

Item 7:

2027 Proposed Solid Waste Rate Response Letter

DISCUSSION/POTENTIAL ACTION

SCA Staff Contact

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SCA Solid Waste Advisory Committee Members

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Discussion/Potential Action

The King County Solid Waste Division (SWD) has been preparing the 2027 solid waste rate proposal, which has been presented to the Solid Waste Advisory Committee (SWAC) and the Metropolitan Solid Waste Advisory Committee (MSWAC). For 2027, SWD has proposed an 8.5% increase across fee types, which is anticipated to have an average monthly curbside impact of \$0.73. Currently, SWD projects 8.5% increases each year from 2028-2032, which would result in approximately a 63% increase in rates over the period. SCA members have consistently expressed concern about the compounding impact of sharp increases across utilities on ratepayer affordability, which ultimately spurred the creation of a Regional Utilities Rate Summit and the recommendation of a sewer rate response letter.

At the June PIC meeting, **members will review the first draft of a letter to the King County Council and vote on whether this is an issue on which PIC wants to consider adopting a position.** This represents the first touch on the draft letter, which will return to PIC in July for final approval if PIC votes in favor of taking a position this month. A timeline is included in this memorandum outlining the process.

Background Information

The Solid Waste Division (SWD) has proposed a rate increase of 8.5% across fee types for 2027. SWD calculates the rates by calculating their revenue requirement, allocating that to customer classes, and estimating future tonnage. They then set rates such that the allocation matches the rate of future tonnage. SWD has cited inflation, regulation, tonnage, labor costs, capital expenditure needs, and operating expenditures as the primary rate drivers.

During the 2026 rate setting process, the 2027 rate was separated into its own proposal to allow for additional engagement among partners and for SWD to review its capital investment program and strategy. To control rate growth, SWD reprioritized and re-assessed capital needs to delay costs where possible, limited operational adds, explored operational options to control

costs, and is opening new revenue streams. Projects that were prioritized included those necessary to provide services at current levels, such as finishing the South County Recycling and Transfer Station, and projects required to remain in compliance with regulations and keeping customers and staff safe, such as leachate line repairs. Projects that did not fall into one of those two categories were delayed for future implementation. Through these efforts, SWD was able to recommend a rate of 8.5% for 2027, lower than previous projections of over 10%.

SWD states that their rate proposal supports commitments made in the 2019 Comprehensive Solid Waste Management Plan, particularly in the areas of crucial system infrastructure, climate and the environment, accessibility and equity, and customer service and regulatory requirements. SWD will also provide service disruption rates, which are a reduced commercial fee schedule for unanticipated closures of two or more transfer stations lasting longer than 24 hours; service disruption rates are still being developed. A table with proposed rates, 2026 adopted rates, and prior 2027 modeling is shown below:

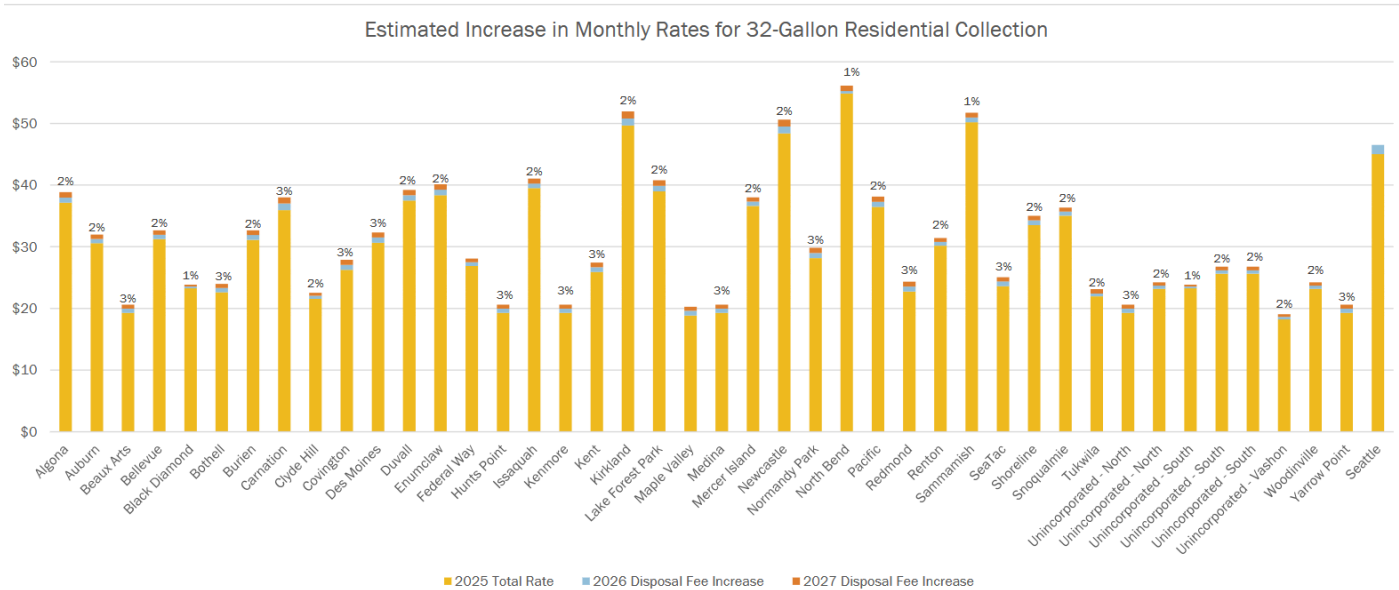
Proposed Rates, 2026 Adopted Rates, and Prior 2027 Modeling

