



**Republic Services**  
**Commodity Revenue Sharing Enhancement Plan for King County**  
**August 1, 2019 – July 31, 2021**

Per RCW 81.77.185, Rabanco Ltd, Kent Meridian Disposal, SeaTac Disposal., aka Republic Services, is setting forth this plan to increase recycling and decrease garbage and other materials that would otherwise be disposed of in a landfill. Republic Services seeks to continue retaining up to **50%** of the commodity value revenues generated through effective recycling practices. The intent of this two-year agreement, developed in partnership with the King County Solid Waste Division, is to increase the amounts and types of materials recycled at single-family homes and multi-family properties in the Republic Services service area defined in Tariff No. 11, Rabanco LTD & Rabanco Recycling, Inc. (Certificate G-12); Tariff No. 26, Rabanco LTD (Certificate G-12); and Tariff No. 27, Fiorito Enterprises, Inc. & Rabanco Connections (Certificate G-60). Per the definition in RCW 70.95.030, “recycling” means “transforming or remanufacturing waste materials into usable or marketable materials for use other than landfill disposal or incineration.”

This Plan covers the time period of **August 1, 2019, to July 31, 2021**, at which time it terminates. County review of program implementation will be on a quarterly basis to ensure that we properly evaluating current programs and next steps. The Plan is divided into two parts to accommodate filing deadlines.

Part A will include activities occurring August 1, 2019 – April 30, 2020, which includes activities in the last three months of the 2018-2019 Plan. Part B will run May 1, 2020 – July 31, 2021. See Attachment A: Timeline for Revenue Share Agreement.

The benefits to the County and to our collective customers are significant. These innovative programs are specifically designed to address market fluctuations caused by regional issues such as national sword and to address contamination reduction initiatives in the organic stream. The flexibility to address these industrywide issues is possible by the revenue sharing program and our collaboration. The activities identified in this agreement are not requirements or costs that are built into Republic Services WUTC tariff rates. The proposed 2019-2021 budget, which includes projected revenues and expenditures, is presented in Attachment C.

Deliverables such as reports, brochures, other materials and tactics which are proven to work to improve residential recycling participation in implementing this agreement may be shared with others in the MSW education community. By using revenue sharing funds, both Republic Services and the County are able to pilot innovative approaches to increase recycling in King County. Throughout the course of the Plan subject to this agreement, Republic Services and the County reserve the right to modify activities or approaches described in this Plan in order to accommodate unexpected opportunities for increasing recycling, respond to data collected, and to refine activities.

King County requires that city specific information be available online via the existing Republic Services microsites on [www.RepublicServicesNW.com](http://www.RepublicServicesNW.com) for all WUTC service areas. These areas include: Medina, Beaux Arts, Yarrow Point, Hunts Point, Kenmore, Klahanie Area, Unincorporated East King County, and Unincorporated South King County. The current microsites 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.

Republic Services is eligible for a financial incentive for implementation of this plan as follows:

For participation in regional strategic planning efforts, planning and executing tactics in collaboration with King County addressing national sword and organic stream contamination reduction tactics and any increased diversion of materials from disposal by regulated residential customers, as a result of these efforts, 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, in collaboration with King County, develop and execute measures for delivery of tactics which reduce contamination in the basic and organic's stream. The completion of deliverables and evaluation of execution will determine eligibility and be reported for the first year from **May 1, 2019 through April 30, 2020**, and for the second year from **May 1, 2020 through April 30, 2021**.

- 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, 2020 and June 15, 2021 for respective years of the agreement. Elements of the review for eligibility for the incentive may include but not be limited to:
  - Regular attendance in regional meetings facilitated and organized by King County
  - Expenditures completed which support and leverage County outreach planning and implementation for national sword and organic stream communication, outreach and contamination reduction tactics
  - The completion of tactics will be supported with proof of execution.

