



**King County**  
**Metropolitan King County Council**  
**Budget and Fiscal Management Committee**

**Panel 1 – Public Transit, Climate, Local Services, and Infrastructure**  
**October 15, 2024– 9:30 a.m.**

*Councilmembers:*

*Sarah Perry, Chair;*

*Claudia Balducci, Jorge Barón, Rod Dembowski, Reagan Dunn, Girmay Zahilay*

*Lead Staff: Sherrie Hsu, (206-477-7253)*

*Committee Clerk: Marka Steadman, (206-477-0887)*

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# FLEET MANAGEMENT EQUIPMENT

ANALYST: JENNY GIAMBATTISTA

	<b>Expenditures</b>	<b>Revenues</b>	<b>FTEs</b>	<b>TLTs</b>
2024 Revised Budget, Annualized	\$46,102,367	\$35,635,850	77.0	0.5
2025 Base Budget Adjust.	\$1,071,609	\$0	0.0	(0.5)
2025 Decision Packages	\$19,386,781	\$1,896,055	3.0	1.0
<b>2025 Proposed Budget</b>	<b>\$66,561,000</b>	<b>\$37,532,000</b>	<b>80.0</b>	<b>1.0</b>
% Change from prior biennium, annualized	44.4%			
Dec. Pkg. as % of prior biennium, annualized	42.1%			

**Major Revenue Sources:** Central rates

## DESCRIPTION

The Fleet Services Division (FSD), part of the Department of Executive Services, manages the Equipment Replacement Fund as well as the acquisition, maintenance, replacement, and disposal of fleet vehicles and other pieces of equipment for the county's non-revenue agencies.

## SUMMARY OF PROPOSED BUDGET AND CHANGES

The 2025 proposed budget for Fleet Services would appropriate \$66.6 million for the Fleet Management Equipment appropriation unit. This is a 44% increase when compared to the annualized 2024 revised budget. Much of this increase reflects a \$15 million technical adjustment to reappropriate unspent funds appropriated in the 2023-2024 biennial budget to purchase vehicles and equipment. Each of the decision packages are discussed below:

- \$15 million carryover request from 2023-2024 biennial budget. This represents the value of orders placed in 2023 and 2024 that will not be delivered before the end of 2024.
- \$4.6 million to adjust the budget for inflation for equipment replacement and fuel.
- \$1.2 million for fleet electrification programming. This proposal would fund the ongoing operational costs of charge management system for electric vehicles (EVs), professional services to repair and maintain EVs, and IT services for EV load management system setup.
- \$183,635 to increase the climate cost share allocation to support Climate Office actions to advance the Strategic Climate Action Plan.
- \$1.8 million reduction in central rates.

As discussed below, Fleet Services expects a significant increase in EV procurement in future budget proposals.

### KEY ISSUES

#### ISSUE 1 –FLEET IS NOT MEETING EV TARGETS

The 2020 Strategic Climate Action Plan (SCAP)<sup>1</sup> and the "Jump Start" Ordinance<sup>2</sup> include the following goals for fleet electrification:

- 50% of light-duty vehicles transition to electric by 2025 and 100% by 2030.
- 50% of medium-duty vehicles transition to electric by 2028 and 100% by 2033.
- 50% of heavy-duty vehicles transition to electric vehicles by 2038 and 100% by 2043.

In the light-duty category, Fleet Services is currently managing 1,712 light duty vehicles. The following table summarizes the number of EVs needed in the fleet by the end of each year listed to meet the SCAP goal.

As shown in Table 1, the Fleet would need 856 light duty EVs to meet the SCAP target of 50% of the fleet transitioned to EV. FSD anticipates 250 active EVs by the end of 2025.

There are 480 KCSO pursuit-rated vehicles in the light duty fleet. These are currently being replaced by Patrol Interceptor Utility Hybrid vehicles. The targets assume pursuit-rated vehicles will transition to EV by 2030 in the projections below.

**Table 1.  
Timeline for Light duty EVs Fleet to meet SCAP Targets**

	<b>Total Active EVs</b>	<b>EV Percent of light duty fleet</b>
<b>Current Light Duty EVs</b>	22	2%
<b>2024 light duty EVs</b>	103	6%
<b>2025 light duty EVs SCAP Target</b>	856	50%
<b>2030 light duty EVs SCAP Target</b>	1712	100%

Fleet Services is not able to replace all vehicles currently scheduled for replacement with EVs because the county does not yet have the infrastructure in place to significantly expand the EV fleet and market limitations exist. Given these challenges,

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<sup>1</sup> Motion 15866

<sup>2</sup> Ordinance 19052

Fleet Services is extending the life of existing gas-powered vehicles when possible until more EVs can be purchased and infrastructure is in place. (As of September 2024, there are 96 light duty vehicles due for replacement by age where Fleet is extending the life of the vehicle.) Prior to purchasing gas powered vehicles, Fleet Services evaluates all options and receives approval from the Office of Climate before moving forward with the purchase of gas-powered vehicles.

Currently, in addition to using charging in county owned or leased facilities, FSD is also utilizing home charging for currently assigned take home vehicles, leveraging other public charging, and using trickle charging where possible.

The 2023-2024 biennial budget included \$8 million in the Facilities Management Division budget to support the design and implementation of charging infrastructure to expand EV charging infrastructure and equipment for county fleet vehicles at county-owned facilities. Executive staff report the project to install EV charging in Goat Hill Garage and King Street Center and the Black River facility is currently underway. Upon completion of these projects within the next two years, FSD anticipates the ability to charge 75-100 vehicles in these locations and the ability to add chargers as needed to charge up to 350 vehicles.

## **ISSUE 2 –SIGNIFICANT FUTURE PROCUREMENT**

Fleet Services expects to see a significant spike in ordering in the future to address fleet replacement needs and catch up on the vehicle replacement backlog. Currently 655 assets are due for replacement by the end of 2025 according to asset lifecycles totaling approximately \$65 million. Fleet will be working with agencies from the fourth quarter of 2024 through the first quarter of 2025 to prioritize and identify which vehicles and equipment will be replaced in 2025. Fleet staff report budget and labor resources cannot support the total number of vehicles and equipment due requiring prioritization and planned deferral to out years.

## **RESPONSE TO COUNCIL INQUIRIES**

**QUESTION 1: IN THE PREVIOUS BUDGET, COUNCIL ADOPTED A PROVISIO ASKING FLEET MANAGEMENT TO CONSIDER INTELLIGENT SPEED ASSISTANCE (ISA) TECHNOLOGY FOR THE COUNTY FLEET? IS THERE A POTENTIAL PATH FORWARD TO IMPLEMENT A PILOT OR OTHER OPPORTUNITIES TO CONSIDER ISA TECHNOLOGY?**

**ANSWER:** FSD provided the following response: “Fleet Services is currently participating in the Action Plan Strategy Workgroup to develop a coordinated safety action plan using the Safe System approach. This will include vehicle safety technology such as ISA. We are looking into a demo or pilot in parallel to this work and we hope to include any future implementation options in a County-wide Safe Streets implementation grant application in the future. Fleet Services is happy to discuss further as mentioned.”

Council staff are continuing to work with Executive staff on this issue.

**QUESTION 2: ELECTRIFICATION AND THE WORKFORCE: HOW IS THE WORKFORCE SHIFTING AS WE MOVE INTO ELECTRIFICATION? HOW DO THE 3.0 REQUESTED FTEs AND THE 1.0 TLT FIT INTO THE LARGER CONVERSATION ABOUT ADAPTING OUR FLEET? DOES THIS AGENCY HAVE PLANS OR BUDGET ALLOCATED TO PROVIDE LEARNING OPPORTUNITIES FOR CURRENT EMPLOYEES TO TRANSITION INTO THE EXPECTED GREEN INFRASTRUCTURE?**

**ANSWER:** Two of the requested FTE positions are directly related to fleet electrification. The two positions will manage and coordinate EV planning and EV service equipment system maintenance. FSD also reports it received an appropriation in the 2023-2024 budget and is working with vehicle manufacturers to conduct trainings in 2024 on Ford EV models. Continued EV training and support will continue in 2025 and expand as medium and heavy-duty options become available. Additionally, Fleet Services is working with DHR and OLR on potential EV certification options to support the continued development in the workforce and readiness to support the future fleet. Lastly, the automotive technician classification was included in the initial green jobs work led by the Office of Climate. Executive staff report EV related career pathways are anticipated as a next phase of the existing green careers pathways work.

**QUESTION 3: PROVIDE MORE INFORMATION ON THE COUNTY'S ELECTRIFICATION GOALS AS IT RELATES TO THE BACKLOG OF VEHICLES NEEDING REPLACEMENT.**

**ANSWER:** Fleet anticipates having 250 light duty vehicles by the end of 2025. According to Fleet Services, it will not be possible to meet the SCAP target of 50% of light duty vehicles as EVs by 2025. Fleet anticipates meeting the light duty target of 50% by 2029. The market for medium and heavy-duty vehicles is still limited. The electric vehicle options for medium and heavy-duty classes currently cost twice and sometimes three times as much as the internal combustion engine (ICE) equivalent. Fleet will be looking to grants to supplement funding pilot implementations of vehicles in these classes. There are no current heavy-duty trucks on the market with hauling capacities to meet some of the heavy-duty trucks and business needs in our fleet. FSD reports it continues to communicate with industry partners and manufacturers on the needs for medium and heavy-duty EV options, however there is not currently enough information available to provide dates for when King County might reach 50% for these vehicle classes.

There are multiple factors affecting Fleet's ability to meet these targets including the availability of EV vehicles that meet the county's fleet needs as well as limited charging infrastructure. We are optimistic that the EV market will continue to mature in the coming years as will the build out of regional and County charging infrastructure. There is an opportunity to revisit and revise the stated goals in the 2025 SCAP.

Fleet Services is currently working with all county agencies and electromobility consultant, DKS & Associates, to develop a countywide EV transition plan. This work is scheduled to conclude Spring 2025 and will inform the future purchase and implementation of EVs in the fleet. Additionally, FSD hopes to increase the number of

EVs in 2025 by evaluating areas for early replacement of current hybrid and gas engines where EVs are suitable and reassigning the hybrids and gas engine vehicles to areas where EVs are not currently suitable.

There are currently approximately 96 vehicles due for replacement that could have been replaced as EVs if there was adequate charging infrastructure to support these vehicles. FSD is delaying these orders and is hopeful the charging installation in 2025 will support the purchasing needs for fleet to ensure continued EV implementation.

# WASTEWATER TREATMENT OPERATING

ANALYST: JENNY GIAMBATTISTA

	Expenditures	Revenues	FTEs	TLTs
2024 Revised Budget, Annualized	\$195,121,514	\$643,851,308	868.0	5.0
2025 Base Budget Adjust.	\$8,573,431	\$0	0.0	(5.0)
2025 Decision Packages	\$20,150,746	\$48,802,937	78.0	8.0
<b>2025 Proposed Budget</b>	<b>\$223,846,000</b>	<b>\$692,655,000</b>	<b>946.0</b>	<b>8.0</b>
% Change from prior biennium, annualized	14.7%			
Dec. Pkg. as % of prior biennium, annualized	10.3%			

**Major Revenue Sources:** Sewer rate and capacity charge revenue.

## DESCRIPTION

The Wastewater Treatment Division (WTD) is responsible for collecting and treating wastewater from its designated service area, and for reclaiming wastewater, recycling solids, and generating energy. WTD expenditures are organized in three budgets, including the Wastewater Operating, Water Quality Construction, and Wastewater Debt Service budgets. The operating budget includes both expenditures to operate the five wastewater treatment plants and 390 miles of conveyance pipeline, and rate revenues to support operating, capital, and debt service needs. As such, revenues associated with the operating budget significantly exceed operating costs; the bulk of revenues have historically been transferred to the capital fund, debt service fund, and used for debt defeasance.

Operating programs are focused on the conveyance, treatment, and recycling of wastewater and its treatment residuals. Wastewater is received from cities and sewer districts, who deliver it to county interceptor pipelines; generators include both households and business/industry. The West Point, South, and Brightwater treatment plants are considered regional treatment plants and receive and process the bulk of the region's wastewater; the Carnation and Vashon plants address more limited and localized wastewater processing needs. Agency services also support resource recovery efforts, including biosolids recycling, reclaimed water utilization and distribution, and natural gas/biomethane processing and reuse. The agency's Industrial Waste program issues permits, and conditions discharge of industrial waste into the sewer system, requiring pretreatment of discharges to minimize impacts on treatment facilities.

Primary revenue sources include the sewer rate, paid by all dischargers, and the capacity charge, assessed for new connections to the wastewater system. In June 2024 council approved a rate increase of 5.75% for 2025 and 7% is projected for 2026. Sales

of processing residuals such as biomethane, recycled water, and biosolids, as well as interest on revenue accounts, are other revenue sources.

Increases in operating expenditures can have a larger impact on the rate than an equivalent increase in capital costs because operating expenditures must be funded by cash (rate revenue).

### **SUMMARY OF PROPOSED BUDGET AND CHANGES**

The 2025 proposed operating budget is 14.7% higher than the annualized 2024 revised budget. The increased budget reflects inflationary operational costs and the addition of 78.0 FTEs and 8.0 TLTs, many related to the expanding capital program. For the FTE requests related to capital, only the share of the FTE costs related to operating budget is requested in this operating budget. The remaining costs are charged to capital projects. During the discussions of the 2025 sewer rate, WTD identified the increasing capital project portfolio, inflationary cost pressures, and expanding operational needs as primary drivers of the rate increase.

Key decision packages are listed below.

- 45.0 FTE, 8.0 TLT, and \$2.2 million to support project planning and delivery of an expanded capital portfolio of programs and projects. An additional \$8.4 million is included in the appropriation for the capital projects.
- 12.0 FTE and \$1.5 million for plant operations at West Point, Brightwater, and South Plant.
- 10.0 FTE and \$513,667 to add a capital program unit to the Operations and Maintenance section. (An additional \$1.6 million is included in the appropriation for the capital projects.)
- 4.0 FTE and \$521,000 for additional human resources staff to address the need for increased staffing of capital and operations work. (An additional \$112,000 is included in the appropriation for capital projects.)
- \$5 million for increased costs of chemicals used at treatment plants. WTD reports over the last five years the costs for chemicals have risen dramatically, particularly those chemicals used for disinfection and odor control, corrosion control, and solids thickening.
- \$2 million to add appropriation to the operating budget to cover necessary cost increases associated with natural gas, permit fees, parts, and materials.
- \$1.5 million to increase the transfer to Water and Land Resources Division (WLRD) for environmental lab and other services to reflect the inflationary projected increase.
- \$1.3 million for increased electricity costs at South Plant. Some of the increased electricity is needed to assist the facility in meeting the Puget Sound Nutrients General Permit requirements. WTD is also installing two new heat pumps that are expected to support heating the plant.
- \$565,000 annually for a technical services contract to strengthen the Asset Management program and support WTD's Strategic Asset Management Plan.



- WTD anticipates funding this consultant contract through the end of 2027. Some of the key services under this contract include condition assessment, forecasting, technology evaluation, planning and spare parts inventory.
- \$362,000 for an inflationary increase to the Waterworks Grant Program based on 1.5% of WTD operating budget.

## KEY ISSUES

### ISSUE 1 – SIZE OF STAFF INCREASE

The proposed budget would add 78.0 FTEs to the existing 868.0 FTEs, for an increase of 9% in the size of the employee pool. This represents a large increase, at a time when there is significant competition for quality skilled technical and capital related labor. The size and timing of the increase may raise concerns about the depth of the recruitment pool; the balance between senior staff and new staff, with implications regarding the ability to allocate needed mentoring and training for new staff; the assignment of new staff to large, complex projects, with the associated opportunity for errors; and the onboarding process.

The capital and plant operation FTE adds are listed below:

- 45.0 of the new staff will be concentrated in Project Planning and Delivery, a critical performance responsibility for the success of the capital program. It should be noted that capital staffing impacts operating costs minimally as the staff time is charged primarily to capital projects. Council staff have asked for additional information supporting the determination that an additional 45.0 capital FTE are needed in 2025 for capital program expansion.
- 10.0 FTE to add a capital program unit to the Operations and Maintenance section. This unit would coordinate capital work underway and planned at the three regional treatment plans, two community plants, and dozens of offsite facilities. WTD reports that due to the growing number of capital projects and increased complexity, the WTD operations team needs dedicated staffing to contribute to the design and engineering processes, support construction, commissioning and facilitate a smooth transition of new assets to daily operations and service.
- 12.0 FTE for operations at WTD treatment plants to reduce the growing overtime pressure of plant operations staff and meet the growing needs related to new regulations and new facilities.

