

Governor's Recycling Council (GRC) Meeting Notes

January 12, 2016

Meeting: 12:00 p.m. – 2:00 p.m.

Public Comment: 2:00 p.m. – 3:00 p.m.

Lansing Community College, West Campus, 5708 Cornerstone Drive, Lansing, MI 48917

Room: M119 - M122

Welcome: GRC Chair Jim Frey welcomed those members of the public present along with Angela Ayers, Environmental Policy Advisor, Governor's Office, and DEQ Director Keith Creagh.

Present: The GRC members present were Jim Frey, Kerrin O'Brien, Tonia Olson, Jim Kulp, Linda Gobler and Elisa Seltzer. They each introduced themselves and indicated their affiliations.

Status Reports (also see attached DEQ Status Report on Residential Recycling Initiative):

1. Sustainability grants for 2015/2016

a. Scrap Tire – Rhonda Oyer

Scrap Tire Cleanup grants were awarded in 2015 totaling \$587,000 along with 21 Market Development Grants totaling \$2,812,827. The 2015 Scrap Tire Cleanup grants are mostly completed but there are 3-4 cleanups still awaiting final payment. 2015 Market Development grants have been going well, but are not scheduled to be completed until October 2016. FY 2016 Cleanup Grant Applications and Market Development Letters of Interest were due October 30, 2015. These grants will continue to focus on cleaning up scrap tire piles and developing markets in 2016. The FY 2016 grants are in process. The total amount available for FY 2016 grants is \$3.5 million and 51 cleanup grant application totaling approximately \$580,000 in requests and MD LOIs totaling over \$5.2 million in requests were received. Cleanup grant requests are mainly community drop-offs (41) and collection sites (6); 1 roadside cleanup project and cleanup of 3 existing scrap tire piles. The Majority of the 26 MD project requests are for small Rubber Modified Asphalt (RMA) projects. Other projects include: equipment to produce tiles; equipment to expand fine crumb rubber production to produce plastic rubber compounded material; and research and development by Universities to develop road products from ground tire rubber (overlays, chip seal, foamed pavement). The DEQ will request full applications for more than \$3.5 million in projects to allow a more thorough evaluation of all the projects; will not be funding parking lots, or low traffic roads which do not require RMA or those who have done RMA before; and will be looking at one application/project per entity and they will be asked to pick their highest priority. Awards should be announced in the next couple of months. One item of note is that due to the declining Tire Derived Fuel markets, in 2016 processors will be allowed to landfill grant tires, so long as they comply with county solid waste management plans import and export authorizations and are in compliance with Part 115 and Part 169 of NREPA. Landfilling tires is not the best answer but it is an option that can be used in the interim while other markets for the tire material are being pursued on a statewide basis.

b. Community P2 – Debbie Swartz

Debbie Swartz, DEQ, Office of Environmental Assistance, presented information on the 2015 and 2016 Community P2 Grant Program. In 2015, the program awarded fourteen grants for a total of \$635,500 to enhance local and regional recycling programs that lead to increases in the statewide recycling rate. Grant projects are underway and include the development of recycling center infrastructure, enhancement of existing recycling programs, collection of electronic waste, delivery of education and outreach, and the startup of new services and facilities.

A 2016 Community P2 Grant Program Request for Proposal (RFP) was announced on December 21, 2015, for a total of \$250,000. The 2016 grants will focus on reducing and diverting food waste. The DEQ identified food waste as a significant waste stream with high potential for reduction. According to the U.S. Environmental Protection Agency, food waste constitutes 21 percent of discarded municipal solid waste. A webinar to assist with the grant application process will be held on February 3rd and applications will be

accepted until 5:00 p.m. on February 29, 2016. Successful grant applicants will be announced at the Governor's Recycling Summit on May 3, 2016.

The 2016 RFP and additional information about the Community Pollution Prevention Grant Program can be found at www.michigan.gov/deqp2grants.

c. 2016 Residential Recycling Grant - Emily Freeman

Emily Freeman gave an overview of the 2016 Residential Recycling Grant. The DEQ is offering \$450,000 to cities, villages, townships, charter townships, counties, tribal governments, and municipal solid waste or resource recovery authorities for the purchase of residential recycling carts. Along with grant funding, technical assistance and outreach materials will be offered to grantees through a partnership between the DEQ and The Recycling Partnership. Applications are due March 31, 2016. For more information, please see the 2016 Residential Recycling Program Request for Proposals:

http://www.michigan.gov/documents/deq/OWMRP_2016_Recycling_Grant_508557_7.pdf?20160104145914

2. Measurement and waste reports – Steve Sliver

Dan Schoonmaker, West Michigan Sustainable Business Forum, presented initial results from the report titled, Economic Impact Potential and Characterization of Municipal Solid Waste in Michigan. The study provides information and analysis on the composition of municipal solid waste currently landfilled and incinerated in Michigan, and the economic value of this material. Its findings are derived from field studies, verifiable market prices for recycled commodities, peer-reviewed academic studies and similar reports from other Great Lakes states. The report has been supported with funds from a 2014 Community Pollution Prevention (P2) grant and will be finalized later this spring.

Shanna Draheim, Public Sector Consultants, and Dan Stead, RRS, presented preliminary information from a draft of a Northeast Michigan Council of Governments 2014 Community Pollution Prevention (P2) grant report titled, Recycling in Michigan, Analysis of Recycling Programs and Potential in Michigan. This report includes information on landfill/waste characterization, recycling program performance, participation, economic value and best practices among other items. It will be finalized later this year.

