



CALIFORNIA MATTRESS RECYCLING ADVISORY COMMITTEE

Helping to answer the question of what to do with that old mattress!

REPORT TO CALRECYCLE



June 15, 2015



CALIFORNIA MATTRESS RECYCLING ADVISORY COMMITTEE

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ADVISORY COMMITTEE MEMBERS

Doug Kobold (Co-Chair) – County of Sacramento

Frank Chin (Co-Chair) – County of Los Angeles

Teresa Bui – Californians Against Waste

Heidi Sanborn – California Product Stewardship Council

Rebecca Jewell – Davis Street Transfer Station

Veronica Pardo – California Refuse Recycling Council

David Goldstein – County of Ventura

Jo Zientek – City of San Jose

Don Franco, Jr. – Gateway Mattress Company, Inc.

Terry McDonald – St. Vincent de Paul Society of Lane County, Inc.

Tchad Robinson – Blue Marble Materials

Sharron Bradley – North American Home Furnishings Association

Mike Combest – The Sleep Train, Inc.



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EXECUTIVE SUMMARY

The Mattress Recycling Organization Advisory Committee (“Committee”) is pleased to present this report on the consultative process between the Mattress Recycling Council (“MRC”) and the Advisory Committee in the development of the California Used Mattress Recycling Plan (“Plan”). This report is being submitted by the Committee in accordance with *Section 42987.1(q) of the Public Resources Code*. The Committee is made up of thirteen representatives from local government, the environmental community, the solid waste industry, private sector collectors/processors/recyclers, and the retailers. Those representatives are listed on the preceding page. All representatives on the Committee were appointed by the Director of California Department of Resources Recovery and Recycling (CalRecycle) on March 18, 2014.

The Committee was formed in accordance with *Section 42987(a)(3) of the Public Resources Code* to assist the MRC with the development of the Plan and to maintain an advisory role to the MRC during program implementation and ongoing operation. The information contained within this report summarizes the activities of the Committee as it fulfilled its role in the development of the Plan.

The Committee looks forward to continuing its consultative role to the MRC as the new mattress recycling program is rolled out throughout California sometime in early 2016.

Respectfully,

Doug Kobold
Co-Chair

Frank Chin
Co-Chair



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MATTRESS RECYCLING ADVISORY COMMITTEE REPORT

June 15, 2015

Background:

On September 27, 2013, Governor Brown signed into law the Used Mattress Recovery and Recycling Act (SB 254). The bill authorized the State to certify a mattress recycling organization that would develop, implement, and administer a mattress recycling program pursuant to the act. To facilitate this goal, SB 254 mandated the formation of an advisory committee made up of various stakeholders for development and implementation of the Plan. The Director of CalRecycle received letters of interest from various stakeholders who wanted to be representatives on the Committee and from those interested stakeholders, the Director selected and appointed members to the committee. Meeting several times in various combinations, with extensive email and phone coordination between meetings, committee members, in consultation with the MRC, reached many understandings on issues of general consensus and provided input for future consideration by both CalRecycle and the MRC.



Introduction:

Many members of the Committee had previously been involved in conceptualizing, crafting, or advocating for legislation that eventually became SB 254. As we worked together, the committee realized the extent to which an effective statewide mattress recycling program will depend on a large network of government, non-profits, businesses, and the public to turn a work of vision, compromise, and synthesis into an implemented reality that will make mattress recycling easier and more cost effective. Committee members are now eager to see understandings that were reached during committee meetings be reflected in adopted policies and implemented through the MRC's administration of California's Mattress Recycling Program ("Program").

Advisory Committee Process

California is one of three states (Connecticut & Rhode Island being the other two) that have recently passed a product stewardship law for mattress recycling. MRC, the stewardship organization, was certified to develop and implement the Program in California with input from the Committee, composed of members representing local government, environmental community, solid waste industry, retail and manufacturing trade associations, mattress recyclers, and renovators. The advisory committee is a first-of-its-kind for product stewardship in



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California. Given the poor, and frustrating at times, experiences in implementing previous product stewardship laws (i.e. paint and carpet), stakeholders for the mattress recycling legislation pushed to include amendments into SB 254 to have an advisory committee set up to provide advice, insight and concerns during the development of a mattress recycling plan and eventually during its implementation and future modifications to make mattress recycling in California a success. It is with this purpose in mind that the Committee began meeting with MRC on June 4, 2014.

The June 4th meeting laid out most of the groundwork in how the meetings were to be run and what the priorities of the MRC and the Committee would be. The MRC indicated they were willing to meet with the Committee as many times it would be necessary to develop the Plan. This was a good sign since SB 254 only required MRC to meet a minimum of once before the Plan was submitted. Two Co-chairs of the Committee were selected and responsibilities of the Co-chairs were identified later amongst the Committee members. The MRC and the Committee identified nine (9) areas of concern that needed to be addressed in the Plan. These nine areas became topics for future meetings and were:

- Illegal Dumping
- Payments to Solid Waste Facilities
- Servicing Rural California
- Collector Incentives
- Waste Hierarchy
- Education & Outreach
- Consumer Recycling Charge
- RFP Development
- Solid Waste Survey

At each meeting, the MRC provided a status update on the progress they were making on the California Program, as well as providing updates for the Connecticut and Rhode Island programs.

Early on, the Committee raised concerns that retailers were not informed about the take-back requirement of the Act when new mattresses are delivered. MRC initially indicated they were informing retailers at industry event and talking with individual retailers about this portion of the Act. The Committee suggested more should be done like a mass mailing by MRC to the retailers.

The Committee also raised concern that MRC was not planning any stakeholder's meeting and requested them to hold at least one. MRC agreed and a stakeholder's meeting was held in December 2014 in Oakland. Though the meeting did not have any webinar or phone conferencing capabilities, there was a good representation of stakeholders in attendance, with most being from Northern California. While a stakeholder's meeting was not held in Southern California, MRC and the Committee Co-chairs did attend other events, such as the



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CRRA/SWANA Conference, the Antelope Valley Illegal Dumping Task Force, and CalRecycle's Illegal Dumping Technical Advisory Committee to brief those members of the upcoming program. MRC also attended a retailer conference in Las Vegas.

The MRC was initially limited in staffing, but has since hired additional staff to handle Northern California and Southern California respectively. Additional staff for public outreach was also hired in early 2015.

The MRC in some instances appeared to be conflicted due to their strong ties with the International Sleep Products Association (ISPA), which formed the MRC. In one case, the MRC wanted to make the decision to not pay mattress recyclers if recycled materials were sent to mattress renovators. The new mattress manufacturers did not want to have recycled materials funded by the Program be used in refurbished mattresses that would compete against their products in the retail outlets. Only after lengthy discussions with the Committee did the MRC agree to allow dismantled recyclable materials be sold to refurbishers and the mattress recyclers would still receive payment from MRC for disassembling those mattresses.

In most cases, the Committee believes MRC had heard our concerns, but how the MRC ultimately addressed those concerns in the Plan was unknown at the time of this report. The Committee was disappointed in not being able to review a draft of the Plan before it is submitted to CalRecycle. The Committee did request at its February 2015 meeting to see an advance draft copy of the Plan. The Committee also wanted to review a draft of the Request for Proposals for Transportation and Recycling Services ("RFP") before it was released to the public, but the MRC believed that pre-release to the Committee could compromise the integrity of the process since some of the Committee members would be also submitting proposals. As a solution, the Co-chairs expressed a willingness to review the document, maintain complete confidentiality, and identify any issues they found without informing the rest of the committee members due to concerns of potential unfair business practices. Ultimately, the MRC felt that even having the Co-chairs see the RFP in advance posed a risk of fair competitiveness. In future producer responsibility type programs, the Committee suggests language in the bill to include enough review time for an advisory committee to view a recycling plan so that the advisory committees report would be more informative and complete.