### **FTE Staffing Has Been Growing in Recent Years.**

As shown in Table 1, WTD has significantly increased its staffing beginning in 2023. In addition to the positions requested since 2023, WTD estimates needing an additional 50.0 FTE every year to accommodate the expanding capital program.

In June 2023, the council adopted a supplemental appropriation<sup>1</sup> to the 2023-2024 Biennial Budget and authorized an additional 73.0 FTE for WTD. Of those, 25.0 have not yet been filled. In the 2023-2024 Biennial Budget, WTD increased its FTE allocation by 96.0 FTE positions. Of those, 86.0 positions have been filled. Council staff have asked for additional information on how long it took to fill those positions. WTD reports it currently has a vacancy rate of 13%. If the 25.0 positions authorized in June 2023 are excluded, WTD reports its vacancy rate is 10%, which it reports is the normal vacancy rate goal set by DNRP.

**Table 1**  
**WTD FTE Growth 2013-2025**

FTE Adds	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total
Director's Office		2	2	-	1	-	(0)	-	0	-	5	-	5	15
Environmental & Community Svcs		1	1	-	4	-	2	-	6	-	20	17	1	51
Finance & Administration		1	-	-	4	-	-	-	1	-	6	-	1	13
Operations		(2)	2	-	-	-	15	5	-	-	15	4	25	64
Resource Recovery		(1)	1	-	2	1	-	-	4	-	9	5	-	20
Project Planning & Delivery		(1)	8	2	7	-	7	-	4	31	42	47	46	193
<b>Total New FTEs</b>		-	14	2	18	1	24	5	14	31	96	73	78	356
Total Adopted FTEs	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Change
Director's Office	22	24	26	26	27	27	27	27	27	27	32	32	37	15
Environmental & Community Svcs	50	51	52	52	56	56	58	58	64	64	83	100	101	51
Finance & Administration	27	28	28	28	32	32	32	32	33	33	39	39	40	13
Operations	304	302	304	304	304	304	319	324	324	324	339	343	368	64
Resource Recovery	16	15	16	16	18	19	19	19	23	23	31	36	36	20
Project Planning & Delivery	171	170	178	180	187	187	194	194	198	229	271	318	364	193
<b>Total Adopted FTEs</b>	590	590	604	606	624	625	649	654	668	699	795	868	946	356
Adopted FTE % Change	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total %
Director's Office		9%	8%	0%	4%	0%	-1%	0%	1%	0%	19%	0%	16%	68%
Environmental & Community Svcs		2%	2%	0%	8%	0%	4%	0%	9%	0%	31%	20%	1%	102%
Finance & Administration		4%	0%	0%	14%	0%	0%	0%	3%	0%	18%	0%	3%	48%
<b>Operations</b>		<b>-1%</b>	<b>1%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>5%</b>	<b>2%</b>	<b>0%</b>	<b>0%</b>	<b>5%</b>	<b>1%</b>	<b>7%</b>	<b>21%</b>
Resource Recovery		-6%	7%	0%	13%	6%	0%	0%	18%	0%	38%	16%	0%	125%
Project Planning & Delivery		-1%	5%	1%	4%	0%	4%	0%	2%	16%	18%	17%	14%	113%
<b>Total</b>		<b>0%</b>	<b>2%</b>	<b>0%</b>	<b>3%</b>	<b>0%</b>	<b>4%</b>	<b>1%</b>	<b>2%</b>	<b>5%</b>	<b>14%</b>	<b>9%</b>	<b>9%</b>	<b>60%</b>

\*2025 is Executive Proposed

In response to questions about the ability to hire all positions in 2025, WTD provided the following information:

“Our track record over the last 3 years has been strong, and we continue to apply lessons learned from our experience. WTD will continue to use a prioritized approach over the calendar year and focus on recruitment for the highest priority FTE needs in our capital delivery work groups to fill these positions. Strong collaboration between Capital Delivery and our HR staff will continue. Capital Delivery also continues strong participation in planned external recruitment efforts, including job fairs, internships, and outreach events at colleges and conferences. In addition, the capacity of WTD’s recruitment team has been

<sup>1</sup> Ordinance 19621

bolstered through temporary and special duty opportunities to help meet recruitment needs.”

### **RESPONSE TO COUNCIL INQUIRIES**

**QUESTION 1: STAFFING INCREASE: WHAT IS THE JUSTIFICATION FOR THE 45.0 ADDITIONAL CAPITAL POSITIONS IN 2025 AND AN ADDITIONAL 50.0 FTEs EVERY YEAR THROUGH 2029? DOES WTD HAVE THE CAPACITY TO ONBOARD THE REQUESTED 78 POSITIONS?**

**ANSWER:** WTD provided the following response:

- “The basis for the 50 FTEs per year assumption goes back to 2020 work where we identified more capital needs than delivery capacity at WTD as we began extending the sewer rate forecast to ten years and CSO projects were emerging in that view. The resource constraint model uses a total FTE input to determine the maximum capital delivery output.
- At the time, we needed to make an assumption about how quickly WTD could scale up capital delivery. The division used an annual cap of 50 additional capital FTEs as a high-level assumption for how many positions could successfully be recruited each year, to support the capital program, as one of the constraints on the CIP forecast. The FTE phase-in forecast ends with 2029 FTE adds.
- WTD has added Human Resources staff since 2020, and as the downstream and support staff needs related to this major capital delivery increase have emerged, WTD’s total budget FTE ask has reflected additional recruiting capacity and success in continuing to secure these staffing resources.
- The total WTD 2025 FTE ask is 78 (higher than 50) and Human Resources supports recruiting all the FTEs (including four in Human Resources), whether project delivery specific or other WTD needs. Each sewer rate and budget process includes a prioritization process for new position adds and the division only moves forward with budget requests that we believe we can successfully recruit for. As noted in the 2025 rate setting and budget, there is an emerging need in WTD’s Operations section. As we determined a capital delivery focused unit needs to be included in the Operations section, we removed 5 capital delivery staff in Project Planning & Delivery from initial estimated adds to make room for the Operations FTEs asks related to capital delivery. This was not developed with a model, rather a conversation around making recruiting capacity room and adjusting the approach that had evolved since 2020.
- There are substantial changes to the 2026 sewer rate forecast related to a longer time period (20-year forecast from 10) and final CSO schedule, etc. We have four years with the resource constraint approach and enough context so that we are planning to revise with other changes in 2026. We will ensure a clear explanation as we prepare to update the approach and assumptions in 2026.”
- Hiring and on-boarding process: As with the past years, once HR is notified of the number of positions approved, HR will take the following steps:
  - Create position numbers.

- Discuss with each section manager capacity for work unit support and priority for each of their approved FTE's
- Group proposed recruitments by quarter and communicate to hiring authorities when they should develop their scopes. Recruitments will be scheduled by quarter and most recruitments should be started or filled by the end of 2025.
- Tentative timeline to start/fill positions: Q1-20, Q2 22, Q3-20, Q4-16.
- HR has used a combination of regular and contingent staff to meet the recruitment needs for the last few years. We will fill the HR FTEs in parallel with filling the others. We will hire additional TLTs or special duties if needed during this time. From an HR perspective, with the new HR staff requests included, there should be enough staff to address HR onboarding and support. Other work unit and section onboarding and training is decentralized and occurs with each section."

**QUESTION 2: WHAT IS THE IMPACT TO THE RATE OF THIS PROPOSED INCREASE IN EXPENDITURES?**

ANSWER: WTD provided the following response: "A back of the envelope approach to answering this question is to take the dollar amount associated with the new FTEs, about \$6.1 million, and divide by the 2025 revenue increase which is about \$30 million (5.75%). About 20% of the 5.75% increase is then new FTE-related. 20% [multiplied by] 5.75% equals 1.2%. Based on this calculation, 1.2% of the 2025 rate increase is capacity for the new FTEs in the proposed budget."

**QUESTION 3: WATERWORKS GRANT PROGRAM: IS THAT INCREASE GOING TO FOLLOW OUR PRACTICE IN TERMS OF COUNCIL GRANTS AND COMPETITIVE GRANTS?**

ANSWER: WTD provided the following response: "Yes, the process will follow the adopted WaterWorks grant awards process found in Ordinance 18031 as amended by Ordinance 18261 (2016) but shortened to accommodate the 1-year budget. The \$362,000 inflationary increase is recognizing the incremental increase that equals to 1.5% of the WTD Operating Budget."

**QUESTION 4: PFAS: IS THE INCREASE BECAUSE OF PFAS? ARE THESE CONTAMINANTS BEING PROACTIVELY CONSIDERED IN LONG-TERM WTD PLANNING?**

ANSWER: No, the 14.7% increase in WTD's operational budget is the result of inflationary pressures, increased operational demands, and additional FTEs to support the delivery of the capital program. In 2023, the Council adopted Motion 16434 requesting WTD take nine actions related to PFAS. On October 4, 2024, WTD briefed the Regional Water Quality Committee on actions taken to date. All the work has been done as part of existing WTD program areas. As part of the Regional Wastewater Services Plan Update, WTD will plan for new and anticipated PFAS requirements and do a cost/benefit analysis of early or later action.

# **WASTEWATER CONSTRUCTION**

ANALYST: JENNY GIAMBATTISTA

	<b>2025 Proposed</b>	<b>2026-2027 Projected</b>	<b>2028-2029 Projected</b>
<b>Revenues</b>	\$359,207,900	\$855,928,140	\$1,617,131,339
<b>Expenditures</b>	\$359,207,900	\$855,928,140	\$1,617,131,704
<b>Major Revenue Sources:</b> Proceeds from Bond Sales, Revolving Fund/Public Works Fund loans, Commercial Paper etc.			

## **DESCRIPTION**

The Water Quality Construction capital budget of the Wastewater Treatment Division (WTD) finances construction, maintenance, upgrade, and expansion of the wastewater system physical plant, including treatment facilities and the conveyance system. Over recent biennia, the regional system has been focused on constructing the Combined Sewer Overflow (CSO) projects required by a consent decree between King County and the federal Environmental Protection Agency and Department of Justice, and the Washington State Department of Ecology. Additionally, the agency is continuing its work on the Conveyance System Improvement and Treatment Planning programs, to assure the capacity of the conveyance and treatment system to meet the demands of regional growth, and facility maintenance. However, as the system continues to age, the two larger regional plants (West Point and South Plant) and hundreds of miles of interceptor pipeline that were completed in the 1960s and expanded in the 1970s and 1990s, and the Brightwater regional plant that was completed in the 2010s, the need for maintenance, repair and upgrade of facilities is becoming more urgent. WTD is accelerating its Asset Management program in response, focusing on both treatment plant and interceptor pipeline evaluation, repair, upgrade, and replacement. Meanwhile, the Washington Department of Ecology has taken a regulatory action requiring wastewater generators of nitrogen, which is the chemical element that can accelerate the growth of algae in the marine environment, to limit discharges according to the terms of a state-issued permit.

## **SUMMARY OF PROPOSED BUDGET AND CHANGES**

The 2025 proposed budget includes 50 capital projects and an appropriation request of \$359.2 million. The requested projects reflect a mix of new and continuing projects with most projects not seeking full appropriation. In June, the Council approved a rate increase of 5.75%, with substantial increases projected for future years; much of those increases are driven by expansion of the Water Quality Construction capital budget.

The Water Quality Construction budget is categorized according to major “portfolios” to delineate the primary functions that the budget addresses. The largest expenditures

are for Asset Management (repair and upgrade of mechanical systems requiring rehabilitation) and Regulatory (responding to state and federal regulatory mandates or consent decrees) investments; others include Capacity Improvements (expanding pipelines and treatment facilities in anticipation of growing capacity needs), Resiliency (strengthening structures to withstand flooding, seismic events or other natural disasters), and Resource Recovery (capturing resources generated by wastewater processing such as biogas or recyclable water for productive use or sale).

Listed below are the 2025 proposed appropriations for selected CIP projects in each of the major WTD capital portfolios:

**Asset Management \$214.4 million Selected Projects**

- West Point Electrical Improvements: \$56.8 million
- West Point Critical Gate Refurbishment: \$75.9 million
- Ovation Evergreen Control Systems Lifecycle Management Program: \$16 million
- West Point EPS Isolation Gate Rehabilitation: \$17 million
- Research Vessel Replacement: \$1.1 million

**Regulatory (\$49.6 million) Selected Projects**

- Elliott West CSO Control Planning and Alternatives: \$18.3 million
- Mouth of Duwamish Facility Plan: \$15.5 million
- CSO Control and Improvement: \$4.1 million

**Capacity Improvement (\$24.8 million) Selected Projects**

- Black Diamond Trunk Capacity Upgrade: \$14.6 million
- Soos Creek Cascade Relief interceptor Upgrade: \$6.1 million
- West Point Digestion Capacity Expansion \$2.9 million

**Operational Enhancements (\$2.7 million) Selected Projects**

- Technology Assessment and Innovation Project: \$2.8

**Resiliency (\$22.1 million)**

- Climate Adaptation Planning Program: \$4.2 million
- West Point Primary Sedimentation Area Roof Structure: \$8.4 million
- West Point Passive Weir for Emergency Bypass: \$9.6 million

**Resource Recovery (\$43.2 millions) Selected Projects**

- Brightwater Reclaimed Water Storage: \$35.9 million
- West Point Biogas Utilization Project: \$5.5 million

## KEY ISSUES

### ISSUE 1 – LARGE INCREASE IN CAPITAL PROJECT SPENDING

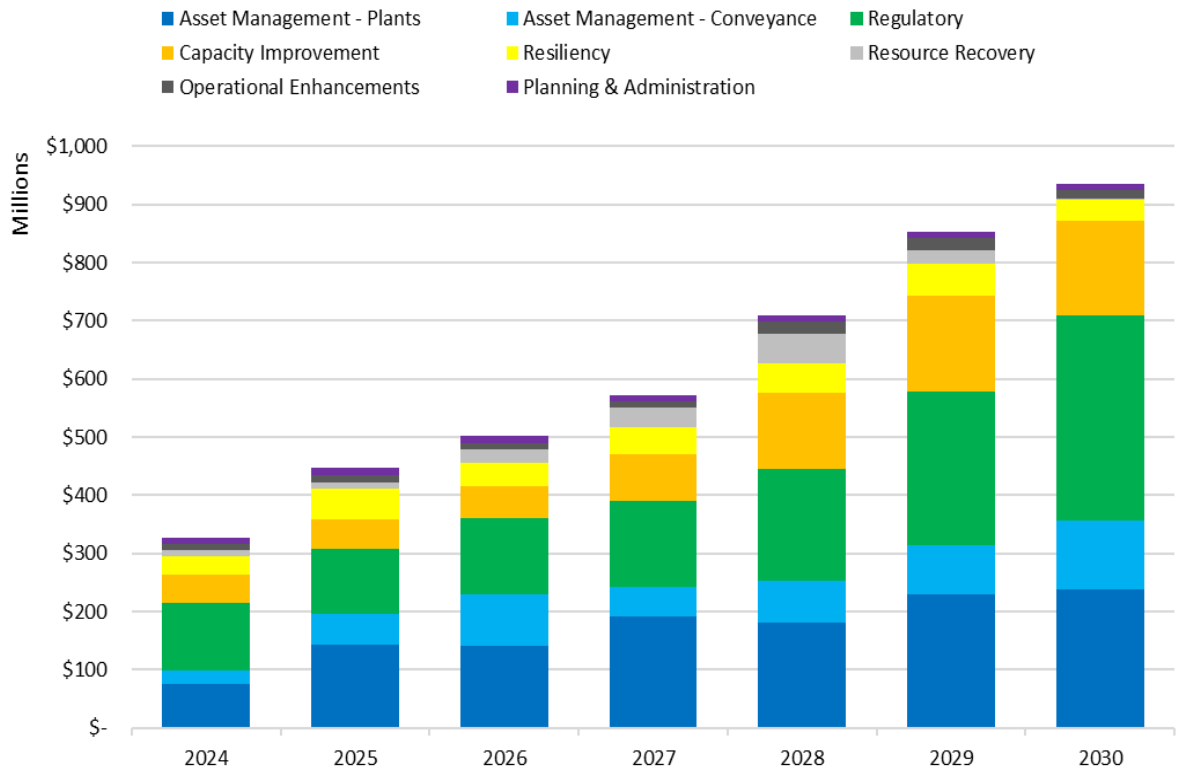
As shown in Figure 1 below, planned expenditures over the six-year CIP Spending forecast are increasing significantly. According to WTD, the 2024 estimated total capital expenditure will be \$327.3 million; projected expenditures for 2025 are expected to be around \$448 million an increase of 37% for the coming year. WTD reports it update its expenditure updates once 2024 expenditures are analyzed and project forecasts are updated.

