

**Recycling Fund Advisory Committee / Solid Waste Advisory Committee  
Meeting Minutes of September 21, 2017**

**The following SWAC members were present:**

Michele Nestor, Chair  
Bob Watts, Vice-Chair  
Jerry Zona  
John Vataavuk  
Gordon Burgoyne  
James Sandoe  
Gary Roberts  
John Frederick  
Joyce Hatala  
Shannon Reiter  
Gregg Pearson  
Jim Close  
Elizabeth Bertha (Alternate for Ed Vogel)  
Jonathan Lutz on behalf of Rep. Matt Gabler  
Adam Pankake on behalf of Senator Gene Yaw  
Richard Fox on behalf of Rep. Mike Carroll

**The following RFAC members were absent:**

Eli Brill  
Tim O'Donnell  
Tanya McCoy-Caretti  
Randall York

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

Jim Lambert	Monroe County Solid Waste Authority
Mary Webber	Pennsylvania Waste Industries Association (PWIA)
Bob Bylone	PA Recycling Markets Center (PARMC)
Jennifer Summers	Professional Recyclers of Pennsylvania (PROP)
Amy Mazzella diBosco	Greater Lebanon Refuse Authority
Barbara Baker	Lancaster County Solid Waste Management Authority
Justin Stockdale	Pennsylvania Resources Council
LeeAnn Murry	Citizens Advisory Council – PA DEP
Art Feltes	Bucks County Recycling Coordinator
Jane Meeks	Berks County Solid Waste Authority
Joanne Shafer	Centre County Recycling & Refuse Authority
Kimberly Shust	Bucknell University
Lisa Schaefer	County Commissioners Association of Pennsylvania (CCAP)
Michael Nines	Manko, Gold, Katcher & Fox LLP
Isaac Ristor	Rep. Mike Carroll
Tony Guerrieri	Joint Legislative Conservation Committee (JLCC)

Chris Noble	DEP Bureau of Waste Management (BWM)
Walt Harner	DEP BWM
Laura Henry	DEP BWM
Chris Solloway	DEP BWM
Larry Holley	DEP BWM
Timothy Gilbert	DEP BWM
Todd Pejack	DEP BWM
George Hartenstein	DEP Deputy Secretary of Waste, Air, Radiation & Remediation
Neil Bakshi	DEP – Policy Office
David Shetron	DEP – Legislative Affairs
Katie Hetherington-Cunfer	DEP – External Affairs

**Call to Order; Introduction of Members and Guests; Approval of Minutes of June 29, 2017; Old Business**

The September 21, 2017, meeting of the Recycling Fund Advisory Committee/Solid Waste Advisory Committee (RFAC/SWAC) was called to order at 10:03 a.m. by Michele Nestor, Chair. Ms. Nestor asked for introductions of committee members and guests.

Ms. Nestor called for a motion to approve the June 29, 2017, meeting minutes. Laura Henry noted a correction to reflect that Tim O’Donnell was present at the last meeting. John Frederick made a motion to approve the minutes with the change, the motion was seconded by Joyce Hatala. The motion carried unanimously.

**Convenience Centers**

Larry Holley, Chief of BWM’s Division of Waste Minimization & Planning, gave an update regarding potential authorization of convenience centers under a general permit.

Mr. Holley stated that in some rural settings similar facilities already exist and the goal is to work with these facilities as part of the authorization process, since it is far better for these facilities to continue to collect and recycle materials than having it dumped illegally. The issue is determining the best path forward to get these facilities operating in a uniform manner while ensuring economic stability to promote usage. Some convenience center models’ operating costs are too high to sustain operations, and the ultimate result is continued open dumping of materials.

Mr. Holley presented the committee with proposed standard conditions for the general permit that included conditions allowing existing facilities to be grandfathered in. Along with proposed standard conditions, there was draft language intended to address topics that have been of concern to collect; how the material would be stored; how to manage construction and demolition (C&D) waste; and the amount of C&D/municipal waste that could be on site, etc.). Mr. Holley asked the committee for suggested changes to the proposed conditions.

Regarding electronics recycling/collection, Mr. Holley stated that DEP is working on proposed legislative language, and the general thought is that the proposed convenience centers would be able to accept CRT televisions.

