

Notes
WISCONSIN COUNCIL ON RECYCLING

Thursday, March 18, 2021
 Via conference call/Zoom

<p>Council Members Present: Jarrod Holter, David Keeling, David Pellitteri, Mark Walter, Heidi Woelfel, Barb Worcester, Jeff Zillich DNR: Jennifer Semrau, Bart Sponseller, Casey Lamensky, Jennifer Feyerherm Public: Tonya Randall, Stina Inc.; Jim Birmingham, Birmingham Recycling, LLC; Marty Oxman, Alter Metal; Jason Johns, WI Legislative Strategies; Valerie Parker, Village of Weston; Lynn Morgan, Waste Management Inc.; Kate Freed, Danny Simmons and Thomas Heath, members of the general public. Note- due to the call-in/Zoom nature of the meeting, some participants may not be identified above; omission is not intentional.</p>	
Call to Order	Meeting called to order at 10:01 a.m.
Introductions and Announcements	Council members introduced themselves.
Approval of Minutes (Dec. 3, 2020)	Motion made by Mark Walter and seconded by Jeff Zillich to approve the minutes of December 3, 2020. Motion carried (7-0).
Election of Officers	Motion made by David Keeling and seconded by Heidi Woelfel to elect the following slate of officers: Chair- Mark Walter, Vice Chair- David Pellitteri, Secretary- Heidi Woelfel. Motion carried (7-0).
DNR/Legislative/PFAS Updates	<p>Jennifer Semrau, DNR informed the council of various DNR staffing updates:</p> <ul style="list-style-type: none"> • A hiring freeze remains in effect; special permission needed to hire. • However, the Waste and Materials Management (WMM) program has received authorization to hire two new LTE positions for recycling (as a result of the audit). One position will focus on Responsible Unit (RU) evaluations, compile results and assist with NR 544 rulewriting and the other position will focus on outreach, technical assistance and emerging materials (solar panels, wind turbine blades, food waste, etc.). • Hazardous Waste Treatment, Storage and Licensing Engineer filled by Doug Coenen (internal candidate). • DNR staff are still primarily working from home. <p>J. Semrau, DNR informed the council of various WMM program updates:</p> <ul style="list-style-type: none"> • Annual report season: Infectious Waste launched in Jan. and closed last week (after 2-week extension); Material Recovery Facility (MRF) report out now, due 3/30; RU should be released this week, due 4/30. • E-cycle and Recycle are partnering on a household survey, to be conducted via mail this spring with UW-Survey Center, to learn behavior and perspectives on recycling activities. • The WMM Study Group has two openings with the departure of Alan Albee and Amber Meyer Smith. • The WMM program is undergoing a file digitization project; included in first wave is RU files.

- DNR submitted comments to EPA related to recycling rate measurement methodology for a National Recycling Rate (comments were due by 3/8).
- Statewide waste characterization study continues. SCS Engineers contracted to sort at ~12 landfills and estimate percentages and weights of 85 material types within 8 categories of waste. Sorts conducted between Sept-Nov. Potential COVID exposure and lack of certain sample types pushed back schedule into upcoming holidays. DNR worked with SCS to expand to spring to get additional/sufficient loads. Spring sorts began 3/15, for six weeks. SCS and DNR presented at WIRMC. Preliminary analysis of fall data indicates organics is largest category of waste and that food waste, plastic film and compostable paper have been top 10 categories in each of the past 3 waste studies. The final report is due by 6/1. The report will look at waste by category, sector (residential, ICI, multi-family), evaluate trends in top materials, compare to previous studies (2002, 2009), discuss emerging materials, etc.
- Upcoming meetings:
 - Electronics Collector Virtual Workshops on 3/23 and 5/10 at 1:30 p.m.
 - WMM Study Group meeting on 4/1 at 9:30 a.m.


J. Semrau, DNR informed the council of various industry updates:

- Legislative Fiscal Bureau (LFB) released its biannual informational paper “Recycling Financial Assistance Program” in Jan. https://docs.legis.wisconsin.gov/misc/lfb/informational_papers/january_2021/0066_recycling_financial_assistance_programs_informational_paper_66.pdf
- City of Madison launched a “Master Recycler” program in March, including three hours of ‘training’ (similar to Master Composter or Master Gardener programs).

