



Aaron Reardon
County Executive

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Everett, WA 98201

June 8, 2009

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

RE: Docket **TG – 090759**

Dear Mr. Danner:

The purpose of this letter is to convey Snohomish County's support for extending Waste Management's Recycling and Revenue Sharing Plan for the period of July 1, 2009 to June 30, 2010. Snohomish County recommends that the Washington State Utilities and Transportation Commission (WUTC) allow Waste Management to retain the maximum thirty percent of revenues allowed by statute.

Over the last year, WM has closely coordinated with Snohomish County Solid Waste on the activities outlined in the previous addendum. While a challenging time due to the economy and markets, significant efforts were undertaken as outlined in the agreement and WM has done a good job. WM will be providing you a packet of documents and samples of some of the activities undertaken. Several activities were not fully implemented, such as advising our station staff on loads rich in recyclables. These activities were delayed by mutual agreement and will be pursued in the future.

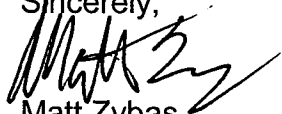
Waste Management has prepared an amendment to their revenue sharing plan (Addendum 4) based upon input from Snohomish County. Snohomish County recommends that WUTC approve this amendment, which extends revenue sharing at the 30% level until June 30, 2010. If Waste Management does not meet its reporting requirements, the amendment calls for a 50% reduction in the revenue share retained by Waste Management. If Waste Management does not meet other conditions in the amended Plan, Snohomish County may later request that the WUTC consider requiring that some revenues be returned to customers.

In my position as the Solid Waste Division Director, I have been delegated the authority to make the certification of revenue sharing plan as required in RCW 81.77.185 statute. I hereby certify that the plan submitted to you by Waste Management, as amended in Addendum 4, is consistent with our local solid waste plan.

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WUTC
COMMUNICATIONS

Thank you for the opportunity to provide this letter of certification and recommendation for the extension of Waste Management's recycling plan. If you have any questions, please contact Sejo Jackson, Principal Planner, at 425-388-6490, or sejo.jackson@co.snohomish.wa.us.

Sincerely,

A handwritten signature in black ink, appearing to read "Matt Zybas", written over a horizontal line.

Matt Zybas
Solid Waste Division Director

Copy: Susan Robinson, Waste Management Northwest
Sejo Jackson, Principal Planner
File

ADDENDUM 4
June 2009

WM Recycling and Commodity Revenue Sharing Plan for Snohomish County

This is an addendum to the Recycling and Commodity Revenue Sharing Plan for Snohomish County ("Plan"). The Agreement was developed and signed by Snohomish County ("County") and Waste Management ("WM"), in 2004, and amended in 2004 and 2005, with the expressed intent of increasing the amount of recyclable material generated by WUTC customers serviced by WM. A portion of the funding of the implementation and ongoing costs of the Plan has been received from WM retaining a portion of the revenues derived from the sales of the commodities collected and marketed by WM. This commodity sharing provision was enacted in accordance with RCW 81.77.185. This amendment covers the time period of July 1, 2009 to July 1, 2010, at which time it terminates. A new agreement for the time period of July 1 2010 through July 1 2011 will be negotiated and agreed to by June 1, 2010, if both parties agree that a continued agreement is in the best interests of ratepayers and the environment. If a new agreement is not negotiated by June 1, 2010, the Agreement may be terminated, requiring the development of a new Base Agreement.

Data Reporting

WM will provide accurate monthly recycling and disposal reports using the format required by the County on a timely basis. In addition, WM will continue to submit monthly reports to the County on recycling activities at the Cascade Recycling Center as required by other Agreements between the parties. The parties agree that failure to meet this condition on the part of WM will result in a 50% reduction in the amount of revenues that would otherwise be retained by WM.

Quarterly Updates and Coordination Meetings

WM will meet with County planning staff quarterly to report on implementation steps undertaken as per this agreement, lessons learned, and proposed next steps. Memorandums, reports, promotional materials and other requirements described in this amendment will be provided in advance of these meetings. During these meetings, WM and County staff will also discuss concepts, plans and implementation mechanisms designed to, in the long-term, significantly affect the nature and/or quantity of recyclables and wastes collected in Snohomish County. Subjects to be addressed include but are not limited to how to remove the remaining food waste, yard debris and wood waste from the disposed waste stream, actions that will significantly divert to recycling other materials with large greenhouse gas footprints, education and other actions that will significantly divert household hazardous waste and problematic materials from disposal and frequency of recycling and garbage collection service.

Increase Proportion of Households Subscribing to Curbside Collection Services

. WM will assess results from its efforts to increase the proportion of households subscribing to curbside collection services undertaken under Addendum 3. WM will discuss the results and continue or revise its strategy as it continues to work to increase use of curbside collection services.

