

Draft Minutes
SOLID WASTE WORKING GROUP
December 9, 2008
1:30 pm-4:30 noon

Minutes Prepared by: Julie Hackbarth, Coordinator

Facilitators: Natalie Starr and Ted Siegler, DSM Environmental Services.

Committee Members Present) William Bryant, Karen Flanders (alternate for John Casella), Jessica Edgerly (alternate for Alyssa Schuren), Robert Foster, Sen. Robert Hartwell, Cathy Jamieson, Erich Kruger, , Pete Mattos (alternate for Thomas Jagielski), Rep. Jim McCullough, Fred Moody, Tom Moreau, Paul O'Leary, Norm Staunton and Tracey Tsugawa.

Committee Members Absent: Jeff Meyers.

Waste Division Staff Present: Jeff Fehrs, Skip Flanders, Carolyn Grodinsky and Julie Hackbarth.

I. INTRODUCTION/HOUSEKEEPING

Natalie Starr introduced the topics that would be addressed at this last meeting of this group.

The group approved the November 3 Meeting minutes. One comment was made that they are not completely accurate but was willing to let that slide.

II. REVIEW OF PROCESS AND NEXT STEPS

Natalie Starr summarized the results of survey #1.

III. RECAP OF LAST MEETING AND FINAL WASTE DIVERSION DISCUSSION

A. CAN WE REACH CONSENSUS ON A VISION STATEMENT

Previously, the group discussed and provided comment on ANR's proposed Vision Statement. It was agreed that the vision statement would be brought back to the SWWG at this meeting. At the last meeting Tracey Tsugawa agreed to propose modifications to the ANR Vision Statement which was forwarded to the SWWG in advance of the meeting.

Natalie Starr asked for reactions to the proposed modifications:

TT- Questioned whether the group was revising the vision statement or reacting to ANR's proposal, noted that it was a challenge to revise it because the comments were from individual members and not the consensus of the group and thought it was possible to come up with something that reflects the full group.

The group was asked what they can support.

FM – Questioned whether ANR supports and agrees with what it put forward in the report, specifically related to product stewardship. Cathy Jamieson stated that ANR didn't want to move forward until retailers have been informed and a majority are on board.

TM - We have gone backwards with changes as suggested. The vision has to recognize the value of materials as commodity and not just waste prevention but rather the entire aspect of what we have do deal with. He prefers the original ANR wording.

Ted Siegler noted that the current vision statement focuses on management upstream. The primary issue that the district managers have been asked to address is infrastructure and budget which should be squared with the vision. He introduced a SWANA definition for sustainable solid waste management which was thoughtfully developed on a national level and helps to address what this group's comments:

<u>SWANA Definition</u>
An environmentally and economically sustainable approach to the management of municipal solid waste that emphasizes the conservation and recovery of material and energy resources and the disposal of residuals in a manner that protects human health and the environments.
Sustainable Solid Waste Management achieved by integrating and optimizing all of the elements of a waste management system including:
<ul style="list-style-type: none"> • Product stewardship and producer responsibility • Waste reduction and reducing waste generation • Efficient and environmentally sound waste transfer and transport • Material recycling and product reuse • Organic waste recovery through composting • Recovery of energy through WTE facilities ,,, • Environmentally sound landfill practices incorporating recovery and utilization of landfill gas • Solid waste system planning, financing, marketing and public education

Reference: SWANA INFormEr, Fall, 2008, New York Chapter, "Forces Driving Sustainable Solid Waste Management in the U.S. and Canada" Summary and excerpts from a paper presented by John H. Skinner, SWANA Executive Director and CEO, at the International Solid Waste Association meeting, November 2008.

Further discussion followed:

TT – ANR's report addresses concerns raised. Doesn't have a problem with the vision since these issues are addressed in the body of the report.

Ted Siegler asked whether the group wanted to adopt a vision statement that doesn't address management which is where a majority of the budget is focused.

BF – Noted that the items on the (above) tactical and that you have to have a plan that will get us there.

