



King County

Solid Waste Division

Department of Natural Resources and Parks

King Street Center

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August 16, 2011

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

RE: TG-101075 – Fiorito Enterprises, Inc. & Rabanco Companies G-60 – King County Comments

Dear Mr. Danner:

The purpose of this letter is to provide King County's comments to the Washington Utility and Transportation Commission (WUTC) on the extended recycling plan and revenue sharing agreement submitted in Docket TG-101075. The agreement is between King County and Fiorito Enterprises, Inc. & Rabanco Companies, doing business as Kent-Meridian Disposal (hereafter referred to as Kent-Meridian).

This agreement is for the period of August 1, 2010 to July 31, 2011. The agreement was subsequently extended until September 30, 2011 with a new scope of work for the extension period. The comments herein refer only to the original agreement. As discussed with WUTC staff, King County prefers to defer evaluation of the two-month extension period until Kent-Meridian's next commodity value adjustment, which will be submitted to WUTC in June 2012.

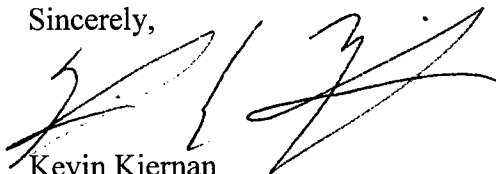
The following table summarizes the tasks included in our agreement with Kent-Meridian. Although, as noted in the table at the end of this document, some tasks were not fully completed during the period, King County believes that Kent-Meridian has satisfactorily fulfilled most of the terms of its agreement. Based on information provided to us by Kent-Meridian, the average tons recycled each month (excluding organics collection) increased by 8 percent from the previous plan period. Consequently, we are not requesting that WUTC require the company to return to customers any of the revenues retained during the period.

King County supports reinvesting the unexpended retained revenues from this plan period to augment funding for the 2011-2012 revenue sharing plan submitted to WUTC by Kent Meridian for the October 2011 to July 2012 period. The major component of this new agreement is to provide delivery of new 96-gallon recycling carts to 7,000 customers along with educational materials. It is our expectation that the company will complete this conversion in 2013 to all of the approximately 14,000 customers who do not currently have 96 gallon recycling carts. We believe this conversion will significantly enhance recycling in the Kent-Meridian area.

KENT-MERIDIAN 2010 -2011 RECYCLING PLAN SUMMARY		
Activity	Percent of Revenues Eligible for Retainment	Comment
Regional Recycling Campaign Partnership	5%	<ul style="list-style-type: none"> Quarterly meetings completed
Data Collection & Evaluation	5%	<ul style="list-style-type: none"> All data reporting requirements met
Conversion to 96-gal carts	15%	<ul style="list-style-type: none"> Cart conversion requirements (700 carts) completed Plan for 100% cart conversion not completed, scheduled in new plan for completion by November 2011
Outreach efforts	10%	<ul style="list-style-type: none"> Invoice inserts to 33,000 customers in February, March and April – design complete; inserts not provided to customers Invoice messages to 33,000 customer – completed Outreach to self-haulers – outreach completed; final ads not given to County for review as required by plan; documentation for achievement of goal (2% increase in garbage customers) not received Outreach at community events/fairs – completed Neighborhood recycling challenge – initiated, but not completed during this period; scheduled to be completed during two-month Extension period Evaluation of results of outreach – not provided
Capital investment	5%	<ul style="list-style-type: none"> More than 23 CNG trucks added to fleet – complete Front end glass screen and other improvements added – complete
Food scrap program development	10%	<ul style="list-style-type: none"> Website enhancements to add Live Chat feature and accept compostable bag requests – complete Sample food scrap bags and brochures to be included with every cart delivered to organics customers – no information received
TOTAL	50%	

Thank you for the opportunity to provide these comments. If you have any questions, please contact Bill Reed at 206-296-4402, or bill.reed@kingcounty.gov.

Sincerely,



Kevin Kiernan
 Division Director

cc: Alex Brenner, Senior Market Analyst, Republic Services