

Recycling Fund Advisory Committee Minutes of October 9, 2024

The following members were present:

John Frederick, Chair
Michele Nestor, Vice Chair
Gordon Burgoyne
Jay Enoch
Brian Guzzone
Jason Leck
Gregg Pearson
Joe Reinhart
Shannon Reiter
Kyle Rosato
Joanne Shafer
Bob Watts
Gerald Zona

The following members were absent:

Eli Brill
Frank Mazza
Ed Vogel
James Welty

The following alternates were present:

Liz Bertha (on behalf of Ed Vogel)
David Buzzell (on behalf of Eli Brill)
Glendon King (on behalf of Representative Mackenzie)
Matt Osenbach (on behalf of Senator Yaw)

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

Jim Barnhart	PA League of Women Voters Environmental Committee
Terry Beck	Public
Kevin Beer	DEP Bureau of Waste Management (BWM)
Craig Benson	Public
Jodi Brennan	Clearfield County Planning and Solid Waste Authority
Bob Bylone	Pennsylvania Recycling Markets Center (PennRMC)
Laura Campbell	DEP Policy Office
Donna Cooper	Children First
Evelyn Dyer	DEP BWM

Megan Dennis	Pennsylvania Aggregates and Concrete Association (PACA)
Meghan Fogarty	Burlington Stores, Inc.
Nikolina Gaudin	DEP Bureau of Regulatory Counsel (BRC)
Sean Gimbel	DEP Office of Waste, Air, Radiation and Remediations (WARR)
Laura Griffin	DEP Policy Office
Veronica Harris	Montgomery County Solid Waste Authority/Professional Recyclers of Pennsylvania (PROP)
Laura Henry	DEP BWM/Committee Liaison
Crystal Heshmat	DEP BWM
Lawrence Holley	DEP BWM
Jim Lambert	Monroe County Solid Waste Authority
Patti Lynn	Chester County Solid Waste Authority
Trent Machamer	PA Senate Policy Office
C. Conrad Martin	Public
Josephine Martin	Management for Sustainability, LLC
Amy Mazzella di Bosco	Greater Lebanon Refuse Authority (GLRA)/PROP
Tom Mellott	DEP BWM
Waleria Melo de Mendonca	DEP BWM
Josh Neyhart	DEP Policy Office
Tiffany Piaskowski	DEP BWM/Acting Recording Secretary
Robert “Bo” Reiley	DEP BRC
Jennie Shade	Department of Conservation and Natural Resources (DCNR)
Sarah Alessio Shea	Pennsylvania Resources Council (PRC)
Jennifer Summers	PROP
Lucas Swanger	DEP BWM
Ali Tarquino Morris	DEP WARR
Mark Vottero	DEP BWM
Mindy Waltemyer	York County Solid Waste Authority

Call to Order; Introduction of Members and Guests; Approval of Minutes of October 19, 2023, Meeting; Old Business

Chair Frederick called the meeting to order at 10:54 a.m. Laura Henry conducted roll call. Chair Frederick called for a motion to approve the minutes from the October 19, 2023, meeting. A motion was made by Michele Nestor, seconded by Jay Enoch. All approved, none opposed, and the motion carried. No old business was discussed.

Public Comments

Ms. Henry reviewed new procedures put in place by the DEP Policy Office for providing public comment at meetings. No public comments were presented or made for discussion.

Informational Item: Food Recovery Infrastructure Grant (FRIG) Update

Mark Vottero, Waste Minimization and Planning Division, DEP BWM, provided an overview and update of the FRIG program. The third round of FRIG will open Saturday, October 12, 2024. The maximum grant award is \$50,000 and the deadline to apply is February 28, 2025. The grant is open to registered nonprofit organizations in Pennsylvania.

The first round of grants was awarded in 2020 totaling close to \$9.7 million. The maximum grant award was \$200,000. Round 2 was awarded on September 2, 2023; 114 non-profit organizations were awarded \$4.2 million. 102 of the awards were identified as impacting or enhancing environmental justice (EJ) areas.

The maximum grant award was reduced from \$200,000 to \$50,000 to support as many projects as possible. Overall, the grant program has awarded close to \$14 million. The program will continue to provide language access assistance in the third round. The program's documents are translated in other languages and are posted to the financial assistance webpage.