Republic Services would like to prioritize implementation of the following goals:

#### **Task 1: Project Management/Administration and Coordination of the Agreement**

Republic will retain and assign staffing necessary to fulfill the activities contained in this agreement, including a Revenue Share Agreement Manager estimated to spend 35% of her/his time on tasks in this RSA. Activities of this manager and other RS staff (such as, but not limited to the Area Controller, Municipal Manager, and Senior Marketing Analyst) to implement RSA activities will be tracked on the performance tracking and reporting form (Attachment D). Republic will develop a way to ensure efficient planning, implementation and evaluation of the deliverables and tasks completed in the RSA.

The project management/administration task includes the following:

- Quarterly meetings with goals of updating on plan implementation, revenue estimates and work plan adjustments.
- The preparation and review of reports and summaries.
- Republic staff participation in regional meetings sponsored by the County to discuss or report on strategies for increasing recycling. For example, Republic staff will attend DOE commingled workgroup meetings and, when requested, Solid Waste Advisory Committee meetings.
- Providing King County with tariff filings each time that they are submitted to the UTC.

#### **Summary/Annual Reporting & Interpretation:**

Republic Services will provide the county with a report half way through the agreement period. This report will outline the current and completed tasks and provide and update on spent expenditures. Republic will, on a quarterly and annual basis, 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.

At quarterly update meetings, Republic will provide the county with a full overview of completed work and implementation efforts, budgeted and actual expenditures, and reporting of results from any finished projects. At the 4<sup>th</sup> quarterly meeting, the midway point of the agreement, we will fully review the reporting that will be sent to the WUTC and will adjust the budget if necessary. All quarterly reports will be discussed during in-person meetings and any changes to plans will be decided upon as a group.

In a final agreement report, due to the County on June 1, 2021, Republic Services will provide a summary of completed task implementation efforts, budgeted and actual expenditures, and retained revenues during the planning period.

**Review Period:** The County will be given 5 business days to review the material. Republic Services will be given 5 business days to review and respond to each new request, change, or suggestion brought by the County. If a deliverable is not approved by the County within two weeks of Republic Services original submission date, then Republic and King County upper management will need to have a conference call to discuss why the deliverable has not been approved and what will need to occur for the deliverable to be approved.

Task 1 Related Deliverables/Measurable:

- 2019-2021 Plan and attachments
- Summary and annual reports

Task 1 Related Timeline: Implementation plans for tasks 3-5 will be provided no later than October 13<sup>th</sup> 2019. These implementation plans will lay out specific timelines, budgets, and deliverables and will serve as a working reference document throughout the agreement period.

Task 1 Related Budget: \$89,000

- Revenue Share Agreement Manager staffing time: \$62,000
- Project Management/Administration and Coordination of the Agreement and Tasks outlined in the agreement (staffing time of other Republic Services employees conducting RSA tasks): \$27,000

**Task 2: Data collection and reporting**

Republic Services will provide monthly reporting of tonnages and customer counts to the County for all areas in King County (excluding Seattle) served by Republic. These reports will be provided to the County by the end of the following month. Reports shall be disaggregated by jurisdiction and by generator type (single family, multifamily, and commercial).

Task 2 Related Deliverables/Measurable:

- Monthly reports in format required by County

Task 2 Related Timeline: Reports are provided monthly

Task 2 Related Budget: \$22,000

**Task 3: Single Family Residences contamination reduction education for the residential recycling and composting streams**

The goal in task 3 is to focus on contamination reduction in response to national sword and regional organics contamination work being conducted during this agreement. The team will conduct ongoing education of single family residences with an emphasis on reducing contamination in the basic and organic 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.

