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**COUNCIL ON RECYCLING**

November 14, 2014

Department of Natural Resources Central Office, Madison WI

<p><b>Council Members Present:</b> Rick Meyers, Joe Liebau, Jim Birmingham (by phone), Mark Walter representing Charles Larscheid</p> <p><b>Council Members Absent:</b> Neil Peters Michaud, George Hayducsko</p> <p><b>DNR:</b> Brad Wolbert, Cynthia Moore, Barb Bickford, Angie Carey, Christine Lilek, Ann Coakley (9:35-10:40), Casey Lamensky, Kari Beetham, Elizabeth Kleusner,</p> <p><b>Public:</b> Becky Curtis, City of Milwaukee; Tim Warren, Call2Recycle; Eileen Norby, UW; Chad Lawler, Wisconsin Legislative Strategies, Inc.; Greg Hubbard, Hubbard, Wilson &amp; Zelenkova; Joe Van Rossum, UW; Kendra Bonderud, LFB; Daryl Hinz, LFB; Valerie Parker (by phone), Village of Weston, WI;</p>	
Call to Order	Meeting called to order at 9:00 am
Approval of Minutes (July 30, 2014)	Motion to approve minutes made by Jim Birmingham and seconded by Joe Liebau, approved by voice vote.
Introductions/Announcements	<p><u>Chair Rick Meyers</u> informed the council that after 13 years as the state Recycling Program Coordinator, Cynthia Moore has accepted a position as the Waste Program Manager for the SE region. Angie Carey, a DNR Recycling Specialist, will be the new staff person assigned to the Council. <u>Meyers</u> informed the Council that Mark Walter will assume the role of leading the dialogue with the Product Stewardship Committee of the Associated Recyclers of Wisconsin (AROW) to further explore Paintcare as an option for Wisconsin.</p> <p><u>Meyers</u> shared information on California's recent state ban of single-use plastic bags. The ban will go into effect for large grocery stores in July, 2015 and later in 2016 for smaller businesses. The SPI (Society of the Plastics Industry) will attempt to have the legislature repeal the law.</p> <p><u>Meyers</u> also shared information that Rayovac has announced it will support all-battery collection model bills (<a href="#">Resource Recycling, 10/01/2014</a>).</p> <p><u>Mark Walter</u> informed the council that following a \$1.8 million upgrade to the Tri-County MRF (Brown, Outagamie, and Winnebago), they will be able to accept all plastic bottles and containers, and 100,000 tons of recyclables were expected to be processed in 2014. Brown County has initiated a pilot food waste composting program. Fifty-five households have currently registered and the goal is one hundred.</p> <p><u>Joe Liebau</u> informed the council that free use of the C&amp;D waste tracking system (TRACE), which has been at the state level since 2010, is gaining traction at the contractor and municipal level.</p> <p><u>Joe Van Rossum</u> informed the council that Laurie Case is now working with SHWEC.</p>
DNR Updates	<p><b>Brad Wolbert</b> briefed the council on several topics:</p> <ul style="list-style-type: none"> <li>• The DNR's request for an opinion on the authority and procedures by which a local municipality member of a county RU may leave the RU and establish itself as an independent RU was granted and is pending. The DNR will update the council when the opinion has been issued.</li> <li>• WMM staff changes: The Recycling Coordinator position, formerly</li> </ul>