**Updates:** WTD's capital expenditures are expected to quadruple from 2018 to 2030 going from \$231 million in 2023 to about \$925 million by 2030. The CIP expenditure forecast can directly impact rate setting. If WTD projects expenditures higher than can be achieved, there is a risk of seeking revenues (rates) at a level beyond what is needed in a given year. WTD has never experienced such growth and is working to accurately model expenditures and the required number of FTEs necessary to implement such an ambitious expansion in their CIP portfolio. There are many variables which can impact the delivery of such a large capital portfolio, including construction and labor market conditions.

Given the significant increase in WTD's capital portfolio, Council staff asked for information on WTD's capital oversight processes. WTD provided details on the processes in place to provide portfolio, program, and project oversight for CIP investments through a tiered internal governance structure.

**Updates:** Given the significant increase projected in WTD's capital expenditures and the associated FTE increases, the Council may wish to direct Council staff to work with WTD to develop reporting requirements which would allow the Council to monitor, at a high level, progress in meeting the expenditure and hiring targets.

**Figure 1  
Proposed 2025 Budget 6-Year Spending CIP**





## **ISSUE 2 – HIGH RISK CAPITAL PROJECTS**

King County Code 4A.130.030 tasks the County Auditor with annually reviewing capital projects expected to cost over \$25 million and recommending projects to be designated as “risk monitored projects (RMP)” to the County Council. The Auditor recommends projects to be designated RMP if they are at higher risk of being late or over budget at significant cost, or if delays to the project could have a significant impact. The County Council or the Executive may designate a capital project as “RMP” by letter to the County Council. For 2024, the Council has not yet designated projects as RMP.

According to the Auditor’s Office, designating a project as RMP enhances transparency on project performance by requiring project managers to provide additional project information for decision makers about project status and significant changes to scope, schedule, and budget. When a project is designated RMP, the Auditor can send updates to the Council and Executive on the status of the project. For 2024, the Auditor’s Office recommended four projects for risk monitoring<sup>1</sup>. Two of the four projects are included in WTD’s proposed six-year CIP. The Auditor selected these WTD projects because of the potential impacts that delays could have on the community served by these projects. Below, council staff have included a summary of the two WTD projects recommended for Capital Project Risk Monitoring.

**Sammamish Plateau Diversion Project (2025 Appropriation \$417,000; Total expected cost \$101 million).** The Sammamish Plateau Diversion (SPD) project would add regional conveyance system capacity to manage some wastewater flows from the East Lake Sammamish area. The Wastewater Treatment Division (WTD) previously placed the project on hold for two years, resulting in the project completion date moving out from 2028 to 2030. Sammamish Plateau Water placed a development moratorium in a portion of the District for seven months in 2021. The District hired and WTD paid for a consultant study to identify interim improvements in the local system until the SPD can be constructed. WTD and the District entered into a cost-share agreement in 2021 to split the costs for funding the agreed upon interim improvements. While the SPD project has restarted, it faces barriers such as permitting in critical areas and land acquisition needs, which could further impact project delivery. Timely completion of the SPD project is necessary to ensure sufficient capacity in the regional wastewater system to serve new growth.

**Black Diamond Trunk Capacity Upgrade (2025 Appropriation \$14.6 million; Total expected cost \$167 million).** The Black Diamond Trunk Capacity Upgrade project would increase the capacity of the existing sewer trunk line to meet King County’s 20-year peak flow standard and serve significant new growth within the City of Black Diamond. Currently, the majority of pipe reaches within the Black Diamond trunk line have less than a 10-year level of service, which will continue to degrade as development occurs. Risks the project faces include the need for permitting for multiple stream crossings and lack of internal staff capacity. Timely completion of the capacity

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<sup>1</sup> King County Auditor’s Office Recommendations on Capital Project Risk Monitoring (June 26, 2024)

upgrade is necessary to ensure sufficient capacity in the regional wastewater system to serve growth in the City of Black Diamond.

### **RESPONSE TO COUNCIL INQUIRIES**

#### **QUESTION 1: PROVIDE MORE INFORMATION ON BRIGHTWATER RECLAIMED WATER STORAGE PROJECT.**

**ANSWER:** The primary goal of this project is to install a reclaimed water storage tank along with necessary disinfection improvements at the Brightwater Treatment Plant. This project will improve reliability of the existing permitted capacity of the Brightwater reclaimed water system. The current reclaimed water system has experienced frequent outages, which has been a challenge to meeting obligations to WTD's current reclaimed water customers while meeting WTD's reclaimed water permit. These outages are primarily due to permit non-compliance related to chlorine residuals in the reclaimed water and stops in production of the reclaimed water due to interruptions in wastewater supply during daily maintenance activities at the Brightwater Influent Pump Station. The chlorine concentration in the reclaimed water has not always been within the acceptable range, leading to disruptions in service. By adding the storage capacity, chemical addition, and enhancing system controls, we can better manage the chlorine levels, ensuring more reliable service and fewer interruptions.

WTD currently sells recycled water to three customers in the Sammamish Valley, and truck fill customers occasionally. The water is primarily used for irrigation. The project does not include distribution line extensions.

WTD reports this project is consistent with the following provisions in The Regional Wastewater Services Plan (K.C.C. 28.86.100) Water reuse policies (WRP), some of which are highlighted below.

WRP-1: King County shall actively pursue the use of reclaimed water while protecting the public health and safety and the environment. The county shall facilitate the development of a water reuse program to help meet the goals of the county to preserve water supplies within the region and to ensure that any reclaimed water reintroduced into the environment will protect the water quality of the receiving water body and the aquatic environment.

WRP-3: Recycling and reusing reclaimed water shall be investigated as a possible future significant new source of water to enhance or maintain fish runs, supply additional water for the region's nonpotable uses, preserve environmental and aesthetic values and defer the need to develop new potable water supply projects.

WRP-12: King County shall retain the flexibility to produce and distribute reclaimed water at all treatment plants including retaining options to add additional levels of treatment.

WRP-13: King County shall continue to evaluate potential funding of pilot-scale and water reuse projects, in whole or in part, from the wastewater utility rate base.

Community engagement activities are being planned as part of the SEPA and permitting processes. This community engagement is anticipated to start in early 2025.

If this project is not done, WTD reports King County will be unable to meet the ongoing needs of the existing reclaimed water customers, require continued payment by King County for supplemental potable water to a reclaimed water customer, hinder SCAP efforts to reduce Sammamish River withdrawals affecting salmon in the Sammamish River, and reduce diversion of nutrients from Puget Sound that could be used beneficially for irrigation to grow plants instead.

WTD reports the following work has been on the project thus far: The project completed selection of a recommended alternative in 2022. This selected alternative includes two construction packages. The first package (Package 1) involves replacing reclaimed water diversion valves and chemical dosing pumps. These replacements are intended to address reliability issues related to these specific pieces of existing equipment. Package 1 is currently in construction. The second package of improvements (Package 2) includes the storage tank and disinfection system components. The team is nearing completion of preliminary design of the second package. The team has also completed initial virus removal testing of the existing membrane bioreactor equipment at the plant to determine how much more they can contribute to disinfection of the reclaimed water and reduce the amount of other disinfection methods used.

WTD reports the following major milestones for 2025: Preliminary design of Package 2 is anticipated to be completed in 2024, and the project is scheduled for its baseline presentation with division leadership in October. If the baseline scope and schedule are approved, the 2025 milestones include construction completion of Package 1, 60% design completion of Package 2, land use permit application for Package 2, and additional testing of the membrane bioreactors.

**QUESTION 2: HOW MUCH OF THE INCREASE IN CIP EXPENDITURES IS DUE TO BUILDING MORE THINGS VERSUS INFLATION?**

**ANSWER:** WTD provided the following response: “Most of the increase is due to building more infrastructure. The recent historical inflation is reflected in the cost estimates of projects that are nearing construction early in the 6-Year period. For active projects, especially those nearing construction, cost estimates are regularly updated at points along the design lifecycle, particularly prior to construction bidding. Those recently

updated cost estimates do reflect recent increases in materials and labor costs that have risen significantly over the last several years. Due to the way that cost estimates are developed and structured, it is difficult to parse out how much of the overall cost estimate is directly attributable to the recent historic inflation. Inflation to project costs in future years reflects the annual capital inflation assumption of 3%.”

# TRANSIT

ANALYST: MARY BOURGUIGNON

## Transit Operating

	Expenditures	Revenues	FTEs	TLTs
2024 Revised Budget, Annualized	\$1,242,941,919	\$1,183,175,760	5,889.7	92.5
2025 Base Budget Adjust.	\$71,569,493	\$0	(0.2)	(92.5)
2025 Decision Packages	\$117,619,260	\$104,797,800	274.5	101.0
<b>2025 Proposed Budget</b>	<b>\$1,432,131,000</b>	<b>\$1,287,974,000</b>	<b>6,164.0</b>	<b>101.0</b>
% Change from prior biennium, annualized	15.2%			
Dec. Pkg. as % of prior biennium, annualized	9.5%			

**Major Revenue Sources:** Sales tax, grants, contracts for services, fares

### Transit Infrastructure Capital Fund (3641)

	2025 Proposed	2026-2027 Projected	2028-2029 Projected
<b>Revenues</b>	\$670,234,148	\$679,922,582	\$508,517,371
<b>Expenditures</b>	\$670,234,148	\$679,922,582	\$508,517,371
<b>Major Revenue Sources:</b> Sales tax, Marine property tax, Sound Transit payment, grants, interest income, debt proceeds			

### Transit Revenue Fleet Capital Fund (3642)

	2025 Proposed	2026-2027 Projected	2028-2029 Projected
<b>Revenues</b>	\$8,163,849	\$144,679,768	\$700,131,751
<b>Expenditures</b>	\$8,163,849	\$144,679,768	\$700,131,751
<b>Major Revenue Sources:</b> Sales tax, Marine property tax, grants, interest income			

## DESCRIPTION

The Metro Transit Department (Metro) is the largest provider of public transit services in the Puget Sound region. Metro operates fixed-route services, including bus and water taxi; flexible, shared, and accessible mobility services; and bus, light rail, and streetcar services under contract to Sound Transit and the City of Seattle. For 2024, Metro anticipates 87 million total boardings on its services (excluding light rail and streetcar).

## SUMMARY OF PROPOSED BUDGET AND CHANGES

### 2025 Transit Budget Overview

Metro's proposed 2025 combined operating and capital budget is **\$2.1 billion**. As Table 1 shows, \$1.4 billion (68% of the 2025 proposal), would be for operating expenses, with \$670 million (32%) proposed for appropriations for capital infrastructure projects, and \$8 million (0.4%) for appropriations for revenue fleet purchases.

**Table 1. Transit Operating + Capital, 2025 Expenditures**

	<b>2025 Proposed</b>	<b>Percent of Total</b>
Transit Operating	\$1,432,130,672	67.6%
Infrastructure Capital (Fund 3641)	\$670,234,148	31.7%
Revenue Fleet (Fund 3642)	\$8,163,849	0.4%
Debt Service	\$6,485,323	0.3%
<b>TOTAL</b>	<b>\$2,117,013,992</b>	<b>100%</b>

In terms of Metro's 2025 operating budget, as Table 2 shows, the majority would be dedicated to bus operations: 65% for King County-funded bus service, and a combined 72% when bus services funded by Sound Transit and the City of Seattle are factored in.

**Table 2. Transit Operating 2025 Expenditures**

	<b>2025 Proposed</b>	<b>Percent of Total</b>
King County bus operations	\$935,712,611	65.3%
Sound Transit Link operations*	\$212,665,427	14.8%
Access paratransit operations	\$95,011,184	6.6%
Sound Transit bus operations*	\$66,535,454	4.6%
DART/Alternative services	\$44,317,018	3.1%
Seattle-funded bus operations*	\$34,515,344	2.4%
Marine (water taxi) operations	\$15,802,888	1.1%
Seattle Streetcar operations*	\$14,057,797	1.0%
Vanpool operations	\$13,512,950	0.9%
<b>TOTAL</b>	<b>\$1,432,130,673</b>	<b>100%</b>

\*Provided under contract to Sound Transit or City of Seattle

Metro’s proposed operating budget is 15.2% higher than the annualized 2024 revised operating budget, an increase of \$189 million. Of this increase, \$71 million is from adjustments to the base budget, of which approximately \$40 million is due to the 2022-2025 collective bargaining agreement approved in 2023 between King County and the Amalgamated Transit Union (ATU), Local 587.<sup>1</sup> Of the remaining \$117 million, more than half (54.9%) is for additional transit service (of which nearly half is revenue-backed under contracts with Sound Transit or the City of Seattle); 20% is for safety and security enhancements, including maintaining security officers and increasing cleaning; and 15.2% is for workforce initiatives, including training, mentorships, and apprenticeships.

In terms of operating revenues, as Table 3 shows, the largest source of revenues for Metro’s operations comes from a dedicated 0.9% sales tax, which comprises nearly 56% of operating revenues. Fares are anticipated to make up 7.8% of all operating revenues,<sup>2</sup> and are discussed in more detail in the Fares & Fund Balance section of this staff report. Payments for service Metro operates under contract to Sound Transit and Seattle are anticipated to make up nearly 25% of operating revenues.

**Table 3. Transit Operating 2025 Revenues**

	<b>2025 Anticipated</b>	<b>Percent of Total</b>
Sales Tax (0.9%)	\$718,425,658	55.8%
Sound Transit Payments*	\$278,212,638	21.6%
Fares (all modes)	\$100,007,180	7.8%
Grants (operating)	\$81,769,970	6.3%
Seattle Payments*	\$40,510,573	3.1%
Property Tax	\$37,611,885	2.9%
Interest Income	\$18,540,806	1.4%
Other Operations	\$10,017,582	0.8%
Miscellaneous	\$2,877,268	0.2%
<b>TOTAL</b>	<b>\$1,287,973,560</b>	<b>100%</b>

\*The services Metro operates for Sound Transit and the City of Seattle are fully revenue-backed.

<sup>1</sup> Ordinance 19668 approved a three-year collective bargaining agreement with the ATU, which included hiring and retention bonuses, as well as wage increases of 7.17% for 2023, 6% for 2024, and 2-4% for 2025. Implementing the CBA was estimated to cost \$187.1 million over its three-year term, which was \$30 million higher than had been appropriated in the 2023-2024 budget ordinance (Ordinances 19546, 19712) and \$70 million total higher than Metro’s previous estimates through October 31, 2025.

<sup>2</sup> Metro’s adopted Fund Management Policies (Ordinance 18321) require that farebox revenue make up 25% of passenger-related operating costs for bus service. This requirement was suspended during the 2021-2022 and 2023-2024 biennia (Ordinances 19206, 19531). The Executive has proposed to reduce this requirement to 10% beginning in 2025 (Proposed Ordinance 2024-0319).

In terms of Metro's two capital funds:

- For the **Infrastructure Capital Fund**, nearly 66% of appropriations proposed in 2025 are for zero-emission projects, with the largest single project being \$380 million for the development of South Annex Base at Metro's South Campus in Tukwila to accommodate 250 battery-electric buses (BEBs) by 2028. Zero-emission projects and policy issues are discussed in more detail in the Transition to Zero-Emission section of this staff report.

Other items of note include:

- Approximately 10% of appropriations for State of Good Repair projects, such as major maintenance or asset replacement.
  - Approximately 7.5% for partnership investments with Sound Transit and local jurisdictions for bus facilities and passenger amenities near future Sound Transit stations.
  - 6.5% for other capital investments related to service, such as speed and reliability improvements.
- For the **Revenue Fleet Capital Fund**, the 2025 budget proposes minimal appropriations, with no additional appropriation for new bus purchases proposed in 2025. The only major budget request is a proposed \$5.5 million in additional appropriation for 221 battery-electric vehicles<sup>3</sup> for the vanpool program and \$2.6 million for fixed-route fleet planning.

Fleet purchases are anticipated to increase significantly in coming biennia, as Metro must purchase more than 1,000 buses to replace aging fleet and meet the goal of a zero-emission fleet by 2035.<sup>4</sup> This is covered in more detail in the Transition to Zero-Emission section of this report.

