



King County

Solid Waste Division

Department of Natural Resources and Parks

King Street Center
201 South Jackson Street, Suite 701
Seattle, WA 98104-3855

206-296-6542
711 TTY Relay

August 17, 2006

Carole J. Washburn, Executive Secretary
Attention: Gene Eckhardt, Assistant Director
Washington State Utilities and Transportation Commission
PO Box 47250
Olympia, WA 98504-7250

RE: Docket 060422

Dear Ms. Washburn:

The purpose of this letter is twofold: to provide King County's comments regarding the effectiveness of Kent-Meridian Disposal's 2005 – 2006 Recycling and Commodity Revenue Sharing Plan, which ended on June 30, 2006; and to offer support for a plan for extending revenue sharing through June 30, 2007.

1. *2005-2006 Plan.* A summary of achievements provided by Kent-Meridian is enclosed. Kent-Meridian satisfactorily implemented all requirements for delivery of higher capacity carts, website improvement, and customer outreach. Although the company's increase of 1.91 percent per recycling customer falls below the Plan's four percent goal, we believe the company made a good faith effort to achieve the goal. Therefore, we are not recommending that Kent-Meridian be required to return any of the revenues that they have been allowed to retain during the plan period.
2. *2006 – 2007 Plan.* Kent-Meridian and King County have come to an agreement on a recycling plan for the period beginning July 1, 2006 and ending June 30, 2007. An original signed copy of the plan is enclosed. We recommend that WUTC allow Kent-Meridian to retain 30 percent of the revenues from sale of commodities during this period. If Kent-Meridian does not meet the conditions of the Plan, King County may later request that the WUTC consider returning some of these revenues to customers. Another agreement with Kent-Meridian will be required for King County to support extending revenue sharing beyond June 30, 2007.

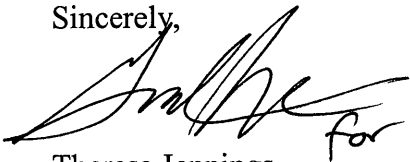
In my position as Solid Waste Division Director, I have been delegated the authority to make the certification of this plan required in RCW 81.77.185. I hereby certify that the plan submitted to you by Kent-Meridian and King County is consistent with the King County Comprehensive Solid Waste Management Plan. Statements in the solid waste plan that support this certification include the following:

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- “The cities and County will maintain and enhance the current residential collection service levels for recyclables.” (page 4-31)
- “(T)he County and the cities will continue to research the benefits of using a commingled collection system, changing the frequency of collection and adding materials for collection.” (page 5-18)

Thank you for the opportunity to provide this letter of certification and comments on Kent-Meridian’s recycling plan. If you have any questions, please contact Bill Reed, Program Analyst, at 206-296-4402 or bill.reed@metrokc.gov.

Sincerely,

A handwritten signature in black ink, appearing to read 'Theresa Jennings', with a small 'for' written below it.

Theresa Jennings
Division Director

TJ:BR:mw
s\2006\wutc-cert

Enclosures

cc: Mark Gregg, Allied Waste
Chris Guimond, General Manager, Allied Waste of Kent



ALLIED WASTE

Date: August 4, 2006
To: Bill Reed, Jeff Gaisford, Bob Colbo
CC: Jody Reid, Mark Gregg
From: Chris Guimond, General Manager
Re: 2005-2006 Recap of 30% Revenue Sharing Program – A Success Story

Kent – Meridian Disposal 30% Revenue Sharing Program 2005-2006

- Analysis of the regulated recycling routes demonstrated during a 3.73% customer increase and a 1.91% volume increase per customer for a total internal recycling growth of **5.64%**.
- Letters were delivered to 2045 customers with the 96-gallon recycle containers in August 2005. These letters informed our customers of our recycling program and promoted the benefits of increased recycling capacity and expanded recyclable items.
- Kent Meridian Disposal delivered 2045 96-gallon recycle containers in August of 2005. 22 of the 2045 customer called and requested removal of the 96-gallon containers. At the onset of this delivery program, it was expected to collect the 32-gallon container and glass bins that were being converted to the single stream recycle process. Investment of \$132.7K
- Kent Meridian Disposal delivered at a minimum, 2000 32-gallon Otto Carts, redistributed to our customer base at an additional cost to the program. Investment of \$89K.
- We invested \$17K to implement our Website, and we communicated the website information via invoice messaging to our WUTC regulated customer base.
- During November of 2005, 114 customers who were not recycling were called by the customer service representatives and encouraged to start a recycle program. Of the 114 called, 13 customers added recycling service.

**Kent-Meridian Disposal
Recycling Enhancement Plan for King County
July 1, 2006 – June 30, 2007**

As authorized by RCW 81.77.185, Kent-Meridian Disposal is seeking approval from the Washington Utilities and Transportation Commission (WUTC) to continue retaining 30% of the commodity value revenues for the year beginning on July 1, 2006 and ending on June 30, 2007. To meet the requirements for retaining these revenues, Kent-Meridian, in partnership with King County Solid Waste Division, has developed this plan for enhancing recycling services for single family and multifamily customers in the Kent-Meridian service area.