Evaluation

Section 1: Servicing Rural California

SB 254 *Section 42987.1* states the Mattress Recycling Organization shall develop and submit to the department a plan for recycling used mattresses in an economically efficient and practical manner that includes many elements and includes the following:



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Section (l) Ensuring, to the maximum extent possible, that urban and rural local governments and participating solid waste facilities that accept mattresses are provided with a mechanism to local governments and certain solid waste facilities for the recovery of illegally disposed used mattresses that is funded at no additional cost to local government or solid waste facility.

Section (o) ...”provides for the payment to a municipals or solid waste facility that accepts mattresses a reasonable amount for accepting, collecting, storing, transporting, and handling used mattresses.”

In short, the Committee believes the legislature intended that rural and urban counties benefit equally from passage of the bill to reduce illegal dumping and recover the costs of illegally disposed mattresses and significantly reduce their costs to manage mattresses.

There have been some problems with previous producer run programs such as paint and carpet, which have led to concerns by rural governments that the Committee hopes to avoid with the mattress program. Those include:

1. Contracting for services: Based on the challenges rural agencies experienced negotiating agreements with PaintCare and Carpet America Recovery Effort, we suggest that MRC develop model agreements in partnership with the Regional Council of Rural Counties to assure that these negotiations do not delay program roll-out or rural county cost savings while providing a means for local gov’t agencies to rapidly negotiate fair agreements.
2. Compensation for location of trailers at facilities: There are many factors that increase transport and disposal costs in rural areas such as windy roads require smaller trailers, lack of loading dock space, etc. and if trailers need to be left on site there are costs associated with that and MRC should provide some financial support to do so.
3. The goal of the MRC program is to significantly reduce costs to rural local government and clean-up rural areas of existing illegally dumped mattresses and prevents future illegal dumping.
4. The Plan should provide for appropriate compensation to the haulers who have to travel greater distances to collect mattresses in the rural areas.
5. Locating consolidation, processing or remanufacturing of mattresses in rural areas would be encouraged.

The Committee hopes these issues are addressed appropriately in the Plan.

Section 2: Request for Proposals (RFP)

The Committee discussed various aspects that it desired to see included in the RFP for Transportation & Recycling Services that was released on March 23, 2015 by the MRC. Discussions regarding the RFP occurred at several of the Committee meetings wherein all



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members had opportunities to express their comments or concerns over the ultimate format and content of the RFP. The MRC advised the Committee on February 11, 2015 that the Rhode Island RFP was available to the Committee and would provide some idea of the format and content that the MRC intended to insert in the California RFP. Further, the MRC would attempt to address comments and concerns raised by the Committee members in earlier meetings.

Due to the potential conflict of interest of some of the Committee members, no draft of the California RFP was circulated to the Committee members in advance of its public release. The MRC believed that even the two Co-Chairs of the Committee should not see an advance copy so as to aid in guaranteeing a fair and competitive process for all proposers when the RFP was ultimately released to the public.

The Committee was disappointed in not being able to weigh in on the RFP before its public release. For future RFPs to be released by the MRC, the Committee would like to see the RFP have a more clear emphasis on the use of renovation. The Committee had also hoped that the RFP would give preference to contracting with nonprofit recyclers who provide community benefit by hiring people with multiple barriers to employment, even it is not the lowest bid.

Section 3: Illegal Dumping

Illegal dumping is a major issue in California, primarily because it poses a threat to the health and safety to its residents, but also because it impacts the quality of life of residents, impairs wildlife, and hurts property values. Local governments are unable to keep up in collecting illegally dumped items with the limited resources they have. Illegal dumping of mattresses is one of the primary reasons why SB 254 was written.

The Committee presented and discussed how local governments handle illegal dumping at its August 6, 2014 meeting. Various methods exist statewide, from utilizing local government crews to private waste haulers, to pick up illegally dumped items. The funding typically comes from the local government's general fund, road taxes, and/or residential collection rates. Private individuals ("mosquito fleets", scavengers, etc.) also are known to pick up mattresses along the public right-of-way due to financial incentives offered by mattress refurbishers. This occurred mostly in the urban areas where there are mattress refurbishing operations. *California Public Resource Code 42987.1(k) requires "establishment of a financial incentive to encourage parties to collect for recycling of used mattresses discarded or illegally dumped in the state"*. The Committee believes if a financial incentive was offered by MRC through recyclers and other authorized facilities, more private individuals will search for and collect these mattresses, thus reducing the use of local





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government or waste haulers, which tends to be higher in cost. A proposal to test a “collector’s incentive” was suggested. More detail on this topic is reflected in Section 4 of this report. A presentation was also made to the Committee by the City of Los Angeles on October 28, 2014 on how they handle illegally dumped mattresses, which includes utilizing dedicated trucks to pick up illegally dumped mattresses. The City of Los Angeles had also conducted a project to provide a monetary incentive to residents for bringing mattresses to a collection center. A \$3.00 bounty was offered and residents did utilize this service. The City believed the program was successful, but due to funding issues the project was cancelled.

Though the collector’s incentive may motivate individuals to collect illegally dumped mattresses, it is recognized that not all areas will have the same result and government forces and waste haulers who currently will have to continue to do so to some extent. It is with this in mind and pursuant to *California Public Resource Code 42987.1(l)* that an illegal dumping fund be established to provide reimbursements for the cost of collection of illegally dumped mattresses. These reimbursements would be provided to local governments, participating permitted solid waste facilities, and authorized solid waste operations. Initially, for budgeting purposes, a set amount of \$500,000 will be set aside for the reimbursement in the first year of the program. Without hard data, the MRC estimates only 1% to 2% of annual sales turn into illegally dumped mattresses. Local governments, solid waste facilities, or solid waste operations could apply for reimbursement for collection of illegally dumped mattresses. They would describe their operations, identify the jurisdiction served, and provide the number of mattresses that were collected through illegal dumping cleanup, not through existing curbside bulky item collection programs. Reimbursement would be the \$500,000 divided by the total number of mattresses reported. In future years, the amount of money set aside will be adjusted depending on the number of mattresses collected as a baseline would form. The Committee hopes that a combination of free disposal at solid waste facilities and the collector’s incentive would be successful in reducing the number of illegally dumped mattresses that would need to be collected by local government.

California Public Resource Code 42987.1(l) ensures, to the maximum extent possible, that urban and rural local governments and participating permitted solid waste facilities and authorized solid waste operations that accept mattresses are provided with a mechanism for the recovery of illegally disposed used mattresses that is funded at no additional cost to the local government, solid waste facility, or solid waste operation.

Section 4: Collector Incentive (Bounty) - A couple of pilot incentive programs for mattress collection have been in effect for a couple months in Northern California. The City of San Rafael and Alameda County both ran these pilot programs. The City of San Rafael graciously offered \$20,000 to implement the pilot program in their area. Under their program, the bounty was set at



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a fixed amount of \$3.00 per mattress. Illegally dumped mattresses were tagged by the San Rafael Public Works department and tracked by the Marin Resource Recovery Center (MRRC) to measure the success of the program. The program ran from February 1 through February 28, 2015. During this time, only one mattress was returned to MRRC. It was determined that \$3.00 was not enough of an incentive for the public to collect the mattresses and transport them to the recycling facility.

The Alameda County program (funded by StopWaste) consisted of a bounty set at \$6.00-\$12.00 per piece based on mattress/box spring size. Illegally dumped mattresses/box springs were located with the help of city public works staff throughout Alameda County. The project resulted in a return of 543 of the 718 mattresses that were originally tagged with the bounty incentive. The County program also geo-located each mattress with unique identifying numbers and the associated bounty value of each mattress. Higher and lower value bounties were applied to illegally dumped mattresses in the same general area. This approach allowed appropriate evaluation regarding the willingness of entrepreneurs to collect mattresses/box springs and transport them a given distance for a bounty. This program was not intended to target mattresses that have established recycling or reuse avenues; only illegally dumped mattresses were tagged with bounty information. It was noted that the private individuals were enthused about the pilot program and they collected these mattresses, but in turn, did not bring back any non-tagged mattresses to the recycling facility in Oakland.