The Executive describes Metro's proposed 2025 budget as "transitional" and notes that it largely extends policy direction from the 2023-2024 budget. However, because expenditures are outpacing revenues, Metro's financial plan anticipates a projected \$500 million shortfall in reserves by the 2028-2029 biennium. The Executive has indicated that the 2026-2027 budget will include proposals to mitigate these challenges. This staff report is focused on the proposed 2025 budget, though it does identify issues that may affect future budgets.

This staff reports focuses on six key policy issues. Table 4 summarizes these issues and the associated 2025 budget proposals. The pages that follow provide more detailed description and analysis, with a recap in the final, Key Issues section of the report.

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<sup>3</sup> KCC 18.22.010.A.3 states the goal of a 100% zero-emission vanpool fleet by 2030

<sup>4</sup> KCC 18.22.010.A.1, KCC 28.94.085.A.1 (Ordinance 19052) sets the goal of a 100% zero-emission transit revenue fleet by 2035



**Table 4. Metro Transit 2025 Budget Issues Summary**

Issue	Summary	Key 2025 Budget Proposals
<b>Ridership &amp; Service</b>	Metro is operating 87% of pre-pandemic service for 64% of weekday ridership	<ul style="list-style-type: none"> <li>• \$31M for 168,500 additional service hours in 2025</li> <li>• \$7.5M for water taxi, flexible services</li> </ul>
<b>Fares &amp; Fund Management</b>	Mismatch between service and ridership/fares means ~\$150M less in farebox revenues each year	<ul style="list-style-type: none"> <li>• Increase adult bus and water taxi fares by \$0.25 (to \$3.00 for bus)</li> <li>• Lower ORCA LIFT (low-income) bus and water taxi fares to \$1.00</li> <li>• Lower farebox recovery floor to 10% (from 25%)</li> </ul>
<b>Safety &amp; Security</b>	Concern about safety incidents and station/stop cleanliness	<ul style="list-style-type: none"> <li>• \$4.7M for additional bus stop and bus cleaning</li> <li>• \$13.3M to sustain extra 100 transit security officers from 2023-2024</li> <li>• \$4.7M to expand behavioral health and Metro Ambassadors programs to provide support, assistance</li> </ul>
<b>Workforce</b>	126 bus operator vacancies (5%) 16 bus mechanic vacancies (6%)	<ul style="list-style-type: none"> <li>• \$3.3M for bus operator training and front-line support</li> <li>• \$6.4M to increase resources and staff in Employee Services</li> <li>• \$1M for EEO and Equity, Inclusion, and Belonging support</li> <li>• \$5.8M for agency transformation on recruitment, capital delivery, service recovery</li> <li>• \$1.2M to expand mentorship and apprenticeship programs</li> </ul>
<b>Transition to Zero-Emission</b>	Goal in Code to achieve 100% zero-emission vanpool fleet by 2030, 100% zero-emission bus fleet by 2035	<ul style="list-style-type: none"> <li>• \$3.5M for staff for Interim Base 2026 opening (120 BEBs)</li> <li>• \$800K for consulting to support zero-emission transition</li> <li>• \$380M for development of South Annex Base by 2028 (250 BEBs)</li> <li>• \$5.5M for 221 electric vanpool vans</li> </ul>
<b>RapidRide &amp; Metro Connects</b>	Plans for K & R lines were paused during the pandemic  Metro Connects long-range plan was adopted as an unconstrained plan	<ul style="list-style-type: none"> <li>• No additional appropriation for K &amp; R, but Metro states work is continuing for 2030 &amp; 2031 openings</li> <li>• \$1.5M for RR expansion planning focused on future Tier 1 lines from 2024 RapidRide Prioritization Plan</li> </ul>

## Ridership & Service

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**Ridership.** Transit ridership has been steadily recovering following the pandemic but remains well below pre-pandemic levels, at least in part due to changing commute patterns. Table 5 compares average bus boardings for August 2019 and August 2024, showing that weekend ridership has recovered more than weekday ridership.

**Table 5. Average Bus Boardings: August 2019 vs. August 2024**

	<b>August 2019</b>	<b>August 2024</b>	<b>Percent of Pre-Covid</b>
Weekday boardings	387,087	249,553	64%
Saturday boardings	195,109	163,397	84%
Sunday boardings	158,980	148,332	93%

As part of Metro’s ongoing effort to rebuild its rider base, the proposed 2025 budget includes \$2.3 million for 1.0 FTE and 11.0 TLTs to provide additional customer communications, real-time rider information, market research on existing and proposed service, and community engagement. Six of the requested TLTs are continuations of one-time positions requested in the 2023-2024 budget.

**Fixed-route bus service.** Following the September 2024 service change, Metro is currently operating approximately 87% of pre-pandemic service levels (90% of County-funded service, 87% when Seattle- and Sound Transit-funded service is included).

In response to Metro’s operational capacity and staffing challenges, changing ridership patterns, and changes to the regional transit network due to the Link light rail expansions that have opened over the last several years, the Council adopted a Metro Service Recovery Plan<sup>5</sup> in early 2023 that outlined a plan for Metro to restore County-funded bus service gradually over several biennia through geographically-focused mobility projects that would restructure bus service to meet emerging conditions rather than re-create pre-pandemic service patterns.

During 2024, the Council approved, and Metro implemented, the first two of these mobility project restructures, one based around the RapidRide G Line<sup>6</sup> on Madison Street in Seattle, and the second around the extension of Link light rail to Lynnwood.<sup>7</sup>

The 2025 budget proposes to add 168,500 fixed-route bus service hours: 83,500 hours for County-funded service, 40,000 for Seattle-funded service, and 45,000 for Sound Transit Regional Express bus. For the County-funded service, the proposal is for 6,500

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<sup>5</sup> Ordinance 19581

<sup>6</sup> Ordinance 19750

<sup>7</sup> Ordinance 19751

hours to address run-time impacts and 94,000 hours for service recovery. For the service recovery hours:

- 69,000 additional hours for the East Link Connections Mobility Project.<sup>8</sup>
- 25,000 additional hours for Phase 2 of the Lynnwood Link restructure.<sup>9</sup>
- 9,000 additional hours to mitigate upcoming construction impacts of the West Seattle/ Ballard Link Extension (WSBLE).
- 26,000 reduced hours of fixed-route service converted to Dial-A-Ride-Transit (DART) service.

Table 6 shows the fixed-route bus service proposal for 2025, as well as what Metro currently anticipates for the 2026-2027 biennium.

**Table 6. Fixed-Route Bus Service Hours, 2025 Proposed, 2026-2027 Anticipated**

Service Changes	Baseline	2025 Change	2026 Change	2027 Change
Service Guidelines <sup>10</sup>	--	0	0	10,000
Service Recovery	--	94,000	135,000	144,000
Run-time impacts	--	6,500	58,000 <sup>11</sup>	0
RapidRide	--	0	0	63,300 <sup>12</sup>
Fixed route DART conversion	--	(26,000)	0	0
WSBLE construction impacts	--	9,000	46,000	0
South Link Connections <sup>13</sup>	--	0	15,000	0
<b>King County Metro funded</b>	<b>3,499,293</b>	<b>83,500</b>	<b>254,000</b>	<b>217,300</b>
City of Seattle funded	--	40,000	0	0
Sound Transit funded <sup>14</sup>	--	45,000	(45,000) <sup>15</sup>	(5,000)
<b>Partner funded</b>	<b>409,280</b>	<b>85,000</b>	<b>(45,000)</b>	<b>(5,000)</b>
<b>Total Hours</b>	<b>3,908,573</b>	<b>168,500</b>	<b>209,000</b>	<b>212,300</b>

<sup>8</sup> The East Link Connections service restructure is currently anticipated to be transmitted to Council in early 2025 for implementation in Fall 2025. It would restructure bus service around the Link light rail 2 Line between Seattle and Redmond ([link](#))

<sup>9</sup> The Lynnwood Link bus service restructure (Ordinance 19751) was designed to be implemented in three phases. Phase 2 is to be implemented when the Link light rail 2 Line opens.

<sup>10</sup> The adopted King County Metro Service Guidelines (Ordinance 19367) identify three priorities for adding bus service: (1) to reduce Crowding; (2) to improve schedule Reliability; and (3) Service Growth to achieve the future transit networks envisioned in Metro Connects. Service needs based on these priorities are identified each year in Metro’s System Evaluation Report.

<sup>11</sup> Primarily adjustments to account for the opening of Interim Base.

<sup>12</sup> Reflects service for the I and J Lines, plus service to extend the H Line to South Lake Union.

<sup>13</sup> The South Link Connections bus service restructure is anticipated for when Link light rail is extended to Federal Way ([link](#)).

<sup>14</sup> Reflects Sound Transit express bus service hour reductions following the opening of future Link light rail extensions.

<sup>15</sup> Sound Transit express bus service will be reduced after the Link light rail 2 Line opens.

These additional service hours are proposed at \$31 million for 2025, for 133 additional bus operators (171 FTE), five additional Vehicle Maintenance positions, and diesel and parts. Seattle- and Sound Transit-funded service will be revenue backed.

In addition to this new service, the budget proposes \$756,000 to continue Metro's Advanced Service Management pilot (currently being tested on the RapidRide A and F lines) that coordinates bus movements for frequent-service routes based on the distance (or headway) between buses to provide more reliability for passengers.

Metro's current service plan indicates that service is intended to be fully restored by 2028 following the direction outlined in the adopted Service Recovery Plan. Appropriations for future service will be proposed in future biennial budgets.

**Water Taxi and flexible mobility services.** The 2025 budget would add \$2.3 million to support Metro Flex, Community Van, Community Shuttles, Access paratransit, and Dial-A-Ride Transit (DART) to account for fuel and wage inflation, leases, and administrative support. It would also add \$5.2 million to support:

- The rural services pilot with Snoqualmie Valley Transit to provide additional weekday and weekend service (\$661,000).
- Mid-day water taxi service to Vashon Island in 2025, with State grant funds
- Water taxi materials and staff to manage scheduling and dispatch (\$396,000).
- Metro Flex service in Issaquah, Delridge, and Overlake (\$1.8 million in one-time resources, with funding from a State grant and outside partners).
- Additional water taxi service to West Seattle and Vashon on holidays and for special community events.

**Seattle-funded service.** As noted above, Metro provides additional bus service within Seattle that is supported by the 2020 Seattle transit funding measure under a contract with the City of Seattle.<sup>16</sup> The 2025 budget includes funding for an additional 40,000 hours of fixed-route bus service hours within the City of Seattle, as well as \$612,000 for additional operations and maintenance for the Seattle Streetcar.

**Sound Transit-funded service.** As noted above, Metro operates Sound Transit Regional Express bus service and Link light rail service under contract to Sound Transit.<sup>17</sup> The 2025 budget includes revenue-backed increases in service to support Sound Transit service, including operations for the planned opening of the Link 2 Line between Seattle and Redmond in 2025, and preparations for the extension of the Link 1 Line to Federal Way in 2026. Sound Transit-funded service includes:

- 45,000 hours for additional Regional Express bus service.

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<sup>16</sup> The 2020 Seattle transit funding measure expires in March 2027. Seattle contracts with King County to use some of these funds to purchase additional transit service (Ordinance 19240).

<sup>17</sup> Ordinance 19513

- \$4.2 million for 23.0 FTEs and 1.0 TLT to provide administrative support (such as payroll, accounting, contract support, and purchasing) for Sound Transit’s East Link and Federal Way Link openings in 2025 and 2026.
- \$12.3 million for 70.0 FTEs to provide 51 Rail Operators and 19 Rail Supervisors for the upcoming Link light rail expansions.
- \$5.4 million for 30.0 FTEs to provide vehicle maintenance and cleaning support for Link light rail services.

## Fares & Fund Management

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**Fares.** As currently established, Metro’s fare structure has several key attributes:

- **Income-based approach.** Metro’s fare structure is based on an income-based approach, as called for in the adopted Strategic Plan for Public Transportation,<sup>18</sup> with free or reduced fares for children, youth, seniors, people with disabilities, and low-income and very-low-income people.<sup>19</sup>
- **Business-focused revenue base.** At least in part because many of Metro’s passengers pay low or no fare, approximately half Metro’s fare revenue (53% between July 2023 and April 2024) but only a quarter of all boardings come from business Passport accounts, through which local employers can subsidize their employees’ transit fares.<sup>20</sup>
- **Flat fares for Metro services.** In 2018, Metro eliminated its previous zone and peak fare differentials to create a flat adult bus fare of \$2.75.<sup>21</sup> More recently, Sound Transit implemented a flat \$3.00 fare for adult passengers on Link light rail, which became effective on August 30, 2024.<sup>22</sup>

As part of the 2025 budget, the Executive is proposing four changes to Metro fares:

- **Adult bus fare.** Proposed Ordinance 2024-0310 would increase the regular adult fare on Metro buses, trolleys, transit vans, dial-a-ride vehicles, and streetcars from \$2.75 to \$3.00, effective September 1, 2025. Metro projects the fare change will result in \$2.6 million in additional farebox revenue in 2025 and \$16.9 million in 2026-2027.

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<sup>18</sup> Ordinance 19367, Attachment A

<sup>19</sup> Fares are set at 4A.700.010 (bus) and 4A.700.820 (water taxi). Currently, children and youth ride free. Seniors and people with disabilities with a Regional Reduced Fare Permit (RRFP) ORCA card pay \$1.00 for bus. Low-income riders (200% of federal poverty level) with an ORCA LIFT card pay \$1.00 for bus (this will revert to \$1.50 in January 2025 unless action is taken). Very-low-income people (80% of federal poverty level) who participate in one of six state benefit programs can ride free through the fully subsidized pass program (Motion 15600, Ordinance 19058).

<sup>20</sup> As of September 2024, Metro has 760 active business Passport accounts serving 420,000 employees.

<sup>21</sup> Ordinance 18608

<sup>22</sup> Sound Transit Resolution 2023-37 ([link](#))

- **Adult water taxi fare.** Proposed Ordinance 2024-0309 would increase adult water taxi fares for West Seattle (from \$5.75 to \$6.25 cash,<sup>23</sup> \$5.00 to \$5.25 prepaid) and Vashon Island (from \$6.75 to \$7.00 cash, \$5.75 to \$6.00 prepaid), effective September 1, 2025. Metro projects \$33,260 in additional farebox revenue in 2025 and \$209,521 in 2026-2027.
- **ORCA LIFT bus fare.** Proposed Ordinance 2024-0317 would permanently lower the ORCA LIFT (low-income<sup>24</sup>) fare for Metro buses, trolleys, transit vans, dial-a-ride vehicles, and streetcars from \$1.50 to \$1.00, effective January 1, 2025. The ORCA LIFT fare has been set at \$1.00 since September 2022, but will revert to \$1.50 on January 1, 2025, unless action is taken. Metro projects a reduction of \$423,307 in farebox revenue in 2025 and \$910,335 in 2026-2027.
- **ORCA LIFT water taxi fare.** Proposed Ordinance 2024-0308 would lower the ORCA LIFT water taxi fare to \$1.00 (currently \$3.75 for West Seattle, \$4.50 for Vashon), effective September 1, 2025. Metro projects \$2,503 in reduced farebox revenues in 2025 and \$15,535 in 2026-2027

Similar to the 2023-2024 budget, Metro’s proposed 2025 budget would support the County’s Health through Housing Initiative, in this case with one-time funding of \$2.9 million for mobility services for residents, including fare media, on-demand services, or shuttle vans.

**Fund management policies.** As noted above, Metro’s single largest revenue source is a dedicated 0.9% sales tax. Because of the volatility of the sales tax, Metro experienced fiscal challenges following the 2007-2009 recession. In response, the Council and Executive developed fund management policies for Metro,<sup>25</sup> which established reserve funds to smooth large expenditure fluctuations and provide stability during economic downturns. The fund management policies also required Metro to recover at least 25% of passenger-related operating costs for bus service from farebox revenues, with a target of recovering 30%.

Because of the drop in transit ridership during the pandemic, Metro has not achieved 25% farebox recovery in recent years. The Council suspended those portions of the fund management policies during the last two biennia.<sup>26</sup> For 2025, the Executive has proposed to update the fund management policies<sup>27</sup> to lower the farebox recovery floor from 25% to 10%; and to lower the farebox recovery target from 30% to 15%.

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<sup>23</sup> The West Seattle cash fare is proposed to increase by \$0.50 due to the formula in KCC 4A.700.820.

