



## 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**  
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May 19, 2005

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

Dear Ms. Washburn:

The purpose of this letter is to convey King County's support for the Recycling and Commodity Revenue Sharing Plan submitted by Kent Meridian Disposal Company in Docket 050301, under the provisions of RCW 81.77.185. The statute reads as follows:

- 1) The commission shall allow solid waste collection companies collecting recyclable materials to retain up to thirty percent of the revenue paid to the companies for the material if the companies submit a plan to the commission that is certified by the appropriate local government authority as being consistent with the local government solid waste plan and that demonstrates how the revenues will be used to increase recycling.
- 2) By December 2, 2005, the commission shall provide a report to the legislature that evaluates:
  - (a) The effectiveness of revenue sharing as an incentive to increase recycling in the state; and
  - (b) The effect of revenue sharing on costs to customers.

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

- "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)

Carole J. Washburn  
May 19, 2005  
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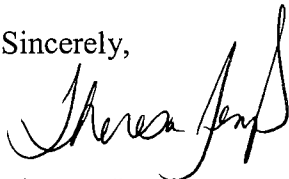
King County is recommending that the Washington Utilities and Transportation Commission (WUTC) allow Kent Meridian to retain the maximum 30 percent of revenues allowed by the statute for the period that this plan remains in effect, beginning April 1, 2005. We have requested that WUTC consider extending the period of this plan to June 30, 2006. If this is practicable, it will allow Kent Meridian to do follow-up participation and tonnage surveys at the same time of year as the original surveys (March - April 2004). This will, in turn, provide us with information useful in evaluating a subsequent recycling plan from Kent Meridian effective July 1, 2006, should the company choose to submit one.

This is the second year that Kent Meridian has requested to retain revenues under the provisions of this statute. The original recycling plan, which went into effect April 30, 2004, required Kent Meridian to add new materials to recycling, to distribute containers to some non-routed customers, and achieve specific first-year recycling tonnage and participation targets. King County agreed to support allowing Kent Meridian to retain 30 percent of commodity revenues during the first year; if targets were met and all elements of the plan implemented, King County also agreed to support continued retainage, 30 percent of commodity revenues for a second year (i.e., through March 31, 2006) without negotiating a new agreement.

As Kent Meridian acknowledges, the company did not fulfill the terms of the original recycling plan. After discussions with King County and WUTC staff, Kent Meridian submitted this amended plan for the upcoming year that substantially increases the company's financial commitment to improve its recycling equipment and services. If implemented, we expect to see greater improvements to Kent Meridian's recycling services than we would have seen in our original two-year plan.

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, Project/Program Manager, at 206-296-4402, or [bill.reed@metrokc.gov](mailto:bill.reed@metrokc.gov).

Sincerely,



Theresa Jennings  
Division Director

TJ:BR:mw

cc: Mark Gregg, Division Controller, Kent Meridian Disposal  
Bill Reed, Project/Program Manager, Recycling and Environmental Services,  
King County Solid Waste Division

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SOLID WASTE DIVISION

**Updated Proposal – Kent-Meridian Disposal 30 Percent Revenue Sharing Program**

Kent-Meridian Disposal would like to present the following proposal (with associated budgeted cost and/or timelines) which amends the previous agreement between King County and Kent Meridian Disposal, dated 2/17/04. If WUTC so approves, the term of this agreement will be extended by three months so as to end on June 30, 2006.

- 1) There are approximately 2,000 customers in the Kent-Meridian WUTC area who are paying for recycling, but are not routed for recycle service and probably do not have the appropriate recycling containers. It is agreed that placing appropriate recycling containers with each household in this group is an appropriate target for improving recycling in the area and increasing the overall tonnage recycled per customer. It is also agreed that a switch to 96-gallon cart-based "single stream" recycling over time is an appropriate and desired goal of all parties involved. Because of the capital-intensive nature of this desired change, it is proposed that in the current operating year (year 2 of the program), Kent-Meridian Disposal purchase approximately 2,000 96-gallon carts to replace the current 32-gallon can/2 bin system. These carts would be assigned by converting complete routes, and the recovered 32-gallon cart/2 bin containers would be placed with currently non-routed customers. The reason for converting complete routes is so that given customers on a route don't have a different container setup from their neighbors, which could cause a variety of logistical issues and possible complaints. All currently non-routed customers will be delivered a recycling container unless the customer has previously requested that a container not be delivered. Customers receiving 96-gallon carts and nonrouted customers receiving 32-gallon carts will receive advance letters with directions on how to recycle.