Mr. Holley explained that the application will have a business plan component for applicants to outline costs and markets and describe how the facility can be self-sustaining. It will be designed in a way to allow the entities who are developing the convenience centers to explain how they intend to operate. The intent is to not have a long-term grant program to fund convenience centers, but merely to get the process started while allowing the facilities to have autonomy in how they operate.

It was stressed that the quality of materials being collected is an issue; due to contamination, these materials are not always recyclable. She felt that people need to be educated regarding what the facility is collecting and how materials are collected to ensure that centers aren't being overwhelmed by non-recyclable materials.

Questions were asked about allowing prospective centers to obtain a waiver for collection of certain mandated materials if there is already a local facility that can handle those materials. That way the center doesn't cut into the economics of an existing enterprise. The purpose of the facilities is to accommodate regions (largely rural) where the residents do not have access to curbside collection. This would allow them to safely dispose of their materials in an environmentally friendly way, it would also serve to generate revenue.

Additional questions arose regarding tonnage limits and storage caps for collected materials. Mr. Holley stressed once more that there are caveats that would be built into the program to prohibit facilities from trying to become small scale transfer stations. One of the suggestions from the committee was to implement a daily total limit for materials coming into the facility.

An audience member asked whether there would be limitations for the location of the proposed facilities, based on criteria such as demographic, geographic location and population density. Mr. Holley clarified that these aspects are under consideration and within the grant application, however finalized details are still being worked on. He again stressed that the goal of these proposed facilities is to work efficiently with existing collection facilities, they don't want to damage existing businesses and their ability to collect materials.

### **Review of FY 2016-17 Recycling Fund Expenditures and Public Education and Technical Assistance Expenditures**

Larry Holley, Chief of BWM's Division of Waste Minimization and Planning, presented the 2016-2017 Recycling Fund & Public Education and Technical Assistance Expenditures. Handouts summarizing grant expenditures were provided to the committee. Four Section 901 Waste Planning and fourteen Household Hazardous Waste Education grants were awarded in FY 2016-17, totaling \$771,551. DEP's last offering for Section 902 grants was in FY2015 and they were awarded in 2016. Due to the unresolved issue regarding the sunset of the Recycling Fee, DEP is unable to offer any additional Section 902 grants at this time. FY2014 Section 904 Municipal Recycling Performance Grants were awarded to 752 applicants totaling \$16.7 million with

another 239 applications that still need to be awarded. Awarded Section 904 grants for FY2015 totaled \$8.5 million with approximately \$10 million worth of applications yet to be awarded. The application deadline for FY2016 Section 904 grants is October 2, 2017. Mr. Holley said that as of meeting time, the program area had 290 applications in- hand for an approximate cost of \$8-9 million and they are expecting another 500-600 applications to arrive with an additional request amount of \$11-12 million.

There was lengthy discussion among the committee and audience members regarding the proposed (at the time of the meeting) Commonwealth budget that would see significant amount of money pulled from the Recycling Fund. Issues discussed were the potential impacts to the future of the grant programs as well as any contingencies that might be in place. Legislative representatives in attendance stated that the budget proposal was just that, a proposal, and both the House and Senate are in communication with the DEP Secretary throughout the process.

### **FY2017-2018 Recycling Fund Spending Plan**

Larry Holley presented the FY2017-2018 Recycling Fund Spending Plan for committee approval. Handouts detailing the spend plan were presented to the committee. Mr. Holley stressed that the spend plan he was presenting was based off the assumption that the Recycling Fee would continue to be in effect and that the sunset date would be either extended or eliminated. A question arose regarding the previous plan to spend down the grant programs. Mr. Holley clarified that while the current spend plan was created in hope that the Recycling Fee would continue, they do continue to shut the program down. He highlighted the fact that PA Bulletin notices would be notifying the public that the 901 grants would no longer be accepted and no further 902 grants would be awarded.

The committee members discussed approving the spending plan as presented. John Frederick and Michele Nestor made statements regarding how the stability of the Recycling Fee impacts the grant programs due to their multi-year format. A motion to approve was made by Joyce Hatala and seconded by Jerry Zona; the motion carried unanimously.

### **Update: Pennsylvania Recycling Markets Center (PennRMC) Recycling Economic Impact Study**

Bob Bylone, Executive Director and President of the PennRMC presented an update to the Recycling Economic Impact Study. Key study features he presented:

- Economic/Material Flow,
- Key Metrics Assessed,
- Research Approach,
- Boundaries, and
- Unique Data Modifiers.

