



CALIFORNIA MATTRESS RECYCLING ADVISORY COMMITTEE

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

November 14, 2018

Scott Smithline, Director
CalRecycle 1001 I Street -P.O. Box 4025
Sacramento, CA 95812-4025

Subject: Recommended Disapproval of the 2017 MRC Revised Annual Report

Dear Director Smithline,

The California Mattress Recycling Advisory Committee (Committee) appreciates the opportunity to provide our comments and recommendations for the Mattress Recycling Council (MRC) 2017 Revised Annual Report (Report). The Committee held a conference call on Thursday, November 8, 2018 to discuss the contents of this letter representing the unified perspective of the entire Committee. While individual Committee members may have comments specific to their industry sector or specific to their organization, they may choose to share them separately. During the conference call, committee members provided verbal and written comments on the Report. A final draft of the letter was shared with the committee on Friday, November 9th and an E-vote was completed on Tuesday, November 14th with the following votes by each committee member.

Committee Member	Vote on MRC letter
Don Franco	Aye
Christopher Gibson	Aye
David Goldstein	Aye
Rebecca Jewell	Out of the Country
Mark Murray	Abstain
Terry McDonald	Aye
Robert McGowan	Aye
Jim McHargue	Aye
Veronica Pardo	Aye
Tchad Robinson	Aye
Rebecca A. Rasmussen	Abstain
Joanne Brasch	Aye
Jo Zientek	Aye
Total	
Aye	10
No	0
Abstain	2
No response	1

The California mattress recycling program has many strengths and the MRC has made some changes to the Report at CalRecycle's request. The Committee is concerned that our recommendations were not in the Report, nor were those of CalRecycle's.

Therefore, the Committee recommends **disapproval of the Report** for the reasons listed below:

1. Convenience

- a. The Report does not state that all fee payers have convenient access to the program. Combining mattress collection events with other collection events, such as E-waste or HHW events, may be more impactful.
- b. MRC did not engage the low-income communities other than increasing outreach and access in two counties, with no activities in the other 56 counties specifically engaging low-income or multi-cultural communities.
- c. The Report does not identify a plan or goals on reducing the occurrence of illegally dumped mattresses.

2. Waste Hierarchy

- a. There is little focus on providing incentives for recyclers to work with renovators (page 33), deterring large scale mattress generators from working with renovators (pages 43), and for not paying recyclers any processing fee for mattresses deemed reusable at the recycler and sold to the renovator. Page 42 shows renovation numbers rising from 2016 to 2017, but 2016 data is acknowledged to be incomplete, so this data should not be used in the report, as it is misleading.
- b. It is unclear what, if anything, is being done to promote innovations, such as green design and new recycling technologies, in California
- c. No mention is made of work to help move wood diversion up the hierarchy from biomass to recycling. Our concern about this is compounded by a follow up email (May 23) from Mike O'Donnell, Program Director of the MRC in response to our inquiries. In that email, he wrote "No need to research other end uses for wood at this time, there are plenty of viable end markets in California." He also wrote, "Wood sent to biomass is considered recycling."
- d. No mention is made of plans, preparations, or efforts to implement simple, low-cost opportunities, suggested by the advisory committee, for using MRC outreach to promote source reduction. This could include publicizing advice related to mattress durability and mattress maintenance derived from organizations such as Consumer Reports and MattressClarity.com

3. Research and Development

- a. Similar to the concerns presented in the Waste hierarchy section, the Committee agrees there is not enough investment in green design and recycling technology to reduce total mattress discards and improve the recycling yield per mattress. MRC staff previously told the Subcommittee on Diversion and Commodity Markets that over \$900,000 would be in the budget for research and development, primarily

focused on development of commodity markets. Page 223 shows just \$54,776 spent for “research and advisory” in 2017. It is not clear from the report how the MRC is preparing for the massive scale-up required to make this jump. Has new staff been hired for development of commodity markets? Have research and development contracts been put in place with public, private, or non-profit organizations? Did staff work with existing producers of recycled products to investigate whether subsidies, free delivery of material, or other methods of assistance could boost their production?

- b. It is unclear what, if anything, has been done to implement strategies previously discussed by the committee with the MRC, including funding test runs of products using recycled mattress commodities, promoting products made with content from California mattresses, or paying for financial and business planning consultants to help these companies find opportunities for expansion using recycled mattress commodities.