**1. Partnership with the County on a Regional Recycling Campaign
(15% of total 30%)**

In 2006 and 2007, King County is planning and implementing a regional recycling campaign. South King County and the Kent-Meridian area have comparatively lower recycling rates and are a focus of the campaign.

The primary goals of the campaign are to increase the recycling participation among single family households, and to increase the amount of materials recycled by participating households. The regional campaign also includes a pilot program to increase recycling in six large multi-family complexes in the county, one or more of which may be in the Kent-Meridian service area.

King County and Kent-Meridian will collaborate on implementation of the campaign in the Kent-Meridian service area and shall strive to make the revenue sharing program and the recycling campaign complementary efforts.

King County and Kent-Meridian will meet quarterly to discuss the progress of the program, review data compiled in the previous quarter, and continue to implement and plan the programs to increase the recycling in King County. These meetings will be scheduled in the second month of each quarter. (August, November, February, May)

In addition, Kent-Meridian shall designate a specific person to coordinate with the King County recycling campaign manager to ensure that educational messages and data collection efforts suit the needs of both programs.

**2. Expand and update Allied of Kent's website.
(15% of total 30%)**

Kent-Meridian will update and expand the website so that it includes accurate information about collection service levels throughout King County areas managed by Allied Services of Kent, including both unincorporated areas and cities.

Schedule:

- Review with King County staff by Nov 1, 2006
- Finalize by Dec 1, 2006

3. Plan and implement a program for food waste collection.
(20% of total 30%)

Kent-Meridian, in cooperation with King County, will develop and implement a program to provide vegetative food waste collection to single-family yard waste subscribers in the Kent-Meridian service area. Because of concerns about odors and vectors, the service will be limited to those customers using company-provided yard waste containers. Approximately 9,000 out of 11,500 yard waste customers currently use company-provided containers.

Schedule:

August 31, 2006 -- Finalize implementation plan, including:

- Development of educational materials for customers with company carts
- Development of educational materials for customers without company carts
- Strategy for informing remainder of customer base
- County review of all educational materials

September 15, 2006 – Educational materials distributed to customers

October 1, 2006 – Begin service

4. Data Collection and Evaluation.
(15% of total 30%)

-Provide monthly reporting of tonnages, customer counts, and commodity values.

-Evaluate 2000+ customers that were converted to 96-gallon recycle containers during 2005. A full year of data evaluation will be used to determine the success of the program, and guide future conversion schedules.

-Provide data collection and evaluation of current garbage customers who increase service to include recycling, and those that convert from multiple containers to single stream recycling.

- A report containing data for evaluating overall success of this program will be provided by Kent-Meridian to King County and WUTC no later than May 1, 2007.

5. Conversion to 96 gallon Single Stream Recycle
(20% of total 30%)

Kent-Meridian agrees to convert 500 more customers to single stream during the course of the program year. Educational messages will be coordinated with the King County recycling campaign manager.

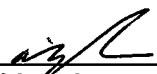
6. Sales Strategy to Increase Recycling for Growth Customers.

(15% of total 30%)

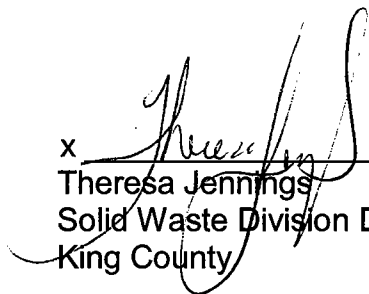
- Concentrated efforts to increase recycling efforts by offering new growth customers a "Green Package" of service that would include a 34 gallon garbage container, a 96 gallon recycle container, and a 96 gallon yard waste container.
- Goal for sales of the "Green Package" would be 10% of those customers calling in to establish new service
- Monthly reporting of "Green Package" sales.
- Data collection of all growth customers to include those services selected by the customer for use in evaluating the success of the sales program to increase the recycling stream.
- Coordinate with county regional recycling program manager to provide educational information to customers that is consistent with the King County media campaign.

Kent-Meridian Disposal hereby agrees to meet the above conditions and timelines. King County believes that implementation of this recycling plan will increase the amount of materials recycled by Kent-Meridian customers, and hereby certifies that the provisions of this plan are consistent with the King County Comprehensive Solid Waste Management Plan. Therefore, King County recommends to the WUTC that Kent-Meridian Disposal be allowed to retain 30% of actual commodity values received during the period of this agreement (July 1, 2006 – June 30, 2007).

Extension of the revenue sharing program beyond June 30, 2007 will require WUTC approval, which will be based in part upon the results of this year's program and the submittal by Kent-Meridian of another plan certified by King County. Kent-Meridian must submit a draft plan to King County no later than April 15, 2007 in order for certification to be considered.

x 

Mike Huycke
Washington District Manager
Kent-Meridian Disposal

x 

Theresa Jennings
Solid Waste Division Director
King County

Dated 8/4/06

Dated 8/10/06