

**Waste Management Recycling and Commodity Revenue Sharing Plan for
Spokane County
August 1, 2024 – July 31, 2026**

This Recycling and Commodity Revenue Sharing Plan (“Plan”) between Spokane County (“County”) and Waste Management of Washington, Inc. (“WM”) has been developed with the express intent of increasing recycling and reducing environmental impact through management of solid waste streams in Spokane County. “Recycling,” as defined in RCW 70A.205.015, means “transforming or remanufacturing waste materials into usable or marketable materials for use other than landfill disposal or incineration.” Funding used by WM to implement this Plan will be from revenues retained by WM from the sale of commodities in accordance with the revenue sharing provision in RCW 81.77.185.

This Plan covers the time period of August 1, 2024 to July 31, 2026, at which time it terminates. The Plan is to be implemented in three parts: Part A (August 1, 2024 -- April 30, 2025); Part B (May 1, 2025 -- April 30, 2026); and Part C (May 1, 2026 – July 31, 2026). This schedule allows time to evaluate the effectiveness of Part A and B activities before a 2026/2028 plan must be submitted to the WUTC for certification. Activities in the Part A and B time period will be evaluated in late 2nd and early 3rd Quarter 2026. Please refer to the attached “Timeline for WM-Spokane County Revenue Sharing Agreement” (Attachment A) for a schedule of key submittal dates.

The Plan includes a number of activities to be implemented by WM that both the County and WM believe will increase recycling and reduce environmental impact through proper disposal of waste in Spokane County. These activities can be found in the task objectives section of this Plan. A quarterly meeting update template with planned implementation timelines can be found in Attachment B. Labor costs associated with the Plan are built into WM’s WUTC tariff rates, all task related activities are not built into WM’s WUTC tariff rates, and are strictly part of this Plan. The expectation of the County and WM is that WUTC will allow WM to be fully compensated from retained revenues for task expenditures that are reasonably consistent with the budget in attachment C, and deliverables and due dates in Attachment B. In addition, WM will be eligible to retain up to an additional five percent (5%) of County-approved expenditures on Plan programs as a financial incentive if performance targets specified below are achieved.

WM and the County reserve the right to modify activities in this Plan in order to accommodate unexpected opportunities or incorporate new ideas for increasing recycling, decreasing contamination or reducing environmental impact through waste disposal. WM and the County also reserve the right to modify the plan if: (1) WUTC denies any WM rate filing that incorporates regular ongoing activities of prior RSA Plans, or (2) it appears that actual total revenues will vary significantly from projected revenues; however, a modification is not required in order for WM to receive full compensation for expenditures and financial incentive.

Financial Incentives

Waste Management is eligible for a financial incentive payment for implementation of the Plan if the following conditions are met:

- a) For increasing diversion of materials from disposal by regulated single family and multifamily residential customers, an amount equal to 3% of the total expenditures incurred by WM in implementation of Plan activities. To determine the eligibility for this incentive payment, WM will calculate the diversion rate for regulated single family and multifamily customers based upon a 3-year rolling average on a calendar year basis with the most recent period being annualized. Diversion rate means the weight of recycling and organics (yard waste and food) divided by the total weight of all materials collected from WUTC regulated single family and multifamily customers. If the diversion rate has increased, WM will be eligible for this incentive payment, subject to the conditions in subsection c) below.
- b) For increasing the total number of regulated and participating residential accounts, an amount equal to 2% of the total expenditures incurred by WM in implementation of Plan activities. To determine the eligibility for this incentive payment, WM will calculate the total number of regulated residential accounts at the beginning of this Plan period and compare it with the number of regulated residential accounts at the end of the Plan period. If the number of accounts has increased, WM will be eligible for this incentive payment, subject to the conditions in subsection c) below.
- c) Eligibility for the incentive payment is conditional upon satisfaction by the County and WUTC that expenditures are consistent with the Plan activities, budget and timeline in Attachment B. The County shall provide a recommendation to WUTC regarding WM's eligibility to retain the incentive payments by June 15, 2026. The County may waive requirements a) and b) if in County's judgment, WM has complied with all aspects of the Plan.

