

Date: 2023-06-20

Timezone: -07:00:00

09:42:07:Presenter: The trash polluting our oceans and warming our planet is a problem we can no longer ignore. California throws away 40 million tons of materials every year, resources extracted from our planet, designed to be used once, then sent on a one-way disposable.

09:42:11:Presenter: Learning from manufacturing plant to trash pile waste.

09:44:48:Presenter: Ruth Miss Butcher.

09:44:52:Presenter: Hey.

09:45:00:Presenter: OK, yes, almost certainly Soundtrack One, sadly. Staff and Espanol portfolio.

09:45:18:Presenter: Did you hear that, Jessica?

09:45:24:Presenter: I did not. I'm on the Spanish.

09:45:31:Presenter: Channel right now Ruth is on the Spanish and I heard her, so it's probably an equipment issue there.

09:45:33:Presenter: Environ.

09:45:37:Presenter: Maybe let me go check on it real quick.

09:46:59:Presenter: Ruth Connelly, Super Muslim Travis.

09:47:20:Presenter: Did.

09:47:21:Presenter: Do you hear that, Jessica?

09:47:26:Presenter: No, I wasn't able to.

09:47:34:Presenter: I'm also hearing Ruth on the Spanish channel via Zoom, if that helps. OK, then it must just be inside the auditorium there.

09:47:37:Presenter: Do you have a headset on?

09:47:39:Presenter: I do.

09:47:44:Presenter: Might be worth checking the laptops just to make sure that they're set to the right channel.

09:49:11:Presenter: Truth, but the most.

09:49:14:Presenter: Fastenal Canal de Espanol.

09:49:32:Presenter: But did you hear that, Jessica? Nothing.

09:50:14:Presenter: With the school's mass per hour.

09:50:21:Presenter: Wireless mic? Check.

09:50:33:Presenter: Were you able to hear that?

09:50:41:Presenter: We were not in the auditorium. It appears we have some technical difficulties. Our team is working on it.

09:50:42:Presenter: OK.

09:50:51:Presenter: Let me know if I can help in the setup of the equipment.

09:51:01:Presenter: Yeah. Thank you so much, Andrew. I think we're having an issue with one of our teams laptops.

09:51:01:Presenter: OK.

09:52:03:Presenter: With this mass.

09:52:08:Presenter: OK.

09:52:10:Presenter: Sorry, I joined the meeting.

09:52:15:Presenter: OK, so.

09:52:29:Presenter: OK, translation issue has been fixed. Thank you so much.

09:52:31:Presenter: Alright, thank you.

09:53:00:Presenter: One of the pieces of legislation, but this is one of 15 pieces of legislation that the legislature passed last year and Governor Newsom signed in the way space is SB54, which is the first in the nation extended producer.

09:53:16:Presenter: Capability program for plastic packaging and why that is so significant as part of this conversation is it really is designed to reduce plastic from the source, their source reduction requirements and then increase the amount that's recycled.

09:53:30:Presenter: And reused and designing an entire system. So when we talk about the public versus the private, extended producer responsibility is very much about building a partnership between public public government agency and private industry.

09:53:40:Presenter: Really say what are our What is the shared objective, which is defined by the legislation, and how do we drive together to beat that shared objective?

09:53:55:Presenter: The team of sculptures at Ocean Soul in Nairobi, Kenya, carves the most common footwear on the planet into hippos, giraffes, whales and more. And so far, the company says it is cleaned up around 10 million sandals from beaches, streets and landfills. And they cost.

09:54:10:Presenter: Like a dollar. The problem with that is they break very easily. So what you have is a huge menace. The flip flops everywhere. In fact, in some parts of the world flip flops make up nearly 1/4 of ocean plastic. And Kenya, the coasts are often littered with all told collectors.

09:54:25:Presenter: Will bring in about 1 ton of flip flops per week. That's more than 3000 sandals. The company keeps a stock of marine animals like turtles and whales in keeping with the clean ocean theme. There's also safari inspired carvings like elephants and giraffes. Which are the best sellers? The sandals.

09:54:40:Presenter: Savings get repurposed. We have assured in the back that shreds them into smaller pieces like this. And from here we're able to make mattresses that we donate to refugee program in northern Kenya. Honey. Yeah, sure. Your trick. OK, show me a trick. I see the penny.

09:54:53:Presenter: Put this bottle of water right on top of the penny, OK? And I'm going to put this over it, OK. And when I say the magic words, yeah, the penny is going to go inside the bottle.

09:55:00:Presenter: Really. Yes. OK, let me see this happen. OK, I got the tower.

09:55:03:Presenter: Judy.

09:55:04:Presenter: Good.

09:55:12:Presenter: OK. And you look down in there and the pennies inside the ball?

09:55:48:Presenter: On tick tock on how to peel eggs and all you need to do is kind of tap until you hear it snap. It has to be the round part and not the pointy part.

09:56:05:Presenter: No way. So they are buying for 6 1/2 minutes. So I didn't put them in an ice bath, I just put them in water. Wow. Away. No vinegar, no baking soda, no ice bath. Just a little tap method. You're welcome.

09:56:06:Presenter: No way.

09:56:09:Presenter: Wayne.

09:56:16:Presenter: OK, moment of truth.

09:56:23:Presenter: Whoa.

09:56:33:Presenter: Type of sorcery is this. And remember, recycle those egg shells with other food scraps in your curbside bin.

09:59:11:Presenter: One of the pieces of legislation, but this is one of.

09:59:27:Presenter: 15 pieces of legislation that the legislature passed last year and Governor Newsom signed in the way space is SB54, which is the first in the nation extended producer responsibility program for plastic packaging.

09:59:43:Presenter: Why that is so significant as part of this conversation is it really is designed to reduce plastic from the source, their source reduction requirements and then increase the amount that's recycled and reused and designing an entire system. So when we talk about.

09:59:58:Presenter: Public versus the private extended producer responsibility is very much about building a partnership between public, public, government agency and private industry to really say what are our, what is the shared objective, which is to.

10:00:03:Presenter: Signed by the legislation and how do we drive together to beat that shared objective?

10:00:19:Presenter: The team of sculptures at Ocean Salt in Nairobi, Kenya, carves the most common footwear on the planet into hippos, giraffes, whales and more. And so far, the company says it is cleaned up around 10 million sandals from beaches, streets and landfills.

10:00:33:Presenter: That's like a dollar. The problem with that is they break very easily. So what you have is a huge menace. Flip flops everywhere. In fact, in some parts of the world, flip flops make up nearly 1/4 of ocean plastic. And Kenya? The coasts are often littered with them, All told collectors.

10:00:48:Presenter: Actually bring in about 1 ton of flip flops per week. That's more than 3000 sandals. The company keeps a stock of marine animals like turtles and whales in keeping with the clean ocean theme. There's also safari inspired carvings like elephants and giraffes. Which are the best sellers? The sandal.

10:01:03:Presenter: Savings get repurposed, We're assured in the back that shreds them into smaller pieces like this. And from here we're able to make mattresses that we donate to refugee program in northern Kenya. Honey. Yeah, sure. Your trick. OK, show me a trick.

10:01:08:Presenter: Put this bottle of water right on top of the penny, OK?

10:01:11:Presenter: And I'll put this over it, OK.

10:01:16:Presenter: And when I say the magic words, yeah, the pennies going to go inside the box.

10:01:22:Presenter: Really. Yes. OK, let me see this happen. OK, I got the.

10:01:25:Presenter: Boogie Boogie.

10:01:30:Presenter: OK.

10:01:35:Presenter: You look down in there and the pennies inside the ball.

10:02:00:Presenter: Podium mic one? Check.

10:02:12:Presenter: Podium, mic two, Check. Good morning, everyone.

10:02:19:Presenter: The we the meeting will be starting in a few minutes short, a few minutes late today.

10:02:26:Presenter: Thank you. But we're expected to begin shortly. Thank you.

10:02:45:Presenter: Hack.

10:02:53:Presenter: On tick tock on how to peel eggs and all you need to do is kind of tap until you hear it snap. It has to be the round part and not the pointy part.

10:03:01:Presenter: No way. So they are buying for 6 1/2 minutes. So I didn't put them in an ice bath, I just put them in water. Wow.

10:03:10:Presenter: No way. No vinegar, no baking soda, no ice bath. Just a little tap method. You're welcome.

10:03:11:Presenter: No way.

10:03:13:Presenter: When?

10:03:22:Presenter: OK, moment of truth.

10:03:29:Presenter: Whoa.

10:03:40:Presenter: Type of sorcery is this. And remember, recycle those egg shells with other food scraps in your curbside bin.

10:05:51:Presenter: We'll get started in just a few minutes at, but until we do, hear some more about our social media.

10:06:00:Presenter: One of the pieces of legislation, but this is one of.

10:06:14:Presenter: 15 pieces of legislation that the legislature passed last year and Governor Newsom signed in the way space is SB54, which is the first in the nation extended Producer responsibility program.

10:06:28:Presenter: For plastic packaging and why that is so significant as part of this conversation is it really is designed to reduce plastic from the source, their source reduction requirements and then increase the amount that's recycled.

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10:07:19:Presenter: And landfills. And they cost like a dollar. The problem with that is they break very easily. So what you have is a huge menace, the flip flops everywhere. In fact, in some parts of the world flip flops make up nearly 1/4 of ocean plastic and Kenya.

10:07:33:Presenter: The coasts are often littered with them. All told, collectors usually bring in about 1 ton of flip flops per week. That's more than 3000 sandals. The company keeps a stock of marine animals like turtles and whales. In keeping with the clean ocean theme. There's also Safari.

10:07:47:Presenter: Expired carvings like elephants and giraffes, which are the best sellers? The sandal shavings get repurposed. We have a shirt in the back that shreds them into smaller pieces like this, and from here we're able to make mattresses that we donate to Refugee program.

10:08:00:Presenter: Northern Kenya, honey. Yeah, Sure. Yeah. Trick. OK, Show me a trick. You see the penny? I see the penny. Put this bottle of water right on top of the penny, OK? And I'm going to put this over it, OK?

10:08:13:Presenter: And when I say the magic words, yeah, the penny is going to go inside the bottle. Really. Yes. OK, let me see this happen. OK, I got the tower.

10:08:15:Presenter: Moody.

