



UTILITY BOARD STAFF REPORT

**Item (1)
January 14, 2025
Regular Business**

AGENDA ITEM INFORMATION

TITLE:	Recology Mercer Island Utility Board Presentation	<input checked="" type="checkbox"/> Discussion Only <input type="checkbox"/> Action Needed: <input type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution
RECOMMENDED ACTION:	Receive Report. No action necessary.	

STAFF:	Jason Kintner, Chief of Operations Alanna DeRogatis, Sustainability Program Manager
COUNCIL LIAISON:	Jake Jacobson
EXHIBITS:	n/a

SUMMARY

On October 1, 2019, Recology became the City's new provider. The City Council selected Recology for a 10-year contract in December 2018, following a competitive RFP process. Every year, Recology presents their Annual Report to the Utility Board, providing a recap for the prior year, as well as an explanation of any rate changes for the coming year.

Staff recruitment was a focus for Recology in 2024, as well as upgrades to sorting technology at Recology's Seattle Material Recovery Facility (MRF). Recology also hired a new Director of Customer Service to improve customer experience across their service area. Mercer Island Customer Satisfaction Scores (CSAT) averaged 4.6 out of 5, and customer service metrics show improvement over the course of the year. Recology operations improved over the course of 2024, including a significant decrease in missed collections over the last 12 months. Recology was also a vital part of storm recovery efforts following the Bomb Cyclone in November 2024. Recology quickly delivered several yard waste roll-off containers that helped support tree debris clean up for both the City and the community.

Each calendar year, Recology conducts two waste characterizations of the city's residential recyclables stream. The characterization measures the percentage by weight of each of the commodity types in the city's residential recycling stream. These weight percentages are then calculated with prices for these commodities and used to calculate a rate adjustment, up or down based on last year's commodity prices. This year resulted in a rate decrease of \$1.34 for residential customers and \$0.85 for multifamily customers.

Per the contract, the collection fee component of Recology's service fees and the miscellaneous fees and charges (such as roll out charges or return services) that do not have separate disposal fee components increase each year by 100% of the annual percentage change in the Seattle – Tacoma – Bellevue CPI. The King County 2025 disposal rate also increased 10% from \$150.83/ton to \$165.91/ton. Following the [King County Solid Waste Rate Restructure](#) in 2023, 2024 was the first year that the King County Fixed Annual Charge appeared on customer invoices.

Recology is an active partner in the City's effort to achieve the targets set in the Climate Action Plan, including that 70% of all waste be diverted from landfills by 2030. Recology is also working with the City to ensure businesses on the Island are prepared to comply with Washington State Organics Legislation requiring organics service.

RECOMMENDED ACTION

Receive Report. No action necessary.