the material;
- The amount of the Fixed Annual Charge (FAC) from approximately $26.8 million to $29.1 million, an increase of 8.5%; and
- The low-income discount from $20.00 to $22.00 per entry.

Additionally, the proposed ordinance would modify how fees are reduced for haulers during unanticipated facility closures. More information on Proposed Ordinance 2026-0160 can be found in the staff report for that item.[1]

Timing Considerations. Proposed Ordinance 2026-0160, which would increase various fees related to solid waste, effective January 1, 2027, is slated for discussion and possible action at the same August 26, 2026, Budget and Fiscal Management Committee meeting as this proposed motion. While the deadlines in the proposed motion are prospective and could be approved on a different timeline, councilmembers may wish to consider the proposed motion in conjunction with Proposed Ordinance 2026-0160, as it relates to the Division's spending plan for the additional revenues.

ANALYSIS

↑ BACK TO TOP

Proposed Motion 2026-0233 would request the Executive transmit the following two reports relating to the SWD, one regarding a rate increase implementation plan and the other a financial planning report.

Rate Increase Implementation Plan. The SWD Rate Increase Implementation Plan would detail the Division's plans for using the additional revenue to be collected under Proposed Ordinance 2026-0160. This plan would include:

1. A spending plan including the operating costs, debt service to support capital projects, and transfers to the landfill reserve fund for the fiscal year 2027. The plan would include a breakdown by major capital projects and operational categories (e.g., division administration, landfill operations, transfer station and drop box operations, etc.); and

2. A summary of the Division's outstanding solid waste system revenue debt and remaining borrowing capacity, including the amount of debt service supported by the proposed 2027 rate increase and how that debt service affects the Division's capacity to issue debt for future capital needs.

This report would be due December 31, 2026.

SWD Financial Planning Report. The SWD Financial Planning Report would provide information about the Division's overall spending and financial planning, operations, and capital program, both for the year 2026 and the outyears.

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[1] King County - File #: 2026-0160. https://mkcclegisearch.kingcounty.gov/LegislationDetail.aspx?ID=8074231&GUID=BE80A84D-EA14-4BDF-BA44-D0BE4EB2139F&Options=Advanced&Search=

For the portion of the report requesting the Divisions overall spending and financial planning for the year 2026, the report would include:

1. Budgeted versus actual expenditures, budgeted and actual reserve balances, the projected and actual tons of waste received by the system, and the projected and actual number of customers using the low-income fee discount program and associated costs;

2. An analysis of the viability of the 6-year rate forecast included in the most recent rate increase adopted by the Council; and

3. An examination of the low-income discount for source-separated yard waste, clean wood waste, or any combination thereof.

For the portion of the report requesting the Divisions overall spending and financial planning for the years 2028 through 2032, the report would include:

1. A summary of the projected operational needs and the number of full-time equivalent (FTE) personnel needs;

2. A summary of efforts to limit operational increases and an estimate of savings achieved; and

3. A summary of cost saving measures for the year 2027.

For the portion of the report requesting information on the Division's capital program, the report would include:

1. A list of capital projects that are assumed and enabled by the most recent increase adopted by Council; and

2. A list of projects that have been deferred for cost saving or other purposes, an estimate of the savings achieved by deferral, and the criteria used to determine which projects were deferred and which were needed in the near-term.

This report would be due May 27, 2026.

AMENDMENTS

↑ BACK TO TOP

None

INVITED

- Rebecca Singer, Director, Solid Waste Division

- David Pierce, Enterprise Service Section Manager, Solid Waste Division

ATTACHMENTS

1. Proposed Motion 2026-0233

ATTACHMENT 1

KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

Motion

Proposed No. 2026-0233.1 **Sponsors** Fain

A MOTION requesting that the executive transmit two reports relating to solid waste division financial planning and rate increase implementation.

