



**Henry McMaster**  
Governor

**SOUTH CAROLINA**  
DEPARTMENT OF COMMERCE

**Harry Lightsey**  
Secretary

**Recycling Market Development Advisory Council (RMDAC) Retreat**  
**Thursday, November 17, 2022**  
**10:30 AM – 3:00 PM**

**RMDAC**

Wes Westbrook, BMW  
Tina Green, Mumford Industries  
Norman Chandler, Republic Services  
Dr. Andy Spicer, USC Darla Moore School of Business  
Chris Fisher, GlassWRX SC  
Carol James-Gilchrist, Sonoco Recycling  
Elizabeth Morgan, City of Rock Hill  
Michelle LaRocco, Georgetown County  
Angel Lara, Mid-Carolina Steel  
Chad Prescott, Mid Carolina Steel  
Jay Spears, Continental Tire

**ABSENT**

Kristen Brown, WasteZero  
Brad Dutton, Dutton Polymers

**GUESTS**

Glenn Odom, Retired  
Elizabeth Rhue, Sonoco  
Leslie Rodgers, Atlas Organics

**STAFF**

Anna DeLage, SC Department of Commerce  
Allyson Barbier, SC Department of Commerce  
Ashley Jenkins, SC Department of Commerce



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## **CALL MEETING TO ORDER**

Wes Westbrooks motioned to call the meeting to order at 10:33 AM.

## **MINUTES**

The October 4<sup>th</sup> RMDAC meeting minutes were approved.

Wes Westbrooks: welcomed everyone.

## **WELCOME**

- Anna DeLage welcomes RMDAC Members and reviews the agenda. She discusses the need to fill the Oil Representative Member. Anna then reviews the RMDAC mission and asks these questions:
  - What can we do better together?
  - What is our vision for 2023 and beyond?
  - How do we best serve the mission?
- Anna introduces Joseph McMillin from Atlas Organics

## **Joseph McMillin presented information on Atlas Organics.**

- 14 facilities across the country
- Founded in 2015
- Sales are mostly compost to agriculture and landscaping
- Tour of Pre-processing contamination removal line in San Antonio, Texas
  - Blue line helps remove dust so atlas organics and AI technology can remove contaminants out of material, leaves on a conveyor belt and goes to grinder to be broken down
  - One of the only companies in the world using AI technology for this
  - Food waste comes from grocery stores, commercial food waste collection
  - Collected over 700 tons of food waste from 250,000 households w/ a 2.8% contamination rate- City of San Antonio provide the green carts, pick-up weekly
- Tour of Washington Facility
  - Sub-grade ariation- air goes down through material then up through the ground
  - If piles start getting too hot, blower will pick up and start cooling the piles
  - Acts as a liquid management system, any water that touches the pad goes into tanks
  - Take fruit juice, beer, grease to hydrate material- way to add revenue w/o taking up space
  - Have a manual pre-screener, no AI like San Antonio



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- Customer will sometimes want a specific microbe depending on what they are growing
- Biggest competitor is lack of planning, landfills, animal feed for long term streams
- Privately owned

**Elizabeth Rhue presented information on Atlas Organics.**

- Consumer packaging- 51% of revenue
- Industrial paper packaging- 38% of revenue
- Everything else- 11% of revenue
- 2030 targets address scope 1, 2, and 3 emissions
- Trends: emissions reduction, ESG investing, social component (recruitment and retention of workforce), increased regulation, ESG business strategy integration
- Emissions Reduction: Data collection, energy offset, 3<sup>rd</sup> party validation for net zero carbon goals
- ESG investing and disclosures: larger the company- more likely they will be reporting, ESG disclosure levels have doubled in the last 5 years
- Social part of ESG: DEI, treat employees well, livable wage
- Regulation: reporting and transparency, emissions, water quality, chemicals of concern, waste and recycling, single use plastics
- Integrating ESG into your business strategy: understand your key stakeholders' goals and focus areas, begin collecting data, educate your organization and other stakeholders

**RMDAC DISCUSSION**

**Sustainability Trends and Discussions**

- EV investment- recycling in end-of-life materials (batteries, tires)
- Need more investment in infrastructure and planning for logistics (automotive scrap yards can play a role in collection)
- Safety concerns
- Education of workforce
- Federal funding
- New industry emergence (impatient mindset)
- Automation of recycling tech
- Nuclear energy is being pushed- waste management
- Carpet recycling is a challenge (labor intensive)
- Black smoke from burning tires (TDF)- need to find alternative end markets
- Third party audits for ESG reporting
- Bio-solids
- Funding for municipalities is lacking
- Counties don't have plans to handle fluctuating markets-need to shift budgeting mind-set, so it isn't reliant on markets



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- Educating our legislatures- what economic studies are available?
- Rubber modified asphalt- more expensive in upfront costs, less future costs for repairs- opportunity for counties
- Construction debris, MSW, industrial sludges, cardboard are taking up landfill
- Messaging after China stopped accepting recycling, recycling is dead- many counties had to stop recycling programs
- Need to explain to consumers that recycling is not free, it's a service
- Market fluctuations
- Cross-sector partnerships- collaboration for best practice sharing
- Choose an audience
- Grants and incentives, especially for funding equipment
- Aging solar panels

