

Memo

To: Chairman Danner,
Commissioner Rendahl,
Commissioner Balasbas

From: Mike Young, Section Manager Water & Transportation

Date: July 16, 2019

Subject: Responses to questions posed from the Bench to Republic Services during June 26th open meeting – Docket TG-190181 Fiorito Enterprises Inc.

At the June 26th open meeting, you had asked a number of questions that we could not answer at the time, however, we said we would follow up as soon as we could get answers. This memo represents the promised follow up, with company responses in red.

1. Has the company considered smaller recycling containers (and thus a lower tariff rate) or inserts for customers that request them? **Primary collection costs are driven by our Operation (truck/driver) costs not cart size variability. It would be difficult to reduce the tariff rate based on size.**
2. Has the company considered every-other-week garbage service? **This type of change is designated by King County. The last time this was proposed the feedback from customers was not favorable. Majority of customers wanted to keep weekly service. However, in the tariff we do offer a rate for monthly garbage with every other week recycling.**
3. Has the company considered alternative (or additional) recycling options, other than co-mingled, such as paper only, plastic only, etc. other than the old 3-bin system? **This will need to be supported by King County and could result in collection issues to support. Providing additional options could result in the need to add new trucks to service.**
4. What changes has the MRF implemented in response to China's National Sword and other programs- i.e., additional or new equipment, different processing options, etc. **Republic Services has spent over \$2m in capital for 2 fiber max sorters to help clean up the fibers. We slowed the line down by 20% and added about the same in sorters to improve the quality to the end product in order to meet the new requirements from the end market. We will be spending another \$4m this year to add another sort line to be able to handle the commercial recycle separately to help reduce contamination of the residential stream.**

5. Generally, what has been the experience of the company as far as regulated recycling operations? i.e., more tons, less tons, less contamination, less recycling, more garbage, etc. **Due to the changes in the market spec requirements we are now seeing an increase in residue. It is unknown whether the contamination levels have increased or if it appears to have increased due to the processing requirements we are now being held to. We are seeing an increase in contamination primarily in mixed plastics and tin. Additionally, not all recyclables have an end market and are being recorded as residue.**

There was a comment by a customer about the company's transfer station inefficiencies and slow service. It appears that the customer was misinformed, the Republic transfer station does not accept material from customers unless there is a formal contract between the company and the customer. It is likely that the customer was referring to a King County Transfer Station, which is where the customer's waste would be taken according to her service area.

Republic Services offers only weekly or monthly pick-up in all of their operations. They offer 20 gallon can rates, or provide 20 gallon totes for automated routes, as the minimum level of service. They provide recycling and yard waste for their King County and Snohomish County operations. Individual rates vary by operation due to differences in disposal fees, level of investment in equipment, and customer count.

I am available at 4-1155 if you would like to discuss the above responses further.