Section 5: Reimbursements to Solid Waste Facilities

SB 254 requires MRC to pay a reasonable amount to municipal or solid waste facilities that accept, collect, store, transport and handle used mattresses. Analysis and discussion by the Committee led to the collection of data, which was followed up with work by Committee members and MRC staff to document handling cost data points. Although the Committee did not reach a consensus on exactly what the payment should be and how it would be administered, Committee members expect payments to recyclers will give them sufficient incentive to separate mattresses, keep mattresses dry, load mattresses, and cover the cost of loading trailers or other containers provided by contractors of the MRC. The costs for transporting and recycling of the mattresses will be covered by the MRC.

A concern was raised in the Committee that a potential exists wherein a company could be receiving funding to cover mattress management but also receive additional funds from the MRC for the same mattresses. The MRC should consider including some provision within the hauling and processing contracts limiting these potential redundant payments.



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Section 6: Consumer Recycling Charge

Public Resource Code 42989(b)(2) The mattress recycling organization shall set the charge as a flat rate and not as a percentage of the purchase price. The organization shall not set more than two different charges to accommodate mattress size differentials.

The Committee discussed with MRC about the option of the mattress recycling charge being split into a tiered system with twins/fulls being a lower charge and queens/kings being a higher charge. A two tiered system would help low-income consumers who tend to purchase twins and full sizes. Twins and fulls already have a lower purchase price than queens and kings since they are less costly to produce. The MRC explained the reasoning for having a single charge since payments to recyclers, solid waste facilities, and local governments is on a per unit basis. The Committee still recommends a two-tiered charge structure approach to address the customer fairness issue and that the collection of the funds can still be paid out on a per unit basis.

The mattress recycling charge is the summation of administrative, operational, and capital costs of the plan. The exact charge had not yet been set at the time of this report, but the Committee recognizes that the mattress recycling charge will likely be higher than that Connecticut's mattress recycling charge, \$9.00 per unit. This is primarily due to the geographical size of California, increased travel distances, and typically higher labor rates. The Committee was sensitive to setting the charge too high so as to run a successful program and setting the charge too low so as to reduce financial impacts to consumers. The MRC appears to recognize this issue and we hope the charge will be reflective of our concerns.

Section 7: Waste Hierarchy

SB 254 specifically calls for the stewardship plan to include program objectives that are consistent with the state's solid waste management hierarchy, which can be found section in Public Resources Code, Section 40051.

As per the tenets of producer responsibility programs, SB 254 was not prescriptive in what that would entail, leaving it up to the MRC to decide so long as it achieves and follows the waste hierarchy.

It should be noted that there was no discussion of source reduction during the advisory committee meetings.

However, the committee interprets that the highest priority, mattress waste reduction, to mean measures





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likes durability and greener design. Next in the hierarchy, mattresses should be renovated by licensed renovators whenever possible, followed by mattresses recycled by recyclers.

During initial discussions regarding this topic, the MRC and the Committee were not in agreement as to how reuse would be achieved. After several discussions, the MRC and the Committee agreed that the MRC will not be responsible to pay recyclers for mattresses that are sold to renovators as whole units, as they already have an existing market value to the renovators. However, the MRC has agreed to pay an approved recycler an agreed upon processing fee regardless of where the recycler sells the separated components, such as foam, steel, etc. This includes licensed renovators for reuse and carpet rebounders. The licensed renovators receiving the components will be subject to inspection and approval by the MRC. The Committee believes this will give the recycler the option to sell the components for the highest value which will help maximize profits for the recycler, the renovator, and reduce processing cost paid out by the MRC.

Section 8: Education and Outreach

As the first mandate for recycling action by retailers passed in July 2014, the Committee saw how much cooperation will be required by various parties to achieve effective implementation of SB 254. Although governments and non-profit organizations made efforts to inform the public of the new requirements, mattress industry contacts were central to the role of informing all retailers of a new responsibility to accept an old mattress for recycling without a charge every time they deliver a new mattress to a customer's home. In a few specific cases, committee members brought problems to the attention of the MRC, and MRC staff followed up with contacts to ensure compliance. The MRC, in February 2015, developed "New Legal Requirements for California Mattress Retailers," a one-page flier which they distributed to retailers.

Based on this precedent and on discussions between the Committee and the MRC, Committee members expect timely, expert, and influential outreach by the MRC to the mattress industry for implementation of future requirements of SB 254. In particular, outreach by the MRC will soon be essential to ensure the cooperation of the regulated mattress industry in compliance with a mandate calling for the registration of every California-based manufacturer, retailer, and renovator of mattresses.

Non-profit organizations and government entities will also boost efforts and ensure compliance. Just as non-profits and governments used tools including web site notices, social media postings, fliers, and news articles to inform the public of their right to the new recycling service initiated by SB 254 in July 2014, efforts will continue when additional aspects of the mattress recycling program are implemented.



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MRC outreach, combined with government and non-profit educational efforts, should ensure each customer receives this service from the retailers that serve them and will encourage consumers to report to their city or county recycling coordinator any non-compliance.

Additionally, fee and rebate based programs, payments, and coordination will depend on outreach to the mattress industry and the public, informing and motivating people to keep an “eye on the environment.”

Section 9: Solid Waste Survey

In an effort to determine a “reasonable amount” to compensate participating municipal or solid waste facilities that accept, collect, store, transport and handle used mattresses in the California mattress recycling program, the MRC collected industry data via Committee members. Through this method, at least 25 solid waste entities provided information on labor costs, time needed, and equipment used to collect, store, and handle mattresses at these facilities. The data is being used to determine an average cost per mattress at these facilities, if they participate in the State program and accept mattresses. This average, in addition to other costs, will ultimately be used to estimate the consumer recycling charge placed on California sold mattresses.

Additionally, the MRC supported two pilot programs to estimate bounty prices that may encourage the collection and subsequent recycling of illegally dumped mattresses in California. The Committee hopes the MRC can include lessons learned from the pilot programs when developing the Program for California.

Recommendations from the Committee

We appreciate the opportunity to have our advice integrated into the Plan development process. As Committee members, we have all learned from each other, the MRC, and CalRecycle. We believe the approach of having an advisory committee has created for a more holistic and transparent process.

Here are some of our recommendations based on what the Committee has experienced so far:

- **Rural jurisdictions** – Rurals should have equal access to a collection program and get compensated appropriately pursuant to the intent of SB 254 and the requirements of Proposition 26.
- **Education and Outreach** – The Committee recommends that the MRC test key messaging points with focus groups to make sure message is effective and to repeat that process every 2 -3 years. Further, the MRC should take the lead in outreach efforts



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related to retailers, providing clear, complete, and timely information about mandates and procedures. The MRC should also actively enlist the assistance of public sector recycling coordinators and non-profit organizations, providing brochure templates, sample letters, and other materials emphasizing requirements.

- **Retailer** – The retailer is an integral part of the Program and the Committee recommends more frequent and effective outreach to retailers to get them more engaged in the process.
- **Hierarchy** – The Committee believes that following the waste hierarchy is an integral part of achieving the goal of maximizing the reduction of abandoned and landfilled mattresses. We recommend the MRC come up with concrete plans for source reduction.

Public Resources Code §§ 40051

40051. Implementation requirements. In implementing this division, the board and local agencies shall do both of the following:

(a) Promote the following waste management practices in order of priority:

(1) Source reduction.

(2) Recycling and composting.