Proposed timeline for completion:

August 1, 2005

Estimated cost:

\$ 106,000.00

- 2) A count of every residential recycling setout on every applicable recycling route for a two-week period was completed in March/April 2005. An analysis of this data will be forwarded to both King County and the WUTC. A follow up analysis will be completed in the same time frame of 2006 to allow comparison and analysis of the data. One of the desired outcomes of this analysis is to be able to evaluate the effectiveness of the 96G service versus the standard 32 gallon plus 2 bin service. The analysis will be structured so as to allow comparative changes in tonnage collected per household and setout rates both for customers who have changed to 96G service, and for customers that continue to have 32 gallon/2 bin service.

Proposed timeline for completion:

First Analysis	June 1, 2005
Second Analysis	May 1, 2006

Estimated cost: Unknown, but would include driver time and staff time to compile and analyze results.

- 3) In order to increase the tonnage level of customers who are currently routed and using the recycling program, a variety of different methods will be used to attempt to increase customer awareness of the expanded list of acceptable materials and the benefits of increasing their recycling levels. These methods will include the following:

Building and maintaining a recycling information website (currently in progress). Website operation and content is to be reviewed by King County prior to implementation.

CSR sample calling of customers routed for service, but where driver notes no set out – find out why and take steps to assist customer with issues. The goal is to call an average of 20 non-setout customers per week to determine why the customer did not set out for service.

Initiate invoice messaging (referring to increased recycling benefits and the website), and back of envelope messaging (referring to recycling website). If these options prove infeasible, Kent-Meridian will provide other direct mail promotional materials. Content of these is to be reviewed by King County prior to implementation.

Provide radio and/or local TV advertising (public service type message) if cost is reasonable.


Kent Meridian agrees to meet with King County (and WUTC, at its discretion) by June 15, 2005 to present for review all public education elements of this plan, including materials to be provided to customers with new recycling services.

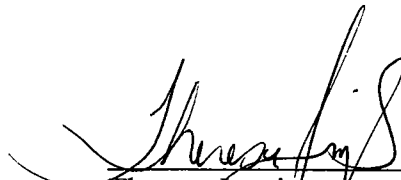
Proposed timeline for completion of website integration	July 1, 2005
Some programs will be ongoing	

Proposed budget for above combination	\$20,000.00
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The goal for the increase in residential recycling tonnage per customer during Year 2 is 4%. This percentage is based upon tons of recyclables (excluding yard debris) collected per garbage customer between August 1, 2005 and April 30, 2006, as compared to tons of recyclables collected per garbage customer between August 1, 2003 and April 30, 2004.

- 4) Accurate reporting of the progress and the costs associated with the program is to be provided to both King County and the WUTC within 30 days of the end of each calendar month. If this deadline is not possible due to unforeseen circumstances, Kent-Meridian Disposal is to notify the other parties as soon as possible and provide adequate substantiation for the delay. Report content and format is to be agreed to by all parties by June 15, 2005 and shall include the following:
- a count of residential garbage customers by service level;
  - total tons of recyclable materials by commodity and estimated tons of residual garbage disposed at the Rabanco Recycling plant;
  - estimated revenues received by commodity; and
  - a log of customer service calls to non-setout customers, and a summary of the results of those calls.
- 5) Kent-Meridian hereby agrees to meet the above conditions and timelines. King County believes that implementation of this recycling plan will significantly increase the amount of materials recycled by Kent-Meridian customers. Therefore, King County recommends to the WUTC that Kent Meridian Disposal be allowed to retain 30% of actual commodity values generated during year 2 of the program (April 1, 2005 through March 31, 2006).

  
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Jeff Andrews  
Region Vice President  
Rabanco Ltd./Kent Meridian Disposal

  
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Theresa Jennings  
Solid Waste Division Director  
King County

Dated 5-17-05

Dated 5-19-05