Fee Type	UOM Type	2026 Rate Adopted	2027 Prior Model	% Increase	2027 Agency Proposed
Commercial (Tipping Fee)	Per Ton	\$ 179.18	\$ 194.00	8.27%	\$ 194.41
Self-Haul	Per Ton	\$ 229.08	\$ 258.00	12.62%	\$ 248.55
Regional Direct	Per Ton	\$ 194.89	\$ 219.30	12.52%	\$ 211.46
Yard Waste	Per Ton	\$ 129.38	\$ 145.55	12.50%	\$ 140.38
Special Waste	Per Ton	\$ 275.14	\$ 310.00	12.67%	\$ 298.53
Self Haul Minimum ¹	Transaction	\$ 36.62	\$ 41.28	12.73%	\$ 39.76
Appliances	Transaction	\$ 30.00	\$ 30.00	0.00%	\$ 33.00
Mattresses	Transaction	\$ 30.00	\$ 30.00	0.00%	\$ 33.00
Cleanup Lift	Transaction	\$ 20.00	\$ 20.00	0.00%	\$ 22.00
Fixed Annual Charge		\$ 26,838,510	\$ 30,864,287	15.00%	\$ 29,119,783

Table as provided in Solid Waste Advisory Committee meeting materials for May 2026.

SWD’s current planning assumptions reflect 8.5% annual rate increases each year from 2028-2032. For 2027, this 8.5% increase is estimated to, on average, result in a \$0.73 increase per month for a residential customer with a 32-gallon garbage can. The exact monthly bill increase varies by city or geographical area, as shown in the graph below.

Estimated Increase in Monthly Rates by City or Geographical Area



Graph as provided in Solid Waste Advisory Committee meeting materials for May 2026.

The variation observed by city or geographic area is because King County SWD does not directly provide service to cities; cities instead contract with hauling companies. Contracts between cities and haulers are set for longer periods of time, and where a city is within the lifecycle of its contract with a hauler, as well as the overall terms negotiated in the contract, impact the rates charged to ratepayers. Further, different ratepayers may receive different services based on what the jurisdiction has contracted for.

Advisory Committees

The Solid Waste Advisory Committee (SWAC) and the Metropolitan Solid Waste Advisory Committee (MSWAC) each advise the County Executive and County Council on solid waste management issues and decisions affecting county residents and the services they receive. SWAC is comprised of members across King County that represent people who receive solid waste services, labor unions’ representatives, local elected officials, manufacturers, public interest groups, the recycling industry, and the waste management industry. MSWAC is comprised of elected officials and city staff, with each city appointing its own members. Membership rosters can be found [here](#) and [here](#) for SWAC and MSWAC, respectively.

Solid Waste Rate Proposal Timeline

SWD began presenting rate scenarios to members of SWAC and MSWAC in February. Rate conversations have been ongoing in the two bodies; both MSWAC and SWAC are currently refining their response letters. The King County Executive is expected to transmit his 2027 Rate Proposal later this month, which will then be considered by the King County Council. The rate must be adopted by September 30. The full timeline for the process is below.

Detailed Solid Waste Rate Proposal Timeline

Timing	Process Milestone
February	Early rate outlook (MSWAC/SWAC)
By 2/27/26	Rate model and forecast development complete
By 3/31/26	Rate decision making complete
By 3/31/26	Preliminary rate briefings complete
By 4/30/26	Final rate agency proposal complete
By 5/13/26	Draft support letter shared at SWAC/MSWAC meetings (5/8 and 5/13)
By 6/12/26	Final support letter approved at SWAC/MSWAC meetings (6/10 and 6/12)
By 6/15/26	Executive proposed legislation transmitted; Council deliberations begin
By 8/31/26	Fixed Annual Cost allocation transmittal complete
By 9/30/26	Council rate adoption

Rate timeline adapted from Solid Waste Advisory Committee meeting materials for March 2026.

SCA SWAC Caucus Discussions and Rate Summit

The SCA SWAC Caucus raised significant concerns throughout the 2026 solid waste rate setting process about rapidly rising rates and affordability, particularly as sharp rate increases were forecasted across multiple utilities. This culminated in the SCA SWAC Caucus declaring support for and participating in the Regional Utility Rate Summit in November 2025. At the Summit, local elected officials heard from major regional utilities and discussed the combined impact of rate increases and the drivers of rising rates. SCA members have continued to express concern around the growing rate affordability crisis and included utility rate affordability as a priority area on SCA's County Priorities document.

While concerns about solid waste rates have been softened following SWD's steps to reprioritize projects for the 2027 rate process, the SCA SWAC Caucus has remained vigilant regarding ratepayer affordability concerns. The Caucus has recommended that SCA consider sending a rate response letter to continue the discussion regarding the issue of utility rate affordability.