10:08:18:Presenter: Booty. Booty, booty booty.

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10:09:21:Presenter: Wayne.

10:09:25:Presenter: Oh.

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10:09:35:Presenter: Whoa.

10:09:45:Presenter: Type of sorcery is this. And remember, recycle those egg shells with other food scraps in your curbside bin.

10:10:42:Presenter: Call.

10:10:56:Presenter: Physical approves new grants for California Circular used Zero Waste Future plus implementation, updates on new laws to cut trash and turn more materials into new products, and the latest department decisions to protect the health of Californians and their communities.

10:10:59:Presenter: Power Cycles monthly public meeting starts now.

10:11:17:Presenter: Good morning, everyone. Thanks for joining us for Calorie Cycles June 2023 Public Meeting. This meeting is for Californians by Californians as we work together to protect our communities and fight climate change. Let's watch a quick reminder.

10:11:19:Presenter: Before diving in.

10:11:25:Presenter: Concentrated.

10:11:38:Presenter: That our way in Tierra kara cycle is that transmittiendo simultanea mente esta publica in espanol ingles wedding contrada eliasen linia in espanol a ingles in la parte superior del nostra pagina web.

10:11:41:Presenter: Or Cycle Punto Saya Punto Gov.

10:11:55:Presenter: If you're attending When it Comes to Protecting our Air, Water, and Land, Cal Recycle is simulcasting this meeting in English and Spanish. Click the public meeting banner at the top of Power cycle.ca.

10:12:01:Presenter: Gov for a link to our web casts in both English and Spanish.

10:12:15:Presenter: If you are attending this meeting in person in the Byron Chair Auditorium, we have Spanish translation devices available. Let our team on your left hand side of the dyes know if you need one.

10:12:26:Presenter: He says the hunton persona and Byron Sheraton emojis positivos E traduccion al espanol disponibles informant was scheduled del mostrador de presentacion ejecutiva.

10:12:27:Presenter: Yes.

10:12:41:Presenter: Our first agenda item today is the Directors Report Director, Rachel Mackey. Wagner joins us now with some important updates. Good morning,

Rachel. Good morning everyone. Who is joining us here in person? I see so many of our.

10:12:57:Presenter: I think Jace employees back there in the back of the room welcome, welcome from all over California and those of you from the public who have joined us today, it's nice to see you as well. And those of you who are joining us remotely, we're so glad you can join us.

10:13:11:Presenter: Over the world wide web, we are excited to announce a couple of things this morning that I get to take the lead on, which is always the best part of this job. We have expanded our executive team and.

10:13:24:Presenter: As you all know, the legislature passed a number of pieces of legislation last year that really changed the dynamic of who Calrecycle is going to be in the future. Everything from Battery E PR.

10:13:38:Presenter: To SB54 are expanding and ever moving SB1383 and organics recycling program and so as part of that we are evolving.

10:13:51:Presenter: Into a different structure. And as we announced last month, Deputy Director Zoe Heller is now at the helm of our new Division of the Circular Economy that will be overseeing.

10:14:04:Presenter: Our EPR programs and that now deputy director now Cara Morgan who is a long standing committed.

10:14:13:Presenter: And dedicated member of the Cow Recycle team will be heading up as deputy Director of materials Management and local assistance.

10:14:20:Presenter: So welcome, welcome to Cara. Additionally, I want to announce today that we have officially final.

10:14:37:Presenter: We have officially finalized the cleanup from last year's wildfires. Last trees were taken out a few weeks ago and our friends up in Siskiyou County are now ready to rebuild and we are so very proud of the work that Cal.

10:14:47:Presenter: Cycle and our private partners have done to quickly address what is oftentimes the most traumatic event in our neighbors.

10:15:00:Presenter: Lives. And so now we move on and hope that our teams at Cal Fire and at the counties do an equally successful job this year as they did last year in preventing Major.

10:15:15:Presenter: Catastrophic wildfires around the state of California. And finally, I want to remind everybody to check out the Cal Recycle website. It is also ever changing. Thank you to our team over at OPA.

10:15:28:Presenter: Trying to make our website more and more successful and accessible and useful to all of our interested parties and.

10:15:41:Presenter: As well as our staff and our communities and our residents. And so we have added a web page that highlights the successes and investments made around SB.

10:15:55:Presenter: 1383, So those of you who are interested in organics recycling, we would encourage you to check that out. And then of course just keep watching because our calendar is ever changing and we're adding things to the calendar all of the time and.

10:16:02:Presenter: That is a great place to find out what's hip and happening here in Calvin Cycle. Thanks so much. Back to you, Maria.

10:16:17:Presenter: And you can find the new 1383 implementation progress web page at linked to the Calorie Cycle home page at Calorie Cycle dot.ca.gov Calgary Cycle is working to implement new laws to increase.

10:16:18:Presenter: Cycling for Californians.

10:16:32:Presenter: For SB 54, Calorie Cycle is holding a two day informal SB54 public workshop on June 28th and 29th from 10:00 AM to 4:00 PM. This workshop will focus on individual compliance.

10:16:45:Presenter: Their producers, recyclability and compostability determinations, the covered material category list and requirements for communities. For more information and materials, they will be provided through the listserv.

10:16:59:Presenter: So please sign up for that on our SB54 web page. Also, SB54 Advisory board members will be appointed on July 1st for SB1383 and our next monthly.

10:17:12:Presenter: SB1383 chat with Gallery Cycle is tomorrow, June 21st from 1:00 to 3:00 PM. This session will focus on procurement ideas and options for requirements.

10:17:25:Presenter: You can also register online, check out Calorie Cycles and New Calendar at the top of our homepage for upcoming workshops, public meeting and other engagement opportunities. This is your one stop shop to stay informed.

10:17:31:Presenter: About Calorie Cycles, Meetings, and Actions Please subscribe to receive calendar updates.

10:17:46:Presenter: Moving on, up to \$1,000,000 in grants are becoming available to help communities with illegal dumping efforts. But first, let's watch a quick video showing how California is innovating systems to cut waste and make sure all material.

10:17:49:Presenter: As a path to reuse or recycling.

10:18:05:Presenter: The trash polluting our oceans and warming our planet is a problem we can no longer ignore. California throws away 40 million tons of materials every year, resources extracted from our planet designed to be used.

10:18:18:Presenter: Once then sent on a one-way disposable journey for manufacturing plant to trash pile waste, warming our planet, contributing to climate change and polluting our land, water and even the air we breathe with California already.

10:18:31:Presenter: Experiencing the devastating impacts of the climate crisis, it's important for the state to do what it does best, innovate. A new movement is already underway in California. It's called a circular economy, a system where.

10:18:44:Presenter: Every product and resource, whether it's food, clothes, buildings or vehicles, everything is designed to last as long as possible and at the end of its use, cycle or loop back into the system for a valuable new life.

10:18:57:Presenter: New model reducing and even eliminating waste, creating green jobs and cutting down on greenhouse gases. California wants to be a leader in creating this free manufacturing circular economy. Calvin Cycle already overseas.

10:19:10:Presenter: Programs to recycle products like bottles, cans, mattresses, used oil and to paint. The department is now working with local communities to recycle food and yard waste into green products like compost and clean energy.

10:19:24:Presenter: Recycles new Division of the Circular Economy will oversee industry run recycling programs while building out the states reuse and

remanufacturing system with market development. The Circular Economy Division will implement California's new plastic pollution.

10:19:37:Presenter: Packaging Reduction Law and Oversee all Power cycles Extended Producer responsibility programs. It will also ensure that the Department provides funding for the circular economy and concert with all color cycle programs The Division.

10:19:50:Presenter: We'll also work with the Governor's Office of Business and Economic Development, or Go Biz, to recruit and support businesses developing green technologies to reuse, recycle and remanufacture products combining state services.

10:20:04:Presenter: Calrecycle support That has already helped a number of businesses, including the world's first paper bottle manufacturer and companies using cardboard alternatives to six pack rings and replacements for plastic film recycling programs for more materials and support.

10:20:10:Presenter: For green innovation will build California circular economy with more green jobs and less pollution and trash.

10:20:26:Presenter: So that was a quick overview of Cal Recycles, new Division of the Circular Economy and now a Deputy director over the division of the Circular Economy, Zoe Heller, joins us to talk about.

10:20:32:Presenter: The grant announcements related to illegal dumping. Good morning, Zoe. Good morning, Maria.

10:20:46:Presenter: Farm and Ranch program grants are limited to 50,000 per site in 200,000 per each eligible applicant. Grant. Criteria for this program are defined in statute, so there aren't any major changes. The first round of applications are due next month.

10:20:59:Presenter: July and since 1997, Calrecycle has awarded over 13 million to help clear more than 1000 sites. Things like tires, appliances, vehicles, construction debris and other trash.

10:21:04:Presenter: Also a reminder that applications for the used oil payment grant are due on June 28th.

10:21:20:Presenter: Today we're announcing \$1 million award to Redwood Waste Solutions of the grantee for the Mendocino County Pilot Project. The project will provide residents in underserved areas in Mendocino County with convenience.

10:21:33:Presenter: CRV redemption opportunities through a mobile bag drop program, We have already approved to this award. Also the redemption pilot project grant program application period will be extended through April of 2026.

10:21:51:Presenter: Back to you, Maria, Thank you. The beverage container recycling program has released updates on the annual handling fees and third quarter processing payments. Here's a quick video breaking down how processing payments.

10:21:51:Presenter: Work.

10:22:07:Presenter: California passes Bonneville 1986 to cut letter and landfilling. It worked. He went from recycling 6 billion bottles and cans the first year to 18.6 billion in 2021. The program had a 68% recycling rate for beverage containers.

10:22:25:Presenter: Over the last three decades, Californians recycled 463 billion beverage containers and built a robust in state recycling economy to turn old materials into new products. We did it by laying the groundwork for a circular economy for

beverage containers. Most beverage containers in California have a California Refund Value or CRV.

10:22:42:Presenter: CRV is paid by the businesses that sell the beverage containers. Distributors are paid back by retailers like grocery stores. Retailers are then paid back by consumers with an added five or \$0.10 per bottle at checkout. Finally, the CRV can be redeemed and the deposit redeemed when the bottle is brought back to a recycling center.