	<p>held by Cynthia Moore will not be backfilled immediately. In the interim, Barb Bickford is helping to fill in and the recycling team is stepping up to cover responsibilities. The west central recycling specialist position will be backfilled 50% Recycling/50% Complaint Response and will be based in Eau Claire.</p> <ul style="list-style-type: none"> <li>• Tonnage numbers from RUs and MRFs are up over previous years. This information was shared in a press release and the news media have been picking up the story.</li> <li>• The DNR has been invited to do a presentation on special event recycling at the convention of county fairs on 01/07/2015.</li> <li>• The DNR has continued to research the possibility of combining the recycling annual report (AR) and grant application (GA) for Responsible Units (RUs). The DNR completed a Lean Six Sigma project which determined that the process of submitting annual reports and grant applications separately led to decreased process efficiency in the recycling program. The goal of the project is to determine a solution to gain efficiencies in the <i>timely</i> submittal of <i>complete</i> recycling annual reports and grant applications.</li> </ul> <p>Reporting is required under NR 544, Wis. Adm. Code. It is the primary method of confirming that RUs are in compliance with state recycling laws and that recycling grant funds are being used for grant eligible expenses. Combination of the AR and GA is complicated and would require statutory changes. A conceptual AR/GA combination proposal has been sent to DNR administrators for consideration as a DNR legislative proposal but the likelihood that it will be selected for forwarding to the legislature is low.</p> <p>The DNR held a stakeholders meeting in Waukesha on 10/09/14 with representatives from the DNR, Haulers and RUs. The consensus was that the AR/GA combination could benefit the haulers and RUs if the AR and GA processes were simplified and adequate training was provided. A single submittal date would be preferred.</p> <p>Currently, the AR process begins mid-January and ends April 30<sup>th</sup>. The GA process begins July 15<sup>th</sup> and ends October 30<sup>th</sup>, with disbursement occurring in May of the following year. The six month difference in time between reports can cause confusion at the RU level, especially with new clerks after spring elections.</p> <p>A combined report with a single submittal date, and graduated decreases in funding for late submittals would need to be studied in more detail. DNR was asked to consider whether a grant application is needed at all considering the funding is essentially a cost-share for local services that must be performed by State requirement.</p> <p><b>Action: The DNR will provide notes from the 10/09/2014 stakeholders meeting to the COR as well as a detailed summary of the current and proposed processes.</b></p>
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<p>Report on Segregated Fund, Recycling Fee Revenues and Expenditures</p>	<p><b>Kendra Bonderud and Daryl Hinz</b>, budget staff from the non-partisan LFB, reviewed the <a href="#">Environmental Management Account Revenues and Expenditures</a> report dated November 14<sup>th</sup>, 2014, and prepared for submittal to the governor and legislature in January, 2015.</p> <p>In 2011, the segregated recycling and renewable energy fund was eliminated with revenues split primarily between the environmental fund and the new economic development fund. Solid waste tipping fees and recycling related programs were transferred to the environmental fund while the former recycling income tax surcharge was renamed and transferred to the economic development fund and is primarily appropriated to the Wisconsin Economic Development Corporation. In addition, the vehicle environmental impact fee was transferred to the Department Of Transportation and no longer deposited into the recycling fund.</p> <p>The environmental fund was divided into 1) the environmental management account (EMA) related to recycling and other environmental programs; and 2) the non-point account related to agricultural and urban runoff abatement. The EMA currently has a structural imbalance; on an annual basis the authorized expenditures exceed revenues. Moving forward, the expenditures will exceed revenues by approximately \$5 million. In past years, the opening balance has been more than \$10 million however this will no longer be the case.</p> <p>Tipping fees account for approximately 90% of EMA revenues. Recycling related revenue accounts for approximately 64% of the fund, while 36% is from other environmental fees. Enacted tipping fee exemptions coming into effect could further reduce state revenues by approximately \$1 million.</p> <p>Recycling related expenditures account for approximately 50% of total EMA expenditures. Annual debt service expenditures in the order of \$8 million are a considerable drain on this account and paying them off will provide some relief.</p> <p>Once funds are deposited into the EMA they lose their separate designation and are available for any appropriation, with the exception of E-cycle fees, which can only be appropriated to E-cycle expenditures. Council members expressed their concern that fees collected from recycling are not appropriated to recycling activities, especially with the decrease in grant funds available to RUs who are required by law to administer recycling programs.</p> <p>Council members expressed their concern that the \$7/T Recycling Fee funds non-recycling expenses, evident because it accounts for 64% of the EMA revenues while only 49% of the EMA expenditures are arguably related to recycling. Increased landfill diversion, coupled with fee exemptions, reduce total revenues to EMA and thus jeopardize all activities it funds. It was also noted that tipping fee waivers decrease revenues but increase administrative costs.</p> <p><b>Action: No action taken.</b></p>
<p>Model All Battery Recycling Bill</p>	<p><b>Tim Warren</b>, Regional Account Manager for Call2Recycle visited Wisconsin in response to an invitation from the Council to <a href="#">present information</a> on their battery product stewardship program in North America.</p>