J. Semrau, DNR informed the council of various legislative/rulemaking/PFAS updates:

- Senate Bill (SB) 113- changes requirements that apply to fertilizers that are produced from converting manure into compost; introduced 2/18, referred to Committee on Natural Resources and Energy, public hearing 3/11.
- SB152/AB131- prohibits sale and use of coal tar-based sealant products; introduced 2/24, referred to Committee on Natural Resources and Energy, fiscal estimate received 3/4.
- LRB 0222/1- E-cycle law updates (expands schools, modifies printer definition, increases manufacturer size before registration fees required, requires urban vs rural reporting, changes plan year to calendar, creates grant program for ‘underserved’ parts of the state [20% match, preference to locations without a permanent collector location]).
- Revise NR 544 starting with a scope statement in next year or two.
- WisPAC Action Plan delivered to Governor Evers on 12/16 <https://dnr.wisconsin.gov/topic/Contaminants/ActionPlan.html>

<p>Governor's Budget: Recycling/Solid Waste Proposals</p>	<p>Barb Worcester, Governor Evers' Office shared with the council that budget efforts started in September. Economics have improved and tax revenues remained stable; no cuts are proposed to existing programs. New initiatives in the Governor's proposed budget include:</p> <ul style="list-style-type: none"> • \$200,000 for creation of a food waste reduction pilot at the Dept. of Agriculture, Trade and Consumer Protection (DATCP) focused on preventing food waste, composting and food rescue. Target below median income/grocery store deserts. • Exempt waste-to-energy (WTE) facilities from state tip fees; residue must be tracked. • Improve access to E-cycle recycling opportunities in rural areas. • Give local municipalities the ability to regulate 'auxiliary containers.' • Sales tax exemption for energy producing digesters. • Increasing the amount of construction and demolition (C&D) recycling required at state projects over \$5 million to 60% in 2021, 70% in 2022 and 80% in 2023. <p>J. Semrau asked about the proposal to allow municipalities to regulate auxiliary containers. B. Worcester clarified that the language would allow DNR to exempt RUs for a two-year period.</p>
<p>LAB Review of Recycling Program- Follow Up</p>	<p>J. Semrau, DNR shared that the Joint Legislative Audit Committee (JLAC) held a public hearing on the audit report on Feb. 2. First the Legislative Audit Bureau (LAB) presented their findings. JLAC had several questions for LAB, some which they were unable to answer. DNR and DATCP also delivered prepared remarks. DNR addressed each recommendation in the audit report and progress made towards implementation. No questions were posed to DNR staff (except related to NR 544 rulemaking timeline). Based on the questions asked of the LAB, DNR created a 'Question and Answer' document and provided to the JLAC on Feb. 22. Questions addressed include:</p> <ul style="list-style-type: none"> • Are recyclables landfilled due to a lack of markets? • How can Wisconsin stimulate markets or increase value of recyclables for local programs? • Why did China modify its acceptance of recyclable commodities? • What are some reasons for changes in recycling tonnage figures in the LAB report? Why did "Other" (Table 2 of LAB report) decrease? • What are factors contributing to glass recycling and markets? • Why is there significant variability in recycling grant amounts and the percentage of costs covered? • Do market values for recyclables affect the grant amount communities receive? • How can I learn more about the Milwaukee/Waukesha consolidation project discussed during DNR's testimony? <p>The final report due to the JLAC by April 1. DNR staff have drafted the report, and it is with the Secretary's Office for review and approval.</p> <p>Mark Walter, Brown County, indicated that AROW (Associated Recyclers of Wisconsin), SWANA (Solid Waste Association of North America) Badger Chapter and WCSWMA (Wisconsin Counties Solid Waste Management Association) sent a joint support letter to JLAC.</p>