10:22:59:Presenter: Recycling centers take bottles and cans and redeem CRV, but do not make money from CRV. Their profit comes from selling scrap metal for scrap value for decades. Recycling centers thrive with strong markets and high scrap value for aluminum. Not all materials have such high scrap value, however, and for materials that are more expensive.

10:23:16:Presenter: Recycled, then, they're scrap value like plastic and glass. California's bottle bill law established processing payments to help bridge the gap between the cost of recycling and the scrap value of a given material. The formula for calculating the processing payment is set in statute. It's the difference between the cost of recycling modified to account for the.

10:23:33:Presenter: Cost of living and a reasonable financial return and the 12 month average scrap value for a given material count. Cal Recycle follows the legally mandated formula to determine processing payments, which fluctuate based on market conditions like changes and scrap value for material, since processing payments are intended to fill the gap between the cost of recycling.

10:23:50:Presenter: And the scrap value. As global scrap values go up, the level of processing payments Cal Recycle can legally pay to recycling centers goes down. These processing payments are paid from a combination of beverage manufacturer fees and unredeemed California bottled and canned deposits. The law requires Cal Recycle to adjust processing payments at the start of.

10:24:08:Presenter: Each new year based on the materials average scrap value over the previous 12 month period, using a 12 month average to set the processing payment for the following year has historically provided a measure of predictability for the recycling industry. However, the time lag built into the formula means that at any given moment processing payment.

10:24:25:Presenter: And I'm perfectly mapped onto the scrap value. This recently caused a problem for PET plastic processing payment rates from fall 2021 to spring 2022. The scrap value for PET plastic spiked due to factors such as the rising price of oil, but then tumbled in the fall of 2022 since the processing payment.

10:24:42:Presenter: 2023 looked at the average PET plastic over that whole time window. It resulted in a low processing payment at the same time that the current scrap value of PET plastic was also low. Remember, when the 12 month average scrap value goes up, processing payments legally must go down. The law requires Cal Recycle to adjust the process and.

10:24:59:Presenter: Payment raise every January 1st. Cal Recycle was legally required to recalculate the processing payment in December 2022. For 2023 to respond to changes in scrap prices, Cal Recycle can reassess the processing payment every three months to consider the latest 12 month average scrap value. Cal Recycle raised the processing payment.

10:25:13:Presenter: In April 2023, based on the March evaluation, Congress Cycle has the statutory authority to reassess the process of payment every three months. Based on the evaluation completed in June, Power Cycle has raised the process and payment again starting July 2023.

10:25:25:Presenter: So if you need to watch that a couple more times, we'll have that video uploaded on Calorie Cycles Youtube channel later on today.

10:25:30:Presenter: The beverage container recycling program.

10:25:47:Presenter: The Deputy Director, Amy Cameron is here with a beverage container recycling program announcement. Good morning, Amy. Good morning. Thank you, Maria. The handling fee for fiscal year 2324 and the third quarter 23 processing payment adjustment.

10:26:05:Presenter: Information is available online and link to today's agenda. The handling fee was raised by 5.4% per container and the glass processing payment has relatively stayed the same. HDPE is exactly the same.

10:26:21:Presenter: And PET has gone from eight and a half cents per pound to over 13 and a half cents per pound. So those are the announcements regarding the handling fee and the processing payments. Thank you, Maria.

10:26:35:Presenter: Additionally, the video that we just watched will be available in Spanish on our Youtube channel later on today as well. A quick reminder, you can submit your public comments on any of today's agenda items. Here's how.

10:26:52:Presenter: California wants your input on recycling and trash pollution issues. Join Cal Recycles decision making process by submitting a public comment on any of today's agenda items. Microphones are available for those of you in the room if you're joining remotely.

10:27:05:Presenter: Just click the public meeting banner at the top of our website, then click on the public comment portal to send us your feedback. Just visit calrecycle.ca.gov will address public comments at the end of the meeting.

10:27:24:Presenter: Calrecycle appreciates public comments from remote and in person participants. We often summarize written comments as appropriate and address like comments. Together we will.

10:27:30:Presenter: Welcome you to join us at the Caliper Headquarters if you would like to give us your comments in person.

10:27:46:Presenter: Next on the agenda, more Californians now have convenient options to safely get rid of medical waste. Check out how extended producer responsibility Programs for pharmaceutical and home generated sharps. Waste helps Californians and our environment.

10:28:05:Presenter: Medication helps and heals, but if you flush it down the toilet, throw it in the trash, or stash it, unused medication can end up in the wrong hands. In California, industry is now responsible for providing safe, convenient disposal options for consumers at no cost Californians now have access to.

10:28:22:Presenter: Free mail back options and we'll start seeing collection bins like these at hospitals, sheriff's stations and pharmacies. This at Calvin Cycles website calvincycledot.ca.gov or scan this QR code for links to these industry programs, including how to search for collections and locations near you.

10:28:41:Presenter: Today we have five items related to pharmaceutical and sharps waste stewardship program for the directors consideration, three annual reports from

2022 and two annual program budgets for 2024. Deputy Director Zoe Heller joins us with those.

10:28:42:Presenter: Details.

10:28:44:Presenter: OK.

10:28:56:Presenter: So quite a few updates today. All of the documents submitted by Med Project were found complete, while some of the documents from the drug Take Back Solutions Foundation were found incomplete.

10:29:13:Presenter: Calrecycle staff reviewed the documents that were found complete items one through 5 that you see on this slide for compliance with statute, regulations and the program operators respective approved plans. I'll provide a brief summary of staff's findings regarding the 2022.

10:29:20:Presenter: Annual Reports. The complete staff analysis is contained in the public notices linked in today's agenda.

10:29:37:Presenter: All right, so Med Projects 2022 annual report described the activities that undertook to implement its Covered Drug Stewardship program, which included establishing authorized collection sites such as retail pharmacies, retail pharmacy chains and law enforcement agencies.

10:29:54:Presenter: And establishing mailback distribution and locations. Additionally, Med Project established a website in call center through which ultimate users can obtain information on collection options, including authorized collection, site locations, and other free mail back.

10:29:55:Presenter: Programs.

10:30:09:Presenter: Med Project reported it established 1017 authorized collection sites, disposed of 277,000 pounds of covered drugs and distributed 7849 mail back packages.

10:30:25:Presenter: Based on staff's analysis, Med projects 2022 annual report for Covered drugs, met or partially met requirements of statute regulation and its approved plan. However, there are areas where correction or clarification is needed and I'm going to get into those in the next slide.

10:30:43:Presenter: A summary of requirements that were partially met include staff are not able to determine the minimum of five authorized collection sites per county or one per 50,000, whichever is greater can convenience standard was met. Med Project needs to provide a description of the circumstances.

10:31:02:Presenter: Beyond its control, necessitating the establishment of mail back distribution locations in the 21 counties that do not have the required number of authorized collection sites, Med Projects Annual Report did not include a current list of authorized collectors notified of the opportunity to participate in the program.

10:31:19:Presenter: During the 2022 calendar year, MED Project did not include a list of potential authorized collectors excluded from the program. MED Project included department administrative fees or fees administered by Cal Recycle as an actual expense occurred in 22 although CAL Recycle.

10:31:35:Presenter: Has not invoiced MED Project during the 2022 reporting period. Some descriptions in the annual report require additional detail rather than relying or relying on referring to the plan for the information. Should the Director choose to conditionally approve or disapprove MED projects 2020?

10:31:42:Presenter: To Annual report for covered drugs, MED Project must provide additional information to meet these requirements.

10:31:44:Presenter: Next slide please. OK.

10:32:04:Presenter: Med Projects 2022 Annual report describes activities that undertook to implement its Home generated Sharps waste stewardship program, which included the establishment of point of sale sites such as retail pharmacies, retail pharmacy chains, online retailers, etcetera that provide or initiate distribution of Sharps mail back packages.

10:32:21:Presenter: And a website or call center through which Ultimate users can order free sharps mail back packages. Med Project also provided education and outreach to healthcare providers to educate Ultimate users on how they can request free Sharps mail back packages prior to the point of sale.

10:32:38:Presenter: Which sharps program? Med Project reported that in 2022 it established over 4000 point of sale sites, distributed over 20,000 sharp waste containers and reimbursed 31 local agencies for home generated Sharps waste management collected through HW?

10:32:49:Presenter: Programs based on staffs, analysis, med project, MET or partially met requirements of statute regulation and it's approved plan. However, there are a few areas where correction or clarification is needed.

10:33:08:Presenter: A summary of these requirements that were partially met include Med Project stated it provided information about its program to ultimate users at the point of sale 2.2 million times. More information is needed to understand why that number is significantly higher than the reported total amount of Sharps containers.

10:33:23:Presenter: Provided to initiated at the point of sale, Med Projects annual report is missing the required metric regarding how many sharps waste containers were provided to ultimate users. Additionally, Med Projects metrics do not cover the entire reporting period of 2022.

10:33:41:Presenter: Med Projects website promotes information for HHW facilities as the primary method of sharps disposal rather than its mail back program. Med Project included department administrative fees or fees administered by Cal Recycle is an actual expense incurred in 22, although once again Cal Recycle did not invoice Med Project.

10:33:43:Presenter: During the 22 reporting period.

10:33:55:Presenter: So as stated previously, should the Director chose to conditionally approve or disapprove med projects, 22 Annual report for Home generated sharps, waste med project must provide additional information to meet the requirements.

10:34:15:Presenter: The Drug Take Back Solution Foundations 22 annual report for Sharps Waste describes working with pharmacies and other point of sale locations to encourage their participation in the Foundations program, educating point of sale locations and covered entities about the program, and focusing on the geographic spread of mail back unit.

10:34:19:Presenter: Distribution Locations. The foundation also researched organizations.

10:34:37:Presenter: That work with homeless and underserved communities and household hazardous waste facilities to educate about disposal options and it's 22

annual report for home generated sharps waste, the foundation reported. It established 127 point of sale sites participating in this program distributed.

10:34:54:Presenter: 3800 Sharps waste containers through the program and reimbursed one local agency for home generated waste management collected through HW programs. Based on staff's analysis of the information provided in the Foundations 22 Annual Report, the Foundation did not meet or partially.

10:35:13:Presenter: Got several requirements from statute regulations and its approved plan. Throughout its annual report, the Foundation utilized inconsistent and incorrect terminology and dates, making it difficult to understand how certain aspects of its program are functioning. The annual report lacks detail about the mechanisms the Foundation used to track the transportation.