Mr. Bylone noted that the data was cataloged in two ways; from a waste/recycling industry perspective, and an economic perspective. He outlined the three economic impacts that were studied; direct, indirect & induced and how they impact Pennsylvania's economy.

Mr. Bylone followed up the economic impact with information relating to the flow of materials. Material flow was categorized into 3 end uses: core recycling, downstream manufacturing, and reuse/remanufacturing.

He then gave a brief overview of some of the key metrics that were assessed in the study, including employment, value added, labor income, and government revenue, and gave a snapshot of what each metric was comprised of. For example, the employment metric captured data regarding wage, salary and self-employment jobs and the corresponding economic impact. Likewise, government revenue captured the taxes and other related revenues on Federal, state and local levels.

Mr. Bylone explained that IHS Markit Resources was the partner/contractor in completing the study, as they do a significant amount of economic forecasting as well as service related work for PA Department of Revenue. Mr. Bylone explained their approach to the study, which was a top down approach, utilizing US Census Economic Data, business market insight and other databases, Hoovers Directory, and NAICS code databases.

He went on to explain that RMC took a bottom up approach utilizing their knowledge and access of DEP and other databases, professional markets development field experience, and their understanding of PA and its transportation networks.

The study also broke down, by DEP region, the direct, indirect and induced impacts based on jobs and the economic impact that they have on their region. Another breakdown showed the core recycling establishments across the state and the various sectors that they serve (public/private collection, compost, mulch, scrap yards, etc.). The study did the same for downstream manufacturing and reuse/remanufacturing establishments.

Mr. Bylone spoke about how the money invested from the Recycling Fund has far reaching effects and that the study goes further in-depth to show how much impact the investment of the money has helped PA economically in the recycling marketplace. Many of the committee members shared his opinion.

### **Act 101 Workgroup**

Michele Nestor led a continued discussion on the priorities for changes to Act 101. The topics agreed upon for discussion at the meeting focused on collection infrastructure.

The first topic centered on Act 90 and how the requirements of the Act could be expanded to be more accommodating in allowing facilities to accept materials from sources that are exempt from obtaining a waste hauler authorization. The issue arises when these vehicles show up at a landfill with a load of waste without a sticker; the concern is that if the truck is turned away, the load of waste will be improperly disposed/illegally dumped. The thought is that expanding the regulations and licensing all levels of haulers would help alleviate this, as well as educating the public to ensure they are using licensed haulers and to support proper disposal of their waste.

Larry Holley stated that while universal licensing is a good idea, the problem becomes enforcing it. There are a multitude of small or illegal operations and the manpower to track and enforce the regulations with these additional haulers would become a daunting task, especially in extremely rural areas, placing even more burden on under-staffed Regional Offices. The biggest concern is that individuals will still dump illegally no matter what is done to prevent it. One thought was to allow a hauler to register online for a one-time exemption; that way they are in the system and if they attempt to return to a facility to dump, then they would be required to obtain a license.

The overall thought was that it would be extremely difficult to authorize small haulers; instead a multi-part approach would be the best, consisting of easy access to convenience centers for the small exempt haulers. This could be supplemented by universal licensing and a push for public education to help people understand the true cost of illegal dumping and how it negatively impacts local communities and economies.

The discussion turned towards the education component of recycling. There is a need to educate the public and consumers, the haulers, as well as the municipal leaders and lawmakers to ensure that everyone is on the same page when it comes to the importance of recycling. To educate the haulers, and by extension the public, is expensive and difficult to ensure its done right. This creates the issue of trying to get the public to see the whole picture when asking for the money to be spent for the education component. When it comes to the cost of recycling, people need to be educated that recycling isn't free, there will always be a cost to recycle/reuse, but the cost is worth it. Waste goes away whereas recycling comes back into the market as remanufactured goods. The importance of economics is good, so long as it displays the positive impact on the communities and Commonwealth. The key is getting the local mindset changed to allow people to see the true impacts that recycling has and using that to help get communities behind the push to change the way the system operates. It's also about laying the groundwork for future generations so that when they step into leadership positions they can continue the push for more affordable, accessible and efficient recycling programs.

**Public Comment; New Business**

John Frederick moved to adjourn, seconded by Shannon Reiter. The motion carried, and the meeting adjourned at 2:16 p.m.