(3) Environmentally safe transformation and environmentally safe land disposal, at the discretion of the city or county.

(b) Maximize the use of all feasible source reduction, recycling, and composting options in order to reduce the amount of solid waste that must be disposed of by transformation and land disposal. For wastes that cannot feasibly be reduced at their source, recycled, or composted, the local agency may use environmentally safe transformation or environmentally safe land disposal, or both of those practices.

Public Resources Code §§ 40196

40196. "Source reduction." "Source reduction" means any action which causes a net reduction in the generation of solid waste. "Source reduction" includes, but is not limited to, reducing the use of nonrecyclable materials, replacing disposable materials and products with reusable materials and products, reducing packaging, reducing the amount of yard wastes generated, establishing garbage rate structures with incentives to reduce the amount of wastes that generators produce, and increasing the efficiency of the use of paper, cardboard, glass, metal, plastic, and other materials. "Source reduction" does not include steps taken after the material becomes solid waste or actions which would impact air or water resources in lieu of land, including, but not limited to, transformation.

- **Renovation** – The Committee recommends renovation be the first choice solution, where possible. We believe that this is in line with the waste hierarchy that SB 254 specifically calls for.
- **Collector Incentive** – Although, the program has been successful for the collection of discarded mattresses both the MRC and the Committee felt similar results could have been achieved with a much lower bounty. The MRC and the Committee also agree that the bounty to be paid to collectors should be set high enough to encourage collection of



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discarded mattress, but low enough so as not to encourage theft or fraud. The initial consensus was that the bounty should be set in the \$3.00-\$5.00 per piece range and will be paid to collectors only upon drop off at approved recyclers, not solid waste facilities. However, this value range may need to be revisited as the results from the pilot projects are fully evaluated and as the Program matures. In order to stop the threat of mattresses from coming in from other states, and to stop businesses from profiting from the MRC on a service they have routinely performed in the past, it was agreed that there will be a limit set on the quantity of mattresses brought in to a recycler at any one time and businesses will not be eligible for the bounty.

- **Reimbursements to Solid Waste Facilities** – Reimbursement rate should be based on the following assumptions:
 - Cost for labor used to load mattress units into containers supplied by the MRC.
 - Cost for equipment used to load mattress units into containers supplied by the MRC.
 - Cost to landfill units not reusable or recyclable.

Due to the potential for double dipping of funds supporting mattress collection as part of an existing contractual relationship and being paid again by the MRC, the MRC should consider language in its hauling and processing contracts that limits these potential redundant payments. The Committee felt that a company or entity should not be paid twice for the same mattress.

- **Consumer Recycling Charge** – The Committee recommends setting two distinct mattress recycling charges for customers. The primary purpose of two fees would be to increase the appearance of fairness amongst the consumers. Further, there is some additional costs associated with the disassembly and recycling of the larger units, such as king sized mattresses versus twin sizes. As for the appearance of fairness to the consumers, a consumer buying a twin set and paying a set recycling charge for the two units may feel unfairly treated if a consumer before them paid the same charge for their three piece set (the MRC plans to treat the two box springs, typically sold with each king mattress, as one piece).

Authority for Role

PRC 42987

(3) Prior to certification by the department, the department's director shall appoint an advisory committee to be part of the mattress recycling organization.

(A) The advisory committee may be comprised of members of the environmental community, solid waste industry, local government, and public and private representatives involved in the collection, processing and recycling of used mattresses, and other interested parties.

(B) The mattress recycling organization shall consult the advisory committee at least once during the development and implementation of the plan required pursuant to Section 42987.1, and annually prior to the submittal of both an annual report required pursuant to Section 42990.1 and an annual budget required pursuant to Section 42988.

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(q) A report from the advisory committee, established pursuant to paragraph (3) of subdivision (a) of Section 42987, which includes a summary of the consultative process between the advisory committee and the mattress recycling organization during the development of the plan, as well as any other information deemed pertinent by the advisory committee to maximizing the recovery and recycling of used mattresses in the state.



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APPENDIX A

Roles and Responsibilities of the Advisory Committee

Environmental Advocates

- Teresa Bui, Legislative and Policy Analyst, Californians Against Waste
- Heidi Sanborn, Executive Director, California Product Stewardship Council

Solid waste industry

- Rebecca Jewell, Recycling Program Manager, Davis St. Transfer Station
- Veronica Pardo, Regulatory Affairs Associate, California Refuse Recycling Council

Local government

- Frank Chin, Civil Engineer, Los Angeles County Dept. of Public Works (**Co- Chair**)
- David Goldstein, Recycling Market Development Zone Administrator, Ventura County
- Doug Kobold, Waste Management Program Manager, Sacramento County (**Co-Chair**)
- Jo Zientek, Deputy Director, Environmental Services Dept., City of San José

Private representatives involved in the collection, processing, and recycling of used mattresses

- Don Franco, Jr., Vice President, Gateway Mattress Co., Inc.
- Terry McDonald, Executive Director, St. Vincent de Paul Society of Lane Co., Inc.
- Tchad Robinson, President, Blue Marble Materials

Other interested parties

- Sharron Bradley, CEO, North American Home Furnishings Association
- Mike Combest, Executive Vice President of Operations, The Sleep Train, Inc.



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APPENDIX B

Advisory Committee Meetings

June 4, 2014 – Sacramento, CA

August 6, 2014 – San Jose, CA

October 28, 2014 – Montebello, CA

December 9, 2014 – Oakland, CA

(Included an open Stakeholder's meeting prior to the Committee meeting)

February 11, 2015 – Sacramento, CA



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APPENDIX C

Mattress Handling Costs Examples

Two examples of handling costs included the following:

1. Del Norte Regional Recycling and Transfer Station, Oxnard

Using data provided by David Goldstein, the following shows the calculation for Oxnard's Del Norte Regional Recycling and Transfer Station in Southern California. (Note: Although Del Norte staff reported the below costs for handling and transporting mattresses for recycling, totaling \$3.94 per mattress, this cost does not include amortization of equipment and administration of the program. The MRF manager, when considering administrative costs places the cost at \$5.50 per mattress. These costs include reporting requirements, negotiating with a mattress vendor, supervising workers, organizing the program, arranging for storage, and revising gate rates.)

SORTING AND PROCESSING 125 mattresses per load

\$26.00 Sorter per hour rate for unloading and sorting from customer vehicle and tip floor
2 to 2.5 minutes per unit to unload and sort (125 units @ 2 minutes per unit = 250 minutes or 2.5 hours)

\$65.00 Labor cost of Sorter per one full tractor-trailer load

LOADING

125 125 mattresses per load

\$26.00 Lift Truck Operator per hour rate
2 minutes per unit to load (125 units @ 2 minutes per unit = 250 minutes or 4.2 hours)

\$65.00 Labor cost of Lift Truck Operator per one full tractor-trailer load

125 mattresses per load

\$23.00 Sorter per hour rate for staging and support for lift truck loader
2 minutes per unit to load (125 units @ 2 minutes per unit = 250 minutes or 4.2 hours)

\$57.50 Labor cost of Sorter per one full tractor-trailer load

TRANSPORT

132 miles roundtrip = 3 hours and 30 minutes

30 gallons of diesel used

\$3.11 per gallon at MacValley Oil date: 01-05-15

\$93.30 per trip on fuel

1 Equipment Operator of Tractor-Trailer

\$41.31 per hour rate with benefits

3.5 hours driving and .5 hours unloading wait

\$165.24 per trip on labor cost

\$0.18 Tractor-Trailer Repair and Maintenance per mile

132 miles roundtrip

\$23.36 per trip on routine repair and maintenance



CALIFORNIA MATTRESS RECYCLING ADVISORY COMMITTEE

Helping to answer the question of what to do with that old mattress!