10:35:18:Presenter: And disposal of sharps and does not distinguish between transporters and disposal facilities.

10:35:34:Presenter: There are missing physical addresses on the Foundations list of covered entities. Should the Director choose to conditionally approve or disapprove the Foundation's 22 Annual Report for Home Generated Sharps Waste, the Foundation must provide additional information in order to meet these requirements.

10:35:52:Presenter: Instances where the foundation did not meet some of the requirements include the foundation failed to implement point of sale services to Ultimate users as described in its plan. The Foundation did not include any information in its 22 annual report about its ordering portal, which is described in its plan.

10:35:57:Presenter: Is the method that point of sale sites will use to initiate the distribution of sharps containers.

10:36:16:Presenter: It's unclear if the foundation is providing or initiating it. All points of sale is required by statute since the foundation describes having difficulty identifying where it's covered entities. Covered products are sold. The foundation did not provide clear metrics for the amount of sharps, waste, containers, and mail back.

10:36:33:Presenter: Materials provided at the point of sale to ultimately users. The foundation reported Sharps collection metrics that suggest it was operating its statewide program in Alameda County, which has an existing Sharps ordinance. The foundation should only be reporting on activities that occurred as part of its statewide.

10:36:36:Presenter: Arts program in accordance with its approved plan.

10:36:54:Presenter: Education and outreach materials and the Foundations Annual report include information that misrepresents the law by stating that Cal Recycle is mandating the distribution of sharps waste containers at point of sale locations and that retailers or point of sale sites are required to offer provide.

10:37:00:Presenter: Or initiate distribution of sharps, waste materials and mail back materials at the point of sale.

10:37:17:Presenter: Materials also promote local takeback events, which is not something which was approved as part of the Foundations Plan and therefore inconsistent with the services offered by the program. The Foundation appears to be using two different websites Drug Take Back Solutions Foundation website that links off to an.

10:37:23:Presenter: Inmar run website, making it unclear to the public were to go to request information on program services.

10:37:32:Presenter: For a summary of the requirements partially met or not met by the Foundation, read Staffs Analysis on the public notice linked in today's agenda.

10:37:51:Presenter: The Drug Take Back Solution Foundations 22 Annual Report for Covered Drugs was found in complete. The annual report has been resubmitted and is currently under review again. You can read the staff's analysis on all of the items in the public notices linked in today's agenda and subscribe to Cal Recycles Pharmaceuticals and Sharps.

10:37:52:Presenter: Deserve.

10:37:56:Presenter: To receive further updates. Thank you.

10:38:00:Presenter: Thanks so much, Zoe.

10:38:10:Presenter: Up next on the agenda is the consideration of covered electronic waste recycling fee adjustments. Deputy Director Kara Morgan joins us now.

10:38:28:Presenter: Thank you Maria. The Electronic E Waste Recycling Act allows Cow Recycle to adjust the covered electronic waste recycling fee for video display devices annually by August 1st, with an effective date of January 1st to assess the fee structure.

10:38:45:Presenter: Program works with Budget Office to analyze the following the covered electronic waste volume trends to estimate possible payment obligations, covered electronic device sales trends to project revenue potential and program related operational costs, and the available fund balance.

10:39:02:Presenter: Staff recommends that the covered electronic waste recycling fee remains unchanged at the current fee levels of four dollars, \$5 and \$6. You can read supporting documents and proposed revisions linked to this item on today's agenda.

10:39:22:Presenter: All right. Next we'll talk about tires. California manages over 51 million waste tires each year to keep tires out of landfills and our communities Cow Recycle must adopt A five year tire plan and submit it to the legislature the five year.

10:39:39:Presenter: Fire Plan is updated every two years. The latest edition covers fiscal years 2023 and 2024 to 2027 through 2028. Staff made several changes to the activities and budget allocations in response to comments.

10:39:57:Presenter: And suggestions from interested parties, the research element was revised to highlight completed projects and those currently in development. This includes research by the University of California, Davis to study the use of rubber in dense graded mixes and.

10:40:13:Presenter: Recycled asphalt pavement in rubberized gap graded mixes for structural layers for fiscal year 2023 through 24. The spending projection is \$40.2 million and the total spending projection for the next five years.

10:40:30:Presenter: Is \$201 million. The plan will start July 1st, 2023, or when Governor Newsom signs the 2023-2024 budget. After the adoption, the plan will be forwarded to Cali, PA, then to the Governor's office for approval.

10:40:31:Presenter: Thanks, Maria.

10:40:43:Presenter: Thanks, Kara. Now we're moving on to our pending solid waste entire facilities permits. Check out this quick video to see how California facility standards help keep our community safe.

10:41:01:Presenter: Protecting the health of Californians and their land, food, water and air is a big Local. State and federal agencies play different roles to enforce public

health and environmental safety standards in California. Solid waste, local enforcement.

10:41:18:Presenter: Agencies process applications, issue and enforce permits for solid waste facilities. These include landfills, transfer stations, compost facilities or similar operations. Calrecycle must verify permits or consistent with state requirements.

10:41:36:Presenter: Permits can only address areas within the authority of local enforcement agencies and Cal Recycle. Check out the link below for more detailed information. Emergency Waivers Allow temporary Changes to solid waste permit requirements in response to local or state Disasters.

10:41:52:Presenter: Local enforcement agencies may approve the waivers, which are good for up to 120 days and may be extended. Cow Recycle must review approved waivers and can condition limit, suspend or terminate them. Check out the link for more detailed information.

10:42:08:Presenter: For waste tire facilities, CAL recycle processes applications issues and enforces waste higher permits. These include requirements to make sure tires are stored and processed in a way that reduces potential threats from fire.

10:42:13:Presenter: And disease carrying vectors like mosquitoes. Check out the link for more detailed information.

10:42:24:Presenter: Paulina Lawrence joins us now with a statewide update on facility permits. Good morning, Paulina.

10:42:44:Presenter: Hello everyone. Thank you, Maria. First off, I just want to give a brief outline of what I'll be speaking about today from last month of the department has concurred on three solid waste facilities permits.

10:42:58:Presenter: We have one continuing solid waste facilities permit and then we'll be announcing 4 new solid waste facilities permit along with a couple of emergency waivers. So first off, I'd like to start with those solid waste.

10:43:12:Presenter: Facilities Permits at the Department has concurred. On May 31st, 2023, the Department concurred on a new Compostable Materials Handling Facility permit for Circle Green Tech Park, which is located at 179.

10:43:26:Presenter: 100 Sheep Creek Road. This is in San Bernardino County. Action was needed July 8th, 2023. The department also issued A revised Solid Waste Facilities permit for Santa Maria Transfer Station.

10:43:39:Presenter: Located at 325 Communa Lane, this is in San Luis Obispo County in which the department acts as the enforcement agency. Action was needed August 10th, 2023.

10:43:53:Presenter: Also on June 19th, the department issued A modified Solid Waste Facilities Permit for Turlock Transfer located at 1100 S Walnut Rd. This is in Stanislaus County. Action was needed.

10:44:00:Presenter: July 22nd, 2023 and cower cycle also acts as the enforcement agency for this particular site.

10:44:15:Presenter: Continuing on the agenda is Aerojet waste consolidation unit located at 12353 White Rock Road. This is in. This is in Sacramento County there.

10:44:29:Presenter: Revised permit action date was revised to July 1st, 2023. This is a new solid waste facilities permit. New and not on the agenda or on the agenda is City of Claremont.

10:44:41:Presenter: Community Services Department located at 1616 Monta Vista Ave. This is in San Bernardino County. It's a new solid waste facilities permit. Action is needed July 13th.

10:44:56:Presenter: Excuse me, July 15th, 2023. Preliminary review of the permit package indicates the following proposed design parameters. The proposed facility will be a Large Volume Transfer Processing Facility, permitted hours of operation.

10:45:06:Presenter: For receipt of refuse, refuse and waste or 6:00 AM to 5:00 PM Monday through Saturday. Permitted maximum tonnage is 184 tons per day.

10:45:18:Presenter: And the permitted traffic volume is 44 vehicles per day with a permitted area of 4.82 acres. The design capacity will be 184 tons.

10:45:31:Presenter: Next up is Active Recycling Material Recovery Facility and Transfer Station. This is located at 2000 W Slauson Ave in Los Angeles. This is in the City of Los Angeles and the permit action.

10:45:37:Presenter: Needed date for this modified solid waste facilities permit is July 30th, 2023.

10:45:52:Presenter: Preliminary review. The permit package indicates the following proposed changes. The facility will no longer be receiving scrap metal. They will they will receive. They were permitted to receive it up to 300.

10:46:05:Presenter: Once per day, but now we'll be receiving 300 tons per day of curbside recyclables. The total permitted tonnage will remain the same. Next up is Gold Coast Recycling Incorporated located at 5275.

10:46:19:Presenter: Old Street and Ventura Avenue. This is in Ventura County. It's a revised solid Waste Facilities permit. Action is needed by August 1st, 2023.

Preliminary review of the permit package indicates the following proposed changes.

10:46:34:Presenter: Increasing the permitted maximum tonnage from 16,000 tons to 2000 tons per day. Increasing the permitted traffic volume from 496 vehicles to 1000 vehicles per day. Changing the design capacity from the transfer of.

10:46:48:Presenter: 1600 tons per day and processing of 500 tons per day to transfer processing of 2000 tons per day and then changing the language regarding the permitted hours of operation and updating the name of the property owner.

10:47:03:Presenter: Next that is new is Moreno Valley Solid Waste Recycling and Transfer Facility. It's located at 177 Hundred Indian Street in Moreno Valley. This is in Riverside County.

10:47:18:Presenter: This is a modified Solid Waste Facilities permit with an action needed of August 5th, 2023. Preliminary review of the permit package indicates the following proposed changes, increasing the design of capacity from 2500.

10:47:25:Presenter: Once per day to 5760 tons per day and updating the transfer processing report.

10:47:40:Presenter: So that's all we have. If you notice on the slide, we have three extra sites that are listed, Maxwell Transfer site, Tonneson Pet Center and San Francisco Solid Waste Transfer Recovery Center. Those were all.