CJ – Noted that there are key features on page 19 of ANR's report and that key features 2 & 6 address on going responsibilities for solid waste and that the vision is where we want to go which involves tactical movement to get there. Thought there is more agreement amongst the group than we thought. We do have to management what we have today. Maybe the issue is more how we proceed than where we are going

JE – Suggested adding one sentence stating that currently discarded materials should be managed in such a way to minimize waste disposal with a preference for higher and better use to avoid disposal.

TT – This is stated in the top sentence of slide.

Tom – Agreed with TT.

NS – Should separate the vision from tactics.

JE - Suggested drafting a sentence about highest and best use of discarded materials and minimizing disposal.

JM – Asked that the SWANA document be attached to the minutes.

Tracey – Questioned whether this group was creating a new vision statement.

Natalie Starr clarified that what is proposed is adding a second sentence, that the minutes from the meetings will be attached to the report and that the minutes will just reference the SWANA definition.

TT – Asked what is the outline for the report.

CJ – Responded that it will be a concise report that will identify what the group has recommended, identify consensus items and items for which there was not consensus or needed more evaluation. The report will also address process and the DSM document will be attached as an addendum. DSM will send us their report, we will then draft the report and ask committee members for comments. The goal is to get the report to members for comment before the holidays.

B. POTENTIAL DIVERSION MEASURES NECESSARY FOR LEGISLATIVE ACTION (left over from last meeting)

1) Expand Bottle Bill or Repeal:

Natalie Starr noted that the District Managers Association voted at their previous meeting that the bottle bill should either be expanded or repealed, and that the issue needed a detailed analysis. She asked if this group can accept this position. She provided a brief explanation of the bottle bill – It covers carbonated and malt beverages since 1972 as part of a litter bill. 10 states have bottle bills, only Maine has an expanded one. The Bottle Bill manages bottles differently than other recyclables. The bottles are collected separately but gets managed the same as other bottles. About %15 of the nickels collected are not claimed and are retained by distributors. Part of the discussion about expand or repeal, is that it used to be that carbonated beverages were a majority of the beverage bottles. That is not the case now given the amount of water bottles and sport drinks which have an advantage. Others say why have it at all when we have another system. District managers support expand or repeal – do study. She noted that the capture rate is higher in deposit state for all containers, that there is a better return rate.

Discussion included:

BB – There is an economic issue that if there is no bottle bill that will result in additional cost to manage.

FM – Noted that aluminum collected has value which will offset costs. Plastics were also high but have high handling cost.

BB – This merits further review. This is one item that manufacturer responsibility.

JE - Toxic Action supports expansion. Michigan has a 10 cents deposit which is very effective. VT was first to put in a bottle bill in place. It would be an incredible political statement if VT backed off.

TM – Concerned that if one looked at the aggregate at the MRF one would really loose a cash stream if others cherry pick the most valuable. If the bottle bill were to expand it would be a problem if the valuables were cherry picked and only less valuable materials came to the MRF. It's a policy issue. Real expansion would include everything not just what Maine did.

JM – Noted that getting rid of bottle bill may not mean we are going backward rather the next generation of recovery. He noted for this type of legislative change that so much will need to be studied and will involve a lot of testimony. We won't fully understand it this afternoon. He suggested that this group could recommend what the district managers are saying which is to that it is time to make a proposal and get testimony.

NS – Noted that it is strategic benefit to echo managers which is that status quo not working and something needs to be done.

TM – Vermont could have a better system. He noted that British Columbia just put in a container system which manufacturers have to deal with. If going to repeal, have to have a proposal for a better system.

JE – Can't support repeal unless there is a better system put in place.

CG- Commented that there are a lot of beverages containers generated away from home which needs

There was consensus that the bottle bill needs to be addressed. Wording for Table 2 #3 will be changed to read: Expand bottle bill or change/repeal, but only if a better system is put in place.

Organics Management:

Natalie Starr shared that the District Managers Association voted that the potential need for centralized organics management facilities required further study. She asked whether the SWWG agree with this recommendation. Discussion included

NS- Asked what is meant by centralized?

