RESOLUTION R-5001

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND ADOPTING A POSITION STATEMENT ON THE CLOSURE OF THE HOUGHTON TRANSFER STATION, THE CONSIDERATION OF LIMITING SELF HAULING AT TRANSFER STATIONS AND THE ESTABLISHMENT OF DIFFERENT CUSTOMER CLASSES TO AVOID DISPROPORTIONATE FINANCIAL IMPACTS ON THOSE WHO SIGNED THE AMENDED AND RESTATED INTERLOCAL AGREEMENT THROUGH 2040.

WHEREAS, King County Solid Waste Division (KCSWD) has owned and operated the Houghton Transfer Station in the City of Kirkland for many years; and

WHEREAS, it has been the goal of the City to close this facility for many years because it does not meet the majority of criteria necessary for a safe and modern transfer station and is the only transfer station located entirely within a residential neighborhood with only local access; and

WHEREAS, with the assistance of the Metropolitan Solid Waste Advisory Committee (MSWAC), KCSWD has been formulating a Solid Waste Transfer and Waste Export Plan that results in the closure of the Houghton Transfer Station as well as considering alternative plans for handling solid waste in King County; and

WHEREAS, concurrently with this effort, the County was negotiating with a number of cities the Amended and Restated Interlocal Agreement (Amended ILA) that would extend the duration of the Amended ILA and by which the Cities using KCSWD facilities would continue to be part of the KCSWD system; and

WHEREAS, failure of some of the cities to agree to the Amended ILA will have disproportionate financial impacts on the cities that did sign if no differential solid waste rate is established; and

WHEREAS, the Kirkland City Council approved the Amended ILA on February 19, 2013, based in part on assurances by the KCSWD that the Houghton Transfer Station would be closed and that a differential solid waste rate would be established; and

WHEREAS, the Council wishes to present a Position Statement to KCSWD as to its preferences in these matters,

NOW, THEREFORE, be it resolved by the City Council of the City of Kirkland as follows:

<u>Section 1</u>. The City Council adopts the attached Position Statement, which is incorporated by reference, recommending 1) to provide the County sufficient time to site, design, construct, and commission facilities to serve them, Bellevue and the other cities who have elected not to extend their contracts for solid waste disposal with

King County should be provided a date certain in the near term beyond which they will be precluded from returning to the system; 2) a new transfer station should be constructed and the Houghton Transfer Station closed; 3) that King County Solid Waste Division's Transfer Plan review should consider alternatives for limiting self-haul at existing and new transfer stations, while exploring disposal options for small business users who are not commercial haulers; and 4) different customer classes should be established by King County to ensure that system users who extended contracts with King County do not pay a disproportionate share of the cost of improvements to system assets as a result of other Cities' decisions not to extend their contracts for solid waste disposal with King County.

Section 2. The City Council authorizes the City Manager or designee to present the attached Position Statement to KCSWD at its Final Transfer Plan Review Workshop on September 27, 2013, as well as for subsequent King County Council deliberations.

Passed by majority vote of the Kirkland City Council in open meeting this 17th day of September, 2013.

Signed in authentication thereof this 17th day of September, 2013.

MAYOR

Attest:

CITY OF KIRKLAND

KING COUNTY SOLID WASTE TRANSFER AND WASTE EXPORT PLAN POSITION STATEMENT

Regarding Houghton Transfer Station, Self-Hauling and Financial Impacts

September 17, 2013

The current adopted Solid Waste Transfer System Plan of 2006 is the preferred plan, having been arrived at by significant and long regional negotiation. That Plan has been called into question by the City of Bellevue and four satellite cities when, unlike other cities in the King County Solid Waste (KCSW) service area, they elected not to extend their contracts with King County for solid waste disposal beyond 2028. By not extending the contract, Bellevue and the satellite cities are signaling they will be leaving the system by 2028.