<sup>24</sup> ORCA LIFT is available to passengers at or below 200% of the federal poverty level. ORCA LIFT eligibility is currently \$2,510 monthly income for a one-person household, \$5,200 monthly income for a four-person household. The ORCA LIFT fare program is established in K.C.C. 4A.700.490 ([link](#))

<sup>25</sup> Ordinance 18321

<sup>26</sup> Ordinances 19206, 19531

<sup>27</sup> Proposed Ordinance 2024-0319

This proposed change to the farebox recovery floor reflects current conditions. Metro's actual farebox recovery rate for 2023 was 8.8%. For 2024, it is estimated to be 8.9%. For 2025, it is anticipated to be 9.3%.<sup>28</sup> However, the ongoing imbalance between service levels and ridership has budget implications for Metro moving forward: as noted above, the 2025 budget anticipates \$100 million in farebox revenues, which represents a 9.3% farebox recovery rate. Farebox revenues would be as much as \$150 million higher in 2025 if the combination of ridership and fare collection allowed Metro to meet the 25% farebox recovery requirement.<sup>29</sup>

## Safety & Security

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In response to concerns about safety and security incidents on buses and at transit stops and bases, and as part of a larger effort to reimagine and reform Metro's safety and security functions, Metro's 2023-2024 budget included several safety-related investments, including a one-time investment of \$21 million to increase the number of contracted transit security officers (TSOs) from 70 to 140; \$10 million to provide enhanced cleaning of bus coaches, shelters, and facilities; and funding for behavioral health initiatives that had been developed as part of Metro's Safety, Security, and Fare Enforcement (SaFE) Reform Initiative. Metro proposes to continue each of these expenditures in 2025:

- **Transit security officers.** During 2023-2024, Metro increased the number of contracted TSOs by approximately 90, using salary savings to cover the number above the additional 70 that had been budgeted. For 2025, Metro proposes a one-time expenditure of \$11.8 million to maintain the existing level of 160 contracted TSOs.

These TSOs will continue to ride bus routes with the highest rates of security incidents (currently Routes 7, 36, A, C, D, E, F, and H), which Metro indicates has reduced security incidents by 33%. In addition, TSOs will continue to be stationed at the Aurora Village and Burien Transit Centers and will continue to provide support at overnight bus terminals, which Metro states has reduced late-night incidents by 50%.

- **Bus and customer facility cleaning.** In the Transit Cleanliness report<sup>30</sup> transmitted in 2023 in response to a Council budget proviso, Metro estimated that it had achieved 65% of its cleaning standard for bus stops and shelters in 2021, and 52% in 2022, compared with 80% pre-pandemic. The proposed 2025

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<sup>28</sup> Note that Table 3 of this staff report shows fares as a percentage of all operating revenues. The farebox recovery requirement set in the fund management policies is based on fares as a percentage of passenger-related operating costs for bus service.

<sup>29</sup> Ongoing changes to the regional transit network, specifically the growth of the Link light rail spine, could result in a greater share of Metro bus trips being part of a transfer between bus and light rail, and could reduce the share of farebox revenue Metro receives. In addition, the ongoing implementation of the income-based fare approach, through which many categories of riders pay a low or no fare, could also have the effect of reducing the farebox revenues Metro collects.

<sup>30</sup> Motion 16388

budget would add \$4.7 million, to hire 20.0 TLTs to create four additional cleaning teams to clean the highest priority facilities<sup>31</sup> more often and to respond to emergent incidents, such as broken glass; and to hire 14.0 TLTs and 9.0 FTEs in the Vehicle Maintenance Division to continue enhanced cleaning processes for buses. Metro states that the goal of this proposal is to implement a pilot to assess the resources needed to exceed the cleaning standards for bus stops, by providing Level 3 cleaning services to all stops.<sup>32</sup>

- **SaFE Reform Initiative.** Two of the programs piloted through Metro's SaFE Reform Initiative have been to locate DCHS behavioral health specialists at the Burien Transit Center to provide de-escalation and support for people in crisis; and to create a group of Transit Ambassadors, made up of bus operators on light duty, to assist passengers in busy areas. The proposed 2025 budget includes \$4.7 million (\$3.9 million in one-time spending, of which \$856,000 would be funded by the City of Seattle) to add 4.0 TLTs to continue the behavioral health initiative and expand the Ambassador program.

For the behavioral health initiative, the four current employees of this program will work in teams at the Burien Transit Center (Mondays to Fridays, 9:00 am-3:00 pm; Wednesdays, Saturdays, and Sundays from 5:00-11:00 pm) and will also ride the RapidRide C, D, and E Lines with transit security officers (Mondays, Tuesdays, and Thursdays, from 5:00-11:00 pm).

For the Ambassador program, Metro currently has 10 Ambassadors working with the program, and Metro anticipates that the number of light duty bus operators working as Ambassadors will remain steady during 2025, at between 12 and 15. In addition, the budget proposes 14 short-term temporary Ambassadors and two Lead Ambassadors. The Ambassadors will continue to focus their efforts on Jackson/23<sup>rd</sup>, Lower Queen Anne/Belltown, Mt. Baker/Columbia City, and Skyway/Renton. In addition, in partnership with the City of Seattle, Ambassadors will expand to other locations, including potentially the University District and UW Husky Stadium, Second Avenue, Rainier Beach, and the Seattle Waterfront.

## Workforce

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Metro has been experiencing ongoing staffing shortages (particularly with bus operators) since the start of the pandemic. Currently, Metro has appropriation authority for 2,543 FTE bus operators and a target of 2,428 FTE (because Metro is currently operating fewer service hours than budgeted), but has 126 FTE open, a vacancy rate of 5%. For bus mechanics, Metro has a target of 274 FTE and a shortfall of 16 FTE (6% vacancy rate).

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<sup>31</sup> Metro indicates that high priority areas are determined by ridership volume, customer survey results, and issue reports, and the inspection results of the quality assurance team that would be created as part of the budget proposal.

<sup>32</sup> A Level 1 service visit includes sweeping. A Level 2 service visit includes sweeping and trash removal. A Level 3 service visit includes sweeping, trash removal, and pressure washing. Metro's standard is to provide one Level 3 service visit at each facility per month, with Level 1 and Level 2 service visits as needed and as staffing allows.



This staffing shortfall has led to operational capacity issues, which has required service reductions and led to a reliance on overtime: bus operators are currently operating on 27% overtime, compared with the target of 17%; and bus mechanics are currently operating on 8.75% overtime, compared to the target of 7.5%. The proposed 2025 budget includes several initiatives to support recruitment, training, and retention:

- **Bus operations training and support.** The 2025 budget would add \$3.3 million for 17.0 FTEs and 2.0 TLTs to add bus operations instructor positions to increase training capacity, add chiefs to support front-line staff, and add leadership and administrative positions to realign the Bus Operations structure. Metro indicates a goal of hiring 297 FTE bus operators in 2025, which includes the 126 vacant FTEs and the 171 FTEs needed to provide the additional service proposed in the budget. To achieve this level, Metro plans to hire and train about 600 operators, which accounts for attrition as well as the anticipated 70% graduation rate.
- **Employee Services.** The 2025 budget would add \$6.4 million (\$1.375 million revenue-backed) to add 30.0 FTEs and 6.0 TLTs to Metro's Employee Services Division to enhance recruitment and labor relations, with a focus on the hiring for upcoming Link light rail expansions. (Note that 22.0 of the requested 30.0 FTEs are conversions from existing TLT positions.) Metro states that this request is intended to stabilize the current level of recruiting support. Six of the FTEs and three of the TLTs would be dedicated to Metro's Rail Division and revenue-backed by Sound Transit.
- **Equity and employee communication.** The 2025 budget would add \$1 million (\$200,000 revenue-backed) for 4.0 FTEs to support Equal Employment Opportunity investigations; equity, inclusion, and belonging programming; and internal employee communications.
- **Agency transformation.** The 2025 budget would add \$5.8 million, including 1.0 FTE and 10.0 TLTs, to continue Metro's efforts to develop processes, tools, and techniques to update its business practices in the areas of recruitment, asset management, capital delivery, technology, workforce data and reporting, change management, and service recovery.
- **Employee mentorship and recruitment.** The 2025 budget would add \$1.2 million (\$628,000 revenue-backed) for 6.0 FTEs and 1.0 TLT to fund an increase to Metro's mechanic apprenticeship programs; and for the Mentors Moving Metro pilot, which, in partnership with ATU, matches experienced bus operators with new operations for six to 12 months.

## Transition to Zero-Emission

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In early 2020, the Council adopted the goal of transitioning to a zero-emission vanpool fleet by 2030<sup>33</sup> and a zero-emission revenue transit fleet by 2035.<sup>34</sup>

Over the next decade, the transition to a zero-emission transit fleet will necessitate purchasing more than 1,000 buses, retrofitting Metro's bus bases to accommodate charging infrastructure or other alternative fuel sources, and retooling Metro's scheduling processes and technology to correspond to the capacity, range, abilities, and charging needs of zero-emission buses.

To facilitate that work, the 2023-2024 Biennial Budget<sup>35</sup> included \$1.3 million in the operating budget and \$264 million in capital appropriations for Metro to purchase 120 battery-electric buses, two 150-passenger battery electric water taxi vessels, and 19 paratransit battery electric minibuses; test four hydrogen fuel cell buses; and continue the conversion of Metro's bases.

While earlier budgets included significant investments toward the zero-emission transition, the 2023-2024 budget was the first to move substantially beyond the pilot phase. Because the life span of a bus is set at 12 years for federal funding purposes,<sup>36</sup> any bus purchased during or after the 2023-2024 biennium must be a zero-emission bus for Metro to reach the 2035 zero-emission fleet goal.

The proposed 2025 budget includes \$5.84 million in the operating budget toward the zero-emission goal, including \$3.5 million for 27.0 FTEs and 12.0 TLTs to prepare for the 2026 opening of Interim Base at Metro's South Campus in Tukwila, which will house up to 120 battery-electric buses (BEBs);<sup>37</sup> and \$780,000 for consultant support and 2.0 TLTs to support workforce development, data, reporting, and capital planning for the zero-emission transition.

The 2025 budget also includes \$448 million in proposed capital appropriations (in both the Capital Infrastructure and Revenue Fleet funds) for the zero-emission transition, the largest of which would be a proposed \$380 million in appropriation authority for the continued development of South Annex Base at Metro's South Campus in Tukwila to support 250 BEBs by 2028.<sup>38</sup>

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<sup>33</sup> KCC 18.22.010.A.3 (Ordinance 19052)

<sup>34</sup> KCC 18.22.010.A.1, KCC 28.94.085.A.1 (Ordinance 19052)

<sup>35</sup> Ordinances 19546, 19791

<sup>36</sup> Federal Transit Administration, Grant Management Requirements Circular \_C 5010.1D ([link](#))

<sup>37</sup> Metro states that it awarded a bus procurement contract for 89 low-floor 40-foot BEBs to Gillig in early 2024. Fleet production is scheduled to begin in July 2025, with the BEBs delivered by March 31, 2026. These 89 BEBs will combine with Metro's existing New Flyer BEBs to complete the fleet for Interim Base.

<sup>38</sup> Metro's fleet plan anticipates the BEB procurement for South Annex Base to be awarded in 2026, with production to begin in early 2027 and take two years. Metro expects to begin taking delivery of buses in mid-2027, with the first 200 buses in place for the 2028 Fall service change, with a mix of 100 40-foot and 100 60-foot BEBs. The remaining 50 buses will be 30 60-foot and 20 40-foot BEBs.

Table 7 shows the non-trolley zero-emission appropriations proposed in the 2025 capital budget. The list includes several projects for which appropriations are not proposed in 2025 but are anticipated to have appropriation requests by 2028-2029.

**Table 7. 2025 Non-Trolley Zero-Emission Appropriations (Funds 3641, 3642)**

Name	Description	2025	2026-2027	2028-2029	Total Budget <sup>39</sup>
<b>South Annex Base<sup>40</sup></b> (1134223)	Will open as an electrified base in 2028 with capacity for 250 battery-electric buses	\$380,434,367	\$0	\$0	\$448,000,000
<b>Non-Fixed Route Program Management</b> (1134228)	Support for the Non-Fixed Route Fleet capital planning efforts, including zero-emission transition.	\$320,499	\$382,523	\$0	\$1,729,893
<b>Zero Emission Infrastructure Planning</b> (1134274)	Overall planning and programming of vehicle infrastructure facilities to support zero-emission fleet	\$5,169,593	\$0	\$0	\$10,665,830
<b>Electric Vehicle Charging Program Budget</b> (1139326)	Non-bus vehicle charging infrastructure at transit facilities	\$2,019,245	\$14,075,906	\$14,178,974	\$46,292,840
<b>Layover Charging Planning Report</b> (1139397)	Plan to develop layover charging and phased implementation for base charging	\$2,917,508	\$430,094	\$0	\$7,194,549
<b>Layover Charging Budget</b> (1139852)	Develop on-route layover charging to support 2025, 2026 BEB deployment	\$7,767,610	\$28,706,851	\$44,602,002	\$101,380,227
<b>Central Base Electrification</b> (1142163)	Planning and design for conversion of Atlantic (2035) / Central (2029) Bases	\$0	\$163,703,564	\$0	\$176,242,964
<b>Countywide Layover Facilities Planning Budget</b> (1144088)	Plan for layover sites in coordination with charging needs (this project is broader than zero-emission, but part of the effort)	\$0	\$731,789	\$3,071	\$683,550

<sup>39</sup> For some projects, the Total Budget column includes appropriations made prior to 2025.

<sup>40</sup> The King County Auditor included the South Annex Base in its 2024 list of high-risk capital projects under KCC 4A.130.020. For the South Annex Base project, the Auditor states that, “project risks include challenging subsurface conditions, permitting for work in critical areas, and a low level of contingency funds to address potential cost escalation... Delays in development of the South Annex Base may mean that Metro Transit will not have sufficient infrastructure to support its planned fleet of 337 battery-electric buses in fall of 2028, which could lead to service disruptions.”

Name	Description	2025	2026-2027	2028-2029	Total Budget <sup>39</sup>
<b>East Base Electrify</b> (1144128)	Planning and design for conversion of East Base (2030)	\$0	\$9,397,294	\$135,121,797	\$148,590,171
<b>Ryerson Base Electrify</b> (1144142)	Planning and design for conversion of Ryerson Base (2029)	\$2,175,222	\$10,130,098	\$123,621,975	\$135,927,295
<b>Burien Layover Expansion and Charging</b> (1144143)	Expand Burien TC off-street layover to support layover charging	\$5,317,087	\$245,208	\$2,321,964	\$7,884,259
<b>Pier 50 Float Expansion</b> (1148272)	Planning, design, construction for two additional berths at Pier 50, including charging infrastructure (this project is broader than zero-emission, but part of the effort)	\$28,078,578	\$0	\$0	\$28,078,578
<b>Bellevue Base Electrification</b> (1148300)	Planning and design for conversion of Bellevue Base (2035)	\$0	\$0	\$4,337,106	\$12,567,913
<b>Shoreside Charging</b> (1148302)	Install shoreside charging infrastructure for Marine Division	\$6,019,729	\$0	\$0	\$6,019,729
<b>Vanpool Vehicle Purchase</b> (1130169)	Fleet: In 2025 purchase 221 electric vehicles plus solutions for telematics and home charging reimbursement	\$5,492,579	\$31,525,300	\$30,140,800	\$106,014,646
<b>Fixed Route Program Management</b> (1134163)	Fleet: Planning for fleet purchases and coordination with Vehicle Maintenance and Transit Facilities	\$2,671,270	\$1,388,974	\$694,486	\$6,632,443
<b>2025 TOTAL</b>		<b>\$448,383,287</b>			

In 2022, Metro completed a zero-emission bus fleet transition plan<sup>41</sup> as part of a Federal Transit Administration requirement to apply for federal grant funding. The transition plan outlined Metro's timeline and strategy to achieve a zero-emission revenue fleet by 2035.

- **Fleet plan.** Metro's revenue bus fleet comprises approximately 1,300 vehicles,<sup>42</sup> including 174 electric trolley buses and 51 battery electric buses (BEBs).<sup>43</sup> Over

<sup>41</sup> King County Metro, Moving to a Zero-Emission Bus Fleet: Transition Plan, May 2022 ([link](#))

<sup>42</sup> This total does not include Sound Transit buses that are operated by Metro, and which comprise an additional 80 buses as of Fall 2024.