OVERHEAD 5% Includes support staff, grounds, utilities, indirect
\$469.40 Cost per load and trip of 125 mattress units
\$23.47 Add overhead of 5%

TOTAL COST \$492.87 Total cost per trip
125 units

TOTAL COST PER UNIT \$3.94 Total cost per unit mattress

2. Davis Street Transfer Station, San Leandro

Using data provided by Rebecca Jewell, the following shows the calculation for the Davis Street Transfer Station in northern California:

Receiving/Loading:

\$50/hour fully loaded for the fork lift operator
2 hours/day loading the mattresses = 12 hours per six day week = 720 minutes per six day week
~120 mattress per load
4 loads per week = 480 mattresses per week
720 mattresses/480 minutes = 1.25 mattresses
At \$50 per hour = .83 cents per minute
.83 cents per minute x .66 minutes per mattress = .55 cents per mattress
Therefore, their costs is .55 cents per mattress to load.

Transportation:

\$60/hour fully loaded for Teamster to bring trailer to DR3 = \$1 per minute
Trip takes 2 hours, round trip to DR3 = 120 minutes
120 mattresses per load
120 minutes x \$1 per minute/120 mattresses
Therefore mattress hauling costs \$1 per mattress to haul.



CALIFORNIA MATTRESS RECYCLING ADVISORY COMMITTEE
Helping to answer the question of what to do with that old mattress!

APPENDIX D

Public Education and Outreach Information

Two examples of public education:

Article on Alameda County Pilot, testing incentive levels required to induce collection of illegally dumped mattresses

http://waste360.com/business/program-strives-get-discarded-mattresses-out-landfills?NL=WST-08&Issue=WST-08_20150305_WST-08_603&sfvc4enews=42&cl=article_1&YM_RID=CPEQW000001117107&YM_MID=2983&elqaid=2983&elqat=1&elqTrackId=74af07e1805d470b8d1962f0a3e27e15

Eye on the Environment column, featured in several publications, publicizing the July mandate requiring retailer pick-up of old mattresses during drop-off of new mattresses.

<http://pwaportal.ventura.org/WSD/News%20&%20Events/News%20Publications/docs/Mattress%20Recycling%20Mandate%20for%209-7-14.pdf>



CALIFORNIA MATTRESS RECYCLING ADVISORY COMMITTEE

Helping to answer the question of what to do with that old mattress!

APPENDIX E

Advisory Committee Meeting Minutes

(See Attached)

Mattress Recycling Council Advisory Committee Meeting

June 4, 2014

10:30 AM – 12:30 PM

Sacramento, CA

COMMITTEE MEMBERS:

RYAN TRAINER, International Sleep Products Association/Mattress Recycling Council
CHRIS HUDGINS, International Sleep Products Association/Mattress Recycling Council
MIKE O'DONNELL, Mattress Recycling Council
SHELLY SULLIVAN, Mattress Recycling Council
HEIDI SANBORN, California Product Stewardship Council
DOUG KOBOLD, Sacramento County
JO ZIENTEK, City of San Jose
REBECCA JEWELL, Davis St. Transfer Station
MIKE COMBEST, The Sleep Train, Inc.
VERONICA PARDO, California Refuse Recycling Council
TERESA BUI, Californians Against Waste
TERRY MCDONALD, St. Vincent DePaul
ASHLEY HARLEY, CalRecycle
FRANK CHIN, LA County Dept. of Public Works (via phone)
DAVID GOLDSTEIN, Ventura County (via phone)
DON FRANCO, Gateway Mattress (via phone)
TCHAD ROBINSON, Blue Marble Recycling (via phone)

Mike O'Donnell opened the meeting. Mike serves as MRC's program director for the Mattress Recycling Council (MRC), and has oversight for the three states that have enacted mattress recycling laws: Connecticut, Rhode Island and California. Chris Hudgins of the MRC welcomed attendees and gave some background on the MRC. MRC was created by the International Sleep Products Association, the trade association for the mattress industry, to design and implement state mattress recycling programs. MRC will be applying for certification from CalRecycle to serve as the stewardship organization that will implement the state's recycling law, SB 254.

ADVISORY COMMITTEE'S DUTIES

MRC staff reviewed the statutory provisions in SB 254 that are relevant to the Advisory Committee. The law requires MRC to consult the Advisory Committee at least once during program plan development and annually prior to submitting its annual report and annual budget to CalRecycle. MRC stated that it anticipates meeting more frequently than required during the plan development phase. As part of the plan, the Advisory Committee must submit a report to CalRecycle that summarizes the consultation process between the Committee and MRC. The Committee will be responsible for submitting the report, but MRC offered to assist in preparing summaries of each meeting and a draft of the report, subject to review by the Committee.

STATE MATTRESS RECYCLING PROGRAM

MRC staff reviewed the law and how the program is expected to function. MRC's goal is to meet the obligations of SB 254, increase the number of mattresses currently coming into the recycling facilities throughout California, and reduce illegal dumping.

The program will be funded through a visible recycling fee established by MRC and approved by CalRecycle. Retailers and other parties that sell mattresses to end-users will add this fee at the point of sale mattress and/or box spring transactions. Retailers and other sellers will periodically remit such fees directly to MRC. MRC will use these funds to pay service providers (transporters and recyclers), public education and outreach, and administrative and other program expenses.

The Committee then moved on to discuss a number of topics related to the law and the mattress recycling program.

REDUCING ILLEGAL DUMPING

Many on the Committee agreed that reducing illegal dumping is an important goal for the program. One option for addressing this issue is to provide an incentive to encourage parties to recycle used mattresses. Participants discussed the challenge that if the incentive is too low, mattresses will not be brought into the system, but could promote fraud if it is set too high.

SOLID WASTE FACILITY PAYMENTS

SB 254 requires MRC to pay a reasonable amount to municipal or solid waste facilities that accept, collect, store, transport and handle used mattresses. Further analysis and discussion is needed to determine exactly what the payment should be and how it would be administered.

RETAILER TAKE-BACK PROGRAM EFFECTIVE JULY 1, 2014

The Committee discussed the upcoming retailer take-back requirement that takes effect on July 1, 2014. The Committee asked what outreach had been done so far on this requirement. MRC responded that it has been in contact with a number of individual retailers and retail organizations and associations and has appeared at industry events to inform the retail sector of the upcoming requirement. MRC supplied language to retailer organizations for use in notifying their members. MRC will continue these efforts up to the deadline and thereafter.

MATTRESS RECYCLING RFP

The Committee discussed the request for proposal (RFP) that MRC will develop to solicit proposals to provide the transport and recycling services that will be needed to implement the California program. MRC is targeting early 2015 for the California RFP. It will likely be similar to the RFP used to obtain similar proposals in Connecticut, but may include California-specific provisions related to transportation and collection.

PROGRAM IMPLEMENTATION

If CalRecycle approves the plan within the timeframes set in SB 254, MRC anticipates that the program will launch on or about February 1, 2016. At that point, retailers and other sellers will

begin collecting the visible fee, and mattress collection and recycling under the program will begin.

MATTRESS BASELINE

MRC noted that understanding the current state of mattress disposal is important in developing the program budget and fee. MRC will be distributing a survey across the state to municipalities, private haulers, retailers, and renovators to determine where the used mattresses for recycling will be sourced.

TRANSFER STATIONS

MRC will seek to find out the storage preferences for transfer stations and the best practices that they currently use or can use to keep mattresses dry and easily recyclable.

RECYCLER VERIFICATION

The Committee inquired how the MRC intends to verify that the recycling processes required by SP 254 have in fact been performed. MRC will periodically audit contracted processors. MRC will also develop a process for documenting the total number of mattress/box-spring units obtained for recycling corresponds to the weight of dismantled materials that the recycler sells to downstream recyclers (or landfills if not recyclable).

