

WASTE 2 RESOURCES ADVISORY COMMITTEE
**** MEETING SUMMARY ****
May 24, 2016, 9:30 a.m.

Troy Lautenbach, Vice Committee Chair, called the meeting to order at 9 a.m. and introductions were made. He asked for a motion to approve the March 15, 2016 meeting notes. There was a motion to adopt them. The motion was seconded and the notes were approved.

Changes in Committee Chair & Membership – Laurie Davies
Contact: 360-407-6103; Laurie.Davies@ecy.wa.gov

Laurie said that John Sherman accepted a position with Boeing, so we need a new committee chair. She asked if Troy Lautenbach should fill the position through September. There are also new committee members that Julie Robertson will introduce.

Julie said Anne Baunach will now represent WSRA. Andy Comstock is the new representative for westside health jurisdictions. James Allen with TVI Inc./Savers/Value Village will represent reuse. Laurie is working with the environmental health directors to get two eastside representatives.

Art Starry made a motion for Troy Lautenbach to continue as acting Chair. The motion was seconded and approved.

Andy Comstock was nominated as Vice Chair. The motion was seconded and approved.

Budget Update – Laurie Davies
Contact: 360-407-6103; Laurie.Davies@ecy.wa.gov

Biennial budget requests have gone through the Department of Ecology's approval process to submit them to the Office of Financial Management (OFM). The Waste 2 Resources (W2R) Program is asking for \$28.2 million out of MTCA for CPG. We hope to restore CPG to the 2013-15 Biennium funding level. We didn't ask for the fiscal growth factor because of the continued shortage in the MTCA Account. The price of oil has increased, but only slightly.

There is a budget request for a \$1.2 million reduction in PPG. The W2R Program is requesting the fund balance in WRRLCA, a \$10 million increase, since the diversion of funds to State Parks will sunset in 2017. We are also requesting a four percent increase in the fiscal growth factor for land application of biosolids. The budget requests will go to OFM in September and the Governor will release his budget in December.

Art Starry asked if anyone is looking at how MTCA is used and how to manage the account. Laurie said legislation was introduced as the end of last legislative session to try to "normalize" the tax. The bill got a hearing and what came out of that was proviso language to conduct a study on the account. OFM has pulled together a workgroup to begin working on a report that is due by the end of the year to the Senate.

Suellen Mele asked about operation cuts for Ecology. Laurie said there was a \$5 million cut to Ecology in MTCA funds, which the agency is managing through vacancy savings.

Rules Update – Laurie Davies

Contact: 360-407-6103; Laurie.Davies@ecy.wa.gov

Laurie said two major rule revisions are underway: Coordination Prevention Grants (CPG) and -350.

For -350, an internal draft is out for agency review because of overlap among the programs. We have received lots of comments, which resulted in some major changes. Because it is such comprehensive work, there will be an opportunity for informal public review beginning the week of June 15.

We will hold three workshops. They are tentatively scheduled on July 21 in Lacey, July 26 in Ellensburg, and July 27 in Spokane. September 6 will be the deadline for written comments. Our intent is to file a CR-102 in December, followed by a hearing in March 2017 and adoption in May 2017.

Jody Snyder asked if the sessions on sections of the rule during the workshops will be held concurrently. Laurie said no. We will hold them separately.

Rod Whittaker asked if we are working with the Attorney General's Office on the rule. Laurie said yes.

Troy Lautenbach commented that the informal comment period is critical, because that is the time to make any needed major changes. It is difficult to do later in the process.

Peter Lyon said at the last CPG Workgroup meeting, everyone agreed to keep the 80/20 split. The environmental health directors are interested in an allocation formula within the 20 percent enforcement portion. The workgroup is also looking at a sliding scale match. The counties have shifted a lot of their work over the last few years. Almost all of the funding is going for implementation (not planning).

The workgroup is also talking about changing the name (CPG). "Grant" is perceived as a luxury item. "Financial Assistance" has been suggested. The rest of the changes are administrative in nature. One technical tweak is changing grant cycles to a fiscal year instead of calendar year.

We need to have the rule finalized by November in order to put guidelines in place before it's time for CPG application submissions.

WSRA Conference Download – Anne Baunach

Contact: 206-244-0311, abaunahc@wsra.net

Anne gave the committee a presentation on the recent WSRA conference. See Anne's presentation posted on the W2RAC website. The theme of the conference was *Recycling and Beyond*. She talked about the keynote speaker's presentation, which focused on communication across generations, and the closing keynote speaker who is a stand-up economist.

E-Cycle Washington Update - Laurie Davies & Miles Kuntz

Contact: 360-407-6103, Laurie.Davies@ecy.wa.gov; 360-407-7157, Miles.Kuntz@ecy.wa.gov

Miles talked about the Total Reclaim issue. The company shipped damaged LCDs to Hong Kong, where some were apparently broken apart in the open, releasing mercury and other toxic chemicals. Total Reclaim is one of the major processing sites for electronics collected through the E-Cycle Washington product stewardship program, accounting for more than half of the total volume statewide.

Ecology is looking at options. Total Reclaim handled 51 percent of our volume last year. We don't want to discontinue that and try to get smaller processors to handle the capacity. We required Total Reclaim to have an independent audit. BAN previously did an audit and approved Total Reclaim, but has since withdrawn their e-Stewards certification. We should receive the new audit report next week.