<sup>43</sup> BEBs include 11 short-range Proterra buses and 40 longer-range New Flyer buses. The remaining buses are diesel-electric hybrids.

the next decade, Metro plans to replace the existing trolleys and purchase BEBs. Table 8 shows Metro’s fleet plan for zero-emission buses (when buses will enter the fleet, not when funds are appropriated or when the buses are ordered). Metro notes that additional buses may be needed to achieve the zero-emission network, depending on technology and layover charging ability.

**Table 8. Metro Zero-Emission Fleet Plan<sup>44</sup>**

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	TOTAL
40' BEB		89 <sup>45</sup>		100 <sup>46</sup>	70	85	35	105		50	85	610
60' BEB				100 <sup>47</sup>	30	25	150	60	20	90	45	520
40' Trolley									110			110
60' Trolley			20						64			84
<b>TOTAL</b>		<b>89</b>	<b>20</b>	<b>200</b>	<b>100</b>	<b>110</b>	<b>185</b>	<b>165</b>	<b>194</b>	<b>140</b>	<b>130</b>	<b>1,333</b>

- **Base conversion plan.** To accommodate the zero-emission fleet, Metro must convert its bases to add charging or fueling infrastructure. Metro’s plan is to convert the bases sequentially, with each base expected to require 18 to 24 months for conversion, and with a permanent reduction in capacity of 10% to 15% due to the installation of charging infrastructure within the yard. The draft timeline for electric base opening is:
  - 2026: Interim Base
  - 2028: South Annex Base
  - 2029: Central Base
  - 2029: Ryerson Base
  - 2032: Bellevue Base
  - 2033: North Base
  - 2035: South Base
  - 2035: Atlantic Base
- **Layover charging.** Metro’s current plan calls for a mix of on-base and on-route charging. Metro has been pursuing five initial layover sites in South King County to support electrification of the fleet operating out of the Interim and South Annex Bases. After that, Metro plans to seek candidate locations for layover charging across the system, a process that will require significant electrical infrastructure in multiple jurisdictions.

In June 2024, in response to a Council budget proviso, the King County Auditor’s Office released an audit report on the 2035 zero-emission transit fleet goal and Metro’s progress in meeting it.<sup>48</sup> The audit found that Metro faces significant risks that may

<sup>44</sup> Source: King County Metro, Moving to a Zero-Emission Bus Fleet: Transition Plan, May 2022 ([link](#)) with updated information from Metro in September 2024.

<sup>45</sup> For Interim Base

<sup>46</sup> For South Annex Base

<sup>47</sup> For South Annex Base

<sup>48</sup> King County Auditor, Zero Emissions: Metro Transit Working to Mitigate Risks to County’s Ambitious 2035 Goal, June 11, 2024 ([link](#))

impede its ability to reach the 2035 goal, including the loss of bus manufacturers, technology limitations, sufficient electricity supply in the future, and lagging battery-electric bus performance.

The audit recommended that Metro communicate with Council about its efforts to test diverse propulsion systems (such as hydrogen), establish emergency plans for the use of zero-emission buses during a regional emergency, implement a strategy to make use of collaborative capital delivery methods, and take steps to formalize procurement, safety, collaboration, and government relations in capital projects.

## **RapidRide & Metro Connects**

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Metro currently operates eight RapidRide lines (A-H) and is working to develop four additional lines (I, J, K, R), which are planned to start service between 2026 and 2031.

Work on the K Line between Kirkland and Bellevue and the R Line along Rainier Avenue in Southeast Seattle was paused during the pandemic and then restarted at the Council's request. As part of the 2023-2024 Biennial Budget, \$7.5 million was appropriated to advance work on the K Line and \$22 million for the R Line.

The Executive has not proposed additional appropriations for the K or R Lines for 2025, stating that \$10 million in existing carryover appropriation for the K Line and \$26 million in carryover for the R Line will be sufficient to move forward with planned activities during 2025, which includes completing 10% design and finalizing a Locally Preferred Alternative<sup>49</sup> for the K Line and developing a scope of work for the final design phase for the R Line.

As part of the update to the Metro Connects long-range plan<sup>50</sup> in 2021, Metro was asked to transmit a RapidRide Prioritization Plan to organize future RapidRide lines into tiers. That plan, which was accepted by the Council earlier this year,<sup>51</sup> identified two potential RapidRide corridors for the first tier,<sup>52</sup> with implementation to be prioritized by the time of the future Interim Network.<sup>53</sup> The 2025 budget proposes an appropriation of \$1.5 million toward continued planning for the two Tier 1 RapidRide lines, which would be targeted for implementation during the 2030s.

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<sup>49</sup> The Locally Preferred Alternative for a RapidRide line identifies the alignment (pathway) the bus will follow, as well as the station locations. Approval of a Locally Preferred Alternative by the Council is a requirement to be eligible for federal funding.

<sup>50</sup> Ordinance 19367

<sup>51</sup> Motion 16659

<sup>52</sup> Routes 150 and 36 were prioritized for Tier One in the RapidRide Prioritization Plan (Motion 16659)

<sup>53</sup> The adopted Metro Connects is based around two future transit networks: an Interim Network and a 2050 Network. The Interim Network is envisioned for when the Ballard and West Seattle Link light rail extensions open (originally anticipated as 2035 for costing purposes, currently anticipated as 2039).

Metro Connects was adopted as an unconstrained plan and is not fully funded.<sup>54</sup> It is not clear at this time what level of additional resources would be available during future biennia for ongoing RapidRide development or other transit expansion investments envisioned in Metro Connects.

## **Information Technology Investments**

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Metro's operations rely on several hundred technology applications and interfaces that are used to plan routes and schedules, collect fares, communicate between buses and the base, and provide information to employees and customers. The 2025 budget continues Metro's investment in technology solutions with a proposed \$12 million in appropriations for 2025 for new or updated transit technology projects, including:

- **Seattle Streetcar INIT replacement:** \$858,000 to replace the 2007-era INIT<sup>55</sup> system that supports service activities on the Seattle Streetcar with upgraded technology that meets industry standards and integrates with the INIT system used by Metro's Bus Operations Division.
- **Operator electronic pick:** \$5.82 million to develop an electronic Pick for operators. Operator Pick and Vacation Selection is when Metro operators select their future work shifts and vacations, a process that must adhere to rules outlined in the collective bargaining agreement with the Amalgamated Transit Union (ATU), Local 587.<sup>56</sup> The current process relies on the manual posting of printed materials in a central location, which is costly to conduct and does not allow operators to track results ahead of their selection time. This project will develop an interface through Metro's existing HASTUS<sup>57</sup> scheduling software to allow the Pick to be conducted electronically, which is anticipated to reduce costs and increase transparency into available work for operators.
- **WebTools upgrade:** \$5.4 million to upgrade Metro's WebTools<sup>58</sup> suite with modern security and access architecture to bring back-end systems into compliance with KCIT's security policies; to upgrade front-end applications with

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<sup>54</sup> An unconstrained plan is, by definition, one that assumes unlimited resources. When Metro Connects was adopted, the Council requested a Metro Connects Implementation Plan (Motion 16155) to provide more information on the funding gap and potential funding sources.

<sup>55</sup> INIT is the name of a supplier of integrated planning, dispatching, telematics, and ticketing systems for buses and trains ([link](#))

<sup>56</sup> Ordinance 19668

<sup>57</sup> HASTUS is the name of a transit scheduling software for bus, tram, and passenger rail operations ([link](#))

<sup>58</sup> WebTools is a suite of applications built and maintained by KCIT for Metro applications that generate data for frontline Metro service delivery and customer-facing systems. For Metro, these include: assignment and editing of route stops so that riders know the intermediate and endpoint of a route; defining what, when, and where announcements are made onboard a transit vehicle; assigning a customer-accessible name to stops and streets; identifying when customer-facing signage changes when a trip transitions from one route to another; managing bus stop route signage information; managing and determining what route service information goes to what frontline system; combining data from Metro's scheduling system and sending it to the Onboard System Central Computer System; displaying data on a dashboard at each base; managing partner agency inventories of ORCA LIFT cards; managing vanpool memberships; and viewing bus assignment data.

new versions of Microsoft development technologies; and to move the system from an on-premise server to the cloud.

## KEY ISSUES

### ISSUE 1 – RIDERSHIP & SERVICE

Metro is currently operating approximately 87% of pre-pandemic service levels (90% of County-funded service) with 64% of pre-pandemic weekday ridership levels. In part because of this imbalance, farebox recovery levels are anticipated to remain below the required 25% (estimated at 9.3% for 2025), meaning that Metro is collecting up to \$150 million a year less in farebox revenue than if it could meet the requirement.

As this staff report describes, the 2025 budget proposes to increase transit service, continue and expand safety and security initiatives, including bus and bus stop cleaning, and increase funding for market research and rider engagement.

Metro notes that it will continue to study emerging ridership patterns and that the 2026-2027 budget will address the upcoming projected reserve shortfall that is being driven by the combination of higher spending and lower revenues.

### ISSUE 2 – FARES & FUND MANAGEMENT

As part of the 2025 budget, the Executive is proposing four changes to Metro fares:

- **Adult bus fare.** Proposed Ordinance 2024-0310 would increase the regular adult fare on Metro buses, trolleys, transit vans, dial-a-ride vehicles, and streetcars from \$2.75 to \$3.00, effective September 1, 2025. Metro projects the fare change will result in \$2.6 million in additional farebox revenue in 2025 and \$16.9 million in 2026-2027.
- **Adult water taxi fare.** Proposed Ordinance 2024-0309 would increase adult water taxi fares for West Seattle (from \$5.75 to \$6.25<sup>59</sup> cash, \$5.00 to \$5.25 prepaid) and Vashon Island (from \$6.75 to \$7.00 cash, \$5.75 to \$6.00 prepaid), effective September 1, 2025. Metro projects \$33,260 in additional farebox revenue in 2025 and \$209,521 in 2026-2027.
- **ORCA LIFT bus fare.** Proposed Ordinance 2024-0317 would permanently lower the ORCA LIFT (low-income<sup>60</sup>) fare for Metro buses, trolleys, transit vans, dial-a-ride vehicles, and streetcars from \$1.50 to \$1.00, effective January 1, 2025. The ORCA LIFT fare has been set at \$1.00 since September 2022, but will revert to

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<sup>59</sup> The West Seattle cash fare is proposed to increase by \$0.50 due to the formula in KCC 4A.700.820.

<sup>60</sup> ORCA LIFT is available to passengers at or below 200% of the federal poverty level. ORCA LIFT eligibility is currently \$2,510 monthly income for a one-person household, \$5,200 monthly income for a four-person household. The ORCA LIFT fare program is established in K.C.C. 4A.700.490 ([link](#))



\$1.50 on January 1, 2025, unless action is taken. Metro projects a reduction of \$423,307 in farebox revenue in 2025 and \$910,335 in 2026-2027.

- **ORCA LIFT water taxi fare.** Proposed Ordinance 2024-0308 would lower the ORCA LIFT water taxi fare to \$1.00 (currently \$3.75 for West Seattle, \$4.50 for Vashon), effective September 1, 2025. Metro projects \$2,503 in reduced farebox revenues in 2025 and \$15,535 in 2026-2027

In addition, Proposed Ordinance 2024-0319 would change Metro's farebox recovery target from 30% to 15%; and the farebox recovery floor from 25% to 10%.

### **ISSUE 3 – SAFETY & SECURITY**

In response to continuing concerns about safety and security incidents on buses and at transit stops and bases, and as part of a larger effort to reimagine and reform Metro's safety and security functions, the proposed budget includes several safety and security initiatives. These include additional resources for cleaning of busses and transit stops and stations, as well as funding to maintain the level of contracted transit security officers currently at work in the system and expand the behavioral health and Metro Ambassador programs.

### **ISSUE 3 – WORKFORCE**

Metro is currently operating with 5% of its bus operator positions vacant (126 FTEs vacant out of 2,428 FTE target); and with 6% of bus mechanic positions vacant (16 FTE vacant out of 274 FTE target). This staffing shortfall has meant that Metro has relied on overtime to deliver scheduled service and has prevented Metro from restoring service that was reduced during the pandemic.

The 2025 budget proposes several initiatives to streamline recruitment, enhance training and supervision, and provide mentorship and apprenticeship opportunities.

### **ISSUE 4 – TRANSITION TO ZERO-EMISSION**

To meet the adopted goal of transitioning to a zero-emission revenue bus fleet by 2035,<sup>61</sup> Metro must purchase more than 1,000 battery electric buses and convert its bases to support zero-emission fueling or charging infrastructure.

The proposed 2025 budget includes \$5.84 million in the operating budget to prepare for the opening of Interim Base and plan for the rest of the transition; as well as \$448 million in proposed capital appropriations, the largest of which is \$380 million for the continued development of South Annex Base.

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<sup>61</sup> KCC 18.22.010.A.1, KCC 28.94.085.A.1

In past years, Councilmembers have asked about the tradeoff between service hours and the capital costs of transitioning to a zero-emission fleet. A 2020 study<sup>62</sup> found that, if costs to acquire and operate BEBs remain steady over time, the additional cost of acquiring a zero-emission fleet would be equivalent to providing 237,000 annual service hours over a 19-year period. However, if costs decrease with advances in technology, the lifecycle and societal costs of zero-emission and diesel-hybrid vehicles would be roughly equivalent over the same 19-year period.

A June 2024 report by the King County Auditor noted that Metro faces significant risks that may impede its ability to reach the 2035 goal, including the loss of bus manufacturers, technology limitations, sufficient electricity supply in the future, and lagging battery-electric bus performance.

### **ISSUE 5 – RAPIDRIDE & METRO CONNECTS**

Work on the RapidRide K Line between Kirkland and Bellevue and the R Line along Rainier Avenue in Southeast Seattle was paused during the pandemic and then restarted at the Council's request. The Executive has not proposed additional appropriations for the K or R Lines for 2025, stating that existing carryover appropriation will be sufficient to proceed with planned activities for each line.

The 2025 budget proposes an appropriation of \$1.5 million toward planning for the two Tier 1 RapidRide lines identified in the RapidRide Prioritization Plan,<sup>63</sup> which would be targeted for implementation during the 2030s. However, because Metro Connects was adopted as an unconstrained plan,<sup>64</sup> it is not clear at this time what additional resources would be available for future RapidRide development or other Metro Connects projects.

### **RESPONSE TO COUNCIL INQUIRIES**

**QUESTION 1: RIDERSHIP & SERVICE. FLEXIBLE CONTRACTED MOBILITY SERVICES (TRANSIT DS\_002) REQUEST \$2.2M. THE KING COUNTY AUDITOR'S OFFICE IDENTIFIED THREE AREAS FOR IMPROVEMENT FOR THE ACCESS PARATRANSIT PROGRAM IN ITS LATEST FOLLOW-UP REPORT IN 2023, AND ANECDOTALLY THERE ARE STILL CONCERNS FROM CONSTITUENTS ABOUT CONSISTENCY AND RELIABILITY. IS THIS APPROPRIATION TARGETED AT MAINTAINING EXISTING PROGRAMS OR MAKING IMPROVEMENTS?**

**ANSWER:** The Executive has stated that additional funding in Transit decision package DS 002 for Access and Community Access Transportation (CAT) is for proforma increases in maintenance, fuel cost, and cost-of-living increases for CAT and Metro Flex contracted drivers. The only increases in service costs in this decision package are related to Metro Flex and Snoqualmie Valley Transit (SVT) expansion.

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<sup>62</sup> Zero-Emission Battery Bus Preliminary Implementation Plan (2020-RPT0142) ([link](#))

<sup>63</sup> Motion 16659

<sup>64</sup> At Council's request, Metro developed a Metro Connects Implementation Plan in 2022 to provide more information about the Metro Connects funding gap and potential funding sources (Motion 16155).