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

- Work directly with households who have heavy contamination in their basic and organics carts in order to improve their skills in sorting properly and further development of residential accountability tactics, such as cart tagging, to support recycling and composting of acceptable curbside materials.
- 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.
- Development of culturally appropriate outreach tactics tailored to multicultural residents including review and revision of curbside guides in multiple languages

Task 3 Related Deliverables/Measurable:

- Implementation plan will be provided to the County by October 2019.
- 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 Related Budget: \$120,000

**Task 4: Multifamily Residences contamination reduction education for the multifamily recycling and composting streams**

The goal in task 4 is to focus on contamination reduction in response to national sword and regional organics contamination work being conducted during this agreement. We will plan and execute ongoing education outreach , including developing proper sorting 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:

- Implementation plan by Q4 2019

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

Task 4 Related Budget: \$ 20,000

**Task 5: cost analysis and strategy development for incorporating costs into the tariff(s) rate.**

The goal of task 5 is to discuss a range of costs which have been part of the revenue sharing agreement expenditures in the past which the team would recommend be incorporated into the tariff rate. Because some tactics such as implementing multifamily best practice basics have been developed and streamlined in our work in these agreements and the team feels ready for those practices to be incorporated into the tariff rate so that the tactics, necessary to increase recycling and/or composting while reducing contamination, are funded and are included in regular outreach activities.

**Discussion topics may include but not be limited to:**

- Republic Services staffing cost related to this agreement
- Costs associated with the multifamily best practice basics
- Costs of identifying residential contamination violators
- Costs associated with contamination reduction enforcement pathways such as working directly with violator households
- Costs associated with contaminated basic or organics loads
- Development of cost analyses for new education and contamination control strategies and tactics developed in the agreement
- Costs of measuring cart capture rate changes in the recycling and organics stream

Task 5 Related Budget: \$ 20,000

**Task 6: understanding contamination**

The goal in task 6 is to gain a deeper understanding about improper sorting and other factors which contribute to contamination and to determine the most cost efficient and effective methods of reducing contamination in basic and compost streams. Gaining a deeper understanding may include but not be limited to:

- Solid Waste Division MRF study implementation and analysis of results
- Contamination in the cart and audience behavior influencing sorting
- Contamination derived from the MRF and its processes
- Residuals and criteria based measure development
- Analyses of contamination at the gate

Task 6 Related Budget: \$34,000

Extension of the revenue sharing program beyond July 31<sup>st</sup>, 2021 will require WUTC approval based in part upon the results of this year's program and the submittal by Republic Services of another plan certified by King County. Republic Services must submit a new draft plan to King County no later than the week of May 15<sup>th</sup>, 2021 in order for certification to be considered. A concept discussion on the new plan will be conducted at the 3rd quarterly meeting with a follow up conference call the week of April 10<sup>th</sup>, 2021 to confirm the details before the actual plan is written and submitted. The final draft plan must be submitted to the WUTC no later than June 16<sup>th</sup>, 2021.

Republic Services Authorized Representative

Date

  
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General Manager, Republic Services of Bellevue

6/13/19  
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General Manager, Republic Services of Kent


6/14/19  
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COUNTY CERTIFICATION

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

King County Authorized Representative

Date

  
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Pat D. McLaughlin  
Director, King County Solid Waste Division

6/12/19  
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**Attachment A: Timeline for Revenue Share Agreement**

June 15, 2019	Proposal Due for 2019-2021 Agreement to UTC
July 31, 2019	Part B: 2018-2019 Ends
August 1, 2019	Part A: 2019-2020 Agreement Begins & New customer pass back effective
Oct 13, 2019	Implementation Plans Due for Task 3-4
January 31, 2020	Implementation Plans Due for Task 5
April 30, 2020	Part A: 2019-2020 Ends
June 1, 2020	2019-2021 First Year Report Due to KC
June 15, 2020	2019-2021 First Year Report & Commodity Credits Due to UTC
August 1, 2020	New customer pass back effective
May 1, 2021	Part B: 2020-2021 Begins
June 1, 2021	Final Report due for 2019-2021 Agreement
June 15, 2021	Proposal Due for 2021-2023 Agreement to UTC
July 31, 2021	Part B: 2019-2021 Agreement Ends