	<p>Call2Recycle offers a battery collection and recycling program at no cost to consumers, retailers and participants funded by battery manufactures/brand owners and approved by governments throughout North America.</p> <p>Accessibility is key to a successful program and conventionally a 10 mile radius is considered appropriate. In 2014, 89% of the U.S. population was covered in Call2Recycle’s accessibility measurement. The goal is 95%. In Wisconsin there is an 88% accessibility rate. Of the 350+ active sites, 94% are retail and 5% are government. Retail sites average 125 lbs annually while government sites average 712 lbs. An increase in government sites and medical institutions would increase collection significantly. Disposal of primary batteries is estimated at 95%; Tim thinks Call2Recycle recovers about 20% of rechargeable batteries in US.</p> <p>Important insights gained to date emphasize that batteries are different from other products such as paint, and existing product stewardship initiatives cannot necessarily be successfully copied for batteries. Municipal governments seeking to offset costs drive stewardship legislation. C2R is working on a model collection bill with CT and other stakeholders; C2R’s preference is to focus on access as a target, rather than recycling rates and dates. Stakeholders including retailers, the tech industry, waste haulers and environmental organizations need to be included in the process and opposition from lobbyists should be expected. Consistency among jurisdictions is not the norm and there is a high degree of variability of government adoption of regulatory framework. Finally, compliance and enforcement must be supported by the state.</p> <p>The battery industry including Energizer, Duracell, Panasonic and Rayovac cannot, and do not want to support more than two state legislative efforts per session due to resource constraints. The goal is to support legislation in enough states to create a critical mass to support a nationwide program.</p> <p>Wisconsin can significantly improve battery collection and recycling rates through state mandates and should expect significant opposition from key industries, companies and lobbies. Municipal governments will need to actively advocate for legislation and evidence of momentum will be necessary to gain active industry support. A relationship with Rayovac could be favorable in working with Call2Recycle.</p> <p><b>Action: No action taken.</b></p>
<p>Plastic Recycling Subcommittee Update</p>	<p><b>Bottle Recycling Bin Program: <i>Becky Curtis</i></b>                  The 2014 bottle recycling bin pilot program was a success. 240 bins were distributed to 5 event grounds and 100 bins to 5 schools throughout Wisconsin. The goals were to determine the effectiveness of the recycling bins and to evaluate the logistics of the program. Information was gathered to establish baseline and ongoing weight of recyclables collected as well observations on bin design and durability. An outreach toolkit was provided to guide and instruct volunteers.</p> <p>Eight of the ten participants provided feedback on the program and all</p>

	<p>reported that they used the toolkit for at least 1 item. Major concerns included loose lids in outdoor venues and collection of residual liquid in the bins. In general, the feedback was very positive with favorable comments regarding the appearance and easy maintenance of the bins. Event grounds collected 20,000 pounds while schools collected 537 pounds.</p> <p>Next steps include continuing the conversation with core partners AROW and the WBA. While the bins may be provided by the bottling industry (WBA), the main challenge will be to provide logo or brand-free lids. One possibility is to consider revenue generating sources or sponsors to offset the cost of lids. Other considerations include finding a sustainable strategy for the collection, preparation, storage and transportation of bins.</p> <p><b>Rigid Plastics Study: <i>Brad Wolbert</i></b> Staffing changes at Moore Recycling Associates have led to a delay in the work on rigid plastics and MRF audits. At the same time, their focus and efforts on the WRAP pilot program have increased.</p> <p><b>WRAP: <i>Casey Lamensky</i></b> The WRAP pilot program continues its statewide education and outreach efforts through a WRAP webinar on 12/01/2014 from 12:00-1:30 CST, a presentation at WIRMC 2015 and the Wisconsin Towns Association. A study in Milwaukee will be conducted to determine the overall volume and contamination levels of film collected and will use colored bags to differentiate sources. The universities of Wisconsin at Stout, Green Bay, Eau Claire, Madison and Steven's Point have established or are developing plastic film recycling programs. Current efforts are focusing on developing WRAP community Champions, a website badge, school collection events and outreach materials for MRFs, landfills and RUs.</p> <p><b>Ag Plastic Study: <i>Christine Lilek and Joe Van Rossum</i></b> Christine Lilek reported that a draft survey to determine the amount and type of plastic material generated as waste and various related parameters including current disposal methods and seasonal variations are being reviewed. The final survey is expected to be launched in January 2015 with summary data available in late March, 2015. This information will be used to obtain an accurate estimate of agricultural, boat wrap plastic and greenhouse sheet volumes in order to attract and retain plastic film processing facilities in Wisconsin.</p> <p><b>Action: No Action taken</b></p>
COR Application for Appointment/Reappointment Process	<p><i>Rick Meyers</i> stated that he valued the significant contributions made by council members and encouraged them to continue their service and reapply for appointment to the council for the 2015-17 term. Applications can be submitted online through the <a href="http://walker.wi.gov/governor-office/apply-to-serve/boards-commissions">governor's website</a> at <a href="http://walker.wi.gov/governor-office/apply-to-serve/boards-commissions">http://walker.wi.gov/governor-office/apply-to-serve/boards-commissions</a>.</p>
Other Business/ Next meeting	<p>The next meeting will be Friday, February 27, 2015 from 1:00-2:30 p.m., immediately following the conclusion of WIRMC activities.</p>
Meeting Adjourned	<p>Meeting adjourned at 12:10 pm.</p>