

Solid Waste Division Department of Natural Resources and Parks King Street Center 201 South Jackson Street, Suite 701 Seattle, WA 98104-3855 206-477-4466 711 TTY Relay

www.kingcounty.gov/solidwaste

November 14, 2024

Benjamin Sharbono, Mike Young Washington Utilities and Transportation Commission **UTC Headquarters** 621 Woodland Square Loop SE Lacey, WA 98503

Dear Mr. Sharbono and Mr. Young:

This letter determines revenue-sharing plan compliance with RCW 81.77.185 by Waste Management of Washington, Inc. (Waste Management) for its service areas within King County. The plan referenced in this letter applies to all of Waste Management's G-237 certificated territory within King County except for areas served by Waste Management in Ellensburg near Snoqualmie Pass.

This letter reports King County's findings regarding Waste Management's performance under Year One of the current 2024-2025 Plan, covering work completed between January 1, 2024 – September 30, 2024.

Current Plan:

A copy of the current plan, signed by both parties and certified by the King County Solid Waste Division Director as in compliance with its current Solid Waste Management Plan, is provided as Attachment A to this letter. The current plan period runs from January 1, 2024, through December 31, 2025, and is divided into three parts:

- Part A includes the periods from January 1, 2024 September 30, 2025
- Part B includes the periods from October 1, 2024 September 30, 2025
- Part C includes the periods from October 1, 2024 December 31, 2025

King County believes the plan demonstrates how the anticipated retained revenue will increase recycling, as required by RCW 81.77.185. "Recycling," as defined in RCE 70.95.030, means transforming or remanufacturing waste materials into usable or marketable materials for use other than landfill disposal or incineration.

Compliance Determination:

Waste Management has provided King County with summaries of program activities and associated costs (included as Attachments B). We are satisfied that Waste Management met its work plan obligations and that the program expenditures were reasonable and appropriate during this agreement, and we recommend that WUTC allow Waste Management to retain revenues to reimburse the company for these expenditures.

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Work completed during this reporting period:

Waste Management carried out the following from January 1, 2024, through April 30, 2024:

- A. Increase residential recycling participation and decrease contamination in the recycling in WM's WUTC regulated areas of King County.
- B. Increase the use of compost services and reduce contamination in the compost by residents in WM's WUTC regulated areas of King County.
- C. Conduct audience research to develop a better understanding of how to most effectively educate and interact with customers in King County WUTC regulated areas.
- D. Provided monthly reporting and participated in quarterly meetings to discuss tactics and implementation, review revenue and adjust tactics and outreach plans as needed.
- E. Participated in regional recycling and composting workgroups, specifically the Recycle Right Communications Consortium (a monthly meeting led by King County that includes neighboring jurisdictions and local haulers to collaborate on and align recycling and contamination reduction messaging).

Performance Bonus Eligibility for Current Plan

Consistent with WUTC's May 30, 2012, Interpretive and Policy Statement, the 2024-2025 Plan includes an opportunity for Waste Management to earn incentive bonuses equal to 5 percent of program expenditures if specific performance benchmarks are met. The requirements under the current plan are that Waste Management regularly attends regional meetings facilitated and organized by King County and that expenditures support and leverage County outreach, planning, and implementation for contamination reduction.

We find that the company meets eligibility criteria for the 5 percent bonus. Waste Management has attended the Recycling Right Communications Consortium meetings during the Plan period, and the expenditures to-date have supported County outreach, planning, and implementation for contamination reduction.

Thank you for the opportunity to provide comments and support for the revenue-sharing plan developed by Waste Management and King County. If you have questions, please contact Christine Kim, Unincorporated Areas & Strategy Projects Supervisor, at 206-677-3394, or <u>chkim@kingcounty.gov</u>.

Sincerely,

DocuSigned by: -9EF5B81852444C0...

Pat D. McLaughlin Division Director

Enclosures:

- Attachment A 2024 2025 King County RSA Mid Year Plan Deliverables
- Attachment B 2024 2025 Mid-Plan Update_Budget

cc: Joel Kohlstedt, Waste Management, Partnership Manager – Waste Reduction and Innovation Christine Kim, Unincorporated Areas & Strategy Projects Supervisor, King County Solid Waste