

# **Market Development Committee Statewide Commission on Recycling Markets and Curbside Recycling DRAFT Meeting Notes**

**August 3, 2020 3:00pm – 5:00pm PST**

**Location: Remote**

## **Present:**

6 - Commissioners Davis, Medrano, Potashner, Sanborn, Schneider, and Toyoda.

## **Absent:**

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## **List of Participants:**

### **Committee Members**

- John Davis (John D.)
- Manuel Medrano (Manuel M.)
- Eric Potashner (Eric P.)
- Heidi Sanborn (Heidi S.)
- Ann Schneider (Ann S.)
- Sara Toyoda (Sara T.)

### **CalRecycle/CalEPA Staff**

- Kate Wilkins (Kate W.)
- Laura Moreno (Laura M.)
- Kaoru Cruz (Kaoru C.)
- Matt Henigan (Matt H.)
- Daniel Brown (Daniel B.)
- Paulina Kolic (Paulina K.)
- Audrey Vorametsanti (Audrey V.)
- Jessica Landesman (Jessica L.)

## **Agenda:**

### **1. 3:00 pm (5 min) Call to Order, Roll Call, and Establishment of Quorum – Facilitators**

Kate W. welcomes everyone. Full quorum is established. All commissioners are present.

**Public comments:** None.

## **2. 3:05 pm (10 min) Public Comment Review – Items Not on the Agenda – Facilitators**

Public comments:

- Elijah Carder, LA County Public Works
- Kawsar Vazifdar, LA County Public Works (1)
- Kawsar Vazifdar, LA County Public Works (2)
- Nam Doan, LA County Public Works

## **3. 3:15 pm (10 min) Selection of Chair and Vice-Chair**

Kate W. introduces Daniel B., and he discusses the role that CalRecycle plays in the committee, and the parameters and roles of the chair and vice chair of the committee.

John D. is nominated for the position of chair of the committee, and emphasizes his commitment to local economic development and the Market Development Committee. The commissioners vote for John D. as the chair.

John D.: Yes

Manuel M.: Yes

Eric P.: Yes

Heidi S.: Yes

Ann S.: Yes

Sara T. Yes

John D. is unanimously confirmed as the chair of the committee.

Ann S. is nominated as vice chair. The commissioners vote for Ann S. for vice chair.

John D.: Yes

Manuel M.: Yes

Eric P.: Yes

Heidi S.: Yes

Ann S.: Yes

Sara T. Yes

Ann S. is unanimously confirmed as the vice chair of the committee.

**Public comments:** None.

## **4. 3:25 pm (20 min) CalRecycle's Market Development Activities – Matt Henigan, Deputy Director**

Matt H., from the Materials Management and Local Assistance Division of CalRecycle, presents on various different programs run by CalRecycle, in the form of grants, training and outreach, and loans in order to help with market development efforts.

The committee discusses Matt H.'s presentation.

**Public Comments:**

- Evan Edgar, Edgar & Associates (1)

- Colleen Foster, City of Oceanside (1)
- Colleen Foster, City of Oceanside (2)

## **5. 3:45 pm (30 min) Determination of Scope**

Chair John D. leads the discussion on what the scope of the committee should be. Heidi S. suggests making a list of priorities for the committee based on material type and program, or possibly a combination of both. Chair John D. brings up data on what recyclable materials make up the majority of exports in California, and emphasizes the importance of making policy recommendations based on data and the language of 42005.

### **Public Comments:**

- Jennifer Rodriguez, LA County Public Works
- Evan Edgar, Edgar & Associates (2)
- Colleen Foster, City of Oceanside (3)

## **6. 4:15 pm (10 min) Discussion and Response to Previous Public Comments**

The commissioners discuss the previous public comments about refillables, expressing that some programs are suspended due to the COVID-19 pandemic, but that markets surrounding refillables and right to repair are important. Heidi S. updates about accepting an invitation to Stockton Chamber Green Team on August 12th at 9am that may involve the BIN Summit.