Decrease Residuals and Contaminants

WM will continue to minimize the amount of non-recyclable residual received at its processing facility(ies) and will evaluate and monitor contamination of commodities (such as glass and plastic in paper), and to increase the proportion recycled of incoming material. WM will provide a written report to the County by January 1, 2010, regarding its findings. The report will include information on the make up of the residual and contaminant components, how those materials are managed and disposed and what has been done and will be done in the future to reduce the non-recyclable residuals and contaminants. The report will include information and analysis related to the value of the grade of commodities sold compared to the value if contamination within shipped commodities could be reduced.

Harmonization with Other Area Curbside Recycling Programs

WM will examine the materials collected in other Puget Sound area programs and will recommend which of these materials could be collected in Snohomish County and which materials it would advise against. These recommendations will be discussed in a quarterly meeting in time for revisions to be made in the next distribution of recycling instructions.

Targeted Commodities

Due to green house gas emission impacts and other environmental benefits, WM will target efforts to increase the recycling of all metals, paper and biogenic organics. This includes increasing promotion of small metals collected at curbside.

WM will develop and refine a system to identify roll-off loads with significant contaminants and/or a high degree of recyclable materials. WM drivers will abide by a 50/50 rule (50% recyclables to 50% garbage) and notify Snohomish County transfer station staff so that the load may be segregated. This activity was required in Addendum 3 but was delayed by mutual agreement due to the economic downturn and resulting commodity markets as well as staff reductions. It is anticipated that this system will be mutually developed and implemented in by early 2010.

WM will report to the County by April 2010, regarding activities in pursuit of these goals.

E-Waste, Problematic and Household Hazardous Waste

The purpose of this activity is to ensure high diversion of problematic and hazardous materials in the waste stream and to assist customers in accessing and benefiting from newly emerging programs such as e-waste recycling.

WM will work to implement an educational program to educate its customers on ways to properly recycle/dispose of E-Waste and household hazardous waste by:

- Distributing to WM call center staff access information on locations and services for electronic waste, other problematic materials, and household hazardous waste.
- Include in its information mailers reference to websites and phone numbers where Snohomish county residents and businesses can access information on locations and services for electronic waste, other problematic materials, and household hazardous waste.
- Reexamine if WM will provide any collection or drop off services for e-waste in the new electronics recycling system which began in 2009, and if so develop a plan in coordination with SWMD that will impose costs (if any) on the entity utilizing the service rather than that cost being spread across all rate payers. If a plan is developed, SWMD encourages WM to utilize a processor and manufacturer plan that utilizes the “preferred” level of performance standard.
- Determine and implement activities, such as use of dumpster decals, to better inform residential and commercial customers of proper recycling and disposal regulations. Waste Management will continue its process of placing new instructional dumpster decals on containers used by Snohomish County customers and will provide the Division a schedule for completing the process.
- Implement a program, in cooperation with the Solid Waste Division, to better inform customers of the ban on the disposal of fluorescent lamps, including handling instructions and recycling options.

Organics Collection

WM will continue to promote expanded collection of organics and the organics collection program to additional customers.

WM will coordinate with Cedar Grove Compost, or any other permitted compost facility receiving curbside organics, to:

- Confirm materials that can be received and properly composted at the facility;
- Determine key contaminants and what might be done to minimize these contaminants;
- Determine new materials that might be added to the program; and
- Discuss any other operational matters beneficial to customers, the County, and the environment.

Results of discussions will be summarized in a memorandum to the County by January 1, 2010.

WM will explore ways to determine decreases in disposal poundage and increases in organics poundage that result from the addition of food and other organic materials to the yard waste program and that can be used to gauge the success and impact of the program. WM will include input from the County on possible methods and provide written results to the County.

Ongoing Promotion of the Food waste Program to Yard Waste Customers to Increase Participation

WM will continue to take the lead and work cooperatively with Snohomish County to promote the Food waste service to all WM single-family customers. WM will utilize bill inserts, brochures or other public education mechanisms, including direct mail, to provide information to all residential customers regarding Food waste and Yard waste programs.

Multi-family Recycling Education Program

WM will expand its Multi-family recycling educational efforts, including special outreach efforts to facility managers. The goal of the educational efforts is to improve the quality and quantity of materials being recycled by multi-family customers and will include:

- seeking feedback from multi-family customers via surveys, with incentive for participation
- through these surveys – identifying some multi-family customers that really want a new program, providing special assistance and using this experience as a template for encouraging other complexes

WM will report its multifamily education and marketing efforts to the County and will seek input from the County when creating or revising related materials.