ADVISORY COMMITTEE CO-CHAIRS

The Committee discussed how it would like to structure itself for future meetings and work. The Committee decided to select two co-chairs to work with MRC in planning and facilitating meetings: Doug Kobold and Frank Chin.

FUTURE TOPICS FOR DISCUSSION

The committee developed a list of topics for future input and consideration. These topics include:

- Collector incentive
- Consumer recycling fees
- Education and outreach program
- Illegal dumping
- Payments to solid waste facilities
- RFP development
- Servicing rural California
- Solid waste survey
- Waste hierarchy

NEXT ADVISORY COMMITTEE MEETING

The Advisory Committee will next meet in San Jose on Wednesday, August 6, 2014 from 1:30-3:30 PM, immediately following the CRRA/SWANA conference.

Mattress Recycling Council Advisory Committee Meeting

August 6, 2014

1:30 – 3:00 PM

San Jose, CA

COMMITTEE MEMBERS:

CHRIS HUDGINS, International Sleep Products Association/Mattress Recycling Council

MIKE O'DONNELL, Mattress Recycling Council

ASHLEY HARLEY, CalRecycle

DOUG KOBOLD, Sacramento County

HEIDI SANBORN, California Product Stewardship Council

JO ZIENTEK, City of San Jose

REBECCA JEWELL, Waste Management - Davis St. Transfer Station

STEPHANIE TSEU, The Sleep Train, Inc.

VERONICA PARDO, California Refuse Recycling Council

TERRY MCDONALD, St. Vincent De Paul

FRANK CHIN, LA County Dept. of Public Works (via phone)

DON FRANCO, Gateway Mattress (via phone)

TERESA BUI, Californians Against Waste (via phone)

DAVID GOLDSTEIN, Ventura County (via phone)

TCHAD ROBINSON, Blue Marble Recycling (via phone)

SHARRON BRADLEY, North American Home Furnishings Association (not attending)

Mike O'Donnell opened the meeting and provided an update on MRC's activities in Connecticut and Rhode Island. MRC submitted the CT program plan to regulatory officials on July 1, 2014. The plan is available on MRC's website and the Connecticut Department of Energy and Environmental Protection's (DEEP) website. DEEP is accepting public comments on the plan and has until the end of September to make a ruling on the plan. The plan has also been shared with Rhode Island and CalRecycle.

Both CA and RI are expected to go live in early 2016. MRC will be meeting with Rhode Island officials in the next few weeks to discuss that state's program and MRC has regularly scheduled meetings with CalRecycle to provide update on program development.

Illegal dumping

The Committee then turned to the two discussion topics on the agenda. First, the group discussed the issue of illegal dumping. Municipal representatives each shared their experience with illegal dumping of mattresses.

In L.A. County, illegal dumping mitigation is addressed by contracted waste companies in the garbage disposal districts (GDD) and residential franchise area and is funded as part of residents' waste costs. In the areas without a GDD or franchise, County road crews picks up illegal dumping within the public right-of-way and is funded by the County's Road Fund.

Haulers provide on call and bulky waste pick-up services. The county allows residents two bulky item pickups a year. The county estimates it picks up around 50,000 illegally dumped mattresses a year.

In Ventura County, illegally dumped mattresses and other waste are collected either for at a cost, or, periodically, as a goodwill gesture by contracted waste haulers in 8 cities and the County, by city crews in the two cities with municipal service or by the County's Transportation Dept. within unincorporated areas of the county. Typically, the party on whose land the material is dumped pays the cost, and when waste is dumped on public land, the responsible party is the landowning public entity.

Countywide, to prevent illegal dumping all haulers offer at least two free bulky item collections per year from residents, funded by refuse rates. Additionally, most cities and most unincorporated communities hold periodic (at least once per year) events for free bulky item drop-off, funded either directly by refuse rates or at the sole expense of the hauling company. Instead of relying on bin/box-based drop-off events, three cities contract with Waste Management for free drop-off events at the landfill, and nearby unincorporated area residents are invited to participate.

In San Jose City, illegal dumping is handled through the city's waste haulers but due to Prop 218 concerns, the costs cannot be funded through municipal waste taxes. Instead, illegal dumping cleanup is funded through the general fund. Because the general fund also funds many other services, including police and fire, funding dedicated to illegal dumping is often low resulting in underfunded services. The city offers bulky item pick-up to residents at a cost of \$26 for up to 3 items for single family homes. Multi-family facility bulk pickup is funded through a designated fund.

In Sacramento County, illegal dumping is addressed by the County using its own equipment and labor and is funded through residential curbside collection rates. The County also offers Appointment Based Neighborhood Clean-Up (ABNCU) to its residents once per year with additional pickups within that year for an additional fee. Illegal dump clean-up is based on citizen reports through the County's 311 phone reporting system. Because the County's service is quick and reliable, illegal dumping has been a reoccurring problem.

In the East Bay, Waste Management conducts regular pickups of illegal dumps that are funded as part of residents' curbside collection rates. It is suspected that illegal dumping of mattresses is largely tied to multi-family housing. Waste Management estimates it handles 25,000 – 30,000 mattresses a year in this area.

The Committee further discussed illegal dumping and noted that college and university towns also have a large illegal dumping mattress issue at the end of semesters. In most cases, local towns are taking responsibility; not the university or colleges.

Collector Incentive

In determining how best to address illegal dumping, the Committee turned to the next discussion topic on the agenda, incentives to encourage parties to recycle mattresses.

The Committee discussed the incentive compensation amount. If set too high, the incentive will encourage fraud and promote out-of-state mattresses contamination of the program. Too low, it may not incentivize participation or help mitigate illegal dumping. The Committee also examined who should be eligible to receive the incentive and whether it should include waste haulers, who already pickup mattresses, and retailers.

To better inform the Committee, members suggested a pilot project to offer the incentive in a local area and survey respondents who deliver mattresses and receive the incentive. Committee members suggested seeking a grant from StopWaste to offer a \$2 incentive in Alameda County and survey participants. The Committee agreed to move forward with the project. Rebecca Jewell volunteered to reach out to StopWaste.

The Committee set the next meeting for October in southern California dependent on participants' schedules. MRC will send out a Doodle poll to select the date.

Committee participants also stated that it would be helpful to have invited speakers/experts to address the Committee to help better inform them and MRC. MRC will work with the chairs to set the agenda for the next meeting and determine possible guest speakers.

* * *

Mattress Recycling Council Advisory Committee Meeting

October 28, 2014
10:30 AM to 12:00 PM
Montebello, CA

COMMITTEE MEMBERS:

DOUG KOBOLD, Sacramento County
FRANK CHIN, LA County Dept. of Public Works
HEIDI SANBORN, California Product Stewardship Council (via phone)
JO ZIENTEK, City of San Jose (via phone)
REBECCA JEWELL, Waste Management - Davis St. Transfer Station (did not attend)
STEPHANIE TSEU, The Sleep Train, Inc. (via phone)
VERONICA PARDO, California Refuse Recycling Council (via phone)
TERRY MCDONALD, St. Vincent De Paul
DON FRANCO, Gateway Mattress
TERESA BUI, Californians Against Waste (via phone)
DAVID GOLDSTEIN, Ventura County (via phone)
TCHAD ROBINSON, Blue Marble Recycling
SHARRON BRADLEY, North American Home Furnishings Association (via phone)

ADDITIONAL ATTENDEES:

CHRIS HUDGINS, International Sleep Products Association/Mattress Recycling Council
MIKE O'DONNELL, Mattress Recycling Council
MARK PATTI, Mattress Recycling Council
SHELLY SULLIVAN, Mattress Recycling Council (via phone)
ASHLEY HARLEY, CalRecycle (via phone)
NICOLE CASTEGNETO, CalRecycle (via phone)
NAT ISAAC, City of Los Angeles
DANA JOHNSON, Victorville
EMILY CHANG, LA County Dept. of Public Works
MIGUEL ZERMENO - City of Los Angeles

MRC Update: The Connecticut Program plan is pending approval from the State. The recycling fee has been externally audited and approved by all parties at \$9.00. MRC is currently registering manufacturers and is developing a portal for retailers to report and remit fees. The Rhode Island implementation timeline is the same as California.