Overview of Plan Activities

Outreach tactics implemented in this agreement will be mutually agreed upon by WM and the County. County staff will be included in conceptual discussions, planning and review of all implementation tactics and materials and budget discussions that pertain to the implementation of tasks in this agreement. The County shall be given at least a two-week advance review before materials are distributed and electronic and hard copies of all publications shall be provided to the County after printing. Additionally, mutually agreed upon task plans will be developed by WM prior to task implementation and will be reviewed with the County during quarterly meetings or additional task specific meetings.

Quarterly Updates and Coordination Meetings

WM will meet with County staff on a quarterly basis to report on implementation steps undertaken as per this agreement, lessons learned, proposed next steps and status of budget, including anticipated vs. actual revenues and expenditures. Memorandums, reports, promotional materials and other requirements described in this Plan will be provided in advance of these meetings. During these meetings, WM and County staff will also discuss concepts, plans and implementation mechanisms designed, in the long-term, to significantly affect the nature and/or quantity of recyclables and wastes collected in Spokane County.

WM will track and report on the status of implementing Plan activities, on budgeted and actual program expenditures, and on monthly revenues being generated from marketing recyclable materials collected from regulated single family and multifamily customers in Spokane County. If there are significant variations from expenditures or revenues, WM will report to the County with recommendations for adjustments to the Plan activities to respond to those variances.

Monthly Data Reporting Requirements

WM will provide accurate monthly recycling and disposal reports using the format required by the County by the end of the following month.

Task Objectives

Task 1: Knowledge Sharing

In 2024-2026, WM will conduct a variety of activities to provide recycling education and contamination reduction to Spokane County WUTC residents.

WM's goal is to provide education around waste reduction to the public leading to behavior change.

Tactics may include:

- Direct mail of education guides and materials
- Providing educational guides and calendars to residents electronically
- Bill insert prompts
- Digital marketing campaign, potentially including social media, television, and radio advertising
- Promotion and maintenance of WM Cartwise application to maintain accuracy
- Developing new WM SMaRT Center (WM Spokane recycling facility) educational instruction and tours to engage WUTC residents in how recyclables are sorted, increase their faith in the recycling system and reduce contamination. This may include partnership with a technical school for development of a hands-on classroom technology demonstrator

- Support and coordination for collection events for difficult to dispose of materials, to increase visibility and awareness to WUTC residents
- Cart tagging for contamination reduction and improved recycling practices, targeted by route
- Utilizing Smart Truck data to pilot education campaigns and target tagging efforts
- Updating the WM RSA website as project reports are completed
- Informational videos

Task 1 Deliverables:

- Outreach campaigns to educate residents
- Communications tools/materials
- Project reports
- Knowledge sharing
- Maintain WM CartWise application
- WM's RSA Website updates in 2025 and 2026

Task 2: Equitable Outreach

In 2024-2026, WM will expand Access and Education for all efforts within Spokane County. This will include ensuring that new materials are accessible to multiple audiences, and conducting audience research to determine how to best reach a variety of communities with recycling education.

Tactics may include:

- Updating materials, websites, and resources to be accessible for common regional audiences
- Conducting research to determine the best way to provide outreach to different audiences including multicultural, low income, ADA compliance, multigenerational and rural
- Partnering with key community stakeholders in Spokane County to set up foundational, long-term community education. This may include mend-it cafés, organizing holiday ornament swaps and clothing swaps, and conducting textile waste reduction programs
- Conducting research for current recycling messaging, guides and decals

Task 2 deliverables:

- Behavior study results
- Updated materials
- Report on grassroots education efforts

Task 3: Community Events – Reducing Contamination & Waste

Meeting customers as they engage in community activities is an opportunity to provide education about recycling and composting. It also offers the chance to introduce new topics such as food waste reduction, and to offer event attendees the latest tools and resources for recycling right and reducing food waste at home.

In 2024-2026, WM will conduct community education outreach at 10 event days in WUTC service areas in Spokane County, or at locations that host a large number of WUTC residents. WM will create educational tools and booth resources to better engage residents when it comes to recycling, and food waste reduction.

If unforeseen environmental impacts prevent the attendance of community events in 2025 or 2026, WM and the County will reserve the right to direct Task 3 funding into alternative residential education efforts.