Promotion of Recycling Programs

Waste Management will promote its recycling programs throughout Snohomish County through a variety of public outreach efforts, including web-based information, bill inserts, media outreach, labeling of containers and carts, etc. WM will maintain up-to-date program information and instructions on its website. WM will make available recycling instructions in a multi-lingual format and will promote the availability of multi-lingual information to the appropriate communities. WM will seek input from the County when creating or revising these materials. This effort will be designed to help ensure that a common message is used throughout Snohomish County to increase recycling efforts.

WM will develop and begin to incorporate messaging related to green house gas reduction and climate change issues with regard to increased reuse and recycling. WM will seek input from the County when developing these messages.

WM will explore possible utilization of social marketing techniques to increase recycling participation in its programs. WM will provide a memo to the County by January 1, 2010 regarding potential social marketing techniques in Snohomish County.

- A mailing to all Snohomish customers with a next generation presentation designed to draw attention to the County's programs. This mailing will dedicate an entire panel to waste reduction suggestions and another panel to plastics recycling (one of the most frequently asked questions at our call center).
- Radio Ads designed to promote curbside collection of both trash (to self haulers) and yard waste/food scraps to existing customers.
- An aggressive newspaper advertising campaign to promote the County's programs.

Recycling Audits

WM began auditing one full route truck of Residential, Commercial and Multi-family recyclables per month from cities in King and Snohomish Counties, including the WUTC collection area. Once each month, a set of trucks (one residential, one multi-family, and one commercial) from the same predetermined jurisdiction will be sorted at a WM facility. WM will compile the audit data and provide summary reports to the cities and the counties by February 2010. The current protocol will be revised and provided to the County

Planning for Possible Future Transition to Every-other-week/Weekly Recycling, Weekly Organics, Every-other-week Garbage

WM will develop a draft outline, including steps to be undertaken and realistic schedule, for the possible transition from the current set of services to every-other-week garbage service provided universally and combined with every-other-week or weekly recycling and weekly organics collection. The draft will serve as a basis of discussion with the Division during quarterly meetings, and will be provided prior to the first quarterly meeting in 2010.

Deliverables and Timeline

Activity	Date Due
Data Reporting	Monthly Reporting Due by the last day of the next month.
Coordination Meetings and Updates	Quarterly, with materials for discussion provided one week prior of meeting date
Customer outreach to increase households with Curbside	Ongoing
Report on contamination, residuals and harmonization with other curbside programs.	January 1, 2010

Negotiate new addendum	By June 1 2010
Roll-off Load with Recyclables Coordination	April 1 2010
E-Waste / HHW Education and collection review	Ongoing
Organics Education and Program Status Report	January 1, 2010
Recycling Education	Ongoing
Recycling Audit Status Reports	February 2010
Planning for transition to every-other-week garbage, etc.	April 1, 2010 at latest

County Reporting to the WUTC

If all of the goals and program components specified in this plan are achieved, the County agrees to provide written a recommendation to the WUTC that WM will retain 30% of commodity values, for the July 2009 – June 2010 period. If the Data Reporting requirement of this Agreement is not met the parties agree that WM will retain no more than 15% of the total commodity values during this period and a revenue sharing agreement for July 2011 – June 2012 will not be signed until all required data is submitted.

Recycling Goals

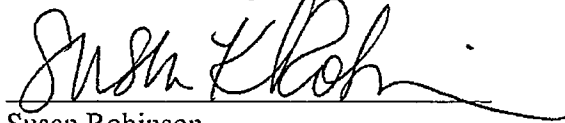
The goal of this agreement is to increase recycling levels of WM customers. WM and Snohomish County will use available data and data required by this Agreement to monitor changes in recycling and/or garbage levels. As a result of the programs, activities, and infrastructure improvements implemented by WM and associated with the ongoing series of revenue sharing agreements and addenda, the parties expect to maintain the recycling levels achieved; increase organics recycling as a result of adding food waste to yard waste services, and to improve the quality of materials collected from customers.

Continued Cooperation

In addition to the provisions of the Plan and the Addendums, the County and WM agree to continue to look for means of diverting material away from landfill disposal and increasing the number of residential customers it services through its curbside collection programs. The County and WM further agree to negotiate in good faith enhancements to the recycling services being provided by WM.

WM Authorized Representative

Date



5/27/09

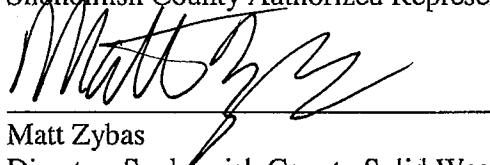
Susan Robinson
Director, Public Sector Services

SNOHOMISH COUNTY CERTIFICATION

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



6/8/09

Matt Zybas
Director, Snohomish County Solid Waste Division