



REPUBLIC
SERVICES

Republic Services

Commodity Revenue Sharing Enhancement Plan for Snohomish County

August 1, 2021 – April 30, 2022 Part A (and)

May 1, 2022 – July 31, 2023 Part B

This agreement is between Snohomish County (“the County”) and Republic Services (“RS”) to implement the activities identified in this Commodity Revenue Sharing Enhancement Plan, which is with the expressed intent of increasing recycling in the County. “Recycling,” as defined in RCW 70.95.030, means “transforming or remanufacturing waste materials into usable or marketable materials for use other than landfill disposal or incineration.” Republic Services seeks to continue retaining up to **50%** of the commodity value revenues generated through effective recycling practices in accordance with the revenue sharing provision in RCW 81.77.185 for **August 1, 2021 through July 31, 2023.**

This plan covers the time period of August 1, 2021, to July 31, 2023, at which time it terminates. It is to be implemented in two parts, Part A (August 1, 2021 - April 30, 2022) and Part B (May 1, 2022 - July 31, 2023), in order to allow sufficient time to evaluate past plan effectiveness before new plans must be submitted to the WUTC for certification; therefore creating a 3-month lag in the evaluation period. Attachment B includes a detailed account of revenue share activities and tasks including budget, outreach deliverables, and timelines which were implemented in the 2019-2021 plan.

By using revenue share funds, both Republic Services and the County are able to pilot innovative approaches to increase recycling in the County. Throughout the plan, Republic Services and the County reserve the right to modify activities or approaches during the contract period in order to accommodate unexpected opportunities to increase recycling, respond to data collected, and to refine activities. The activities identified in this agreement are not requirements or costs that are built into the WUTC tariff rates. The proposed budget projects revenues and estimates expenses for the activities identified in this Plan and may be modified in response to changes in commodity values and by mutual agreement between Republic Services and the County.

Overview of Plan Activities

Outreach tactics implemented in this agreement will be mutually agreed upon by Republic Services and the County. County staff will be included in discussions, planning and review of all tactics and materials and budget discussions that pertain to the implementation of tasks in this agreement. The County shall be given at least a two-week advance review before materials are posted, printed, or distributed. Electronic or hard copies of all publications shall be provided to the County after printing. Activities and results of tactics implemented in this plan shall be informed by and designed to provide information for the Snohomish County Contamination Reduction Outreach Plan.

Task 1: Staffing, Quarterly Updates and Coordination Meetings

Republic Services will retain and assign staffing necessary to fulfill the agreement activities including a Revenue Share Administrator estimated to spend 30% of their time on Snohomish RSA tasks.

Republic will meet with County staff in the first month of each quarter during the period covered in this agreement to report on implementation progress, lessons learned, proposed next steps and status of budget, including anticipated vs. actual revenues and expenditures.

Memorandums, reports, promotional materials, and other requirements described in this Plan will be provided at least three working days in advance of these meetings. During these meetings, Republic and County staff will also discuss long term strategies to significantly impact the quantity and quality of recyclables collected in Snohomish County.

In the first quarterly meeting, to be planned for September 2021, Republic will brief County staff, with a "snapshot" overview of the following topics. This briefing document will include:

- A current list of key Republic contacts, titles, roles, and contact information.
- An overview of the service territory, including WUTC service territory and list of contract cities, with a breakdown of WUTC customers vs. contract city customers.
- 2021 rates for common service levels among WUTC residential service territory customers
- The number of multi-family units believed to be within WUTC areas and contracted areas if available.
- Customer and Service statistics: percent of customers utilizing organics collection, lbs. of recyclables, organics, and garbage collected per customer and customer counts for each service type.
- List of recyclable items in the WUTC service area, highlighting differences with other Republic area programs.
- Contamination in recycling and organics.
- Current trends: any key observations of trends within the customer base and completed initiatives.

Summary/Annual Reporting & Interpretation:

Republic Services will provide the county with a report halfway through the agreement period. This report will outline the current and completed tasks and provide an update on spent expenditures. Republic will review the general trend of recyclable commodity prices and determine if any budgetary changes need to be made for the second part of the agreement. In a final agreement report, due to the County on June 15th, 2023, Republic Services will provide a summary of completed task implementation efforts, budgeted and actual expenditures, and retained revenues during the planning period. This report will be updated in an annual report for part B of this agreement and is due to the County the week of August 28th, 2023.