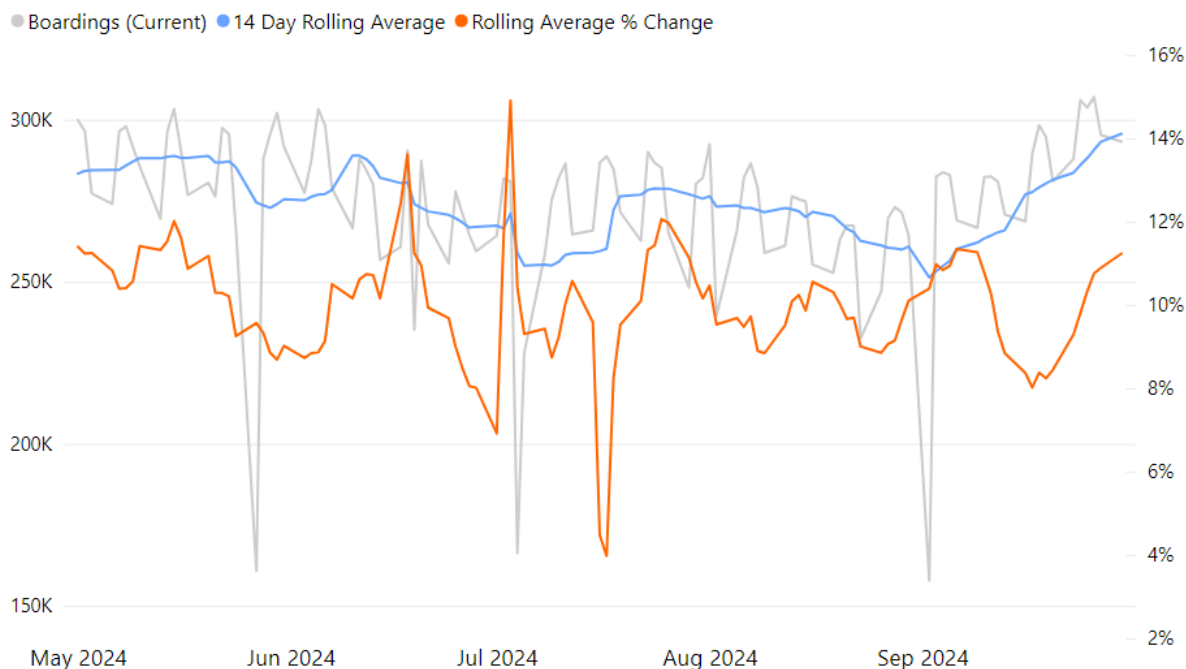
In past years, because of the identified concerns about Access paratransit performance that led to the change in funding levels, contract structure, and contractor in 2019, the Council for several years required annual reports by budget proviso to track how the Access contractor was meeting the Key Performance Indicators in the contract. The latest of these reports was transmitted in 2022.<sup>65</sup>

In addition, KCC 2.124.010.C.3 asks the Access Paratransit Advisory Committee to transmit an annual report to the Executive and Council. The most recent report was transmitted in August 2024<sup>66</sup> and provides a user perspective on Access service.

**QUESTION 2: RIDERSHIP & SERVICE. DO WE HAVE ANY INFORMATION ON HOW THE EXPANSION OF LINK LIGHT RAIL SERVICE IS AFFECTING METRO’S BUS RIDERSHIP?**

ANSWER: Metro indicates that, overall, Metro ridership continues to grow annually, with a 9.3% growth in boardings over 2023 ridership year to date. Metro notes that data from the Fall 2024 service change is not yet complete, and that it is challenging to distinguish growth in fall bus ridership from Link expansion versus students returning to school/UW and the seasonal upswing typically Metro experiences every year.

The chart below shows the Rolling Average % Change (year over year) mostly between 8-10% since May 2024, while the Boardings (Current) shows a growth of 12-14% growth in September.



<sup>65</sup> Motion 16215

<sup>66</sup> 2024-RPT0106, Access Paratransit Advisory Committee 2024 Report, August 2024 ([link](#))

**QUESTION 3: FARES & FUND MANAGEMENT. WHAT IS THE RELATIVE CONTRIBUTION OF POLICY, FARE NONCOMPLIANCE, REDUCED FARES, ETC., TO FAREBOX RECOVERY?**

**ANSWER:** Table 9, below, provides Metro’s estimates of the fare revenue impacts of lower overall ridership, free youth fares,<sup>67</sup> the subsidized annual pass,<sup>68</sup> a reduction in business Passport revenue,<sup>69</sup> and increased fare evasion. Metro notes that this analysis is based on best available information and assumptions for the fare value of the various ridership categories, but that there is not precise data available to inform this.

**Table 9. Share of Bus Fare Revenue Decrease: 2019 vs. 2023**

	Total*	Percent of decrease
<b>2019 bus fare revenue</b>	<b>\$164</b>	--
Lower overall ridership	(\$63)	67%
Free youth fare	(\$5)	5%
Subsidized annual pass	(\$2)	2%
Reduction in Passport revenue	(\$13)	14%
Increased fare evasion	(\$11)	12%
<b>2023 bus fare revenue</b>	<b>\$71</b>	--

\*In millions, discrepancy due to rounding

In terms of each of these categories:

- **Lower overall ridership due to the pandemic.** When comparing annual totals for 2019 compared with 2023, Metro estimates that lower ridership has led to an estimated decline of \$63 million in fare revenue.
- **Differences in the makeup of post-pandemic riders.** Metro indicates that, based on analysis of its Rider/Non-Rider survey,<sup>70</sup> in 2019, 53% of riders reported their primary transit trip purpose as work. In early 2023, only 27% of riders listed work as their primary transit trip purpose. In 2024, the question wording changed, but 52% of people said they used transit for work and half of

<sup>67</sup> The free youth fare was established through Ordinance 19474 and began September 1, 2022. Metro is working to distribute free Youth Transit Passes, though student IDs are also accepted, and youth can ride free without a pass. ([link](#))

<sup>68</sup> Metro’s fully subsidized annual pass program provides a fully subsidized ORCA LIFT card to very-low-income passengers with incomes at or below 80 percent of the federal poverty level, who are enrolled in one of six State benefit programs. The program is established at KCC 4A.700.490. ([link](#))

<sup>69</sup> Business Passport accounts allow local employers to buy ORCA passes in bulk and, if desired, subsidize their employees’ transit fares. As noted above in this staff report, the business Passport program currently has 760 active accounts serving 420,000 transit riders. Passport accounts currently comprise 53% of farebox revenues but about a quarter of all boardings.

<sup>70</sup> King County Metro Transit 2019 Rider and Non-Rider Survey, March 2020 ([link](#))

those people are taking transit for work nine days or less per month. This reduction in work trips is reflected in the lower revenue recognized through Passport accounts.

- **Expansion of income-based fares.** The Subsidized Annual Pass accounted for 2.2 million boardings in 2023. If a \$1.48/boarding average is assumed (which reflects the average value per boarding of ORCA users), this ridership would be roughly valued at \$3 million in revenue. It's not clear how many of these trips would not have occurred if not for the program.
- **Transfers to Sound Transit services (thus splitting the fare with Sound Transit).** Metro indicates that it does not have pre-pandemic ORCA transfer data available but there has been an increase in transfer activity between Metro and Link light rail in recent years. Prior to the opening of the Lynnwood Link extension in August 2024, about 2.5% of Metro ORCA taps were transfers from Link to Metro. That is now up to 5%.
- **Fare nonpayment.** Metro estimates that nonpayment accounted for 18 million boardings in 2023, roughly valued at \$16 million total, which is an increase of approximately \$11 million compared with 2019. The calculation for the \$16 million assumes an average fare per boarding value of approximately \$0.90. Metro notes that there is not data available as to what fare category these passengers would be in.

**QUESTION 4: FARES & FUND MANAGEMENT. IS THE FAREBOX RECOVERY TARGET TURNING MORE INTO A METRIC THAN A POLICY?**

ANSWER: Proposed Ordinance 2024-0319 would change the 25% farebox recovery requirement to a 10% farebox recovery floor (changing it from a “must” to a “should”). As proposed, this would have the impact of changing farebox recovery to a metric rather than a requirement that must be met. The Council could determine whether to require Metro to provide regular reports or updates on farebox revenues moving forward, and could take additional actions to address Metro’s service/ridership imbalance or the other revenue and expenditure imbalances that are leading to Metro’s projected \$500 million reserve shortfall by 2028.

**QUESTION 5: SAFETY & SECURITY. METRO AMBASSADORS: I’M GLAD TO SEE THAT AMBASSADORS ARE CONTINUING TO BE FUNDED IN THIS PROPOSAL SO THAT THERE’S PLENTY OF PRESENCE AROUND THE SYSTEM. HOWEVER, DO YOU KNOW WHY AMBASSADORS ARE PLANNED TO BE STATIONED ON SECOND OR THE WATERFRONT, SINCE WE DON’T HAVE ANY FIXED-ROUTE BUS SERVICE THERE?**

ANSWER: Metro notes that it is considering Second Avenue in Seattle as a site for expanded Ambassador presence due to the number of transit lines (both Metro and Sound Transit) to regional cities. Second Avenue serves the following routes: 101

(Renton to Seattle); 150 (Kent to Seattle); 578 (Sound Transit, Puyallup to Seattle); 550E (Sound Transit, Seattle to Bellevue); 554E (Sound Transit, Issaquah to Seattle); 590 (Sound Transit, Tacoma Dome to Seattle); 592 (Sound Transit, Olympia/DuPont to Seattle); and 594 (Sound Transit, Lakewood to Seattle).

Metro notes that it is considering the Waterfront as a seasonal location because of the number of tourists and visitors that Seattle welcomes during the summer. This location is being considered as a way to help customers better understand and promote public transportation options and connections to downtown, which include stops on Alaskan Way at Columbia St. and South Jackson St. that serve multiple Metro routes, including both the RapidRide C Line and the RapidRide H Line.

**QUESTION 6: SAFETY & SECURITY. TRANSIT SECURITY OFFICERS - PROPOSED \$11.8M TO MAINTAIN CONTRACTED SECURITY ON BUSES. WHO IS THE CONTRACTOR FOR THESE SERVICES? IS THIS THROUGH KCSO OR EXTERNAL? IF SO, WHAT IS THE OVERSIGHT MECHANISM?**

ANSWER: Metro notes that it currently uses two contractors, Securitas and Security Services Northwest (SSNW). The Securitas contract is set to expire at the end of 2024 and Metro is currently conducting contract negotiations with a different vendor that was selected in an RFP process. The new contractor will take over all contracted security services from Securitas and SSNW on January 1, 2025.

In terms of oversight, Metro notes that the contract with the security provide includes key performance indicators (KPI's) that include but are not limited to: count of coaches boarded, passengers observed, transit zones visited, checkpoint visitation frequency, and park & ride usage. The contractor is required to conduct data collection of their activities and use the information to monitor service delivery. The 2025 contract with the new vendor includes a quality assurance program to assist with compliance and address performance issues.

**QUESTION 7: SAFETY & SECURITY. SAFETY/CLEANLINESS OF BUS STOPS: HOW DO WE INTEND TO ACHIEVE SECURITY, SAFETY, AND CLEANLINESS STANDARDS WITH CURRENT RESOURCES? ASK FOR REPORTING BACK ON LEVEL OF SERVICE?**

ANSWER: For Metro's facilities, Metro provides bus stop cleaning based on the ridership and level of transit service at a stop. Stops with more frequent transit service and more daily boardings require more frequent cleaning. Specifically, Metro states that shelters in high-traffic urban areas are to receive five visits per week, stops with medium usage to receive three visits per week, and stops in rural areas to receive one visit per week, with transit center garages cleaned twice a week. Cleaning tasks are organized into three levels:

- Level 1 Service Visit – Sweeping
- Level 2 Service Visit – Sweeping and Trash Removal

- Level 3 Service Visit – Sweeping, Trash Removal, Pressure Washing

Metro’s standard is to provide one Level 3 service visit at each facility per month, with Level 1 and Level 2 service visits as needed and as staffing allows. At each visit, staff are to clean from “asset to asset,” covering all fixtures installed by Metro (such as a garbage receptacle, flag stop, lighting fixture, or bench), as well as five feet around the facility.

When Metro last reported to the Council on its ability to meet these standards, in 2023 through the Transit Stops and Centers Cleanliness Effort Report,<sup>71</sup> Metro reported that it achieved 65% of its standard in 2021 and 52% in 2022, compared with 80% pre-pandemic. Metro reported that the reduction was due both to staffing shortfalls and the increase in time needed to clean transit facilities given increasing vandalism, littering, and other sanitation challenges.

As part of the 2025 budget, Metro has proposed adding 20.0 TLTs to create four additional cleaning teams. This is proposed as a pilot to assess the level of resources needed to meet or exceed the cleaning standards for bus stops.

**QUESTION 8: TRANSITION TO ZERO-EMISSION. ADA VAN PROCUREMENT (TRANSIT REVENUE CAPITAL FLEET) IS NOT REQUESTED IN THIS BUDGET BUT WILL BE IN FUTURE YEARS. WHERE EXACTLY WILL THESE VANS BE USED – AS PART OF PARATRANSIT OR AS PART OF THE VANPOOL PROGRAM? IS THIS BECAUSE THE NEW VANS BEING PROCURED ARE NOT ADA ACCESSIBLE? ARE THESE ANTICIPATED TO BE ELECTRIC OR HYBRID?**

ANSWER: This project would fund the purchase of new vehicles needed to support Metro's Access Paratransit service. New vehicles are purchased to replace vehicles at the end of their useful life and to expand or enhance the service.

Metro has indicated that, “This project reduces of Green House Gas Emissions by replacing older fossil fuel vehicles with battery electric zero emission vehicles.” Metro is purchasing zero-emission vehicles in response to the 2020 “Jump Start” ordinance, which set the goal of a 67% zero-emission ADA paratransit fleet by 2030.<sup>72</sup> This means that, as in other fleets, Metro is moving toward zero-emission vehicles.

**QUESTION 9: TRANSITION TO ZERO-EMISSION. AS NOTED IN THE COUNCIL STAFF REPORT, A 2020 REPORT HIGHLIGHTED THAT IF COSTS REMAIN STEADY, THE ADDITIONAL COST OF ACQUIRING A ZERO-EMISSION FLEET WOULD BE EQUIVALENT TO PROVIDING 237,000 ANNUAL SERVICE HOURS OVER A 19-YEAR PERIOD. THERE HASN’T BEEN AN UPDATED ANALYSIS ON THIS, HAS THERE?**

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<sup>71</sup> Motion 16388

<sup>72</sup> KCC 28.94.085.A.2 (Ordinance 19052)

ANSWER: As part of the 2020 Jump Start ordinance,<sup>73</sup> the Council asked Metro to prepare a report analyzing the service/capital tradeoff of moving to a zero-emission fleet.<sup>74</sup> That report indicated that if costs to acquire and operate BEBs remain steady over time, the additional cost of acquiring a zero-emission fleet would be equivalent to providing 237,000 annual service hours over a 19-year period. However, if costs decrease with advances in technology, the lifecycle and societal costs of zero-emission and diesel-hybrid vehicles would be roughly equivalent over the same 19-year period.

Moving forward, Metro indicates that it is conducting energy modeling and data analysis through its zero-emission (ZE) Service Transition Planning Team and Transit System Electrification Plan to better understand the potential service implications and capital approach. This information will be incorporated into the 2026-2027 budget proposal and may result in an updated plan for transitioning to a zero-emission fleet.

Metro notes that early energy modeling and data analysis of the 40 Battery Electric Buses (BEBs) that Metro currently has in operations indicate that current BEB range does not meet all of Metro's service needs. Metro's new BEB fleet from GILLIG, scheduled to start service in 2026 at Tukwila Base (formerly known as Interim Base), will have 30% more battery capacity. Metro anticipates that this extended range will allow Metro to deliver service with less added service hour costs.

Metro states that its priority is to deliver reliable service as it transitions to a zero-emissions fleet. Metro notes that it is developing a service transition approach that complements Metro's capital investments to maintain service quality and convert routes to BEBs as range improves and can meet service needs. The GILLIG BEBs operating out of Tukwila base in 2026 will operate a select set of routes that are suitable for BEB operations. Metro states that it is also investing in technology (charge management software) to deliver service, maximize range, and maintain battery health most efficiently.

Metro notes that it continues to engage with national and global industry peers to learn about their experiences transitioning fleet and facilities to zero emissions, and states that it will continue to balance service and capital investments as it transitions to a zero-emissions fleet.

**QUESTION 10: RAPIDRIDE & METRO CONNECTS. IF THE R LINE IS DELAYED, CAN WE SPEED UP THE NEXT RAPIDRIDE LINE, WHICH IS THE K LINE?**

ANSWER: Metro has stated that speeding up delivery of the K Line (current estimated start date is 2030) is not likely realistic given requirements for Federal Transit Administration (FTA) funding, challenges of delivery constraints for Metro and jurisdictional partners, permitting, and design review.

