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June 12, 2019

Dave Somers
County Executive

Steven V. King, Secretary and Executive Director
Attention: Danny Kermode, Assistant Director
Washington State Utilities and Transportation Commission
PO Box 47250
Olympia, Washington 98504-7250

RE: Republic Services/Snohomish County Revenue Sharing Plans

Dear Mr. King:

The purpose of this letter is to provide Snohomish County's determinations regarding revenue sharing compliance with RCW 81.77.185 by Republic Services of Lynnwood (Republic Services). This letter conveys support for and certification of a new revenue sharing plan that addresses revenue sharing programs in Snohomish County from August 1, 2019, through July 31, 2021. It also reports the County's findings regarding Republic Services' performance under Part A of the current revenue sharing plan from August 1, 2017, to April 30, 2019, and Part B from May 1, 2019, to July 31, 2019. The plans referenced herein apply to Republic Services' G-12 certificated territory within Snohomish County.

August 1, 2019 – July 31, 2021 Plan Period (New Plan)

Republic Services and Snohomish County have come to an agreement on a new Recycling Plan and associated budget for its service area within Snohomish County for the period beginning August 1, 2019, and ending July 31, 2021. A copy of the Plan, signed by both parties and certified by the County as being in compliance with its current Solid Waste Management Plan, is being transmitted to you by Republic Services concurrently with this letter. The plan is divided into two parts to accommodate annual filing deadlines. Part A will include activities occurring August 1, 2019, through April 30, 2021, and Part B will include activities occurring May 1, 2021, through July 31, 2021.

We recommend that the Washington Utilities and Transportation Commission (WUTC) allow Republic Services spend up to 50 percent of the anticipated revenues from the sale of commodities generated during the 2019-2021 Plan period to implement the program activities described in the Plan. The County will work closely with Republic Services through quarterly meetings to ensure milestones in the Plan are met and to make adjustments to the plan if projected revenues are not realized.

The County believes the Plan activities demonstrate how the anticipated retained revenue will be used to increase recycling, as required by RCW 81.77.185. "Recycling," as defined in RCW 70.95.030, means "transforming or remanufacturing waste materials into usable or marketable materials for use other than landfill disposal or incineration."

August 1, 2017 – April 30, 2019 Plan Period (Part A of Current Plan) and May 1, 2019 - July 31, 2019 (Part B of Current Plan)

In June of 2017, the County provided initial certification of the August 1, 2017 - July 31, 2019 Plan, and recommended that Republic Services retain 50 percent of the commodity revenues generated for this time period. The plan was divided into two parts to accommodate required filing deadlines; Part A was to run August 1, 2017 - April 30, 2019, and Part B was to run May 1, 2019 – July 31, 2019.

During this period, Republic has done a good job implementing high quality tasks in the plans. We are satisfied with their efforts. The agreed upon tasks were implemented according to the Plan with mutually agreed upon adjustments to the Plan due to the substantial reductions in commodity prices. Funds budgeted for this reporting period have been expended. Unfortunately, due to Republic's emphasis on cleaning up contamination, they did not show an increase in the diversion rate for this period and therefore doesn't meet the eligibility criteria for the five percent (5%) incentive in period B.

Thank you for the opportunity to offer our comments and support for the recycling plans developed by Republic Services and Snohomish County. If you have any questions, please contact Polagaya McLaughlin at (425) 388-6492 or polagaya.mclaughlin@snoco.org

Sincerely,



Matthew Zybas
Solid Waste Director
Snohomish County Public Works
Matthew.zybas@snoco.org