Republic Services must submit a new draft plan to Snohomish County no later than the week of June 1st, 2023. The final plan must be submitted to the WUTC no later than June 15th, 2023.

Deliverables:

- Snapshot report
- Summary and annual reports
- 2023/2025 Draft Plan and attachments

Task 1 Related Timeline: An implementation plan for Tasks 3 - 4 will be provided no later than October 15th 2021. This implementation plan will lay out specific timelines, budgets, and deliverables and will serve as a fluid working reference document throughout the agreement period.

Task 1 Related Budget: \$64,000

- Revenue Share Agreement Manager (estimate: 30%) – \$53,000.00, this position will be tracked using the performance tracking and reporting form. (Attachment D)
- Project Management/Administration and Coordination of the Agreement and Task- \$11,000.00. This will be tracked in the Administrative Time tab located in the Workbook to account for time spent by management other than the Revenue Share Administrator for oversight of the agreement.

Task 2: Monthly Data Reporting Requirements

RS will provide monthly recycling and disposal reports using the format required by the County by the end of the following month. RS understands that these reports are required by Snohomish County Code 7.42.070, and while they will be discussed in quarterly meetings and used as a tool to measure results of the RSA activities, the costs of developing the reports is included in the base rate and is not financed through shared revenues.

Task 2 Deliverables/Measurable: Monthly reports in format required by County

Task 2 Related Timeline: Reports are provided monthly

Task 2 Related Budget: The cost of developing Code-required reports is included in the base rate and is not financed through revenues.

Task 3: Single Family Outreach

The goal in task 3 is to focus on contamination reduction in curbside recycling streams and regional organics contamination work conducted during this agreement. The team will conduct ongoing education of single family residences with an emphasis on reducing contamination in the recycle and organics streams. The team will also work, where resources are available, to increase participation in recycling and composting. Audience analysis of languages will be completed and multilingual outreach to languages other than English done by leveraging County outreach efforts to multilingual/multicultural communities. Work under this task will align with and support the work of the Snohomish County Comprehensive Solid and Hazardous Waste Management Plan where appropriate and feasible.

Some of the tactics may include by are not limited to:

- Load audits of select single family routes to measure contamination and content of recycling stream
- Work directly with households who have heavy contamination in their recycling and organics carts in order to improve their skills in sorting properly and further develop residential accountability tactics, such as cart tagging, to support quality recycling
- Broad and targeting advertising providing education and tips for successful curbside participation.
- Development of better approaches with use of various technology platforms to share educational messages.

Task 3 Related Deliverables/Measurable:

- Implementation plan will be provided to the County by **October 13th, 2021**.
- Education material will be reviewed, revised, and completed as needed.

Task 3 Related Timeline: The timeline for this task will be provided in an implementation plan.

Task 3 Budget: \$15,000

Task 4: Multifamily Outreach

The goal of task 4 is to focus on contamination reduction in the recycling stream in response to China's "National Sword" policy and subsequent upheaval in the global recycling industry. We will plan and execute ongoing education outreach, including developing and implementing proper sorting and contamination reduction tactics for multifamily complexes.

Some of the tactics may include:

- Implementation of targeted contamination reduction education and outreach to tenants with specific complexes selected because they are able to be accessed by outreach teams.

Task 4 Related Deliverables/Measurable:

- Timeline will be included in the implementation plan to be provided to the County by **October 13th, 2021**
- Summary of activities to be included in Annual and Final reports

Task 4 Related Timeline: The timeline for this task will be provided in the implementation plan.

Task 4 Budget: \$12,000

Task 5: School Recycling Education and Outreach

Republic Services has worked successfully with Triangle Associates to develop and provide educational workshops, presentations, and waste reduction resources to K-12th grade schools. Any material and scripts for all existing workshops will be reviewed prior to the beginning of

each school year to ensure that all information given to the students and teachers is up to date and accurate.

In the 2021-2023 agreement, RS will continue to support the WA Green Schools Program through the Technical Assistance program.

Task 5 Deliverables/Measurable:

- Consultant Project Scope
- End of the year outreach summary report

Task 5 Related Timeline:

- Timeline will be included in the implementation plan to be provided to the County by **October 13th, 2021**
- Half of the budget will be spent for the 2021/2022 school year and the remaining half will be spent for the 2022/2023 school year.