Larry Holley conveyed Acting Secretary Jessica Shirley's comments that this program is the best grant program within DEP. He commented that this program targets removing edible food from the waste stream and feeding people.

Shannon Reiter commented that she would promote this grant round with Keep Pennsylvania Beautiful's Feeding the Planet Grant applicants.

Jason Leck asked if the total amount expended was the same when the grant award was reduced from \$200,000 to \$50,000. Mr. Vottero reiterated that, in the first round, 145 applications were supported totaling \$9.7 million dollars and 114 applications totaling \$4.2 million dollars were supported in the second round when the maximum award was reduced to \$50,000.

Chair Frederick inquired whether DEP anticipated repeat applicants in the third round. Mr. Vottero confirmed that repeat applicants were expected.

Ms. Reiter inquired whether the reimbursement format of the grant presented issues for awardees, who typically have less on-hand cash. Mr. Vottero responded that DEP has focused on training staff on the reimbursement mechanism to allow for the quickest award possible; average turnaround time has been 4-6 weeks or less. He indicated that he has also seen local banks provide financial support to awardees to cover monetary gaps.

Mr. Holley stated that FRIG has helped identify local and geographically close entities that can work cooperatively to feed people.

Discussion Item: Review of FY 2023-2024 Recycling Fund Expenditures

Mr. Vottero reviewed FY 2023-2024 expenditures from the Recycling Fund with the Committee.

A little under \$2 million dollars was paid out for the Act 101, Section 903 County Recycling Coordinator reimbursement in calendar year 2023. Fifty-seven counties applied. Sixty counties are projected to apply in calendar year 2024. The calendar year 2024 application period is anticipated to open around January 1, 2025, with a closing date of April 30, 2025.

Chair Frederick asked if DEP could encourage succession planning for County Recycling Coordinators. Mr. Vottero indicated that this is also an issue for county municipal waste planning, and that DEP is being as proactive as possible.

For fiscal year 2023, nine awards totaling a little over \$380,000 were given for the Act 101, Section 901 Planning Grants. Ten awards totaling a little over \$300,000 were given for the 901 Household Hazardous Waste (HHW) Education grants; DEP anticipates that the HHW Education grants will continue at this level. DEP is currently updating the municipal waste planning guidance document to meet the needs of advancement in technology. It is anticipated the document will be ready for public comment next year.

Ms. Reiter asked if there is any funding for rural transfer stations. Mr. Vottero replied that the monies from the Section 902 Grant can be used to pay for the recycling portion of a rural transfer facility. Michele Nestor asked if the Section 901 monies can be used for feasibility for a rural transfer station; Mr. Vottero indicated that they can be.

Mr. Vottero stated that beginning in 2025, a new grant application will be added to the 901 grant program; the grant will be \$75,000 every 2 calendar years and specific to lithium-ion battery education. DEP is currently developing the application. Mr. Holley stated that priority is being placed on the safety concerns associated and potential fire hazards from management of these batteries and recognizing that more and more lithium-ion batteries are in the waste stream.

DEP received 126 applications totaling \$19.3 million in Round 61 of the Act 101, Section 902 Recycling Development and Implementation grants. Mr. Vottero indicated that the maximum award for this round will be \$200,000 in order to support as many applications as possible, with priority being given to newly mandated municipalities.

Mr. Leck commented on the \$50 million dollars that was transferred to the General Fund in 2021. He stated that he understands there was a need, however, transferring such a large portion of the budget ultimately hurts the industry and also hurts the Department's ability to serve the community. Mr. Holley stated that during the pandemic, the accounting structure was changed to reflect pre-encumbered funds which has prevented additional transfers going forward; he went on to say this accounting change has not helped with the increased financial demand on the Recycling Fund.

Chair Frederick remarked that the \$50 million is just a portion of what has been taken over the last 20 years and he agreed with Mr. Holley that changing the accounting structure has helped.

In calendar year 2022, 629 grant applications were received for the Act 101, Section 904 Performance Grant. Of those 629, 513 have been reviewed, processed and paid at \$13.4 million. An additional 21 applications around \$500,000 have been reviewed and are being sent for payment. Another 95 applications are in the review process and are projected to be around \$6.3 million dollars. A total payout of around \$19 million dollars is projected. The 2023 round is currently open with a submission deadline of December 31, 2024.