### **Public Comments:**

- Caren McNamara, Conscious Container

## **7. 4:25 pm (10 min) Discussion of Invitation to Stakeholder Groups to Future Committee Meetings**

Heidi S. states that inviting stakeholders is important, but next meeting priorities should be planning the goals and dates for these goals of the committee. The commissioners discussed hearing from the American Chemistry Council and other national recycling manufacturers to help with the committee's goals, as well as corrugated processors, since this has been labeled as a possible priority material.

### **Public Comments:**

- Tim Shestek, American Chemistry Council

## **8. 4:35 pm (10 min) Discussion of Data and Information Needs**

The commissioners agree that they will have a clearer list of data and information needs once they make the goals of the committee next meeting, but that a map and information about different materials processing sites in California, specifically plastic re-processing, would be helpful.

**Public Comments:** None.

## **9. 4:45 pm (10 min) Next Meeting, Proposed Meeting Schedule for 2020-2021, and Agenda Items for Future Meetings**

The next meeting will be a longer meeting, on August 24th, from 9am-12pm. American Forest and Paper Association will be invited to make a presentation.

**Public Comments:** None.

## **10. 4:55 pm (5 min) Meeting Summary and Closing**

Chair John D. summarizes the meeting and looks toward next meeting, where they intend on setting up the scope of the committee within the first hour and a half, and then invite stakeholders from the paper processing industry to see how they recommend solving problems of lack of mill and paper processing in California.

**Public Comments:** None.

## **Appendix 1: Public Comments**

### **Elijah Carder, Los Angeles County Public Works (submitted 7/30/20)**

Thank you for addressing this most important piece of developing a market for the products of post recycled consumer products. The State ought to consider increasing funding to promote RMDZ as well as increasing the cap on loans. The State ought to help local RMDZs implement the process of expanding their local RMDZ programs to include additional cities. Thank you.

### **Elijah Carder, Los Angeles County Public Works (submitted 7/30/20)**

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### **Kawsar Vazifdar (1), Los Angeles County Public Works (submitted 7/30/20)**

The State should consider completing a study on the future of markets for compost, renewable natural gas (RNG) fuel, and renewable electricity in the State to provide guidance for local jurisdictions who will be required to comply with contradictory state

regulations. As required by SB 1383, local jurisdictions will need to divert organic waste from landfill disposal and procure recovered organic waste products. However, the California Air Resources Board (CARB) recently adopted a resolution to adopt the Advanced Clean Trucks (ACT) regulation and direct CARB staff to take action to electrify fleets by 2045 with an earlier transition for local government fleets and refuse trucks by 2040. The majority of anaerobic digestion infrastructure is financed based on the expectation that facilities will produce RNG fuel for refuse trucks and other vehicles and will receive substantial State (Low Carbon Fuel Standard) and Federal (Renewable Fuel Standard) incentives. Removing markets for RNG vehicle fuel may result in existing anaerobic digestion facilities, representing millions of dollars in capital investment, to become stranded assets or will require significant costs to purchase electric refuse trucks and other vehicles instead of using existing compressed natural gas (CNG) vehicles. It will also require significant investment in infrastructure to produce renewable electricity and fuel electric trucks. Allowing the continued use of RNG fuel for medium- and heavy-duty vehicles beyond 2040 will allow the local jurisdictions to use limited resources to divert organic waste and meet climate goals in alignment with state goals and priorities.

### **Kawsar Vazifdar (2), Los Angeles County Public Works (submitted 7/30/20)**

The State should consider requiring the development of additional product stewardship and extended producer responsibility programs to ensure that "waste" materials can be recycled locally. Local recycling markets cannot be developed if materials that are currently being disposed cannot be recycled due to technical and financial constraints. Policies can include requiring single-use items (such as utensils) be recyclable or compostable, banning environmentally problematic items (such as expanded polystyrene), and promoting reusable items (particularly for food service ware). Policies should also establish programs for problematic or hazardous products, such as tobacco, electronics, and batteries. Furthermore, after local recycling markets are developed, some post-recycled materials will continue to be disposed. The State should consider providing diversion credit for non-combustion thermal conversion technologies to process materials that cannot be recycled and create beneficial products such as renewable fuels and electricity.