BF- Noted that the word should be “comprehensive” rather than “centralized”

TT- Asked whether this group should consider the other compost process.

CJ – Noted that the other process will bring clarity to the regulatory structure and provide recommendations related to outreach and education.

Ted Siegler noted that compost is part of organics management. What about other forms of organics management.

JE – Suggested changing of #8 the word to organics

TM – Noted that the district managers were more generalized, just wanting the facilities that could process these.

JE – Should this be separate from #6 on the list.

Consensus was reached that there is a need for comprehensive organics management including infrastructure improvements which requires further study as part of the infrastructure needs assessment. Table 2 will be revised to reflect this.

2) Consistent, comprehensive service (To be addressed below):

Natalie Starr noted that the District managers have met to discuss this 4 times. They have defined what it includes such as parallel access to recycling, high hazard materials collection, management of organics and equity in fees. They have concluded that they can't do it alone. There is a need for a statewide authority or board. They also discussed how to pay for this. Cost are addressed in the next part of the agenda.

IV. INSTITUTIONAL ARRANGEMENTS (30 minutes)

A. REPORT FROM DISTRICT MANAGERS MEETING

Consistent, comprehensive service

Potential changes in institutional arrangements

Fred Moody and Ted Siegler provided a report from the District Managers meetings using a power point presentation (attached). The concept of a separate board was presented. It was noted that ANR's priority has been regulation although it does some planning. A separate board with diverse interests and expertise would address policy for how we are moving solid waste forward. California was noted as a model. They noted that it is often difficult for a regulatory program to also be doing policy and analyses. Concerning financing such a board, money could be transferred with a switch of some responsibilities from ANR to the board, some of the costs could be shifted to the producer with product stewardship, additional funding, and packaging tax. Part of the responsibility of the board would be to do a needs analyses.

Discussion included:

Fred – Noted that while this administration has had a mantra – “no new tax” , the franchise tax hasn't not been increased in 20 years.

JE – What would be the funding needs.

Natalie Starr indicated that an analysis is needed to figure out how to fund.

TM – Noted that we need model to decide the best use for a particular waste. Board would have that model. Product stewardship should be pushed to address financial issues as well as environmental issues. If the State won't move forward, a board like this could.

TT – This board could be modeled like the mercury board.

JE – Funding would be a battle.

FM - Have to address the governance issue first before addressing funding.

TM - One can assume that facilities in this state won't be overbuilt. That hasn't happened.

CJ- Understood that this board would not own or operate facilities.

TM – Could have a certificate of need process.

FM- The board could have subcommittees. The board would have to be small efficient to keep costs down.

Ted Siegler pointed out that this would require enabling legislation and a small amount of funding to start the board. The board would need to do further analyses and recommend a stable funding plan. To move the ball forward the new board would have the authority to advocate for materials management.

JE – Would this board write the state plan?

FM – The state readopted the last one after 5 years. If ANR is incapable of writing the state plan then it should be done some other way. There currently is too much responsibility on district managers and ANR to push forward. If it is the board's responsibility to take on a needs assessment shouldn't they develop the plan rather than another entity?

Ted Siegler - There already is a management structure but there are too many entities. This board could do the analyses for consolidation and deal with institutional issues. There is a need to advance the model that was started 20 years ago.

JM- Supports this idea and recommends that we adopt this.

KF – ANR could do the plan. The plan and the regulations are connected. The board could evaluate the districts. Municipalities have choice to be in districts or not. Is the proposal to take that back.

FM – The legislature can decide that. ANR is good at regulation.

BF - Can't support this because don't know enough about it. Ok to evaluate it.

FM – The recommendation is to evaluate this.

CJ - Need to figure out responsibilities

JF - Need to address authority with ANR

TT – Will there be a proposal developed?

Ted Siegler noted that this proposal was fleshed out in 3 hours.

CJ – We don't have an entity to address broader issues like product stewardship. This will require hearings.

TT – OK to have legislation that explores this issue.

NS - Various words have been used like explore and evaluate. More comfortable if this is considered as part of a needs assessment that the state will look into.