Mr. Vottero mentioned how commercial recycling tonnage is increasing grant awards for this program and therefore DEP is continuing to evaluate this issue and will be preparing

recommended formula changes. Currently there is a bonus of \$10 on every ton of commercial recycling; DEP is looking at decreasing the bonus to \$7.50, \$5.00, \$2.50 or \$1.00. Research will be done to determine which reduced amount will be used. The formula change approval will be presented at the next Solid Waste Advisory Committee (SWAC) meeting.

Mr. Vottero concluded his overview of the Recycling Fund expenditures with the Household Hazardous Waste (HHW) Program. DEP received 39 applications for this grant and close to \$1.5 million dollars was awarded.

Action Item: FY 2025-2026 Recycling Fund Spending Plan – Mark Vottero, Waste Minimization and Planning Division, DEP Bureau of Waste Management

Mr. Vottero presented the proposed FY 2025-2026 Spending Plan for the Recycling Fund.

Mr. Vottero also discussed the breakdown of the Public Education and Technical Assistance expenditures:

- 1) Recycling/Covered Device Recycling Act (CDRA): a web based/online response is being evaluated to meet the needs of the next generation.
- 2) Recycling Market Development Center: PennRMC will celebrate its 20th anniversary on October 18, 2024. DEP is in the process of executing another 5-year contract with the PennRMC. DEP was awarded a \$500,000 Solid Waste Infrastructure for Recycling (SWIFR) grant from the Environmental Protection Agency (EPA). PennRMC was given a subaward and will be performing proposed activities under SWIFR, such as establishing a statewide network to strengthen food management and donations, as well as creating a best management practice document on food waste.
- 3) Food Recycling Infrastructure Grant (FRIG): already discussed
- 4) Professional Recyclers of Pennsylvania (PROP): the support for PROP will continue, specifically for school recycling education and technical assistance
- 5) Local Government Technical Assistance: awards up to \$7,500 for consulting services in municipalities; 12 applications were received and approved in fiscal year 2023-2024. Twenty potential applicants have reached out regarding other projects in the current fiscal year.
- 6) Memorandums of Understanding (MOUs) with the Departments of Agriculture, General Services and Transportation.
- 7) Household Hazardous Waste (HHW) Act 190 Funding: no spending is projected due to funding strains on the Hazardous Sites Cleanup Act (HSCA) Fund.

Mr. Holley indicated that DEP was asking the Committee for their approval of the projected expenditures for fiscal year 2025-2026.

Mr. Leck encouraged DEP to get the most accurate data on tonnages that will generate the revenue for the Recycling Fund, stating he has heard that tonnages are down upwards of 10% in some markets and down 5% across the state.

David Buzzell asked for clarification on why there was no separate line item in the Spending Plan for FRIG. Mr. Holley explained that it was included in the breakdown of the Public Education and Technical Assistance expenditures and is not a separate item.

Chair Frederick asked if there was anything that needed to be considered regarding the levels of spending and revenue income, and how the grant dollars are distributed. Specifically, he asked whether a formula change was being considered to help the program remain within budget. Mr. Holley stated that yes, a formula change is being developed and DEP is figuring out how to shift monies to changing priorities like organics and lithium-ion batteries. He stated that waste composition is continuing to change and that recycling rates should not be used as a valuable metric for the program.

Chair Frederick called for a motion to approve the Recycling Fund Spending Plan for fiscal year 2025-2026. The motion was made by Jason Leck and seconded by Shannon Reiter. All approved, none opposed; the motion carried.

New Business

No new business was discussed.

Laura Henry mentioned she will be looking at meeting dates for 2025. The schedule may be impacted by renovations to the Rachel Carson building. She also reminded that committee members' 2-year appointment terms are ending. Waleria Melo de Mendonca will be assisting with the appointment/reappointment process. Officer elections will also be held at the first meeting in 2025, and she called on Chair Frederick to form a Nominations Committee.

Chair Frederick called for a motion to adjourn. The motion was made by Jason Leck and seconded by Shannon Reiter. All approved, none opposed, and the motion carried. The meeting adjourned at 12:46 p.m.