<p>Path to Plastic Circularity</p>  <p>Randell_WICOR_2103 18.pdf</p>	<p><i>Tonya Randell, Stina Inc. (formerly More Recycling)</i> shared her presentation which she delivered at the Wisconsin Integrated Resource Management Conference (WIRMC) with the council.</p> <p>M. Walter asked about storms in Texas and the impact on HDPE (low availability). T. Randell responded that the storms caused plants to be offline for about a week. In addition, milk production is down, so there is less generation of HDPE natural. There is not enough HDPE natural supply to meet demand. However, the same is not true for HDPE color. M. Walter asked if climate change provides an opportunity to be a larger supplier of HDPE. T. Randell said yes, if HDPE color recycling could be innovated to new uses. David Keeling, National Recycling Coalition (NRC) Board member, shared that the NRC market development committee members felt EPA is 'reinventing the wheel' and duplicating efforts. What is the status of plastic bag drop-offs? T. Randell said many drop-off locations paused during COVID, as retailers had higher priorities and were stretched thin. Now retailers are reinstating collections and if your retailer has not, let store managers know this service is important to you. D. Keeling described how SC Johnson presented to the council at a past meeting and is working to recycle more ziplock bags. Is Stina working with them? Isn't SC Johnson's curbside recycling goals for bags contrary to other efforts? T. Randell indicated they have worked with SC Johnson in the past on pilots. If the industry could find a solution to effectively handle bags in a MRF environment, that would be significant- need innovation. Now MRFs and markets are not ready. M. Walter asked if there is a significant market for film/bags (besides Trex). T. Randell said Trex is strengthening relationships with retailers and working with consumers to recycle film. California mandated 40% recycled content in reusable bags. Another market is use in commercial films.</p>
<p>Paper Market Update</p>	<p><i>Jim Birmingham, Birmingham Recycling LLC</i> indicated that in addition to working as a broker for Birmingham Recycling, he is also the Midwest Manager for the Carton Council and will be retiring after 24 years as Village President. J. Birmingham shared that paper pricing is up in 2021. MRFs are offering better quality material overall (a consequence of China's National Sword policy). Since the beginning of the year, 22 price increases have been implemented from 14 paper mills. There is increased demand and stressed supply. Raw material, labor and freight are all experiencing increases. There has been a surge in the pulp marketplace with prices rising by as much as 40% since Dec. China is buying a third of the world's pulp. China is expanding mill capacity with most projects coming online in 2022-2023, which will further increase demand. In 2020 (due to COVID) 20% less mixed paper was recycled. Mixed was \$0/ton in Jan. 2020 versus \$45-\$55/ton now. Pricing is expected to rise by \$5-10/ton through 2021. There is also very strong demand for OCC (old corrugated cardboard), DLK (double lined kraft) and box cuttings. A \$15-\$20/ton increase is expected in the second quarter with an additional \$5/ton boost in the third quarter. The 'Amazon effect' continues to increase demand for boxes; Amazon announced it is considering operating their own box company. High grades (coated book, SOP [sorted office paper]) are also seeing a price increase. There is also a strong market for cartons with eight buyers in the US and one in Wisconsin. Cartons are selling for \$60-\$90/ton, however shipping is a big factor.</p>

	<p>Exporting is seeing a lack of shipping containers. There is a glut of old containers which are rusty and not suitable for shipping. This is causing a 30-60-day delay in shipping export and new containers are raising the cost of exporting. India has very strong demand for OCC and other specialty papers. Vietnam is buying fiber China once was. Mexico also has very strong demand for OCC and that demand continues to grow.</p> <p>M. Walter thanked J. Birmingham for the comprehensive report.</p>
Other Market Updates/ COVID-19 Impacts	<p>M. Walter, Brown County shared that steel pricing is up due to shortage/availability. Jeff Zillich states they have experienced a decrease in in-bound mixed, but an increase in OCC. Pricing is up across the board. There are transportation challenges. J. Zillich also shared that HDPE natural prices are the highest he's ever seen, and PETE is climbing. D. Keeling remarked on the uptick in steel can scrap. Central Steel was sold to Alro Steel. Price/demand for new steel increasing. D. Keeling also shared that the glass industry is gearing up to improve the value chain; manufacturers/processors (Strategic Materials Inc., SMI) looking to innovate. M. Walter stated SMI is innovating in glass recycling and pricing models, with better price points. D. Keeling noted that Republic is hiring in Eagle River. M. Walter said Republic bought Eagle Waste and Recycling. David Pellitteri shared that Lakeshore purchased Landfill Reduction and Recycling's C&D (construction and demolition) operation.</p>
Recycling Compliance Issues	<p>J. Semrau, DNR said new recycling compliance issues received since the last meeting include complaints at multi-family properties in Green Bay, Racine and Sun Prairie. M. Walter indicated the Tri-County (Brown, Outagamie and Winnebago Counties) are working with apartments to improve compliance.</p>
Public Comment	None
Other Business/Next Meeting Date	<p>M. Walter thanked D. Keeling for his years of service as chair. Discussion on holding next meeting in May/June. J. Semrau will send out a Doodle.</p>
Adjourn	<p>Meeting adjourned at 11:54 a.m.; motioned by Jarrod Holter and seconded by David Pellitteri. Motion carried (7-0).</p>