Introductions: Mark Patti was introduced as the new Southern California Coordinator for MRC. Nat Isaac from the City of Los Angeles and Emily Chang from LA County were our invited guests for the meeting.

Collector Incentive Pilot Projects: The committee discussed two possible incentive programs that could help craft MRC policy to effectively mitigate illegal dumping in California communities. The

information from the programs will be helpful to determine a strategy and incentive fee when California's program is implemented. Ideally, these pilots will begin in January 2015 and run through the spring or until available funding is exhausted. Results from the pilot studies need to be collected by May of 2015 to incorporate into the Program plan due July 1, 2015.

The City of San Rafael, CA has offered \$20,000 to initiate a pilot project. MRC is working with the City to develop a program that would offer a cash payment for mattresses brought in for recycling. Marin Sanitary currently collects and recycles mattresses on-site at a cost to the public of \$15 a unit. The pilot would begin January 2015 and target the City of San Rafael and possibly Marin County. The city would use web-site and direct mail to advertise the program.

Rebecca Jewel and Terry McDonald have been working on a possible pilot project for Alameda County to target 1,000 illegally dumped mattresses for recycling. They have asked cities in the county where the illegal dumping hot spots are and proposed tagging these mattresses for a bounty if they are brought to DR3 for recycling. The bounty amount could be tested at different price points on a sliding scale.

Previously, the City of LA had a pilot program (Washington Blvd Drop-Off Program) offering a bounty for illegally dumped goods for 1 year. Participants were paid \$3 per unit during the program. LA spent \$25,000 per month on the pilot program. The program was successful and Nat Isaac has offered to share the data on this project with the committee.

Payments to Solid Waste Facilities: The committee discussed the provisions in the law that requires MRC to reimburse solid waste facilities for certain costs. To develop a reasonable rate, MRC needs to understand these costs and how they are calculated. Advisory committee members offered data on existing mattress collection costs including Tehama County at \$3.10 per mattress for collection and \$7.33 a mattress to recycle.

The City of LA has been collecting mattresses since 2011 and has determined their cost for collection, transportation, labor, and disposal at \$7 - 12 per unit. 70% of this cost is the transportation component. The City of LA has dedicated trucks picking up mattresses in the amount of 35 to 40 per load. They collect about 4000 units per month with 40% of the mattresses picked up through their bulky item collection program. Mattresses are identified in the residents requests for bulky item pickup and through the illegal dumping program. The costs were the same whether the load was collected using a front loader or box truck. The city is using a front loader that compacts the mattresses minimally to reduce damage.

The challenges for participating locations include mattress acceptance criteria, packing into storage containers, available space for storage containers, and dangers of pulling mattresses off of the tipping floor.

The following Advisory Committee staff or other facility operators will provide cost data to Mike O'Donnell to help MRC better understand handling costs as we develop a solid waste handling compensation proposal.

1. David Goldstein - Ventura County cost data from two facilities
2. Doug Kobold – Sacramento, perhaps run a pilot at their transfer facility
3. Kristina Miller – Redding, CA and Chico, CA

4. Terry McDonald – Berkeley, CA

In discussing this issue, committee members stated that some facilities are currently charging a tipping fee to collect mattresses at their facility and the law prohibits this practice if they participate in the program.

Consumer Recycling Fee: The committee discussed the fee paid by consumers on new mattress and box springs that is used to fund the program. Doug compared redemption values as a percentage to the cost of the product. He found the following: CRV for bottles and cans is equal to about 5% of the products value, Paint fee is about 3% of the products value, and e-waste is between 1 and 6% of the products value.

The entire group discussed potential options of using a tiered fee structure vs. using a flat fee for all mattress types. The law allows up the establishment of up to two different fees based on mattress size. The committee suggested that having a set fee for twin and full mattresses and a different fee for queen and king mattresses may be beneficial for addressing consumer about the amount of the fee (environmental justice). The committee will need to further discuss how to address the two box-spring under king mattresses.

Other discussion items: The committee suggested that renovators should be included on the MRC website. MRC responded that they are not currently listed but may explore this option in the future.

The committee suggested holding a stakeholder meeting right before the next advisory committee meeting. MRC committed to scheduling such a meeting.

The committee discussed the retailer take-back requirement that went into effect in July 2014. MRC stated that they had reached out numerous retailers and retailer organizations to inform them of these requirements. CalRecycle stated that possible violators should be sent to them.

Next Meeting: Potential dates for the 9th, 10th and 11th of December were discussed for a meeting in Oakland. Mike stated he would send out a survey to see which dates would work best for the Committee.

Mattress Recycling Council Advisory Committee Meeting

December 9, 2014
1:00 PM to 2:30 PM
Oakland, CA

COMMITTEE MEMBERS:

DOUG KOBOLD, Sacramento County
FRANK CHIN, LA County Dept. of Public Works
REBECCA JEWELL, Waste Management - Davis St. Transfer Station
CHRISTINE FLOWERS for HEIDI SANBORN, California Product Stewardship Council (via phone)
JO ZIENTEK, City of San Jose
VERONICA PARDO, California Refuse Recycling Council
TERRY MCDONALD, St. Vincent De Paul
DON FRANCO, Gateway Mattress
TERESA BUI, Californians Against Waste
DAVID GOLDSTEIN, Ventura County (via phone)
TCHAD ROBINSON, Blue Marble Recycling
MIKE COMBEST, Sleep Train (via phone)

COMMITTEE MEMBERS NOT ATTENDING:

SHARRON BRADLEY, North American Home Furnishings Association

ADDITIONAL ATTENDEES

CHRIS HUDGINS, International Sleep Products Association/Mattress Recycling Council
MIKE O'DONNELL, Mattress Recycling Council
MARK PATTI, Mattress Recycling Council
ASHLEY HARLEY, CalRecycle
LARRY SWEETSER, Regional Council of Rural Counties, ESJPA Consultant

MRC Connecticut Update The Connecticut Program plans are submitted but not approved. The fee has been proposed at \$9.00 per unit. MRC is developing a portal for retailers and others sellers to report and remit fee. Although the plan is not approved, MRC anticipates it will be in coming weeks.

Waste Hierarchy: The committee discussed materials generated during the mattress deconstruction process and ability of mattress recyclers contracted by the program to sell this material to refurbishers.

- MRC expressed concern this would subsidize a secondary market that is highly unregulated and already profitable. A significant number of refurbished mattresses enter the market without proper sanitization or labeling. MRC is comfortable with whole units being diverted to the secondary market. The Program would not pay for these units since they have a positive value. By doing so, the Program does not pay for, or subsidize already profitable businesses and funds can be directed toward mattresses that may otherwise be headed for landfill.

- DR3 and Gateway would like material extracted from mattress deconstruction to go where they receive the highest value including renovation. They also believe this is consistent with the waste management hierarchy.
- Others on the committee agreed that materials should be permitted to go for refurbishment

The group discussed retailers or solid waste entities that may want their mattresses completely deconstructed rather than refurbished. All parties agreed the program can, and should, accommodate these requests.

As part of the discussion, the group wanted to know how documentation would track materials from Recycler receipt to final destination. It was explained that there would be an auditing process in place. The RFP will require potential recyclers to identify their end markets.

A request was made by MRC to table the item and report back in January to clarify if mattress refurbishers would be eligible to receive mattress components from the deconstruction process.

