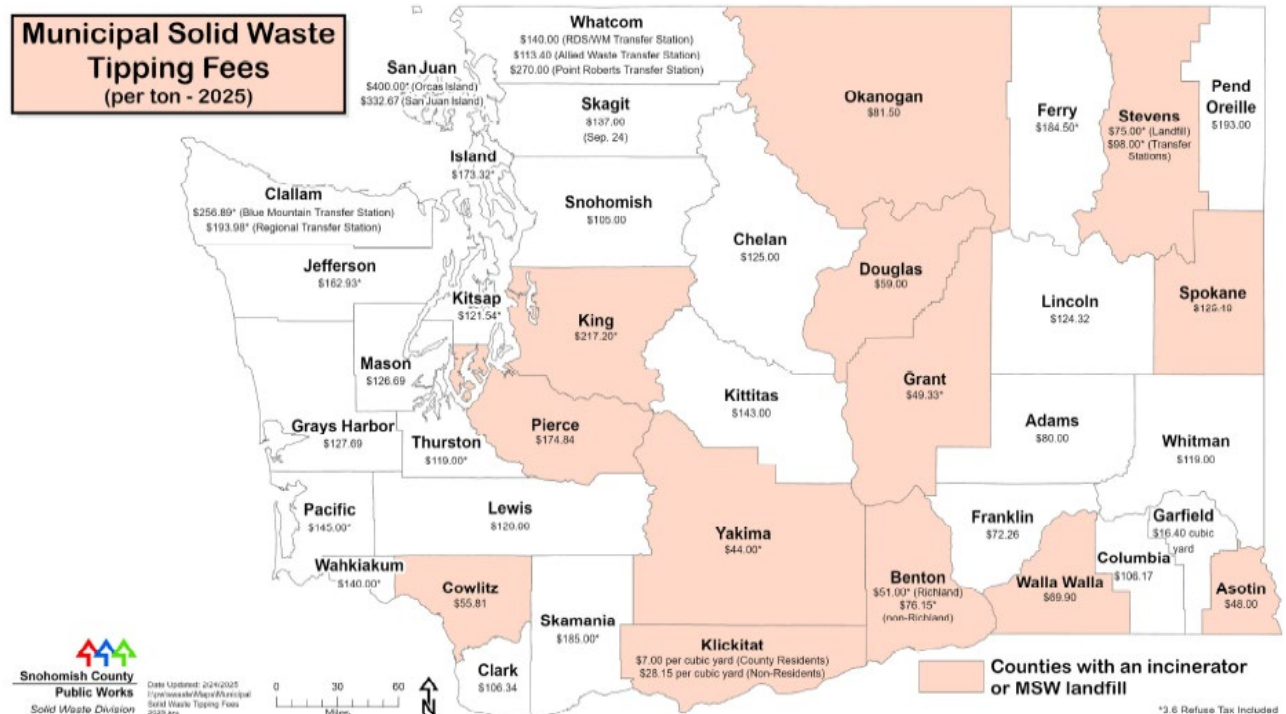


Solid Waste Rate Development: Considerations for Updated Fees and Service Levels



- Solid waste tipping fees were last adjusted in 2009 and have remained static and subsidized through the sale of real estate and operational efficiencies.
- January 2024 hired FCS Group (FCS) to conduct a rate and cost of service analysis for the Solid Waste Division (SWD).
- FCS has also performed recent analysis for Skagit, Kitsap and King counties.
- Out of the 19 Washington counties west of the Cascades, Snohomish County the lowest MSW tipping fee, except for Cowlitz County.
- The result of the analysis is an Excel model that SWD can use as a tool to evaluate cost of services and calculate potential new rates.
- The comprehensive model incorporates inputs including: budget, inflationary factors, WE CPI, revenue, O&M costs, tonnage, tickets processed, debt, and CIP. The tool is flexible, so SWD management can input and test various scenarios.
- SWAC (discussed in 4 meetings) supports and understands the need for an updated rate structure. Additionally, SWAC suggested a program that has an initial large increase with subsequent, smaller, predictable annual increases.
- Tipping fees only cover 83% of 2025 operational expenses. The new model forecasts 96% cost recovery by 2029.
- Rates were designed to maintain current level of SWD services, have tipping fees cover operational expenses by 2029 and maintain a 120-day operating fund.
- SW staff worked in conjunction with FCS to calibrate the models with Snohomish County specific considerations.
- New rates proposed include:
 - G-Certificated hauler tipping fee increases from \$105 to \$149 per ton
 - Self-haul tipping fee increases from \$105 to \$160 per ton
 - Minimum fee increases from \$20 to \$30 per load