

**Recycling Fund Advisory Committee
Meeting Minutes of September 20, 2018**

The following members were present:

Michele Nestor, Chair
Robert Watts, Vice Chair
Eli Brill
Gordon Burgoyne
John Frederick
Leda Lacomba (on behalf of Representative Matt Gabler)
Timothy O'Donnell
Gregg Pearson
Shannon Reiter
Gary Roberts
Keith Salador (alternate for James Sandoe)
Nick Troutman (on behalf of Senator Gene Yaw)
John Vatavuk
Edward Vogel
Randall York
Gerald Zona

The following members were absent:

James Close
Joyce Hatala
Tanya McCoy-Caretti
Joseph Reinhart
James Sandoe
Senator John Yudichak

The following guests and Department of Environmental Protection (DEP) staff members were present:

Barbara Baker	Lancaster County Solid Waste Management Authority (LCSWMA)/Professional Recyclers of Pennsylvania (PROP)
Neil Bakshi	DEP Policy Office
Bob Bylone	Pennsylvania Recycling Markets Center (PennRMC)
Amy Mazzella DiBosco	Greater Lebanon Refuse Authority (GLRA)
George Fetrow	DEP Southcentral Regional Office Waste Management Program
Adriana Frontino	DEP Policy Office
Walt Harner	DEP Bureau of Waste Management (BWM)
Laura Henry	DEP BWM/Committee Liaison
Larry Holley	DEP BWM
Mary Keenan	Webber Associates/Pennsylvania Waste Industries Association (PWIA)

Alaina Krayeski	DEP BWM/Recording Secretary
Jim Lambert	Monroe County Solid Waste Authority
Jeff Obrecht	RK&K (consultant to PennDOT)
Todd Pejack	DEP BWM
Mark Vottero	DEP BWM
JoAnne Yurcaba	DEP BWM

RFAC Call to Order; Introduction of Members and Guests; Approval of Minutes of June 7, 2018 (RFAC); Old Business

Michele Nestor, Chair, called the September 20, 2018, RFAC meeting to order at 10:04 a.m. Ms. Nestor asked for introductions of committee members and guests.

Ms. Nestor called for a motion to approve the June 7, 2018, RFAC meeting minutes. Shannon Reiter made a motion to approve the minutes, seconded by Jerry Zona; the motion carried unanimously.

Review of FY 2017-2018 Recycling Fund Expenditures and Public Education and Technical Assistance Expenditures

Larry Holley, Chief, Division of Waste Minimization and Planning, gave a review of past expenses and presented proposed expenditures from the Recycling Fund. Mr. Holley began by reviewing the Section 901 Planning and Household Hazardous Waste (HHW) Education Grant awards. Typically, these grants fund planning revisions, feasibility studies, waste composition studies etc.; applications have also been received from counties looking to implement mandatory ordinances, establish convenience centers, and develop business plans. A little over \$1 million in 901 awards was funded in fiscal year 2017-2018.

Mr. Holley moved on to the Section 902 Recycling Program Development and Implementation Grants, indicating that when the Recycling Fee was renewed, DEP announced a large round of Section 902 grants. DEP received a total of 196 applications by the April 7, 2018, deadline, requesting about \$39 million in funding. Well into the review process, it is expected that all applications will be funded; however, the amounts on the handout may change due to compliance reviews. DEP anticipates that the total amount of the final awards will exceed the available budget.

Mr. Holley then discussed Section 904 Recycling Performance Grants. In calendar year 2015, 745 applications were received and 737 grants totaling approximately \$16.5 million were awarded, with 8 applications on hold. In 2016, 734 applications were received, and 429 grants totaling approximately \$7.9 million were awarded, with 11 awards on hold.

Discussions then shifted to the Section 904 Grant Application Residue Rate Evaluation spreadsheet. DEP utilized calendar year 2015 Section 904 grant award data to present the difference in amount of award under the current formula versus the old formula at different

reimbursement and residue rates. DEP prefers that the residue rate stays at 20% because 15% is not financially sustainable.

There was much discussion on the spreadsheet and what reimbursement and residue rates were feasible to use in the formula. Members expressed concerns with the fairness of a 20% residue rate and the perception that there is little to no incentive for municipalities to lower their contamination rates. To address this issue, members proposed that municipalities could be rewarded for implementing effective educational programs on recycling for their residents. After further discussion about education, Randy York expressed that he could agree to receiving 80% reimbursement at a 20% residue rate.

John Frederick made a motion to amend the formula utilizing an 80% reimbursement rate at a 20% residue rate, with a caveat that DEP commits to making the contamination rate as fair and equitable as possible; Ed Vogel seconded. Prior to a vote on this motion, there was further conversation about incentives for municipalities to decrease their contamination rates through recycling education for their communities. Jerry Zona proposed a tiered approach to implementation of the formula where a municipality would receive a better reimbursement rate for proving its residue rate for the grant period was less than 20%.

After more discussion on education options, Mr. Frederick amended his motion to incorporate Mr. Zona's tiered award concept, utilizing an 80% reimbursement rate plateau and a 20% residue rate, along with the Department being willing to explore equitable contamination documentation efforts, and examining a tiered award system. Shannon Reiter seconded; the motion carried unanimously.

Action Item: FY 2018-2019 Recycling Fund Spending Plan

Mr. Holley reviewed the spend plan for the Recycling Fund, including the breakdown of Public Education and Technical Assistance Expenditures. Shannon Reiter inquired about a timeline for the Waste Composition Study line item in relation to the education campaign discussed earlier. Mr. Holley explained that no timeline had been established, but that a member of his staff has been tasked to take the lead on the Study. Ms. Reiter also inquired as to the status of the Convenience Center General Permit (GP) and when the Committee can expect to see it. Mr. Holley responded that the Department plans to have a draft to discuss at the December SWAC-RFAC meeting.

Gordon Burgoyne entered a motion to approve the Spending Plan, seconded by Mr. Frederick; the motion carried unanimously.

Public Comment; New Business

No public comment was made.

Mr. Frederick reiterated the struggle experienced with the current Covered Device Recycling Act and encouraged the Legislature to continue working on a solution. Mr. Holley and Ms. Nestor both indicated that it continues to be a priority.

Ms. Nestor brought up that proxies for Legislative members have asked whether they have voting proxy; Committee bylaws currently do not allow for that. She recommended the Committee consider amending the bylaws to allow Legislative proxies to vote on matters brought before the Committee.

Ms. Nestor called for a motion to adjourn the RFAC meeting at 11:44 a.m.; the motion carried unanimously.