Request for Proposals (RFP) MRC gave an update on the RFP process to identify mattress recyclers and transporters for the Program. RFP forms will include a per unit deconstruction rate, transportation costs, facility capabilities, rolling stock evaluation, and financial analysis. While price is an important factor, geography and transportation resources are also considerations. Contractors will be required to track in-bound mattress volumes and outbound commodity sales to verify claimed recycling percentages. The group requested the following:

- Requests were made to allow price escalators and longer termination clauses. MRC confirmed they would allow proposals to include price escalators and asked for feedback regarding terms.
- There were concerns about the recyclers walking away from their responsibilities under their contract as had happened with other stewardship programs. A recommendation was made to require performance bonds or security check as financial assurance.
- Some on the committee suggested longer term contract. MRC is open to discussion on the point.
- MRC discussed the timeline to release the RFP at the early part of the new year.
- The Connecticut Plan includes a copy of the RFP and is a publically available from MRC's website for reference.

Transportation: MRC discussed the importance of the transportation component of the RFP. It is anticipated that the rural areas will be challenging to service. A per unit cost which factors in the cost of transportation is the easiest way for the MRC to budget for this expense, however, there may be instances where this cost structure will not work. A flat rate stop charge per zone or per location will be the likely course.

MRC made some comparisons to the Connecticut Program. The "milk run" option may work in some rural California areas, but the cost per unit is very high.

Abandon Mattress Pilot Programs: The group discussed the Alameda County and San Rafael pilot programs to incentivize the collection of abandoned mattresses. Mike will forward the San Rafael tag concept to Rebecca for review. The tag labels will include:

- Rate paid per mattress

- Basic instruction for remitting for payment
- Unique ID# to identify location of mattress and size
- Bilingual instructions
- Only mattresses found in the public right-of-way will be tagged for recycling

In Alameda, one day per week will be set aside for staff to tag abandoned mattresses in the public right-of-way. The mattresses can be brought to DR3 for payment. Different values will be assigned to each mattress size to evaluate a price point at which the mattress is too far away, or too large to bother remitting for payment.

In San Rafael, a flat rate will be paid for all mattress types, regardless of size or distance from Marin Sanitary – the remittance location. We anticipate beginning the Program February 1.

Next Meetings: There will be a conference call in January to continue the waste hierarchy discussion.

The next in-person Mattress Advisory Committee Meeting is scheduled for February 11, 2015 in Sacramento from 10:30 to Noon. Topics for next advisory meeting include:

1. Education and Outreach
2. Servicing Rural California
3. Solid Waste Survey

Mattress Recycling Council Advisory Committee Meeting

February 11, 2015

10:30 - Noon

COMMITTEE MEMBERS ATTENDING:

JO ZIENTEK, City of San Jose, (Via Phone)
TERRY MCDONALD, St. Vincent De Paul, (Via Phone)
FRANK CHIN, LA County Dept. of Public Works
DON FRANCO, Gateway Mattress, (Via Phone)
TERESA BUI, Californians Against Waste
TCHAD ROBINSON, Blue Marble Recycling, (Via Phone)
DOUG KOBOLD, Sacramento County
HEIDI SANBORN, California Product Stewardship Council

ADDITIONAL ATTENDEES

CHRIS HUDGINS, International Sleep Products Association/Mattress Recycling Council
MIKE O'DONNELL, Mattress Recycling Council
MARK PATTI, Mattress Recycling Council
RODNEY CLARA, Mattress Recycling Council
AMANDA Wall, Mattress Recycling Council, Marketing and Communications, (Via Phone)
CHRISTINA MILLER, Tehama County (Via Phone)
LARRY SWEETSER, ESJPA Consultant

Mike O'Donnell completed the introductions to start of the meeting.

Mike O'Donnell and Chris Hudgins gave an update on the Connecticut Mattress Stewardship Program. The plan is approved and the program is scheduled to commence on May 1, 2015. Retailers will start collecting fees at that time. Approximately one-third of cities and towns in Connecticut have expressed an interest in participating in the program and there have been no roadblocks at this point.

Rhode Island is on the same path as California in terms of timeline. Program plans are both due on July 1, 2015. February 11, 2015 is the deadline to submit comments for California's proposed regulations with the workshop later today. Mike asked if there were any questions about the Connecticut and Rhode Island programs. There were no questions from the group.

Amanda Wall gave an update regarding the MRC's communications efforts. MRC will be selecting a PR Firm to assist with messaging and outreach. The selected firm's projects will include PSA development, point-of-sale info, media relations/social media strategy and branding/creative services. An initial notice was mailed to California retailers, manufacturers and renovators last week. The goal of the outreach was to inform the various parties of their obligations under California law and encourage them to register with MRC. The MRC is also finalizing an email blast to send to solid waste facilities statewide. It will encourage them to become a participant in the program.

MRC will be producing another series of informational videos for the website. The videos will be used to focus on MRCReporting.org registration, how to use the reporting and remittance functions, and how retailers can answer common questions from customers. MRC is currently using a distribution list of

approximately 10,000 entities to distribute the information. Additionally, MRC has committed to being present at numerous solid waste conferences.

Teresa Bui discussed the retailer take-back requirement in the law. She expressed concerns that the roll-out is spotty across the state. She requested there be a strategy to deal with the fact that common carriers are not required to take back mattresses under the law. Chris Hudgins said we are addressing options for the public that use common carriers with the MRC outreach so individuals know where they are able to drop off their mattresses at no cost. Chris Hudgins urged everyone if they identify retailers not taking back mattresses per the legislation, please contact CalRecycle. Doug Kobold requested CalRecycle provide a legal interpretation of this section of the law. Doug and Teresa will report back as more information becomes available.

The group discussed the two pilot programs evaluating collector incentives:

1. Marin County - There was no update. This pilot runs from February 1 – 28 and has set a \$3 per unit bounty.
2. Oakland – This pilot has tagged 219 mattresses and 178 have been returned. The pilot program began January 19th, 2015. There is a six to twelve dollar range which is based on size. The committee stated that the price point is too high and could have been set lower with similar results. Don Franco thought we should have started in the \$3-5 range. The program is covering all of Alameda County and some mattresses have traveled significant distances to collect the bounty. There is a very consistent group of vendors that are looking for, and returning the abandoned mattresses. Checks are used to pay out collectors. Larry Sweetser and Christina Miller feel paying a bounty would not address rural areas because it still won't make economic sense to transport a mattress 70 or 80 miles.

Frank Chin and Mike O'Donnell talked about the mattress grant program to mitigate illegal dumping. Frank suggested the grant structure and reimbursement could be based on jurisdictional population; each city would be eligible to get a certain amount of money back from the MRC through the grant payout at end of year. Mike O'Donnell stated that MRC needs a simple format that is auditable and that we need mattress counts to report to CalRecycle. Rodney Clara expressed the grant program may be good for the Conservation Corps because they provide job training and work with cities. Currently, there are no good statewide numbers to quantify the number of illegally dumped mattresses. Mike O'Donnell questioned the group to see if there was a way to get that number. Yolo, Tehama, ESJPA, SWANA and the California illegal dumping task force collect some information.

Mike O'Donnell provided an RFP Update. Rhode Island's RFP is posted on the MRC website. California's RFP is still being written and will be released after we evaluate Rhode Island. MRC is encouraging competition and would like a statewide network of recycling facilities. Heidi Sanborn asked if there are incentives to keep mattresses and recycling in the State. Mike O'Donnell expressed that transportation costs serve as a disincentive to moving mattresses long distances and that MRC has been contacted by out of state recyclers wanting to establish recycling facilities in California.

Doug Kobold discussed the committee's obligation to submit a report from the Advisory Committee to the MRC so it can be submitted with the MRCs plan to the State. Doug, Frank and Teresa will work on the first draft of the report.

The group agreed to reconvene for an update regarding the pilot programs this spring.