

**Recycling Fund Advisory Committee  
Meeting Minutes of December 6, 2017**

**The following RFAC members were present:**

Michele Nestor, Chair  
Bob Watts, Vice-Chair  
John Vataavuk  
Gordon Burgoyne  
James Sandoe  
Gary Roberts  
John Frederick  
Joyce Hatala  
Shannon Reiter  
Jim Close  
Ed Vogel  
Eli Brill  
Tim O'Donnell  
Tanya McCoy-Caretti  
Randall York  
Joe Reinhart  
Kelly Megonnel (Alternate for Gregg Pearson)

**The following RFAC members were absent:**

Jerry Zona  
Gregg Pearson

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

Jim Lambert	Monroe County Solid Waste Authority
Bob Bylone	PA Recycling Markets Center (PennRMC)
Barbara Baker	Lancaster County Solid Waste Management Authority
Justin Stockdale	Pennsylvania Resources Council (PRC)
Lee Ann Murray	Citizens Advisory Council – PA DEP
Joanne Shafer	Centre County Recycling and Refuse Authority
Lisa Schaefer	County Commissioners Association of Pennsylvania (CCAP)
Mary Keenan	Webber Associates/Pennsylvania Waste Industries Association (PWIA)
Alex Danovitch	Eureka Recycling
Isaac Rison	Rep. Mike Carroll
Chris Noble	DEP Bureau of Waste Management (BWM)
Laura Henry	DEP BWM
Larry Holley	DEP BWM
Timothy Gilbert	DEP BWM
Neil Bakshi	DEP Policy Office
Mary Webber-Weston	Webber Associates/PWIA

**Call to Order (RFAC); Old Business**

The December 6, 2017, meeting of the Recycling Fund Advisory Committee (RFAC) was called to order at 10:56 a.m. by Michele Nestor, Chair.

**Act 101 Workgroup: Funding Mechanisms and Grants; Background and DEP Perspective**

Larry Holley, Chief, Waste Minimization and Planning Division, discussed the various grant programs under the Recycling Fund, including their functions and a summary of evolutions the grant may have had since its inception.

*Section 901 Planning Grant:*

- Funded at around \$2 million per year.
- Purpose of the grant is to help grantees complete their County Plan, waste composition studies, waste transportation studies, and/or resource recovery feasibility studies.
- More recently the grants (through Act 190) have covered Household Hazardous Waste education grants.
- Previously, planning was the main focus of the grant; that has given way to the waste/recycling studies and educational aspects.
- Section 902 grants will be re-instituted at the start of 2018.

*Section 902 Recycling Implementation Grant:*

- This program buys bins, trucks, recycling equipment, etc., and supports recycling education.
- DEP has awarded more than \$500 million over the past years.
- The program has evolved over the years to move away from education, but the current task is to put that back into focus.
- Funding around \$15 million annually.

*Section 903 County Coordinator Grant:*

- This grant pays 50% of approved costs to employ County Recycling Coordinators.
- Some Counties excel with their program, going above and beyond with their assistance to the County, while others treat the position as a part-time position and do the bare minimum.
- Improvements in accountability at the County level would help improve this program.

*Section 904 Recycling Performance Grant:*

- Developed as a financial incentive grant to reward communities for material they recycled.
- There was some controversy early on regarding what the funds were used for; legislation was passed to set a minimum standard of requirements to qualify for the grant.

Mr. Holley then outlined some additional projects that DEP has funded with Recycling Fund monies in the past:

*Low-Interest Loans:*

- Combined program with the Department of Community and Economic Development (DCED) to offer low-interest loans to local governments and the private sector.
- DCED backed out of the project, leaving DEP to become loan managers; this became overwhelming, so the program had to be discontinued.
- DEP still retains the ability to re-implement this program.

*Compost Infrastructure Grants and Marketplace Infrastructure Grants:*

- A previous DEP Secretary developed this program to make money available to the private sector.
- Program ran for about five years and was ultimately shut down because grant awardees started to sell the assets they acquired with DEP funding.