10:47:45:Presenter: Incurred on last month, so just wanted to in case you guys were looking at the slides.

10:48:00:Presenter: Next up I will announce those emergency waivers that were announced by the department El Dorado County, South Lake Tahoe Refuse, Refuse and Recycling. This was on June 5th, 2023, the Placer County Department of Health.

10:48:13:Presenter: And Human Services Environmental Health Services LA granted an emergency waiver of the permitted tonnage and hours of operation until October 3rd, 2023. This is due to the emergency.

10:48:27:Presenter: Resulting from the severe winter storms throughout the state, also in Merced County for Foster Farms Menorah Storage on June 1st, 2023, the Merced County Local Enforcement Agency granted an emergency.

10:48:40:Presenter: The waiver for the acceptance of poultry blood until September 29th, 2023 due to the emergency resulting from the animal health emergency as proclaimed by the California Department of Food and Act. And that's all I have. Thank you, Maria.

10:48:53:Presenter: Thanks so much, Paulina. You can find more information on any of today's agenda items. Just go to Calorie Cycles homepage and click on the public meeting web banner at the top of our site for a link to the agenda and associated public notices.

10:49:07:Presenter: You can also find on Calorie Cycles homepage, the events calendar for upcoming workshops and meetings, as well as the link to Calorie Cycles SB1383 implementation Progress web page with up-to-date data on California's progress.

10:49:21:Presenter: In this vital climate pollutants reduction law, now it's time for the public comments. First, we'll take public comments from members of the public present in our Sacramento, Cal. EPA headquarters meeting room. Today it does anyone.

10:49:28:Presenter: Present Have a public comment? You can approach one of our microphones on either side of the room.

10:49:32:Presenter: Going up.

10:49:51:Presenter: Good morning.

10:49:59:Presenter: Doctor Wagner and staff, thank you. My name is Jeff Donlevy with Ming's Recycling and Men's Resources out of the East Bay.

10:50:13:Presenter: Regarding the public meetings, I hope moving forward, all the Cal Recycle meetings have a public option where we could attend and comment in person. There was a rate hearing, I think it was in May. It was video only. There were some.

10:50:26:Presenter: Of Fusion, with the lengths it was supposed to be on the EPA link. Then it moved over to Zoom. Some comments were made, some comments were missed, so hopefully they'll be a public option for all future meetings.

10:50:39:Presenter: One of the things that I'm concerned with is for written comments being summarized and grouped. People are taking the time to write these comments. They want to be heard. That's their voice.

10:50:53:Presenter: I definitely oppose the unilateral ability to minimize comments. Or just not read them and just say we've received a bunch that says something like this. People are taking the time to write comments.

10:50:54:Presenter: Hopefully they'll be read in full.

10:51:09:Presenter: My first request today is for Power Cycle Director Wagner. Deputy Director Cameron, could you please schedule a meeting to meet with all the recycling centers and processors that would like to attend?

10:51:23:Presenter: And have a workshop so you could hear first hand from them what fixes they would like to see to the Bottle Bill. Preferably in July, preferably in Southern California. There's a lot of operators that would like to attend.

10:51:33:Presenter: But they just can't take the time or afford the four or \$500 to fly up here for the day. There's many Northern California operators they're willing to go down there.

10:51:36:Presenter: There's not many of us, but we're willing to go down there.

10:51:47:Presenter: Because the voice of the Southern California operators is so strong, I've spoken to several of them in the last couple days. They're very worried about what's going on. So please schedule a meeting down there.

10:51:54:Presenter: What I want to bring up today is recycling centers are closing at a rapid pace.

10:52:02:Presenter: As of August 5th, 2019 when Replanet closed, there was 1242 recycling centers left.

10:52:09:Presenter: We've lost 160 to 180 more recycling centers since that date.

10:52:16:Presenter: Yes, the Car Recycle website will say that there's 1265 recycling sites.

10:52:19:Presenter: Two or duplicate addresses.

10:52:34:Presenter: There's 13 pilot locations that are listed that wouldn't be open if it wasn't for the \$1,000,000. There's ten RVN's that are not equivalent to an actual recycling center because they just can't handle the volume. It's a good option, but it's not a recycling center.

10:52:44:Presenter: And then there's been about 130 sites that have been reopened by Ponce Recycling, Sunset Recycling, CRV Recycling Solutions. So they've backfilled.

10:52:46:Presenter: Those replanet sites.

10:52:51:Presenter: And I can tell you all three of those operators are very worried right now.

10:52:58:Presenter: So the program is lost ground in the last four years. We need to find a way to get those opened up.

10:53:13:Presenter: I'd like to read in page one of the Bottle Bill section 14501 F and I think it gives you great authority to make changes to the program section.

10:53:26:Presenter: Of States. The purpose of this division is to create and maintain a marketplace where it is profitable to establish sufficient recycling centers and locations to provide consumers with convenient recycling opportunities.

10:53:39:Presenter: Through the establishment of minimum refund values and processing fees, through the proper application of these elements to enhance the profitability of recycling centers, recycling locations and other beverage.

10:53:41:Presenter: Recycling programs.

10:53:45:Presenter: I think this gives you the ability to do things.

10:53:48:Presenter: Over and above what the statute says.

10:53:52:Presenter: Now it's time to act.

10:54:06:Presenter: The 5% COLA for the handling fee sites appreciated the action that was taken last year to freeze the handling fees for two years. That was great, greatly appreciated. But if something's not done.

10:54:14:Presenter: In the handling fees drop next July 2024 and they go back to the old formula, total devastation for the handling fee sites.

10:54:30:Presenter: What I'd also like to ask today is for a 5% COLA for the processing payments for the other commodities. So all the other programs, the

recycling centers that aren't getting handy fees, the curbside programs and the CCP programs can also get a little bump.

10:54:32:Presenter: Right now.

10:54:48:Presenter: With the pilot programs, as we start talking about the grocer Coop, I'm requesting at the next meeting there be an update on the pilot programs. Which ones are working? Which ones aren't working?

10:55:03:Presenter: There's a few that are using a per count system. I'd like to hear how those per account systems are working and what regulatory changes you're thinking about making to make sure that the per count programs whether it's an RVM system or a bag.

10:55:17:Presenter: Up system is made whole because historically the per count systems have always worked against the recycling center operator or the RVM and unless that is fixed we will not have successful RVM.

10:55:20:Presenter: For backdrop programs in the state.

10:55:29:Presenter: Question regarding the Fort Bragg program that was just awarded.

10:55:45:Presenter: That was a bid situation I believe, or an RFP situation where the new hauler or the new franchisee is a part of their proposal and contract said that they would provide a 30 hour per week redemption center.

10:55:49:Presenter: Now they've been awarded a pilot program for something less than.

10:56:00:Presenter: This is a company that is publicly traded, multibillion dollars a year. Why was it beneficial for the program to award \$1,000,000?

10:56:07:Presenter: To this company and reduce the amount of convenience that they had provided in their proposal. So that's a question.

10:56:25:Presenter: The \$1,000,000 Mr Dunleavy was rewarded to the local government to provide a pilot project for recycling and recovery of beverage container recycling eligible materials.

10:56:40:Presenter: In a jurisdiction that has long had not no recycling capability, so it was provided to the local government to help build out a system and as with the pilot projects, what we are attempting to do is to look at different types.

10:56:47:Presenter: And systems to address longstanding lack of access for Californians around the state.

10:57:03:Presenter: Also regarding the Sunnyvale program, hopefully there can be an update on that program. As far as this start date, I was able to see the application for that in the Budget application. Again a program.

10:57:18:Presenter: Was awarded to an out of state company with approximately \$750,000 going towards startup R&D programming. So the program was awarded to a company that doesn't have any.

10:57:25:Presenter: Experience in the CRV program. Is there any estimated start date on when that program will begin in Sunnyvale?

10:57:43:Presenter: I'm going to have to research that and get back to you. Thank you. Yeah, maybe at the next meeting is just an overall presentation on the programs that are working, which ones are not working?

10:58:02:Presenter: I might have some additional comments. I know you've you've mentioned the pilot projects a couple of times and asking for a report on that. We are

not doing an evaluation of the pilot projects as they go because they are meant to have.

10:58:15:Presenter: A period of time in order to roll out and test their technologies and different local governments. These are not local government programs, so different local governments have been able to engage with.

10:58:30:Presenter: Retailers, dealers and recyclers in different ways. And so a full report of the pilot projects will occur at the end of the pilot projects. But you can't evaluate a pilot project midway. It doesn't.

10:58:31:Presenter: Provide accurate metrics or data.

10:58:42:Presenter: OK. We can't get back to you with an answer to the question on Sunnyvale, but I you you've just mentioned a couple of times in evaluation of the pilot projects.

10:58:58:Presenter: Thank you for the presentation on the processing pain. It's definitely a hot topic right now. Unfortunately with the ET markets are really collapsing right now and we're running into a situation where the formula and the processing payments are not.

10:59:00:Presenter: Making the recycling centers whole.

10:59:15:Presenter: They're losing money quicker than you can backfill with processing payments. Yes, we're going up to 13 1/2 cents July 1st. Definitely helpful. Based on my calculations, they should be going up to \$0.18.

10:59:32:Presenter: In October and I think your staff would see those numbers as well. I'd like to see if power cycle could accelerate the October increase and make it effective October 1st. I think staff would probably be comfortable with the scrap values that they're seeing.

10:59:43:Presenter: From recycling centers because they're losing money. Based on my calculations in the first six months. The difference between scrap values and processing payments.

10:59:52:Presenter: And what it cost to recycle. PET recycling centers in the state have lost \$20 million because of the shortfall in the formula.

11:00:03:Presenter: That is hurting recycling centers left and right. And I think you'll hear that coming up with some more comments, either written comments or public comments.

11:00:16:Presenter: So just a summary of my ask. Hopefully we can do a 5% cola on processing payments, increasing the PET processing payments effective October, August 1st rather than.

11:00:31:Presenter: October 1st, hosting a meeting in Southern California as a recycling center and processor workshop so we can get good participation and good discussion on the program. And then for Director Wagner.

11:00:46:Presenter: Asking you to talk to the governor to help fix the problems because that's the goal of the division to make sure that the recycling centers are healthy and we're able to provide convenient redemption locations for all the consumers to get their deposit back.