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<sup>73</sup> Ordinance 19052

<sup>74</sup> 2020-RPT0142, Metro Transit Zero-Emission Battery Bus Preliminary Implementation Plan ([link](#))



Metro refers to the timeline for the K Line that was provided as part of the RapidRide Prioritization Plan<sup>75</sup> from July 2024 as its current timeline, which includes major project milestones with an estimated construction timeline and start of service date by 2030:

2024:

- Re-engage community
- Established locally preferred alternative
- Select preferred speed & reliability improvements and multimodal connections
- Advance design and feasibility of improvements
- Establish delivery schedule and methodology

2025:

- Completion of updated 10 percent design deliverables (plan set, cost estimates, reports)
- Preferred alignment adopted by King County Council
- Federal Transit Administration (FTA) Small Starts Grant Process
- Begin environmental review process

2025–2027: Final Design phase

2028–2030: Construction phase

2030: K Line service launch

Metro indicates that it cannot further expedite the timeline due to a number of factors related to upcoming project milestones, including:

- The National Environmental Policy Act clearance process for federally funded projects holds to a strict timeline of documentation, evaluations, reviews, and milestones. Metro states that its experience from delivery of similar projects indicates that a 20- to 24-month timeline (as indicated on the timeline above) should be expected for the K Line.
- Federal Transit Administration’s Small Starts Grant funding process also holds to a strict timeline of evaluation, rating, and approval milestones. Metro states that its experience from delivery of similar projects shows that there is little ability to deviate from the Small Starts schedule for meeting prescribed milestone dates.
- Working with multiple jurisdictional partners on a single RapidRide project lends itself to concurrent timelines per jurisdiction that don’t always align with one another, given each jurisdiction’s unique process for plans review, right-of-way acquisition, and permitting, among other requirements. Metro notes that durations for the Final Design phase, as listed above, reflect these anticipated complexities.
- Metro states that its experience delivering the RapidRide I Line project and co-delivering the G Line project with the City of Seattle demonstrate the need for

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<sup>75</sup> Motion 16659

including a robust construction contingency in the project schedule as a means to reach the substantial completion milestone at a calendar date that fully allows for sufficient “startup and testing” time ahead of service launch.

- Metro concludes by noting that multiple recent failed recruitments for engineering and project management roles are challenging Metro’s ability to staff its capital program and meet delivery milestones as anticipated, particularly for large and complex projects like the RapidRide K Line. Expediting projects in this context presents future project risks due to insufficient internal technical resources during the early project phases.

## SOLID WASTE OPERATING

ANALYST: TERRA ROSE

	Expenditures	Revenues	FTEs	TLTs
2024 Revised Budget, Annualized	\$190,293,298	\$182,929,405	495.4	4.0
2025 Base Budget Adjust.	\$5,044,548	\$0	(0.6)	(2.0)
2025 Decision Packages	\$73,865	\$1,702,896	23.0	1.0
<b>2025 Proposed Budget</b>	<b>\$195,412,000</b>	<b>\$184,633,000</b>	<b>517.8</b>	<b>3.0</b>
% Change from prior biennium, annualized	2.7%			
Dec. Pkg. as % of prior biennium, annualized	0.03%			

**Major Revenue Sources:** Disposal fees

### DESCRIPTION

The Solid Waste fund is an enterprise fund that pays for operating activities for the King County Solid Waste Division (SWD). SWD provides waste transfer and disposal services for 37 partner cities with interlocal agreements and the unincorporated area, as well as operates eight transfer stations, two drop boxes, and the Cedar Hills Regional Landfill. SWD also manages a variety of waste reduction and recycling programs targeted at residents and businesses.

The Solid Waste Division operating budget is supported by a variety of disposal fees that are approved by the Council. Earlier this year the Council approved an ordinance increasing fees effective 2025.<sup>1</sup>

### SUMMARY OF PROPOSED BUDGET AND CHANGES

The proposed operating budget for SWD would increase by a net of approximately \$5.1 million, or, 2.7%, and would add a net of 23.0 FTEs, relative to the annualized 2024 revised budget. Executive staff indicate that approximately \$4.3 million in costs from new proposals in this budget are FTE-related and another \$4.7 million in proposed increases are related to other programmatic cost increases. These requested increases are partially offset by an approximately \$4.2 million decrease in the planned transfer to the Landfill Reserve Fund relative to the transfer amount in the annualized 2024 revised budget. Executive staff indicate that the transfer amount is adjusted each budget cycle to reflect the updated tonnage forecast, anticipated capital spending, and landfill capacity projections for the Cedar Hills Regional Landfill. Budget materials note that the total transfer amount for 2025 is projected to be \$13.9 million, which Executive staff indicate is sufficient to fund all capital projects and accumulate money for post-closure

<sup>1</sup> Ordinance 19805

maintenance and monitoring of Cedar Hills. SWD proposes using fund balance to cover the gap between proposed expenditures and revenues.

The 23.0 FTEs proposed to be added, along with their proposed scope of work, are summarized in the following table.

<b>Requested Positions</b>	<b>Proposed Scope of Work</b>	<b># of FTEs</b>
Methane Emissions Compliance Support Staff	Budget materials indicate these positions would support compliance with new landfill emissions rules issued by the state Department of Ecology, which require increased monitoring and reporting.	3.0
Climate Manager	Budget materials indicate this position would lead SWD's efforts to implement Strategic Climate Action Plan goals and other greenhouse gas emissions reduction efforts.	1.0
Re+ Program Support TLT Conversion	The Executive's proposal would convert two existing TLTs to FTEs due to their scope of work being needed beyond the limits for TLT positions. Budget materials indicate that these positions would continue to provide grant/contract support and technical assistance on recycling and composting to businesses, as well as support other Re+ efforts.	2.0
Construction and Demolition (C&D) Project/Program Manager	A Project/Program Manager position would be added to support an expansion of SWD's C&D program. According to budget materials, this position is fully supported by revenue from C&D disposal fee.	1.0
Public-Private Partnership Program Manager	Budget materials indicate this new position would identify partners, develop agreements, and manage relationships related to public-private partnership (PPP) opportunities. According to budget materials, SWD has identified potential PPP opportunities related to existing projects such as the redevelopment of the Renton Transfer Station; however, the Division notes they lack someone with the appropriate skillsets for developing and executing these private partnerships.	1.0
Construction Management Support	Budget materials indicate that two Engineer II positions would fulfil the role of owner's representative for construction management, quality control, and would provide technical communication between the construction contractor and the designer.	2.0

<b>Requested Positions</b>	<b>Proposed Scope of Work</b>	<b># of FTEs</b>
Additional Transfer Station Operators (TSOs) for South County Recycling and Transfer Station (SCRSTS)	Nine TSOs would be added to cover expanded services at the new SCRSTS facility, which is estimated to open June 2026. Budget materials indicate that SWD is requesting this personnel in the 2025 budget (with prorated labor costs) so that new staff can be trained prior to the opening date. According to Executive staff, five of the proposed positions would staff the household hazardous waste drop-off and SWD is reimbursed by the hazardous waste program for these labor costs.	9.0
Facilities Maintenance Staff	Two electrical-related positions would be added to the current team of three employees that maintain and repair SWD facilities. Executive staff indicate that the technological complexity of stations and the landfill have increased over time and additional complexity is expected as facilities are upgraded to provide charging capacity as the fleet becomes electrified.	2.0
Engineering Supervisor	An engineering supervisor would be added to SWD's Facility, Engineering, and Science Section to support compliance, operation, and capital project work. Budget materials indicate that this additional position would allow the supervisory work in FESS to be divided in two, one covering work at the landfill and the other focusing on transfer stations, which would help balance workload needs.	1.0
Strategy and Performance Analyst	A new analyst would be added to the Strategy and Performance section to increase capacity for strategic planning and analytical support, which have been in increased demand due to Re+ efforts, several new facilities in the pipeline, and planning for the next disposal method.	1.0
Transfer FTE from Post-Closure Maintenance Fund	Budget materials indicate that this FTE transfer from the Post-Closure Maintenance Fund to the operating fund would streamline FTE tracking, as SWD personnel are budgeted in the operating fund.	1.0
Transfer FTE to Real Estate Services (RES)	In a previous budget cycle, the Division partnered with RES on a pilot wherein RES hired a TLT to manage Harbor Island and other SWD-related real estate needs (such as the purchase of buffer properties at the landfill). Executive staff indicate that the agencies agreed that the pilot was successful and should be made permanent. To effectuate this, an FTE is proposed to be transferred so a permanent employee can be hired.	(1.0)
<b>Net Change</b>		<b>23.0</b>

Other key budget requests are summarized in the following bullets:

- **Low-Income Discount Program Development: \$600,000.** SWD is in the process of developing a low-income discount program for curbside collection service in areas of the county regulated by the state Utilities and Transportation Commission (UTC). These UTC-regulated areas are primarily unincorporated areas but they also includes cities that have opted not to contract for collection service in their city. Budget materials indicate that the requested appropriation would support one-time costs for the development of an enrollment application and database (\$400,000) and ongoing costs to partner with the Department of Public Health Access and Outreach team to assist with the program (\$200,000).
- **Expanded Construction and Demolition (C&D) Program Activities: \$1.7M.** The recently adopted ordinance increasing solid waste fees in 2025 included an increase in the C&D fee, which is expected to support expanded C&D services. The requested appropriation includes the addition of one FTE to support the expanded services and approximately \$1.5 million that is expected to be spent on consultant services. Executive staff indicate that the Division is still programming the additional projected C&D revenue, possible options include: conducting deconstruction and salvage verifier trainings, assessing single commodity diversion strategies, and providing outreach to frontline communities regarding health impacts of standard demolition projects, among others.
- **Increased Transfer Station Recycling Costs: \$403,000.** Budget materials indicate that costs for the transfer station recycling program are increasing and the proposed budget would include an additional appropriation of \$403,000 necessary to support the program. Executive staff indicate that the Division collects several types of recyclables at its facilities and while they receive some revenue from contractors for certain materials (e.g., mixed scrap metal), the rest of the collected materials require SWD to pay for hauling and processing. According to Executive staff, transportation costs charged by contractors increase nearly every budget cycle and the Division is recycling more of certain materials, further increasing transportation and processing costs.
- **PFAS Regulatory Support: \$125,000.** Budget materials indicate that \$125,000 would support the SWD share of the costs of a temporary Environmental Lab Scientist housed in the Water and Land Resources Division that is expected to provide capacity related to PFAS, or Perfluoroalkyl and Polyfluoroalkyl substances. This position is expected to complete work evaluating PFAS in landfill leachate and other waste streams.

**KEY ISSUES**

**ISSUE 1 – CEDAR HILLS LANDFILL PILOTING FIVE-DAY HAULING SCHEDULE**

SWD currently transports waste from the County’s transfer stations to the Cedar Hills landfill seven days a week but is proposing to switch to a five-day staffing model in 2025, which Executive staff indicate will require fewer employees overall and anticipated savings of over \$800,000 per year. Budget materials indicate that SWD has concluded that existing tonnage volumes can be accommodated with the change in staffing model, noting that most of the tonnage arrives at the transfer stations during the week when commercial haulers collect curbside garbage and that overall system tonnage are expected to decline over time as Re+/zero waste efforts are further implemented.

The Division has negotiated a Memorandum of Agreement (MOA) with the union, Teamsters 174, to effectuate the proposed schedule change and this is expected to be transmitted to the Council in October of this year. According to Executive staff, the MOA establishes a one-year pilot of the proposed five-day schedule and phased payouts to impacted employees, which are summarized in the following table:

<b>Date</b>	<b>Eligible Employee(s)</b>	<b>Payout Amount</b>
Commencement of Pilot	Truck Drivers, Tipper Workers, and Scale Operators at landfill on 7/10 schedule as of commencement date	\$6,600
6-Month Mark of Pilot	Same as above	\$6,600
Conclusion of Pilot (12-Month Mark)	All Truck Driver Ills, Tipper Workers, and the two Scale Operators at landfill	\$30,000

Executive staff indicate that the MOA states that SWD will determine if the five-day schedule is sufficient to meet operational needs and if it is, the Division will make the final payout and the proposed schedule will be made permanent. According to Executive staff, throughout the pilot period SWD will consider how the implementation aligns with the anticipated effects and will consider input from staff, labor, city partners, customers, haulers, and the community. If the Division determines the pilot was not successful, the final payout will not be made, and the scheduling provisions will revert to the prior agreement language.

Budget materials indicate that the estimated net one-time cost of the payouts, including offsets from cost savings resulting from the change, is approximately \$2.3 million. Executive staff state that SWD expects to save between \$600,000 and \$800,000 during the pilot and over \$1.0 million per year if the schedule change is made permanent. According to budget materials, the Division has held six positions open and anticipates an additional retirement by the end of 2024 and the resulting savings from these held-open positions will be used to offset the payout amount.

Executive staff state they are not anticipating odor or other negative impacts to neighbors of the transfer stations resulting from the schedule change, noting that they actually expect less waste to be stored at stations under the change. With the five-day schedule, more trucks are expected to be running each weekday and more garbage moved during the weekday peak period.

Executive staff note that the Division is currently negotiating with IUOE 302, the union that represents the heavy equipment operators at the landfill, on similar scheduling adjustments.

Council staff is flagging this as a key issue given the magnitude of the bargained payout and the forthcoming transmittal of the MOA to the Council.

UPDATE: The MOA has now been transmitted (Proposed Ordinance 2024-0340).

### **RESPONSE TO COUNCIL INQUIRIES**

#### **QUESTION 1: HOW DOES RE+ FACTOR INTO SCHEDULE-RELATED SAVINGS?**

ANSWER: Budget materials indicate that the Solid Waste Division has concluded that current tonnage volumes can be accommodated with the proposed five-day hauling schedule that would be memorialized by the Memorandum of Agreement that is expected to be transmitted later this month. Executive staff are forecasting future declines in overall system tonnage as Re+ and zero waste efforts are further implemented. Presumably, the expected reduced future tonnage levels could also be accommodated by the proposed schedule change. With the five-day hauling schedule, Executive staff expect fewer employees to be needed to haul waste from the transfer stations to the landfill, generating an annual savings of more than \$800,000.

While not specifically related to Re+, Executive staff have indicated that the 7/10 schedule has historically been costly and difficult to manage, as it requires a larger workforce to cover the hours, costly customizations such as duplicate meetings/communications, as well as the pay premium described earlier in this staff report.

#### **QUESTION 2: METHANE EMISSIONS CAPTURE AT THE LANDFILL:**

- A. WHAT IS THE STATUS OF NEGOTIATIONS WITH THE AGENCY THAT HAS BEEN DOING METHANE CAPTURE?**
- B. IF THE DISPUTE IS NOT RESOLVED, WHAT IS THE PLAN TO SAFELY HANDLE THE EMISSIONS FROM THE LANDFILL, SO AS NOT TO BE CONTRIBUTING TO GHG EMISSIONS TOTALS AND IMPACTING HUMAN HEALTH?**
- C. WHERE DOES IT GO WHEN NOT SOLD TO BIO ENERGY WASHINGTON?**



ANSWER: Landfill gas generated at the Cedar Hills landfill is captured by a gas control system that is managed by the Solid Waste Division. Historically, the captured gas has been sold under contract to Bio Energy Washington (BEW), which has operated a processing facility onsite at the landfill to convert the gas into pipeline-quality renewable natural gas. King County and BEW are currently in litigation, with a trial date in federal court scheduled for Spring 2025. For further questions on the ongoing litigation, Council staff suggest that these discussions occur in the context of an attorney-client briefing with the Division and the Prosecuting Attorney's Office.

Executive staff indicate that the Division is currently flaring landfill gas, which refers to burning the gas at a high temperature to reduce volumes of greenhouse gasses. According to Executive staff, flaring is a required operational practice under the landfill's environmental permits during periods when landfill gas cannot be sent to BEW. Executive staff further state that methane destruction from flaring is typically greater than 99% and Division environmental permits require a 98.5% removal of all non-methane organic compounds, which is achieved by flaring. Flaring methane does release carbon dioxide into the atmosphere; however, it is a less potent greenhouse gas than methane. Executive staff state that the Division's position is that it is essential for BEW to resume its operations so that the landfill gas can be put to beneficial use.

Separate but related, earlier this year, the state Department of Ecology adopted new rules focused on capture of methane from the landfill and reduction of fugitive emissions, which refer to emissions that are not captured by the gas control system and that leak into the atmosphere. Executive staff indicate that these new rules are agnostic as to whether landfill gas that is collected is flared or further processed.