*Recycling Technical Assistance:*

- Recent increase in participants in this program.
- Provides up to \$7,500 worth of instant consulting advice to local governments.
- One-page application.
- Consultant works directly with the local government.

The Professional Recyclers of Pennsylvania (PROP) Continuing Education & the Pennsylvania Recycling Markets Center (PennRMC) are the two large organizations that DEP funds to further recycling education. PennRMC, because it is a private non-profit, can work with organizations that might otherwise not become involved with DEP. Both entities are doing good work with their objectives of education and market development.

**Act 101 Workgroup: Funding Mechanisms and Grants; County Perspective**

Joanne Shafer, Deputy Executive Director and Recycling Coordinator, Centre County Recycling and Refuse Authority (CCRRA), spoke regarding the success that Centre County has experienced within the grants funded by Act 101.

Ms. Shafer gave a background on when CCRRA was first established. In 1988, there were no recycling services provided to anyone in the County; there was a 1% recycling rate; and CCRRA employed six individuals. Now CCRRA services over 25,000 households and over 800 commercial establishments. They also have over 125 drop-off locations and employ around 67 individuals. The Authority has an annual budget that exceeds \$10 million.

Ms. Shafer explained how the various grant programs (901, 902, 903, etc.) have helped CCRRA economically. She presented a slide that showcased how the Authority and Centre County municipalities have been enabled to think outside the box in implementing their recycling programs, such as:

- Single Stream Conversion Studies,

- Curbside Organics Collection,
- Rate Evaluation Studies,
- Joint Household Hazardous Waste Education, and
- Many others.

Ms. Shafer also spoke about how CCRRA works with local Green Ribbon Schools, indicating that one school was awarded the President’s Award for Environmental Excellence last year. She explained that since 1990, Centre County and its municipalities have received approximately \$30 million from Act 101 grants.

CCRRA partners with various public and private industries to diversify revenue sources. Ms. Shafer mentioned a 2017 partnership between Weis Markets and CCRRA to produce calendars where the investment from Weis was approximately \$125,000. CCRRA has received grants from other entities, one of which was NiSource, where the money received went towards education regarding CCRRA’s Household Hazardous Waste program. CCRRA has also partnered with Clean Energy to build a CNG fueling station. CCRRA owns the property while Clean Energy maintains and runs the station.

**Act 101 Workgroup: Funding Mechanisms and Grants; Local Municipal Perspective**

Timothy Breneisen, Manager, Bureau of Solid Waste & Recycling, City of Lancaster, gave a presentation on the impacts of Act 101 from a local government point of view.

Mr. Breneisen spoke about how the municipality uses Section 904 and 902 grants. The City of Lancaster receives approximately \$100,000 through a 904 grant based on the amount of tonnage recycled. Since 1990, this money has been used to employ a Solid Waste and Recycling Coordinator.

The City utilized monies received from a 902 grant in 1990 to purchase bins for residents and design and distribute brochures regarding recycling. The City received hundreds of thousands of dollars to get this program started.

In 2006 the City embarked on a single hauler system, purchasing larger containers and essentially “rebooted” their program. Since 2009 the City has seen an increase in customers for their single hauler system. They have also seen improvements in areas such as:

- An increase in recyclables collected - 24.5 pounds per household in 2009, to 32.7 pounds per household in 2017; and
- An increase in yard waste collected - 0 pounds in 2009, to 26.2 pounds per household in 2017; and
- A decrease in trash collected - in 2009, the average was 175.6 pounds per household; in 2017, that has dropped to 160.3 pounds per household.

Mr. Breneisen explained that this data shows how impactful their system has been and how influential the monies received from Act 101 have been. Additional added benefits include:

- The cost of collection for City residents has not increased for the past nine years;
- Performance of the City's drop-off center has increased every year; and
- The tons of materials (office paper, corrugated cardboard, newspaper, magazines, chipboard and textbooks) marketed has increased since they started collecting in 2013.