11:00:47:Presenter: So.

11:00:50:Presenter: All right, last.

11:01:06:Presenter: Let me get through this. I want to recognize Tina Forest with Santa Cruz Grey Bears. She passed away two weeks ago. Grey Bears. They're the oldest nonprofit. And Sacramento or Santa Cruz County.

11:01:21:Presenter: They participate in the CRV recycling program. Tina, what was the heart and soul of the Gray Parish recycling program, providing seniors with volunteer work, hot meals and groceries Grey bears provided.

11:01:35:Presenter: Cruz County with recycling drop off services and CRV services at the Ben Lomond transfer station for 20 plus years. She recycled over £60 million or £16 million. Excuse me, excuse me.

11:01:50:Presenter: Including CRV cardboard, mixed paper, books, and yes, even Styrofoam. She was nuts. She was a beautiful person. She oversaw the recycling operations that those three locations. She taught seniors how to recycle give back to their.

11:01:51:Presenter: Community.

11:01:55:Presenter: Unfortunately, she was taken too soon.

11:02:01:Presenter: Survived by her mother and husband, two children, siblings.

11:02:06:Presenter: And she survived by all those grey bears.

11:02:10:Presenter: I'd like to thank the Caracal team, including Jennifer Akins.

11:02:18:Presenter: Kerry Holler and Jeanette Swanson, who stepped up to help support keep Grey Bears Recycling Program going. So thank you.

11:02:23:Presenter: Thank you, Mr Dunleavy.

11:04:26:Presenter: There it is. Hi, My name is Leopoldo Lopez. I am a veteran of the United States Air Force. I served.

11:04:41:Presenter: And now we're seeing people coming to my facility from Marin, from the Peninsula, from Vallejo, from Martinez, from Oakland, because there are no facilities left and or the ones that are still open.

11:04:47:Presenter: Having to do things that are not quite scrupulous to stay up to stay afloat cause we're drowning.

11:04:57:Presenter: My father is 88 years old and he's home dying of cancer.

11:05:06:Presenter: My mom's 84. Everybody knows her as grandma at the recycling business.

11:05:12:Presenter: Everybody knows her everywhere she goes and she's taking care of my dad.

11:05:18:Presenter: She's not able to help with the business now and I'm kind of glad because they're not having to see what we're going through today.

11:05:22:Presenter: We're only open to five hours a day, six days a week.

11:05:30:Presenter: But we're open more than just the dollars and cents. As you can tell, I have a thing for our community, for our country.

11:05:38:Presenter: I'm trying to help these people and but I can't help them if I don't get help. So I'm here asking for help because we're drowning.

11:05:49:Presenter: We're we're not gonna survive much longer the way things are going. It's just it's impossible. I'm having to supplement the CRV program with other avenues of my business.

11:05:56:Presenter: My father came to this country when he was 12 as a migrant farm worker.

11:06:10:Presenter: He came from Mexico. My mom's family's been here since the 1700s. The king of Spain gave her family some land, if you could believe that. Yeah. And they were first Spanish and then Mexican. And then America took over.

11:06:14:Presenter: And my family's fought in every war since for this country.

11:06:20:Presenter: And we've defended her and I'm here to hopefully defend my family.

11:06:28:Presenter: I'm here for my wife, who's blind. She's a teacher for the blind. I'm here for my children who worked every day after school.

11:06:33:Presenter: And between their vacation times, they came to help because we needed it.

11:06:41:Presenter: One of them stayed with me. One is another teacher for the blind. My daughter just graduated and hopefully gonna be a reporter or something like that.

11:06:45:Presenter: She is. That's what she went to school for. Just got her bachelors proud.

11:06:55:Presenter: I'm here from my grandchildren because I want a future for them. And I'm not talking financially, I'm talking I want this world to be healthier.

11:07:02:Presenter: I know how to make things work. I was paid to do it.

11:07:13:Presenter: I know the guys that started the television recycling. They told me they paid a lobbyist \$1,000,000 to get the program going because they bought a business and they.

11:07:19:Presenter: They weren't making enough money, so they had made a law so that they could make money and they did. Boy, they make good money.

11:07:22:Presenter: Let's see. I'm not in it for the money.

11:07:35:Presenter: I helped the EPA with the appliance recycling program because they didn't know how to go about it. So they were coming to me for a whole year so that we could figure out a way to get this thing off the ground.

11:07:43:Presenter: We're doing our best for you guys and for California, but we need California to help us.

11:07:48:Presenter: We just can't do it anymore. I don't know if I could be open another three months.

11:07:50:Presenter: I mean, that's how urgent things are.

11:07:53:Presenter: You've been doing it longer than most.

11:07:59:Presenter: We just, we need your help. Thank you, Jeff. I'm a customer of Mings.

11:08:02:Presenter: That's why I take my stuff.

11:08:07:Presenter: Because that that's the only place that I can there's nobody hoping.

11:08:18:Presenter: We can make this work, but we know it's not like a traditional business. A traditional business, well, you pass it along to the customer. We can't do that.

11:08:21:Presenter: We don't want to do that. We want to help these people.

11:08:28:Presenter: Some moments how they eat. I know the program isn't designed for this. I know it's not like a welfare program.

11:08:39:Presenter: They supplement their income, They pay for their gasoline, they pay for the little extras, and man, my electricity bill has gone up. You guys know this.

11:08:41:Presenter: My water bill has gone up.

11:08:55:Presenter: My insurances, my workman's comp, We're in the higher bracket of work. I could hardly get insurance, workmen's comp insurance because they categorized us with the company like Schnitzer Steel.

11:09:06:Presenter: We have EPA regulatory agencies coming all the time, toxic substance, storm water, all these things that we're having to go through as a mom and pop business.

11:09:19:Presenter: But we're fighting and we're trying, but we need your help. So I'm here begging you, on behalf of my hundreds of customers, on behalf of my family, please help us.

11:09:20:Presenter: Thank you.

11:09:30:Presenter: Thank you. And we appreciate you coming and being a part of the meeting today and bringing us your story. Thank you very much for being here.

11:09:45:Presenter: Hi there, Mark Murray with Californians Against Waste. Tough couple of speakers to follow, but I want to again speak to the bottle bill and express appreciation for the increase in the processing payments on.

11:09:53:Presenter: ET the 54% cola increase, certainly appreciate that.

11:10:07:Presenter: I'm reading the notice. You didn't mention this, Amy, but I'm reading the notice to have a reduction in the processing payment for glass. Very modest, but that is subjective. You do have the authority.

11:10:21:Presenter: To suspend that, you've done that in the past and we've greatly appreciated that. Not a lot you can do about a lot of the details of the processing payment, a lot of the details of the handling fee. But one thing that you could do would be to suspend.

11:10:35:Presenter: The decrease in the glass processing payment, I'd ask that the director and Deputy director do that at this point. There is also a piece of legislation that to deal with.

11:10:50:Presenter: Some of these issues that you're hearing and would love to have full engagement and opportunity to see if we might put some changes into that legislation so that you don't have to make subjective decisions and you don't have to listen to this.

11:11:03:Presenter: At every single meeting in terms of do something when you don't really have the authority to do all that I know that you would like to do. So we could make some changes in the legislation and be great if we could work on some of that, so.

11:11:05:Presenter: Thanks a lot for all you do.

11:11:09:Presenter: Thanks, Mr Murray. Appreciate having you here today.

11:11:20:Presenter: Good morning.

11:11:36:Presenter: My name is Jacey, I am here to represent Ivans Recycling. We're located in Citrus Heights and we've been there for about 5 1/2 years now and I wanted to take a moment to first thank you guys for making the changes in both the processing payment.

11:11:40:Presenter: And the handling fees, they're both the savior to our business.

11:11:46:Presenter: Without the correction, sustaining operations would be very difficult.

11:11:54:Presenter: What we have experienced some great years in our business, the past two years have presented significant challenges.

11:12:08:Presenter: Operating a CRV recycling center demands great sacrifices. I want to emphasize that I'm not complaining about the inherent nature of running a business, however, when commodity prices plummet, especially to the extent we have.

11:12:22:Presenter: Witnessed with Preet dropping to a mere penny twice in the past 12 months, I believe it is crucial for Calorie Cycle to step in and utilize their abundant resources to safeguard recycling center operators.

11:12:31:Presenter: Call, recycle and operators working together hand in hand I believe is what the program relies on.

11:12:48:Presenter: And our it is our sincere desire, shared by Evans and countless other operators, to perceive Colorado Circle as a supportive ally rather than an entity to be feared. Running a redemption center is an incredibly labor intensive.

11:12:59:Presenter: Business requiring our team to work diligently and all types of weather conditions and carrying bags that are extremely heavily as I'm sure you guys have all seen.

11:13:09:Presenter: These conditions necessitate either bearing this burden of center operators or being able to pay our employees competitive wages.

11:13:23:Presenter: When scrap prices drop, processing payments are lowered, or handling fees decline, it becomes increasingly difficult to meet these obligations. Lately, Ivan and I have had to shoulder this burden alone to mitigate labor costs.

11:13:29:Presenter: As business owners, our dream is to always create more time to spend with family and give our children the life we didn't have.

11:13:36:Presenter: But during times like these, we work long hours and are left with Sundays staying out with their children.

11:13:51:Presenter: We make every possible effort to ensure full compliance with the program. It is in this spirit that we reach out to you, seeking your assistance and unwavering commitment to ensure our continued existence. We implore you to stand by us.

11:13:57:Presenter: And prevent the prospect of losing our business due to unfavorable market conditions and escalating expenses.

11:14:07:Presenter: Thank you so much time for taking the time to listen and I'm sorry I suck at speaking. I can hear my voice shaking. But thank you so much you guys.

11:14:22:Presenter: This is not a natural forum. Most of us don't do this every day. You did a great job. Thank you for being here and for your comments, and we appreciate you taking time out of your day to be here along with all of the other members.

11:14:35:Presenter: Here of the public who took the time to be here with us today and make their comments, I do know, Mr Dunleavy, that is a frustration for you and many others that we don't read all of the comments out loud.

11:14:51:Presenter: Many of the comments come in before the meeting. Some of them have information that is not accurate. Some of them have information that is a repeat of many of the comments that we heard here today or have heard in previous meetings.