The King County Solid Waste Division (KCSWD) is now not planning to include Bellevue and the other cities' tonnage, which comprises about 10% of the entire system and 50% of the tonnage processed by the Factoria Transfer Station in Bellevue. Yet the KCSWD has not proposed differential solid waste rates to account for the financial impact of these cities leaving the system as the KCSWD continues to state hope that Bellevue and the other cities will change positions and remain within the KCSW system. This has resulted in adverse impacts and uncertainty to those cities that elected to extend their contracts to 2040, and in particular to the City of Kirkland, the host of the Houghton Transfer Station. The closure of Houghton has been predicated on the construction of Factoria and a new northeast transfer station. There needs to be sufficient time to site, design, construct and commission operation of a transfer station. This may take 10-15 years even though solid waste transfer stations are essential public facilities under the Growth Management Act (GMA). Therefore, the issue of whether Bellevue and the other cities will change their positions must be resolved.

- 1. Position Statement Regarding Planning Assumptions and Timing: To provide the County sufficient time to site, design, construct, and commission facilities to serve them, Bellevue and the other cities who have elected not to extend their contracts for solid waste disposal with King County should be provided until the end of 2014 to extend their ILAs, beyond which they will be precluded from returning to the system. In the meantime, planning for cities remaining within the system will proceed without tonnages of those leaving the system and on the assumption that Bellevue and the other cities will not be remaining in the system after 2028.
- 2. **Position Statement Regarding the Houghton Transfer Station:** Construct the new Factoria Transfer Station as currently designed as soon as possible. Initiate a siting process in 2014 for an expanded Factoria on the Eastgate property or a new northeast transfer

- station capable of handling the combined solid waste of the cities remaining in the County system at that time that cannot be handled by the new Factoria transfer station. Complete the expansion by 2021 and close Houghton Transfer Station.
- 3. Self-Haul Position Statement: To limit cost and subsidy of self-haul services, both capital and operating, the KCSWD's Transfer Plan review should consider alternatives for limiting self-haul at existing transfer stations and in the design of new transfer stations while exploring disposal options for small business users who are not commercial haulers. Those using self-haul services that do not belong to the KCSWD system should be surcharged to recover the full cost of self-haul services.
- 4. Rate Differential Position Statement: Different customer classes should be established by King County to ensure system users do not pay a disproportionate share of the cost of improvements to system assets as a result of the decision by Bellevue and other cities not to sign an Amended and Restated Interlocal Agreement through 2040. The rate differential should be established to account for the full pay-off costs incurred for development of KCSWD system assets prior to the end of the mid-2028 Solid Waste Interlocal Agreement (SWIA) term. These rate differentials should reflect actual costs necessary for paying off construction bonds issued on behalf of the KCSWD with costs apportioned to the solid waste tonnage originating in those cities that elected to end their SWIA in mid-2028. The KCSWD should put verification measures in place that ensure any rate differential applies only to solid waste originating in cities that elected to end their ILA's in mid-2028, regardless if solid waste is self-hauled or delivered by a commercial carrier. The costs of any verification measures should be included in the overall rate differential applied to those cities that elect to end their SWIA in mid-2028.



Executive Dow Constantine King County Chinook Building 401 5th Ave. Suite 800 Seattle, WA 98104

RE: CITY OF KIRKLAND SUPPLEMENTARY COMMENTS
ON TRANSFER STATION PLAN REVIEW RECOMMENDATION

Dear Executive Constantine:

Thank you for the extended opportunity to provide comments on the recommendations made in the County's recent review of the Solid Waste Transfer and Export Plan. On September 17, 2013, the Kirkland City Council unanimously adopted a position statement concerning the Transfer Plan Review (attached). On October 16, 2013, Kirkland staff submitted comments on the Transfer Plan recommendation to the Solid Waste Division via email (attached). At the October 18, 2013 Metropolitan Solid Waste Advisory Committee (MSWAC) meeting, Kirkland staff verbally reiterated our comments to the County and the MSWAC membership.

