1. **CALL TO ORDER:** Mayor Kartak called the Snohomish City Council Workshop to order at 5:00 p.m., Tuesday, July 7, 2020.

**COUNCILMEMBERS/MAYOR PRESENT**
Larry Countryman  
Steve Dana  
Judith Kuleta  
Tom Merrill  
Donna Ray  
Linda Redmon  
Jason Sanders  
John Kartak, Mayor

**STAFF PRESENT**
Pat Adams, City Clerk and Human Resources Manager  
Emily Guildner, City Attorney’s Office  
Steve Schuller, City Administrator and Utility General Manager

**NOTE:** Due to the COVID-19 declared federal, state and local emergency, and pursuant to Governor Inslee’s Proclamations 20-05 and 20-28, the Snohomish City Council held its workshop meeting via remote participation.

2. **DISCUSSION ITEM:** Republic Services - Recycling Surcharge

Kent Kronenberg and Russell Joe from Republic Services presented an update of their recycling surcharge request to the Council, stating the value of recycled materials continues to drop. At their last presentation February 18, 2020, the 2019 value of recyclables was $16.77/ton, and currently it is closer to $6/ton. Republic Services stated their commitment to recycling is evidenced by investing over $7 million locally to improve efficiency, and they continue to work on other methods to reduce the cost of recycling.

Councilmember Ray questioned how the fee differences between cities is calculated. Mr. Joe replied there are numerous factors which vary from city to city, as well as how the individual city chooses to distribute the cost.

Councilmember Kuleta asked why Republic Services, a for-profit publically traded national company which declared profits over the past year, is now requesting surcharges. Mr. Kronenberg advised local figures are different from the national level.

Councilmember Merrill inquired if the fee increase requested in February by Cedar Grove for yard waste was reflected in the costs. Mr. Joe replied the fees collected are passed through directly to Cedar Grove.

Councilmember Ray questioned long-term feasibility of continuing services, and whether an opt-out plan can be incorporated. Mr. Kronenberg indicated the City is contractually-bound through 2024 for services, but Republic is invested for the long-term, and is absorbing the risk from several unknown factors, such as what may or may not be recyclable in the future.

Councilmember Redmon mentioned first quarter earnings posted by Republic Services, and asked how the City could help provide the cleanest product possible to help maintain efficiency to keep costs low. Mr. Kronenberg advised commodity values are from local markets; that each market finds its own outlet. The fees quoted to Snohomish are based on the local Seattle facility. He indicated Republic’s ongoing commitment to education and
outreach, which includes programs at schools and public places such as farmers’ markets. He mentioned potential fines or other penalties for those that do not properly comply, but admits that is not the ideal scenario.

Councilmember Kuleta questioned if there was anything the Council could do to help. Mr. Kronenberg and Mr. Joe advised they are present at the Snohomish Farmers’ Market and work with the School District, and admitted education is an industry-wide challenge.

Council President Sanders questioned the feasibility of relaying costs to producers of materials, not the end users. Mr. Jim Hutchison of Republic Services replied they are working with producers on product stewardship, such as consolidating classes of plastics to make it easier for consumers to understand what can or cannot be recycled. He mentioned ongoing attempts to pass legislation to help achieve this.

Councilmember Ray stated the perception is that recycling is not happening, that the material all ends up in a landfill anyway. Mr. Kronenberg replied they would be happy to attend a forum or meeting to explain the recycling process to citizens. Mr. Hutchison exclaimed contamination is always an issue, but recycling has its benefits both economically and environmentally.

Council President Sanders questioned how rates for Snohomish compare to other local communities of similar population. Mr. Hutchison replied rates are similar.

Councilmember Redmon again questioned why local rates were increasing, if overall, the company is experiencing profits. Mr. Hutchison explained those figures include solid waste disposal, not just recycling. The solid waste side is doing well, but it is in the recycling sector where the issues arise. Recycling should be self-sufficient, but is not quite there, so research and development continue.

Councilmember Redmon asked if rates could be reviewed annually. Mr. Joe responded the City of Monroe established an annual rate review in their latest contract, and agreed it could be a possibility for Snohomish.

Mr. Schuller questioned the Council on how they would like to proceed, or what action they would like to take. Councilmember Dana exclaimed his support of Option 2 presented in the staff report. Councilmember Ray commented she was reluctant to accept any of the options at this time.

There being no further discussion, the meeting was adjourned.

3. **ADJOURN** at 5:50 p.m.

APPROVED this 21st day of July, 2020

CITY OF SNOHOMISH ATTEST:

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John Kartak, Mayor     Pat Adams, City Clerk