11:15:05:Presenter: And so we do try to summarize, because otherwise we would read the same comment or gist of a comment five or ten times, which in a natural setting where we're all present.

11:15:19:Presenter: Likely wouldn't happen where somebody would say I'm simply repeating the comment of the previous presenter. ○ We do encourage people to

submit their comments and again we do take them in. We respond to questions that are brought before the department.

11:15:22:Presenter: We respond to.

11:15:37:Presenter: Information request for information and apologies because we can't spend hours of and or entire days reading pages of pages of comments, especially when they are.

11:15:50:Presenter: Similar or identical. Oftentimes what we do try to do is make sure that we summarize and answer every question that comes before the department and really happy to do that.

11:16:04:Presenter: And again for people who come in person, as I very rarely cut anybody off who has a comment or has a question because I want to make sure everyone does feel heard, but in the interest of time.

11:16:19:Presenter: We do need to make sure that we're we're recognizing the importance of brevity as we're doing this. So if there are no more comments in the audience, we will transition over to.

11:16:34:Presenter: Are submitted comments. I think there were a number of comments around the similar to those that were brought up today around the processing payments.

11:16:48:Presenter: We are tracking and recognize the incredible dip again in the scrap value for ET plastic. We recognize what the volatility in the market.

11:16:57:Presenter: Does to our important partners in the recycling world and as Amy has noted and presented.

11:17:08:Presenter: They have utilized the discretion provided to the department and the statue to increase the payment processing payments for PET plastic.

11:17:21:Presenter: I am going to look to Mindy to see if there were any additional questions in that vein that we could provide additional information if we do not provide the information or answer question that someone has.

11:17:25:Presenter: That is joining us.

11:17:38:Presenter: Via Zoom Today, please do email us. We are always happy to respond to questions people have in real time at the program level, so please also utilize us in that respect as you're having.

11:17:44:Presenter: Concerns As you have questions about the way our programs operate, we are here to help you figure out how to work through that.

11:18:01:Presenter: So those are the big ones. What are we doing in terms of processing for the beverage container recycling program, What are we doing on the processing payment? And as noted, we have utilized our discretion to increase our processing payment.

11:18:15:Presenter: Or PET plastic. And we I per Mr Dunleavy's question about whether or not we will utilize that authority again in October, we will definitely be monitoring the markets and be looking at.

11:18:20:Presenter: Utilizing that authority again during the next quarter.

11:18:25:Presenter: Mr Edgar.

11:18:41:Presenter: Evan Edgar on behalf of the California Compost Coalition. Great articles in the Newsroom Review. Rachel has asked a lot of good questions, he responded. And it was great to see that in the last edition. So great work and.

11:18:55:Presenter: We put together a lot of grant applications on and that \$155 million that's going to leverage about \$600 million in probably increase the 13 to 30 recycling rate by about 25% points. So we have a lot of good momentum going on in Urban.

11:19:09:Presenter: Sector implementing good programs and there's no time to have a pause With regards to the response to Little Hoover Commission, you had a great comments and there and on behalf of the.

11:19:23:Presenter: The Compost coalition. There's about 10 really good comments in the Little Hoover Commission that are spot on, and from permit coordination to more funding to community composting, it's a lot of good stuff there and the rules will have their day and the rules already have a five year.

11:19:37:Presenter: Attention, maybe they need a pause, but we already paused enough. With the pandemic and four years of putting the regulations together, there's no time for a pause. And there's a lot of momentum out there in urban sector and when I go around California, go to city council meetings.

11:19:50:Presenter: And listen in that's already the buzz is out there at the I was at the Humboldt Waste Management Authority and we got the pause and there's some elation out there from the rurals. But I think the urban sector and what we're doing in the communities is we have a lot of good momentum.

11:20:05:Presenter: My firm put together a 75% plan last year, two years ago, and it showed that in 2018 the waste sector was 3.7 times net zero greenhouse gases, which is great circular economy, and by 2030.

11:20:17:Presenter: Doing all the programs would be 10 times net zero greenhouse gases, which is great. The dairy sector put out a paper last week and the dairy sector hopes to be carbon net zero by 2027.

11:20:31:Presenter: We're doing it now. So I'm glad to see that they've done a lot of good work with the art of carbon negative fuel. So have we. And we're putting that carbon negative fuel right back in that same truck and we're keeping that momentum regardless of what.

11:20:42:Presenter: CARB wants to do with Vancleaf fleet rule to stymie that circular economy. We're full steam ahead and deploying anaerobic digestion to make more RPG to put it back into their trucks.

11:20:52:Presenter: With 2021 coming up, I want to update the data and great that we'll be working on Car Morgan and in the fall time they want to get some data together with regards to.

11:21:07:Presenter: Updating the 2021 net zero and updating the numbers based upon the new Waste Characterization Study SB54 lens. A lot of investment and as a as an industry I'm working with CASA on wastewater. Get their data.

11:21:11:Presenter: Bioenergy Association California Get the Urban wood Waste because.

11:21:25:Presenter: That programs in flux with regards to online biomass shutting down and new biomass with biomass gas vacation making biochar and I got five facilities taking that syn gas and we're pivoting to hydrogen so throughout.

11:21:38:Presenter: California. See, each cycle we back with their application or that's a great project where we take Murphy residuals. They have no place to compost. If you look at your race characterization report over the last seven years, Murphy's vigil went up from.

11:21:42:Presenter: 1,000,000 tons a year to 4 million tons a year because of the China syndrome.

11:21:56:Presenter: Let's get this stuff can't be composted where the compost coalition, but it can be turned in the hydrogen in order to pivot towards the hydrogen economy. So we have a lot of new issues to bring to 2021 and I'm working towards.

11:22:01:Presenter: The vision for 2030, we want to have that 75% plan available at the beginning of the year.

11:22:13:Presenter: That's on the budget trailer bill that you got a \$2.1 million for a zero waste plan that will be due by July 1st 2026.

11:22:28:Presenter: Three, three years from now. But there's an interim deal that a year from now on July 1st, 2024, you have to report back on what the zero waste plan looks like. And as part of it, there's a 75% benchmark, which is great to have that you have to get to 75%.

11:22:41:Presenter: Before you get to 0 and we get to 0, Sandy. But the same 5% plan is important as part of the July 1st, 2024 report to the legislature. It says you have to look at all the programs, what's in play and so hopefully working with your staff.

11:22:54:Presenter: And your new appointment over there, Miss Morgan. And it would be great to put all that data together, update our report and have a broader section, this stuff from the compost coalition, But I'm looking to get the swan involved, get cast involved, get BAC.

11:23:08:Presenter: Evolve. Get the entire industry, such as a dairy sector. Pulled it all together. A nice report. I believe the solid waste sector that excellent job. We're early adopters. We don't need to be penalized by the Vaseline fleet rule. We don't need to be paused.

11:23:14:Presenter: Had a little Hoover Commission. We're all full steam ahead. We got momentum and the circular economy is being implemented as we speak.

11:23:16:Presenter: Thank you for your comments on Little Hoover Commission.

11:23:24:Presenter: Thank you so much, and I think that your suggestions are really, really good suggestions about how we can engage.

11:23:35:Presenter: We just looked at that trailer real like which edition last week, but I think those are really timely comments about how we can engage stakeholders as we.

11:23:41:Presenter: Compile. However, we're going to do that report for July 2024, so thank you.

11:23:48:Presenter: Are there any other comments in the meeting room today? OK, one more.

11:23:52:Presenter: Yes.

11:24:09:Presenter: Hi, I'm Ocean from Ocean's Recycling. Just touching on everybody what everybody said about recycling centers and whatnot, labor cost has gone up significantly for us and we're just trying to survive.

11:24:22:Presenter: Right. So we have currently six where we're trying to get to 789 and 10 in the next probably two or three years hopefully. But we had a significantly slowed that down just because of scrap prices and labor costs and stuff like that. You can go get it.

11:24:36:Presenter: Minimally, you pay job at Mcdonald's for 1725 right now, which my niece got. So finding people and hard working people is hard, right? Biggest cost for us is labor and we're a specialty niche for insurance.

11:24:50:Presenter: Every college has mentioned so our insurance went up by 22% just this year alone. So finding things and trying to make this a sustainable I supplement my income by doing Uber and Doordash just so I can pay my guys.

11:25:03:Presenter: I have 18 employees currently and we help them find housing, we help them buy cars and things like that, so that way they pay us back. So they don't have to get those high interest loans, but we are a part of our.

11:25:16:Presenter: Community. We donate to the partnerships as part of the community. We, you know, help out and our guys volunteer. Probably about 75 to 80% of our guys were homeless. You know, We took them off the streets and now you know.

11:25:31:Presenter: Invite them over my house for barbecues and things like that and vice versa. Once a year we usually do a little team building and we go out to the lake or whatnot, but we haven't done that in the last three years. Everybody's mentioned that 2023 is the year of travel, right we've been locked up for.

11:25:44:Presenter: Two years, but this year it's really slowed our business down because everybody wants to go out and travel and they have money to spend and things like that. So our business has significantly slowed down, a volume has gone up, but prices has gone down.

11:25:58:Presenter: You We've been in the business since April 1st, 2015. We I've by chance fell into this business. I opened a business for my brother to have a job and now I'm here with him.

11:26:12:Presenter: Part of it. So you, I'm just asking Carrie Psycho to do something to help the small guys because we're just trying to pick up the crumbs from all the billionaires that's, you know, eating off of it, alright. So we're just trying to survive and that's all I have to say. Thank you.

11:26:17:Presenter: Thank you for joining us today and thank you for your comment. We appreciate you being here.

11:26:22:Presenter: Are there any other comments today in the room?

11:26:31:Presenter: OK, so we will now move to our online comments with our Chief Deputy Director, Mindy Mcintyre.

11:26:45:Presenter: OK, first comment is on SP54 from Veronica Pardo from the Resources Recovery Coalition of California. She asked when will the discussion documents be available for the next two SB 54 workshops?

11:26:47:Presenter: Thank you.

11:26:56:Presenter: They are undergoing review right now and our plan is to get them out either tomorrow or the next day, so they'll be coming very soon through our listserv.

11:27:13:Presenter: Apologies Veronica, that's my fault. I'm a little behind on some of the review and as all of you who are participating in SB54 workshops know, it is going to be a two day workshop and so there were a lot of materials to go through so I had some.