We generally support the recommendation in the draft transfer plan of proceeding with the Base Alternative but downsized as necessary to accommodate the withdrawal of the City of Bellevue and similar communities that did not extend their contracts. However, the language below from the draft transfer plan creates a serious cause of concern.

TRANSFER PLAN REVIEW RECOMMENDATION:

"Based on analysis of the alternatives and preliminary stakeholder feedback, the Division recommends proceeding with a variation of the Base Alternative which would include deferring the opening date of the new Northeast transfer station so that the Division can assess the timing and potential phasing of the new station [emphasis added]. This recommendation would proceed with construction of the new Factoria station as currently designed, while studying whether additional space and services could be added to the new Factoria station that could affect a new Northeast station. With flexibility in the timing and scope of a new Northeast facility, the division would also evaluate options to further mitigate impacts on the Houghton neighborhood [emphasis added]. Mitigation could include closing Houghton to commercial traffic between opening the new Factoria and final closure of Houghton [no date provided]. The project to site a new facility in the south county to replace the Algona Transfer Station would continue as scheduled. This variation on the Base Alternative recognizes the value of a regional system that provides equivalent services to all system ratepayers."

I would like to strongly reiterate the Kirkland City Council's position that the Houghton Transfer Station should be closed as promised by 2021 in observance of King County's firm commitment to Kirkland in its 2005 Memorandum of Understanding and in the 2006 adopted Transfer System Plan. Please accept our supplementary comments below:

- We urge the County to begin the siting process for the NE Transfer Station in 2014 in earnest to ensure that construction is completed by 2021 and the Houghton Transfer Station closed.
- By the County's own admission, construction of the new Factoria Transfer Station as currently designed will not handle all the tonnage and services for northeast King County even when Bellevue leaves the system. A new NE transfer station, or an expanded Factoria Transfer Station, will be required in any case.
- By the County's own admission, it will take at least 3 years to do a siting study with or without including an expansion of the Factoria Transfer Station. It will then take 2 years for design and permits, and 2 years to build for a total of 7 years. If initiated in 2014 there is enough time for completion of the process in time to close Houghton on schedule by 2021. Delays for further studies can only delay the closure of the Houghton Transfer Station.
- The County should have adequate resources to complete the siting process of the Northeast Transfer Station concurrent with any study of the Factoria Transfer Station. During the siting process the size and services of the new facility would be determined.
- By the County's own admission, the expansion of Factoria in lieu of a new NE site will
 not require redesign and reconstruction of the Factoria facility as currently designed.
 The process undertaken to identify and/or purchase parcels in NE King County to site a
 new NE Transfer Station as compared to an expansion of Factoria are not mutually
 exclusive.

The City of Kirkland has been an accommodating host to a King County transfer station for well over 50 years and our residents and businesses have enjoyed its financial and convenience benefits, but also have shouldered the burdens associated with high volumes of traffic, noise and odors in a residential neighborhood. While Kirkland remains firmly committed to fulfilling its regional obligation to host critical public facilities, the Houghton Transfer Station has outlived its useful life, no longer meets any critical service criteria in the Transfer Plan, and our patient residents affected by the facility have been promised its closure by 2021. Mitigation at the Houghton Transfer Station is not what was promised. Closure is. Please remove any language in the Transfer Plan Review recommendation that would defer a siting study of a new NE Transfer Station thereby risking delay of the closure of the Houghton Transfer Station beyond 2021, and take actions in accord with this direction.

Sincerely,

Joan McBride, Mayor City of Kirkland

Attachments (2)

Cc: Kirkland City Council

Kurt Triplett, Kirkland City Manager

Marilynne Beard, Kirkland Deputy City Manager

Pam Bissonnette, Kirkland Interim Public Works Director John MacGillivray, Kirkland Solid Waste Programs Lead

Kevin Kiernan, Assistant King County Solid Waste Division Director

Jane Hague, King County Councilmember Rod Dembowski, King County Councilmember