WHEREAS, the solid waste division ("the division") has historically proposed fee increases on a biennial cycle, with two one-year increases in a single ordinance, and

WHEREAS, the division proposed a single year fee increase in 2026 to allow the division the opportunity to reprioritize and sequence capital investments and evaluate potential cost savings measures, and

WHEREAS, Proposed Ordinance 2026-0160 would increase fees beginning January 1, 2027, to accept solid waste, yard and clean wood waste, major appliances with refrigerants, mattresses, and special wastes by between 8 percent and 9 percent, depending on the material, and

WHEREAS, Proposed Ordinance 2026-0160 would further increase the amount of the fixed-annual charge from approximately $26.8 million to $29.1 million, an increase of 8.5 percent, and

WHEREAS, Proposed Ordinance 2026-0160 would further increase the low-income discount from twenty dollars to twenty-two dollars per entry, and

WHEREAS, the division has indicated that the revenue generated by the proposed 2027 rate increase would be allocated approximately 32 percent toward operating costs, 55 percent toward debt service supporting capital projects, and 13 percent toward transfers to the landfill reserve fund, and

WHEREAS, the council seeks a deeper understanding of the division's long-term financial planning, as well as a clearer understanding of how the proposed 2027 rate increase would be implemented and how the resulting revenues would support the division's financial plan;

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

A. The council requests that the executive transmit a solid waste division rate increase implementation plan for using additional revenue to be collected under Proposed Ordinance 2026-0160 that includes, at a minimum:

1. A spending plan, by major category, including, at a minimum, the operating costs, debt service to support capital projects, and transfers to the landfill reserve fund for the fiscal year 2027. The spending plan should also include a breakdown by major capital projects and by operational categories, such as division administration, landfill operations, transfer station and drop box operations, and waste prevention and recycling, or similar; and

2. A summary of the division's outstanding solid waste system revenue debt and remaining borrowing capacity, including the amount of debt service supported by the proposed 2027 rate increase and how that debt service affects the division's capacity to issue debt for future capital needs.

B. The executive should electronically file the spending plan requested by section A of this motion with the clerk of the council no later than December 31, 2026, before the rate increase adopted under Proposed Ordinance 2026-0160 takes effect on January 1,

2027. The clerk should retain an electronic copy and provide an electronic copy to all councilmembers, the council chief of staff, and the lead staff for the budget and fiscal management committee or its successor.

C. The executive is requested to transmit to the council a solid waste division financial planning report that details information about the division's overall spending and financial planning, operations, and capital program, as follows:

1. For the division's overall spending and financial planning, the report should include, but not be limited to:

a. for the year 2026:

(1) the budgeted and actual capital and operational expenditures for the division;

(2) the division's budgeted and actual reserve balances;

(3) the projected and actual tons of waste received by the county solid waste system; and

(4) the projected and actual number of customers using the low-income fee discount program and the total cost of the program, including the costs to administer the program and forgone revenue. If the number of customers is unavailable, the projected and actual number of transactions using the low-income discount should be substituted;

b. an analysis of the viability of the six-year rate forecast included in the most recent rate increase adopted by the council; and

c. an examination of the low-income discount for source-separated yard waste, clean wood waste, or any combination thereof, including whether the discount continues to serve its intended purpose given that the current per-entry discount would leave a net charge of approximately fifty cents for fixed-rate vehicles and the minimum charge per vehicle in that waste category, and whether an adjustment to the discount amount or structure for that waste category is warranted and/or feasible;

2. For the division's operations, the report should include, but not be limited to:

a. a summary of the projected operational needs that includes the number of full time equivalent personnel for the years 2028 through 2032;

b. a summary of efforts to limit operational cost increases in the year 2026 and an estimate of savings achieved. For the estimate of savings achieved, a rough order of magnitude is sufficient; and

c. a summary of the planned cost saving measures for the year 2027; and

3. For the division's capital program, the report should include, but not be limited to:

a. a list of capital projects that are assumed and enabled by the most recent rate increase adopted by the council that for each project includes the estimated total cost at completion, a progress update, and an expected completion date. The list does not need to include every division capital project and can be limited to those that are being funded with revenues from the most recent rate increase adopted by the council; and

b. a list of projects that have been deferred for cost saving or other purposes, an estimate of the savings achieved by deferral, and the criteria that were used to determine which projects were deferred and which were needed in the near term. For the estimate of savings achieved, a rough order of magnitude is sufficient.

D. The executive should electronically file the financial planning report requested by section C of this motion by May 24, 2027, with the clerk of the council, who should retain an electronic copy and provide an electronic copy to all councilmembers, the council chief of staff, and the lead staff for the budget and fiscal management committee or its successor.

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

____

Sarah Perry, Chair

ATTEST:

____

Melani Pedroza, Clerk of the Council

APPROVED this _____ day of _______________, ______.

____

Girmay Zahilay, County Executive

Attachments: None