11:27:16:Presenter: Outstanding questions and we will get those out ASAP.

11:27:25:Presenter: Next comment is on 1383 and it's quite likely, so I will.

11:27:39:Presenter: Try to pull out the questions. It's from Olivia Carroll from Cedar St, LA Urban Sustainability grad student, and it's on food rescue. She is a grant writer that works with the Unhoused.

11:27:52:Presenter: Community, she writes. Your grant program each year seems to be much lower than the target of reaching 500 million by 2025. Is a portion of this money being allocated to other ways of helping? Another question is Will.

11:27:56:Presenter: Will there be bigger grant opportunities with more chances next year?

11:28:05:Presenter: She asks how nonprofits can be more involved. Do you want me to continue?

11:28:12:Presenter: Thank you so much, Olivia, for the questions and the comments are.

11:28:26:Presenter: As many of who follow our organics recycling program, our grant program for food recovery and redistribution is one of my personal favorites, even though as director I'm supposed to not take favorites.

11:28:39:Presenter: That program is so incredibly efficient and effective in reducing the amount of organic waste that is going into landfill, but more importantly having a direct connection within our communities for.

11:28:53:Presenter: People who are food insecure, I appreciate your frustration that there is not nearly enough money. I think we could double if not triple on an annual basis the amount of money that we put out.

11:29:07:Presenter: In that program, and it would go to incredible incredibly good use, as it has with Food Forward and a number of other big and small organizations across the state that are collecting that.

11:29:22:Presenter: Food and I, we are reliant on the legislature to appropriate money for that specific purpose and that is why you have not seen additional money coming forward for that grant program in the coming year. What we are hopeful for is last year.

11:29:37:Presenter: The legislature appropriated \$180 million to the department to give to local governments for organics recycling program expansion. We are hoping that many of our local governments will work with their partners.

11:29:50:Presenter: In the nonprofit sector that are working on food recovery to get many of those dollars out where they are needed in their region. So those grants are going out in the fall.

11:30:04:Presenter: Sorry, I am. I have not committed to memory the schedule for all of our grant programs and so I'm looking to Zoe early fall. I believe we'll be presenting the criteria at the next workshop. Thank you.

11:30:18:Presenter: It will be presented at the at our next public meeting for those grants to be going out to local governments and I would very much encourage all of our nonprofits who are working in food recovery to work with the.

11:30:28:Presenter: Your local governments and explain to them the important work that you are doing, because I think those partnerships will be absolutely critical.

11:30:30:Presenter: Moving forward.

11:30:45:Presenter: Next comment comes from Michelle Kashian. Apologies for mispronunciation City of Long Beach, She asks. Please share the link for the SB1383 implementation success web page.

11:30:58:Presenter: Thank you. So in addition to this page being linked from our home page prominently with some beautiful artwork from Public Affairs, we you can find it directly by going to caloriecycle.ca.

11:31:12:Presenter: Gov slash climate slash SLCP slash progress. That's calorie cycle dot.ca.gov/climate/S LC P slash progress.

11:31:17:Presenter: But it's probably easier just to go to calorie cycle dot.ca.gov and click the link. Thanks.

11:31:34:Presenter: Thank you. A number of recycling centers and businesses have written in about the PT scrap value and processing payment. I'm going to read all of the names of the businesses. Their comments are very similar, asking for relief from the reduced scrap value.

11:31:36:Presenter: And for increased processing payments.

11:31:40:Presenter: Richard from Sanchez Recycling.

11:31:46:Presenter: John Organization not provided. Kelly Derosé from DC Materials.

11:31:50:Presenter: John Ponce from Ponte Recycling.

11:31:52:Presenter: Jeff Donlevy.

11:31:56:Presenter: To hear Amari from CRV Recycling Solutions.

11:32:03:Presenter: Can you luong from Beings Recycling Oceans?

11:32:05:Presenter: Recycling as well.

11:32:17:Presenter: And then we have comments from Valerie Lake one or Three cycling.

11:32:31:Presenter: Asking about They're in discussions with the Padres management and Lucky Duck Foundation in San Diego to open a new recycling center. Who can we meet with at Cal Recycle to discuss options for an H VE eligible location?

11:32:32:Presenter: In San Diego.

11:32:45:Presenter: Hi Valerie, thank you for your comments. Happy to reach out and meet with you in the coming weeks. I'll send you an email based on the email address you provided.

11:32:49:Presenter: LW Lang.

11:33:02:Presenter: Asks about the rulemaking calendar Asking when will the rulemaking for the prepayment controls, which were recommended in the Auditors 20 2014 report beyond the rule making calendar.

11:33:17:Presenter: Thank you, Mr Lang for the question. We appreciate that we are developing our not developing, we've developed a rule making calendar and.

11:33:31:Presenter: As many of you know, there were a number of pieces of legislation that were established or enacted at the beginning of this year that established very specific dates for adoption of regulations, so.

11:33:42:Presenter: We are have set our priorities and where we have time, we are integrating some of the additional changes that have been requested.

11:33:45:Presenter: And I think our rulemaking calendar is online, is it not?

11:33:51:Presenter: Maybe not I.

11:34:03:Presenter: But we will be happy to get back to you via email from our regulations unit on a projected time for additional regulations.

11:34:17:Presenter: That's all the comments. Great. Thank you and thanks to everyone who participated in today's public meeting. We have one more comment from Mr Dunleavy.

11:34:21:Presenter: Yes, thank you.

11:34:36:Presenter: I think with Kenny Long his comment was a little more than just on processing payments. So I'd just like to add a little bit more to the record as far as the big concern about the PET plastic markets right now, one of the things that's causing.

11:34:50:Presenter: The crash director Wagner, Deputy Director Cameron. I think it was about four years ago, maybe five years ago, we had the privilege of having you guys tour our Sacramento facility, looking at a lot of new material and a lot of.

11:35:03:Presenter: B grade or off spec material and one of the things that we had brought up and we asked you then was to pay attention to Mexico because Mexico is a big threat back then.

11:35:16:Presenter: And Mexico is a big threat today. So is Indonesia. I'm not so sure about China, but what's happening right now and the reason for the crash and the plastic markets and it's not just for PET, it's also for.

11:35:25:Presenter: High density polyethylene as well as we have a lot of post consumer resin being imported into California.

11:35:39:Presenter: At a much lower price than the California reclaimers are able to produce and sell it for. So they continue to undercut the California reclaimers because those countries have cheaper labor.

11:35:45:Presenter: Much different environmental regulations and the cost of doing business is much different than California.

11:35:51:Presenter: So unless we get a control on the imports of post consumer resin.

11:36:05:Presenter: The threat to the California recycling centers is ongoing, based on projections for processing payments. I track it using the 12 month average, and I'm also tracking it with the SB353 three.

11:36:13:Presenter: Three month average recycling centers are going to remain underwater where the processing, payments and scrap values.

11:36:19:Presenter: Are going to be less than their operating costs until at least April of next year.

11:36:27:Presenter: Right now, PET prices for recycling centers is anywhere from zero to a couple pennies.

11:36:32:Presenter: And the projection is the PET prices the processors get like us.

11:36:38:Presenter: Is going to drop another three to five cents in the coming coming weeks. We have not hit bottom yet.

11:36:45:Presenter: So we could be in a situation where the processors are charging the recycling centers.

11:36:47:Presenter: To deliver material.

11:36:51:Presenter: But what's worse for processors like us?

11:36:58:Presenter: Is right now we do not have sufficient orders to sell the material that's coming in.

11:37:07:Presenter: Somethings Hayward and Sacramento facilities are inventories were starting to inch down in February.

11:37:12:Presenter: But since March, April and May.

11:37:28:Presenter: The inventories, meaning our inbound is greater than our outbound has grown and cumulatively between the Mings facilities. Anthony Bunyea from Universal Services is here and we've talked to a few other processors.

11:37:36:Presenter: The inventory sitting on the ground of processors, by my estimates it's £30 million of PET.

11:37:39:Presenter: There's not enough orders to sell it.

11:37:42:Presenter: We could go to people and say.

11:37:45:Presenter: We'll cut our price.

11:37:48:Presenter: They don't want it because we haven't hit bottom yet.

11:37:53:Presenter: So the bottom of the market has yet to be hit.

11:38:03:Presenter: Because we don't know the long term supply coming from Mexico, Indonesia or other countries that are importing the post consumer plastic.

11:38:06:Presenter: So that's the long term threat.

11:38:17:Presenter: In either through regulations or legislation, some way to control it because we're 6 to 12 months away from the processing payment formula.

11:38:21:Presenter: Making some type of correction for the recycling centers.

11:38:33:Presenter: The curbside material, the B grade offset material and I think I mentioned it when Minnie McIntyre was at our facility as we were starting to come out of Covid.

11:38:36:Presenter: At that time, there was no home in the world.

11:38:39:Presenter: For B grade curbside PET.

11:38:51:Presenter: We're in that same position right now because the reclaimers around the world can get the bottle bill material, the A grade material for cheaper.

11:38:55:Presenter: Then the B grade material was a year ago or two years ago.

11:39:04:Presenter: So why would they buy the off spec B grade when they can continue to get the A grade at a much lower price?

11:39:10:Presenter: Germany is not buying. There's no export markets for PET right now.

11:39:15:Presenter: Which is put gonna put the pressure on the processors.

11:39:21:Presenter: Because as you've heard from several people, if recycling centers start closing.

11:39:24:Presenter: Then processors are in jeopardy.

11:39:27:Presenter: The threat is there, it's very close.

11:39:43:Presenter: So through discussions with the governor, through discussions with the legislature, we all need help because there's competition from imports that have a long term effect on all the programs.

11:39:50:Presenter: Thank you, Mr Dunleavy. Appreciate the comments. We're aware of the situation and we're doing what we can within our statutory authority.

11:39:52:Presenter: OK. Thank you.

11:40:08:Presenter: So thanks again to everyone who participated in today's public meeting. You can find the videos from today's meeting posted at Calorie Cycles Youtube channel by the end of the day tomorrow as we work to make our communication as accessible.

11:40:20:Presenter: Inclusive and as relevant as possible to Californians. We welcome your feedback through Calorie Cycles public comment portal. Have a great morning and we quote we will see you next month. Thank you.