### **Nam Doan, Los Angeles County Public Works (submitted 7/30/20)**

The State should develop a recognition program for manufacturers who actively pursue product stewardship and/or sponsor research/processing centers.

## **Jennifer Rodriguez, Los Angeles County Public Works (submitted 7/30/20)**

I recommend the subcommittee consider discussing the following permitting recommendations to improve recycling within the state of California: -The State should streamline permitting, offer permitting assistance, and focus on a results-based permitting process rather than more prescriptive requirements to promote local development.

## **Evan Edgar (1), Edgar & Associates (submitted 8/3/20)**

In the SABRC program, would CALTRANS be compliant on the purchase of compost and mulch recycled products, since they only represent less than 1% of the market. A CalRecycle/CALTRANS Report was presented in December 2019 without metrics or tonnage goals. Since CALTRANS is required to purchase compost since 1989, can the Markets Committee get a presentation on that for next meeting.

## **Colleen Foster (1), City of Oceanside (submitted 8/3/2020)**

Are state agencies held to the same standard as jurisdictional agencies on buying recycled content and if now, why not? The current report does not indicate state agency procurement meets SB 1383 standards. Will the committee prioritize this within their scope. State agency leadership is crucial to meeting SB 1383 targets.

## **Colleen Foster (2), City of Oceanside (submitted 8/3/2020)**

Food waste prevention grants need to broaden in scope to support all types of food recovery. Committee should evaluate this further. Eliminating wasted edible food should be primary goal. Grants should support value added processing for food insecure as well as for people in general. Basically, the grant should not just be limited to feeding agencies. This makes it difficult for businesses or organizations to process food for value, as well as process food for food insecure. There is food product that feeding agencies do not want, but should not go to recycling or waste, and can be used for people by various means.

## **Evan Edgar (2), Edgar & Associates (submitted 8/3/20)**

Will the SB 1383 Local Government Procurement regulation for recycled organic products (compost, mulch, bioenergy, RNG), be the scope of this Committee or the Organics Committee?

## **Colleen Foster (3), City of Oceanside (submitted 8/3/2020)**

Will this committee prioritize the overall improvement to current funding programs to better meet recycler and processor needs to help bridge market development gaps.

Current funding sources and grant programs including RMDZ fall short on providing financial resources such as seed money for new companies or companies requiring up front resources to fund major infrastructure investment. I have seen first-hand, recipients of CalRecycle grants not be able to execute their projects, simply because they can not advance fund projects and wait for reimbursement. Seed money or advance payment of grant funding is needed to support innovation in recycling markets, etc.

**Caren McNamara, Conscious Container (submitted 8/3/2020)**

Request to the committee: Regarding the GHG Reuse Pilot and the eminent launch of our refillable glass bottle system in California CalRecycle requires statutory changes to the "Processor" category to support this system. Some of those changes include CRV glass containers requirement to be 'cancelled' without being crushed and creating a 'new' category of Processor to support the circular economy systems of CRV refillable bottle collection, washing and reselling back to producers within California. Would like to seek the engagement of this subcommittee to include this topic in its recommendation to the legislature. I am happy to provide details to this committee on requirements for this statutory change and make a presentation on this topic to this subcommittee. Thank You.

**Tim Shestek, American Chemistry Council (submitted 8/3/2020)**

I would encourage the committee to invite companies in the advanced recycling space to present their technologies and answer questions as to how these technologies can complement mechanical recycling and help create new domestic markets for certain materials that currently present traditional recycling challenges (e.g. mixed plastics, expanded polystyrene, etc.). I would be happy to help facilitate a presentation. Thank you.