Task 3 Deliverables:

- 10 event days
- Educational materials and event booth supplies
- Develop new booth features and materials focused of food waste reduction
- Outreach summary report

Task 4: Focused Education for Younger Minds

Student education has continued to be one of the best methods to introduce knowledge and excitement around waste reduction and recycling starting in the classroom, and then bringing that enthusiasm to the household. WM will continue to provide more technical assistance and classroom workshops to eligible elementary, middle and high schools. This work will involve outreach to more teachers during this plan, modifying programs as necessary, and developing new programs to bring the most benefit to students.

Classroom Workshops: WM will conduct workshops, using hands-on activities combined with table group and large group games. All workshops are aligned with Grade Level Expectations (GLEs) and expect students to use critical thinking skills and explore the impacts of their choices, thus encouraging behavior change. Waste reduction and recycling workshops will be offered to elementary schools.

Classroom Assemblies: WM will develop and implement multiple grade assemblies. These will engage students around the concepts of waste reduction and recycling, and get them excited about workshops as well.

Technical Assistance: The assistance and action projects will encourage schools to move from learning to action by providing hands-on technical assistance and project assistance related to waste prevention and recycling. This includes on-site visits, materials such as containers and signs, data tracking, and assistance with classroom projects.

Science Nights and Field Days: WM will work with schools to host a table and activity area for science nights and field days. These events provide an opportunity to educate students and provide both students and parents materials to take home.

Library Education: WM will work with local libraries to adapt classroom workshops for age appropriate afterschool library events.

Milk Dispenser Pilot: WM will continue to work towards implementing milk dispensers, and pilot them at up to two schools in order to reduce milk waste, and disposable cartons. This could create a template for other schools throughout the county.

Task 4 Deliverables:

- Recycling education workshops, assemblies and technical assistance program
- Report on program, survey results and proposed next steps
- Piloting milk dispensers at up to two schools, and providing funding for necessary changes, such as milk dispenser purchase, durable cup purchase and more

Task 5: Multifamily Recycling and Reduction of Contamination

In the 2022-2024 plan, WM had great success working with multifamily properties to establish best practice basics at multifamily properties.

Best Practice Basics:

- Convenience: Co-location of collection containers for equally convenient access
- Clarity: Making it clear through use of labels which container is for recycling
- Capacity: Ensuring there is sufficient room in the recycling container for tenants to place their recyclables

The next steps in working with properties may include:

- Continuing to work with new properties to implement the best practice basics where possible
- Conducting research to establish what comes next for properties after best management basics have been implemented
- Beginning painting recycling containers blue to reduce contamination by aligning container color with signage
- Piloting textiles collection at multifamily properties

Education tactics may include:

- Resident trainings and lobby events
- Providing door hangers to residents regarding proper recycling

- Providing door-to-door outreach to residents to discuss proper recycling, answer questions, and transcreated recycling fliers, stickers, magnets, or other educational materials
- Recycling bin or tote bag distribution to increase ease of taking recyclables to the collection area

Task 5 Deliverables:

- Roll out of education materials and offering trainings to multifamily properties and residents
- Roll out of best practice basics to multifamily properties
- Project final report

County Reporting to the UTC

The County has determined that the elements of this Plan conforms with the Spokane County Comprehensive Solid Waste Management Plan, and the statutory requirements of RCW 81.77.185. It therefore will provide a certification of this Plan and a recommendation to the WUTC that WM retain 50% of the revenues generated from marketing recyclable materials during the period covered by this Plan to be used in performing the activities identified herein.

Furthermore, if all program components specified in this Plan are achieved, and if the County is satisfied that WM has achieved the performance goals stated in this Plan, the County agrees to provide a written recommendation to the WUTC that WM should retain a financial award for the August 1, 2024 – July 31, 2026 period in an amount up to 5% of its program expenditures. Revenues retained by WM during this period that exceed the expenditures and financial awards stated in this plan will be returned to rate payers in the commodity adjustment effective on August 1, 2026, unless a 2026/2028 Plan is approved by WUTC and the County specifies that the funds be carried forward.

WM Authorized Representative

Date

 Mary S. Evans
 Area Director – Public Sector Solutions

SPOKANE COUNTY CERTIFICATION

With this acknowledgement, Spokane County hereby certifies this Recycling Plan is consistent with the County’s Comprehensive Solid Waste Management Plan and the County’s understanding of RCW 81.77.185.