3. Recycling measurement legislation – Sarah Howes

Sarah Howes provided background, a status update, and an overview of Senate Bill 507, which deals with recycling measurement. Attached is a summary document of the bill development process and of what the bill contains. SB 507 was passed by the Senate, 37-1, and is now in the House Committee on Natural Resources. Over 30 entities and associations provided their formal support for the bill while it was moving through the Senate.

4. Lead by example/Market development – Matt Flechter

Lead by Example/Market Development – Matt Flechter updated the GRC and meeting participants on progress toward initiatives to Lead by Example and support Market Development. He recognized the efforts by the Department of Technology Management and Budget (DTMB), Department of Transportation (MDOT), and Department of Natural Resources (DNR) to identify ways the state can initiate recycling opportunities at state parks, rest areas and at state office buildings. Additionally, he shared MDOT progress to date to evaluate ways to incorporate the use of recycled materials in road projects and their efforts to track progress on existing recycling related activities. Regarding Market Development, he discussed the current challenges and opportunities related to the current state of recycling markets,

identified priority commodities for action (plastics including agricultural plastics, glass, and organics), spoke about the importance of material quality and the need for Michigan-based end use markets, and updated the GRC on the Recycled Materials Market Directory and the Market Analysis study. For details on these Lead by Example and Market Development initiatives please see the status update shared at the meeting.

5. Recycle by Design – Kerrin O' Brien

The Recycle by Design challenge will officially kick off on February 15, 2016. This launch period will allow time for potential challengers to more fully develop the ideas and partnerships necessary to accomplish the goals of the challenge. Additionally, the Recycle by Design partners will continue to develop the groundwork for building successful teams and reach out to the foundations, trade associations and private sector partners that can provide the funding necessary to make the challenge a statewide success.

To set the stage for the challenge, the Michigan Recycling Coalition hosted the first Michigan Recycling Hackathon on November 5 at Aquinas College in Grand Rapids. The Hackathon, in partnership with Consumers Energy and Aquinas College, was an intensive, facilitated development process to generate new ideas around increasing recycling in the state. It also served as a networking platform to begin to form potential teams for the Recycle by Design challenge.

6. Governor's Recycling Summit – Kerrin O'Brien/Matt Flechter

The Department of Environmental Quality is once again partnering with the Michigan Recycling Coalition to deliver its second Governor's Recycling Summit in conjunction with the very successful MRC Annual Conference. The 2016 Governor's Recycling Summit & Michigan Recycling Coalition Conference will be the largest showcase and gathering about recycling in Michigan and will take place May 3-5, 2016 at the Inn at St. John's in Plymouth, Michigan. Planning for the Summit and MRC conference are underway and registration will open soon.

7. Strategic Recycling Priorities/Policies (also see attached Adopted GRC Policy Statements) – GRC Chair Jim Frey

- a. Solid Waste and Sustainability Advisory Panel:** GRC Chair, Jim Frey. provided background on the Solid Waste and Sustainability Advisory Panel (SWSAP) and its solid waste planning breakout group which includes two members of the GRC, Tonia Olson and Kerrin O'Brien. As well two other GRC members, Jim Frey and Elisa Seltzer, has also attended one or more meetings. Frey outlined the importance of the solid waste planning process for achieving and sustaining a doubling of the state's recycling rate and referenced key policy points that the GRC has brought forward in its draft Sustainable Materials Management Policy Framework document – the next item on the agenda – specifically that recycling needed to be integrated into the solid waste planning process and that the principles of sustainable materials management should be the foundation for our state's approach to managing our waste material as resources.
- b. Sustainable Materials Management Policy Framework:** GRC Chair, Jim Frey. introduced the draft Sustainable Materials Management Policy Framework that has been under development by the GRC in recent months and that had some final changes that the GRC would like to consider in this meeting as a way to illustrate to the public audience the scope of issues being discussed. The draft Sustainable Materials Management Policy Framework (see attached) was moved by Kerrin O'Brien and seconded by Elisa Seltzer. Discussion was held

on the last few remaining changes. A motion to amend was made by Tonia Olson and seconded by Jim Kulp requesting language changes in two of the bullets. After some discussion of the pros and cons of the proposed changes with no clear consensus emerging, the GRC as a whole decided to table the motion and amendment for further consideration at our next meeting.

- c. Funding:** GRC Chair, Jim Frey, provided an update on the funding options report that is under development for the GRC's consideration by Resource Recycling Systems, with funding provided by the Carton Council of North America. Further discussion will take place at the next working session of the GRC.
- d. Access:** GRC Chair, Jim Frey, brought up the Access Policy statement that had been adopted by the GRC and shared with the DEQ Director as well as the Governor in the GRC Meeting with the Governor in November of 2015. Next steps, including development of draft legislation are still pending, as data on access compiled by the DEQ and industry groups is compiled. The GRC intends to continue to develop access recommendations and views this first policy statement as one of a number that will be needed to guide decisions on how to provide the level of access that will result in a doubling of the state's recycling rate. The access data will be reviewed at the next GRC working group meeting.

8. Conclusions: Director Keith Creagh and GRC Chair Jim Frey:

The Director thanked the public for their participation and encouraged their participation in the upcoming public comment period. GRC Chair Jim Frey provided closing comments on the critical role that public and private collaboration will have in our state's campaign to double our recycling rate, and that the contributions and engagement of all those in the audience as well as the DEQ, Governor's Office and general public will be key to success. The official business of the GRC was then brought to a close after instructions were provided on how to participate in the public comment period.

9. Break

10. Public Comment - Room: M119 - M122 (see attached comments)

11. Recycle by Design potential funders met with Director Creagh in Room: W157.

Attachments:

DEQ Status Report on Residential Recycling Initiative 1-12-2016

Adopted GRC Policy Statements 1-12-2016

Public Comments 1-12-2016