Task 5 Related Budget: \$3,000

Continued Cooperation and Contingencies

Republic will assess its activities in previous revenue sharing agreements. The current agreement will be built on lessons learned and task results to determine next effective steps proposing future activities. Each future revenue sharing agreement will show how it builds on previous work or why alternate approaches are proposed. This information will be included in Part A and Part B summary reports. We agree to negotiate in good faith, enhancements to the recycling services being provided and modifications to plan activities that respond to information gathered or conditions created during the plan period.

The County has determined that the elements of this plan agree with its Solid Waste Management plan, and the requirements of RCW 81.77.185. It therefore will provide a certification of this plan and a recommendation to the WUTC that Republic Services retain revenues from marketing recyclable materials necessary to cover the budget related to this plan, up to 50%, during the period covered by this plan, and to be used in performing the activities identified herein.

If all program components are achieved, the County agrees to provide a written recommendation to the WUTC that Republic Services should retain revenues equal to the funds they expended in executing this plan. Revenues retained during this period that exceed the expenditures and incentives stated in this plan will be returned to rate payers in the commodity adjustment effective on August 1, 2022, unless a prior year plan approved by WUTC and the County specifies that the funds be carried forward.

Snohomish County requires that city-specific information be available online via the existing Republic Services microsites on www.RepublicServicesNW.com for all WUTC service areas. These

areas include Edmonds, Lynnwood, Woodway, and Unincorporated Snohomish County. The current microsities shall stay up to date with current information including, but not limited to: collection schedules, material preparation requirements, service rates, inclement weather service delays, and educational tools.

RS is eligible for a financial incentive for achieving tangible results in the factors listed below:

For increasing diversion of materials from disposal by regulated residential customers, an amount equal to 5% of the total expenditures incurred by Republic Services in implementation of Plan activities. To determine eligibility for this incentive payment, Republic Services will track and report on deliverables in Task 3 and Task 4. Work in Task 3 and Task 4 is designed to increase participation in recycling programs and reduce contamination in those programs. The completion of deliverables and evaluation of execution will determine eligibility and be reported for the first year from May 1, 2021 through April 30, 2022, and for the second year from May 1, 2022 through April 30, 2023.

- Eligibility for the incentive payments is conditional upon satisfaction by the County and WUTC that expenditures are consistent with the Plan activities and budget. The County shall provide a recommendation to the WUTC regarding Republic Services' eligibility to retain the incentive payments by June 15, 2022 and June 15, 2023 for respective years of the agreement. Elements of the review for eligibility for the incentive may include but are not be limited to:
 - Monthly reporting of curbside customers in the form currently being used or, if changes in reporting are needed, in a form mutually agreed upon between Republic and Snohomish County
 - Twice yearly report on activities of Task 3, Task 4, and Task 5

Republic Services Authorized Representative

Date



6/14/21

Rick Waldren


Interim General Manager, Republic Services of Bellevue/Lynnwood

COUNTY CERTIFICATION

With this acknowledgement, Snohomish County hereby certifies this Plan is consistent with the County's Comprehensive Solid Waste Management Plan and the County's understanding of RCW 8 1.77.185.

Snohomish County Authorized Representative

Date



6/14/21

Kevin Kelly
Director, Snohomish County Solid Waste Division



Attachment A: Timeline for Revenue Share Agreement

June 15, 2021	Proposal Due for 2021-2023 Agreement to UTC
July 31, 2021	Part B: 2020-2021 Ends
August 1, 2021	Part A: 2021-2022 Agreement Begins & New customer pass back effective
October 15, 2021	Implementation Plans Due for Task 3-5
April 30, 2022	Part A: 2021-2022 Ends
May 1, 2022	Part B: 2022-2023 Begins
June 1, 2022	2021-2023 First Year Report Due to County
June 15, 2022	2021-2023 First Year Report & Commodity Credits Due to UTC
August 1, 2022	New customer pass back effective
June 1, 2023	Final Report due for 2021-2023 Agreement
June 15, 2023	Proposal for 2023-2025 Agreement Due to UTC
July 31, 2023	Part B: 2022 - 2023 Agreement Ends