Spokane County Authorized Representative

Date

Kyle Twohig
Senior Director of Public Works
Spokane County

Attachment A:

2024-2026 Timeline for WM-Spokane County Revenue Sharing Agreement

Aug 1 2024	Effective date for rates and 2024/26 Plan.
May 15 2025	Preliminary report from WM to Spokane Co on achievements and costs during Part A (Aug 1 2024 - Apr 30 2025) of the 2024/2026 Plan.
Jun 15 2025	Final report to WUTC from WM on expenditures and achievements for the period Part A of the 2024/2026 Plan.
Jun 15 2025	Spokane Co certification of Part A of the 2024/2026 Plan to WUTC.
Jun 15 2025	Commodity value adjustments to WUTC from WM for 2025/2026.
Aug 1 2025	Effective date for 2025/26 rates
May 15 2026	Preliminary report from WM to Spokane Co on achievements and costs during the 2024/26 Plan period.
May 15 2026	Proposal from WM to Spokane Co on 2026/28 Plan.
Jun 15 2026	Final report to WUTC from WM on expenditures and achievements for the 2024/26 Plan.
Jun 15 2026	Commodity value adjustments, including application of incentive, to WUTC from WM for 2026/28.
Jun 15 2026	Plan to WUTC from WM for Aug 1 2026 – Jul 31 2028.
Jun 15 2026	Spokane Co certification of 2024/26 Plan to WUTC.
Aug 1 2026	Effective date for rates and 2026/28 Plan

Attachment B
2024/26 WM-Spokane County Revenue Sharing Tasks Quarterly Update
August 1, 2024 through July 31, 2026

Task 1: Knowledge Sharing		
	Timeline	Task Update
Project management/website updates	Q1-Q2 - 2026	
Mailings/Bill inserts	Q2 2025	
Digital ad development	2024-26	
Mobile App	2024-26	
Informational videos	2024-26	
Collection event partnerships	2025-26	
Smart truck contamination testing	2025-26	
SMArT education room and tours	2024-26	
Task 2: Equitable Outreach		
	Timeline	Task Update
Behavior Study	2025	
Transcreation efforts	2024-26	
Grassroots partnerships	2025-26	
Task 3: Community Events – Reducing Contamination & Waste		
	Timeline	Task Update
Community events	2024-26	
Task 4: Focused Education for Younger Minds		
	Timeline	Task Update
Milk dispenser pilot	2024-26	
Technical assistance	2024-26	
Workshops and assemblies	2024-26	
Library education	2024-26	
Task 5: Multifamily Recycling and Reduction of Contamination		
	Timeline	Task Update
Best management basics outreach	2024-26	
Next steps beyond BMB research	2024-26	
Painting containers blue	2025-26	

**Attachment C –24-26 Plan Budget
2024/26 WM-Spokane County Revenue Sharing Budget
August 1, 2024 through July 31, 2026**

Spokane County Revenue Sharing Budget

August 1, 2024 - July 31, 2026

		<u>Budget</u>
<u>Customer Counts:</u>		
Residential		<u>27,180</u>
<u>Tonnage:</u>		
Residential and Multi-Family WUTC tonnage (2 years)		<u>11,843</u>
<u>Revenues:</u>		
Total Two Year Projected Commodity Revenue (based on most recent 6 months average commodity values)		<u>\$ 1,664,382</u>
<u>Expenditures Budget:</u>		
Estimated Revenue Sharing retained by Company	50.0%	\$ 832,200
Carried over balance from previous RSA		\$ 88,155
Less: Recycling Incentive	5%	<u>\$ (43,830)</u>
		<u>\$ 876,525</u>
<u>Tasks As Outlined In RSA</u>		
Task 1 - Knowledge Sharing		\$ 361,525
Task 2 - Equitable Outreach		\$ 140,000
Task 3 - Community Events - Reducing Contamination and Waste		\$ 20,000
Task 4 - Focused Education for Younger Minds		\$ 290,000
Task 5 - Multifamily recycling and Reduction of Contamination		<u>\$ 65,000</u>
Total RSA Budgeted Expenses		<u>\$ 876,525</u>