Lisa Sepanski said she didn't realize it was the e-Stewards auditor that audited Total Reclaim. How did that audit miss the export? Miles said if the business being audited doesn't give you the information, e.g. a second set of books, the audit won't reveal issues. Troy Lautenbach commented that there are receipts that are kept. Miles said he asked the auditor the same question. The auditor said a paper audit takes months and they can't do those on a regular basis.

Laurie said Ecology is taking this very seriously and we need to see if there are ways to manage more closely. Rod Whittaker asked who pays for audits. Laurie said the processors pay for them. There are no tax dollars involved. Rod wonders if doing mass audits would add to the legitimacy of the program.

Lisa Sepanski said this is a difficult position for the processors, because the waste stream is constantly changing. Computer tablets are the next to hit the waste stream. There needs to be communication between the processors and manufacturers. Miles said to remember that processors are working with others downstream.

Rod Whittaker talked about how transporters keep logs. Would that system work? Miles said logs are kept now on what is coming in. The issue is with what is going out. Rod asked if the new audit has potential to override the last one, which resulted in Total Reclaim losing their certification for two years. Miles said the new audit will not grant Total Reclaim with e-Stewards certification, but if it is approved, Total Reclaim can, at least for the time being, continue to process electronics for the E-Cycle Washington Program.

Pat Campbell is concerned about what will happen to the waste stream if Total Reclaim doesn't get their certification back. Miles said WMMFA is looking at options to defer to if Total Reclaim goes away - It won't be easy. If Total Reclaim should ultimately lose its status as an E-Cycle processor, they will no longer receive materials from WMMFA for processing. However, that does not mean Total Reclaim could not continue to process electronics from other customers or other materials, like appliances, outside of the E-Cycle Washington Program. Lisa Sepanski said there are other e-Stewards processors out there.

Pat Campbell asked if materials in the interim are still going to Total Reclaim. Miles said yes, and we are monitoring them closely. Pat also asked who has authority to penalize Total Reclaim. Laurie Davies said the investigation is underway, and if there is an enforcement action, it will come from Ecology's Hazardous Waste and Toxics Reduction Program under the hazardous waste laws.

The Department of Enterprise Services holds all master contracts for management of state agency generated electronics, including Total Reclaim. Total Reclaim has not yet violated the state master contract or regulations. Ecology's investigation may change that. David Baker asked if anything else was exported aside from flat screens. Miles said not to our knowledge.

On another related subject, Troy Lautenbach asked about the agency request legislation to expand the E-Cycle Washington Program. Laurie said we tabled the request and are working on a waste characterization study to capture better data on what is entering the waste stream.

An Operating Budget Proviso to Second Engrossed Substitute House Bill 2376 required that by September 1, 2016, Ecology report to the Washington State Legislature on whether existing infrastructure has been used for collection of electronics. Laurie was asked if W2RAC could preview the report before we submit it to OFM. Laurie said she would find out.

Solid Waste Summit – Laurie Davies

Contact: 360-407-6103; Laurie.Davies@ecy.wa.gov

Based on feedback that we received at the last W2RAC meeting, it's a good idea to proceed with a summit. Julie Robertson shared a draft agenda with the committee, which is posted on the W2RAC website. The location will be in central Washington in fall 2017.

Jody Snyder asked if the breakout sessions would run concurrently. Julie said we would like feedback - They don't have to run at the same time. Jody encouraged us to not have rule topic sessions running at the same time.

Linda Dennis suggested an additional agenda topic: composting and recycling best practices. Andy Comstock observed that the topic of earthen materials isn't on the list. There would be a lot of interest. Laurie Davies said the intent is to flesh out training on the rule changes. Art Starry said depending on how -350 turns out, we should include anything that would require training on the changes.

Suellen Mele asked about the timing (fall 2017). She suggested doing another review of the agenda when the event gets closer. Pat Campbell said we shouldn't attempt to cover what other conferences are already addressing. Lisa Sepanski said it would be good if we could formally announce the summit so that local governments can include it in their travel plans.

Financing Study Update – Janine Bogar

Contact: 360-407-6654, Janine.Bogar@ecy.wa.gov

Janine has received input and revisited past work done on this issue. She has developed a draft scope of work. We're focusing more on looking for options/solutions than gathering data. There are four proposed tasks:

- Update the existing funding mechanisms.
- Look for other funding mechanisms.
- Provide recommendations as well as implementation ideas.
- Present findings to staff and W2RAC.

We will use three existing master contracts from DES to select a contractor.

Michael Transue asked if we need anyone from the private sector on the selection committee to choose a contractor. Laurie said we will consider it.

Lisa Sepanski asked about the budget for the study. Janine said \$150,000.

Troy Lautenbach said it's great after talking about it for the last few years to move forward. He asked if there is a database with data that has been captured in the past. Janine said she shared it with this committee at the last meeting. Her presentation is posted on the W2RAC website for the March meeting.

Candy Castellanos asked if anyone is interested in being on the selection committee. Michael Transue said if there's an interest in having someone from W2RAC, they could come up with someone.

Agenda Items for Future Meetings

- Solid Waste Management Planning Guidelines Update – TBD
- Efforts to Encourage C&D Recycling - TBD

Meeting adjourned at 11:16 a.m.

Submitted by: Susanne McLemore