Mr. Breneisen stressed that the 902 grants have allowed them to see these successes.

### **Act 101 Workgroup: Funding Mechanisms and Grants; Workgroup Discussion**

Michele Nestor led discussions on the information presented by the speakers and the Workgroup's previously provided priorities regarding current funding mechanisms and grants.

A member of the audience spoke to the need for reporting of tonnages of materials recycled to be required to be reported by those processing the materials instead of generators having to rely on haulers for that information. This would allow the process to focus on quality of materials recycled rather than incentivizing volumes and focusing on residue rates.

Joyce Hatala spoke of the need to utilize education as an incentive to help facilitate the decrease of trash and other contaminants getting into the recycling stream. Regarding education, Ms. Nestor inquired about the need for measurable goals to show the progress made on a grant.

Mr. Holley explained that with the evolution of single stream, there are some processors that accept materials even though they do not have a market for all of it. Knowledge of this activity impacts the future funding considerations for the program. The question came up as to how to go about incentivizing the grants further to ensure that all collected material that is recyclable is being recycled.

The proposition of a bottle bill was brought up by Ed Vogel. Mr. Holley stated that over the years there hasn't been much support throughout the Commonwealth regarding the implementation of a bottle bill.

Conversation returned to the need to use the tonnage of materials recycled from the processors rather than the tonnage picked up by haulers (e.g., the "backdoor numbers") in the formula utilized to determine amounts of grant funding. Members expressed concern with the "one size fits all" residue rate currently being used and that it does not factor in some programs that have a lower rate. A point was mentioned that the backdoor numbers could help highlight the lower contamination rate of processed materials. Mr. Holley stated that the problem with using processed tonnages is that if a facility accepts materials from different sources, there is no way to be able to attribute specific tonnages to different generators, as all the material would get mixed together during processing.

Topics of educating the public and developing consistent programs for recycling were brought up. Mr. Holley provided the example of when one municipality recycles plastic bottles but an adjacent municipality does not. He called for uniformity to help reinforce educational components, thereby creating a program where more materials can be collected and marketed.

A question was posed as to whether grant funding should be treated like seed money for a project or whether it should be made available for the life of a project. Joyce Hatala stated that using it as seed money is limiting, as there are a lot of good projects that get started but need money to keep going. She agreed with Ms. Nestor, who suggested guidelines be established to allow for continued funding of projects that are shown to be viable.

The Committee discussed the potential to expand the scope of work for future grants; specifically, the equipment purchased with grant funding and making it available to share if another local government could make use of it for a project. Allowing for this practice could help stretch the funding monies further. Members also discussed putting conditions upon further funding if local municipalities refused to share the equipment; the overall consensus was that promoting sharing is a good idea, but requiring it would be hard to enforce if multiple municipalities needed the equipment at the same time and couldn't work out a reasonable "sharing schedule."

Larry Holley commented that DEP and the Committee need to look at mechanisms for changes to Act 101 in real time as well as from a more administrative and policy perspective in addition to legislative and regulatory changes. He went on to specifically pose the question whether the Committee had any desire or recommended change to the way the 903 County Recycling Coordinator grants are handled. Committee members spoke to the recommendation that there should in fact be measurable goals that are met by County Coordinators before funding is offered. Michele Nestor called for a motion for Mr. Holley to provide a guideline for Committee review to inject accountability into the 903 grants. Shannon Reiter made the motion and John Fredrick seconded; the motion carried unanimously.

#### **Public Comment; New Business**

A special meeting of RFAC was agreed upon for a date in January to accommodate the review of guidelines that Mr. Holley was drafting. Shannon Reiter moved to adjourn the RFAC meeting, seconded by Joyce Hatala. The motion carried, and the meeting adjourned at 1:17 p.m.