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STATE OF WASH.  
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COMMISSION

**WASTE MANAGEMENT**

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May 30, 2003

Deborah Reynolds  
Regulatory Analyst  
Utilities and Transportation Commission  
P.O. Box 47250  
Olympia, WA 98504-7250

RE: Docket number TG-030711

Dear Ms. Reynolds,

You will find enclosed a faxed copy of Snohomish County's certified Recycling Plan. I respectfully request that this information be added to the filing before the WUTC under the above docket numbers. I also want you to know that the baseline data for Snohomish County will be sent to you on Monday.

Thank you for your patience in this matter. If you have any questions or concerns, please contact me directly at 206/264-3075.

Thanks again.

Sincerely,

Jerry Hardebeck  
Municipal Contract Manager

Cc: Mike Weinstein, WM  
Steve Goldstein, Snohomish County

## **Waste Management & Snohomish County Recycling Plan and Commodity Revenue Sharing Agreement**

### **I. Introduction**

This plan was developed with the express intent of increasing the amount of recyclable material currently being recovered by WUTC customers in Snohomish County (the County) serviced by Waste Management (WM). The County recommends to the Washington Utilities and Transportation Commission (WUTC) that WM use a portion of the revenues it derives from its sale of the commodities it collects and markets for the implementation and ongoing costs of this Recycling Plan. The County and WM developed this commodity-sharing plan in contemplation of RCW 81.77.185.

### **II. Baseline Data**

Since the goal is to increase the amount of recycling from where it is today, WM will compile a baseline of data that addresses the various aspects of the programs. The baseline data to be presented to the County is as follows:

1. Annual commodity revenues and recycling tonnage (by month and commodity); collected by tariff service territory for 2003 to date, 2002, 2001, 2000, and June through December 1999.
2. Number of residential households receiving recycling service for 2003 to date, 2002, 2001, 2000, and June through December 1999.
3. Pounds of garbage collected per household for 2003 to date, 2002, 2001, 2000, and June through December 1999.
4. A calculation of the recycling percentage rate by month as follows:

$$\frac{\text{Total monthly tonnage of recyclables}}{\text{Total monthly tonnage of recyclables} + \text{Total monthly tonnage of municipal solid waste}}$$

5. Data derived from a composition study of commodities collected from approximately 1,500 homes in the County before implementation of Single Stream Recycling. WM will perform this study by July 15, 2003, and work with the County to select a geographic area that best represents the County as a whole.
6. WM will retain the baseline data for a minimum of five years to allow for future comparisons.

This baseline data (except for item 5) will be presented to the County by no later than June 15, 2003.

### III. Services to Be Expanded by WM

#### A. New recyclable materials

1. Polycoated beverage containers
2. All plastic bottles and food tubs (excluding those that contain hazardous substances and polystyrene containers)
3. Ferrous and nonferrous metals meeting the following size and weight restrictions: maximum size of 2'x2'x2' with no greasy or non-metal attachments

#### B. Single stream recycling program

1. WM's new recycling facility, Cascade Recycling Center, will open by August 15, 2003, and will enable the introduction of Single Stream Recycling (all recyclables placed in a single wheeled plastic cart) for County residents.
2. New wheeled plastic carts with in-molded graphic instructions will be delivered to every garbage and "recycle only" WUTC- certified customers in the County. Carts will be delivered according to the schedule shown in the attached timeline.

#### C. Expansion of curbside recycling into rural Snohomish County

1. At a time agreed to by both parties but no later than July 1, 2003, Waste Management will implement curbside recycling into those areas of the County currently served by the County's drop site recycling program
2. Initially, the program will be the 3-bin program currently being used in the more urban areas of the County. After the completion of the implementation of Single Stream throughout the other parts of the County, the rural areas will be converted to Single Stream.

#### D. Data Reporting & Public Information

1. Between July 1, 2003 and May 1, 2004, WM will sample the 1500 homes discussed in II.4. above to establish whether the quantity of recyclable collected has in fact increased.
2. In addition to the reporting to the County presented in II. above, WM will provide the County with the following information for each tariff service area in Snohomish County:
  - a) Expanded quarterly reporting to include a count of residential customers subscribing to each level of garbage collection service (e.g., minican, one-can, two-can, etc.), the approximate amount of each commodity being collected and the recycling rate (tons of recyclables/tons of recyclables +tons of garbage).
  - b) WM will retain the data records for a minimum of five years.
3. For the initial one-year period of this agreement, WM will provide the following information to the County monthly:
  - a) The total tons of recyclable materials and an estimate of the total tons of residual garbage from recyclables received at the Cascade Recycling Center
  - b) Estimated revenues collected and organized by commodity
  - c) A log of customer comments related to service and rate changes related to this agreement

#### IV. Revenue Sharing

- A. From July 1, 2003 through June 30, 2004, the County recommends to the WUTC that WM retain 30% of the revenues from the sale of recyclables collected from curbside programs in Snohomish County that have historically been rebated to the customer.
- B. The County recommends to the WUTC that the basis for receiving 30% of the revenues be as follows:
  1. 10% - for implementation of Single Stream recycling program as scheduled below, including distribution of information, provision of carts to residents, adding new materials and opening of the Cascade Recycling Center.
  2. 10% - for implementing curbside recycling in the rural area of the County and provided to customers using Waste Management services.

3. 10% - for the anticipated increase in the amount of recycling that is being done by the WUTC customers after the introduction of the Single Stream Program as demonstrated by an increase in per-household pounds of "non-fiber" recycled materials. The increase in per-household recycled materials will be determined by the composition studies by WM, using the 1,500 households discussed above.

C. Revenue sharing percentage after July 1, 2004.

1. By May 1, 2004, WM will submit a status report to the County showing how service expansions specified above have been addressed. If any component of the agreement has not been implemented as specified, or if the objectives in any component have not been achieved, the County may request the WUTC to reduce the revenue sharing percentage. In particular, the County may request a reduction in the revenue sharing percentage associated with the increase in recycling discussed and measured according to IV.B.3. above as follows.

Actual % inc. in non-fiber tons	% Reduction to Rev Sharing	Resulting % of commodity revenue retained by WM
1-3%	5%	25%
4% - 10%	2%	28%
>10%	0%	30%

2. If the County requests adjustments to the revenue sharing percentage, WM will have an opportunity to submit to the County, for its approval, additional program enhancements that would allow WM to retain the full 30%.
3. The County agrees if all the goals of the program are met, that it will support WM's tariff filing with the WUTC to retain the full 30% and the County agrees to exercise its petitioning powers to see that such the 30% is not reduced.
4. In addition to the provisions of this agreement, the County and WM agree to continue to look for means of diverting material away from landfill disposal and further agree to negotiate in good faith enhancements to the recycling services being provided by WM.

With this acknowledgement, Snohomish 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.

Snohomish County Authorized Representative

Date

Jeff Kelly - Clark

5/30/03