Natalie Starr – It could be a needs analyses to address a number of services and add a state wide authority to advance this.

TM - Likes Tracey's idea to explore it.

Ted Siegler worked on wording and showed it over head 4 slides with the primary recommendation on the first slide and revised it in response to additional feedback
See end of minutes for information from slides.

Proposed Integrated Solid Waste Management Board

- The Solid Waste Working Group recommends that the Legislature explore the need for, and creation of, a state-wide “integrated solid waste management board” with dedicated funding source(s) and dedicated staff to establish policy and move management of solid waste in Vermont forward.

The Board Could:

- Advance interstate issues, such as product stewardship and producer responsibility issues
- Conduct analysis on issues of state-wide importance to inform legislative and district operational decisions and priorities
- Support infrastructure of regional or state-wide importance
- Work with ANR to prepare State Solid Waste Management Plans
- Work with related groups (e.g., toxic substances advisory committee, CAV, AVR)

Board Should Be Broadly Representative of:

- ANR
- Practitioners (District Managers and Private Solid Waste Management Companies)
- Businesses who would potentially be impacted by the Board
- Environmental Organizations
- Municipalities

Funding For the Board Could Include:

- Increased Revenue Sources:
 - Free up some funds from ANR through transfer of management responsibility
 - Increased revenues through product stewardship charges
- Reduce existing costs to free up revenues:
 - Reduce costs or increase revenues through organized collection and PAYT pricing
 - Reduced costs of special/HHW collection through state-wide purchasing

BREAK

V. FUNDING (60 minutes)

Overview (PP Presentation – 5 – 10 minutes)

Natalie presenting funding oversight on slides (attached). (Note suggested revision to slides: Put in permit fee (75 cents/ton), add\$ information for municipalities that are not part of districts, and word planning should be added to state admin line)

It was noted that the private collection and disposal cost is over \$100,000,000.

Funding would include both generator fees and increase funding of end of pipe options –
Need to free up money

Until the District managers know what new system and programs are they can't know what the funding sources should be.

KF- Carbon credits for recycling is a huge opportunity to get funding for recycling. State would loose out if didn't get involved at this time. This should be added to the list. This is the reason why John Casella didn't support mandatory recycling. Credits are only available if it is in addition.

It was noted that the state report is silent on funding. This group could be silent as well. DSM just wanted to give an idea of how much being spent.

JE – Use manufactures to free up money.

NS – Need to separate administration from and education. By lumping them together it could be misconstrued that we are doing enough waste reduction, education, and planning.

BF – It would be good to include in the report the list of potential funding strategies from slides 13,14, &15.

KF- Carbon credits go hand in hand which could effect how mandatory recycling is structured.

Ted Siegler is following national legislation that the NRC is involved with.

In conclusion the group determined that until a state-wide Need Assessment is completed, no recommendations could be made as to the need for additional funds. However the group voted to include in the report to the legislature the potential to use the following funding sources to advance solid waste management In Vermont if demonstrated needs for additional funding were documented.

Potential Funding Strategies:

- Increase franchise tax
- Evaluate disbursements from Solid Waste Assistance Fund
- Increase District surcharges
- Collect surcharges statewide on all waste
- Dedicate new Pay as You Throw revenues
- Product stewardship funding models
 - Packaging tax
 - Escheat money [unredeemed bottle deposits],
 - Advanced Recycling Fees
 - percentage of market share paid by manufacturers for computers
- Appropriate State/Federal funds (General Funds, Capital Funds)
- Carbon credits for recycling

IV. WRAP – UP (10 minutes)

Draft Report to the Legislature from SWWG

Cathy Jamieson summarized the process they plan to follow in preparing and disseminating the report to the SWWG and the Legislature. She hopes to have a draft report to committee for review and comment before the holiday.

Other: Fred Moody reported that the Vermont Product Stewardship Council (VTPSC) requests the Solid Waste Working Group endorse their paper and forward, as part of the legislative study group report, to the Vermont General Assembly. He will email the paper to committee members and ask that members respond to Julie Hackbarth (correction - not DSM).