The new “Sustainability Initiative” added to the revised annual report in response to requirements to promote source reduction (page 40) is an outreach and data gathering effort, seeking voluntary compliance from mattress industry participants. It should not be funded through research and development funds.

4. Reserves

- a. The Committee agrees with CalRecycle and the Joint Legislative Audit Committee (JLAC) that the reserves are too large with little justification of why.
- b. The Committee agrees with the JLAC audit on the need for better fiscal controls and transparency on \$40+ million of public fee money controlled by MRC.

5. Metrics and Goals were missing from the following sections:

- a. “Data collected from this survey will add to MRC’s understanding of awareness levels in low-income communities” does not equate to access and needs to describe the methods of achieving increased program use in those communities. (page 9)
- b. “MRC will be evaluating all solid waste collection contracts in California to locate and recruit additional communities into the Program,” but does not provide detail on how this evaluation is going to occur, and what criteria will be used to locate and recruit additional communities. What associations (maybe CRRA) are they going to use to help coordinate this effort? (page 16)
- c. “The more that retailers do to fulfill their pick-up obligations, the more accessible the Program is to consumers, and the less that the Program needs to rely on other options for collecting discarded mattresses for recycling,” does not indicate what MRC is doing to ensure retailers are fulfilling their obligations and no quantification of how many producers use common-carrier delivery, exempting them from the requirement set to ensure convenience.
- d. “MRC conducts random and scheduled visits of recyclers and collectors to confirm their compliance” is missing number and depth of these audits, and how these visits

are improving the program. Also include metrics on how many audits showed compliance vs. non-compliance with program requirements. (Page 19)

- e. “MRC is currently conducting a study to identify all bulky-item pick-up programs that could join the program” is missing other collection companies, recycle yards, and corporation yards that collect bulky items and do not fall under the CalRecycle permit requirements and no detail on extending these other programs when they are outside the requirements of the permit. (page 21)
- f. “[The GIS convenience] analysis will help MRC define metrics to quantify convenient access to the Program and identify underserved areas” does not identify timelines or goal for using the information for programmatic changes. (page 30)
- g. The table on page 44 of the report shows how low performance at “Recycler A” was a major factor in the failure to make progress towards improvement of the “recycling rate” (which should actually be called the “utilization rate” of commodities collected for recycling). The goal is 75%, and the utilization rate declined from 63.6% to 59.2%. Even if an explanation of problems with “Recycler A” is not possible at this time due to legal or other issues, an equally relevant matter is also ignored. No explanation is given for why “Recycler C” is no longer an MRC contractor, even though their utilization rate rose from 59% in 2016 to 70% in 2017. More importantly, no information is provided related to lessons learned regarding progress towards improvement of utilization goals. This is just one example of how we are asked to advise on a program that does not share all the information with the Committee.

In previous meetings, the Committee discussed the need for new legislation to amend the mattress stewardship law SB 1274 (Hancock) to optimize the requirements and drive green design. The waste hierarchy is not enough as it is not driving producers to design for recyclability. This is evident in the Report on pages 33, 40, and 43 as discussed in this letter.

The Committee is prepared to meet in 2019 to specifically discuss the gamut of legislative opportunities to optimize mattress recycling in California and be a model for other states to drive a circular economy.

Respectfully,

Terry McDonald, *Chair*
St. Vincent de Paul Society of Lane Co., Inc.

Joanne Brasch, *Vice Chair*
California Product Stewardship Council

David Goldstein
Diversions & Commodity Markets
Subcommittee Chair
Ventura County

Jim McHargue
Illegal Dumping Subcommittee Chair
Amador County

Rebecca A. Rasmussen
Outreach & Program Marketing
Subcommittee Chair
Office of Mayor Eric Garcetti, City of LA

Don Franco

Gateway Mattress Co., Inc.

Rebecca Jewell

Independent Consulting

Robert McGowan

Pacific Central Region at Mattress Firm Inc.

Veronica Pardo

California Refuse Recycling Council

Chris Gibson

Recology

Mark Murray

Californians Against Waste

Tchad Robinson

Blue Marble Materials

Jo Zientek

Santa Clara County