### **RMDAC YEAR IN REVIEW**

- Anna DeLage discusses the priorities of RMDAC and staff from 2022.
- Commerce Priorities- Collab w/ Chinese Chamber of Commerce, hire fulltime recycling coordinator, B2B recycling assistance, recycling company connections, GBD support, act as a liaison w/ Sustain SC – bring to meeting, SDG Study
- DHEC Priorities- Complete economic impact study
- RMDAC Priorities-RMDAC report, engage w/ state representatives about recycling issues, RMDAC meeting tours, CRA legislative day at the State House, develop cardboard ban, onboard new members
- Anna DeLage shows RMDAC Members the House Oversight Recap from 2021 vs. 2022. The videos cover comments made by Rep. Bill Hixon. In 2021, he was concerned with the RMDAC member terms being expired. He was also concerned that he had never seen the RMDAC report or heard of the program and council. After attending the RMDAC meeting in October 2022 in North Augusta, Rep. Hixon expresses his appreciation for the Recycling team at Commerce and RMDAC and his desire to support legislation that helps the group.
- Anna DeLage goes over the activities from 2022 as well as future activities.

### **SC Legislative Day:**

- Scheduled for February 21<sup>st</sup>, 2023
- Opportunity to educate legislatures, tell a story, invite on tours and to meetings
- Invite legislatures from each county where the meetings are
- Do we have any strategic areas? Beaufort, Hartsville (Sonoco), Richland County (CMC Steel)- invite Secretary Lightsey, Governor and Lt. Governor

### **Retreat Areas:**

- BMW
- Atlas Organics in Lexington
- Enerra

### **Scrap Tire Sustainability Coalition:**

- Series of 3 meetings, 1 more in December discussing RMA



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- Covering grants, markets, funding, and education
- SC Association of Counties is interested in increasing the \$2 fee

#### 2022 Economic Impact Study:

- Doesn't show much growth so we are trying to figure out how to market it
- Automation- jobs aren't going up anymore
- Going to use infographics and a video
- RMDAC members mention that it is important to remember the increase in automation and the job numbers staying the same, this could mean more investment in recycling than we thought

#### SC Materials Exchange:

- Facebook Market Place for recycling/reuse materials
- Has not officially launched
- Next steps?- RMDAC Members suggest a reveal party with Representative Hixon
- RMDAC Members are curious as to which manufacturers will use it

#### Cardboard Ban:

- Research policies in US
- Develop presentation and talking points
- Stakeholder engagement
- Still need to do video development
- Also need to update based on market changes
- Counties were not a fan of the cardboard ban at DHEC Solid Waste Annual Meeting- said it would flood the market and put the burden on the counties
- Glenn Odom clarifies that the cardboard ban should be rebranded as "cardboard recycling standards" which is promoting businesses of a certain level to recycle cardboard (not residential). Counties were under the impression this "ban" would be on residents and small businesses.
- Carol from Sonoco gives an update on the paper mills- over-produced inventor, sitting on finished goods, don't need the feedstock – cardboard ban would exacerbate this issue, but the export market has opened a little (to China)
- Scale traffic- small vendors who collect from small businesses- go away when markets are down so small businesses just send to landfill
- RMDAC Member say that Local Government needs to tell us what they can do
- Ashley Jenkins mentions that DHEC said in the Solid Waste Annual Meeting that DHEC said counties can drop certain commodities if they don't have the funding
- RMDAC members discuss that the tipping fees need to increase and that we need to try to hit DHEC's goals, we are very behind
- The county budget is not designed to keep up with fluctuating markets



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Web Analytics:

- Mindset needs to be changed from just recycling but waste management

- 11,000 users on webpage
- People are looking at the directory more than anything

SDG Study w/ Sustain SC and Ernst & Young:

- South Carolina is #37 in the US in Sustainability
- Our competitors (Georgia, North Carolina) rank better than we do
- Sustain SC is pulling stories of our companies and their goals
- Ambassadors meet to discuss how we develop strategy to improve our SDG rankings
- Initiatives: MRF value chain and economics, recycling policy and awareness, and food waste reduction
- Opportunity for RMDAC to weigh in
- Dr. Spicer discusses the importance of co-creation and how having someone from the outside of the industry come in and impose on an existing infrastructure never works. He mentions having EY develop value chains for us.

### **RMDAC PRIORITIES FOR 2023:**

- policy goal- instead of bans maybe incentives to improve end markets, policies to support clean energy
- state procurement
- political education- engage governor's office and gen. assembly
- revamp our story- clear message for legislative day- Feb. 21- show value of end market and show/develop value chain- appeal to emotion and a common purpose (economics and conservation)- ex. Your Bottle Means Jobs
- markets fluctuate so a clear message around recycling education can be difficult- try to simplify by explaining the business side
- need for carpet in SC- recycling end market is in place
- school district composting programs
- grants and funding for innovation- infrastructure for counties/schools- cover cost to build market infrastructure
- decrease contamination through education
- work with large companies instead of residential audience
- conversations with governmental agencies- see if there is money available
- make contact info of RMDAC members available to manufacturers and legislatures
- education of workforce through trade schools- engage EY

### **PLUS DELTA:**

- Great location
- Have tea next time
- Effective and open conversation



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- Bring facilitator next time
- More discussion and less presentation next time
- Start time was good
- The dinner and bowl for tonight

### **MARKETS UPDATE**

Paper: Mixed paper is at 0. If it goes into the negatives, Sonoco will have to stop certain programs. Once you stop them, it is hard to get them back and running. SOP is holding strong.

Glass: There is no change in glass.

Solid Waste: MSW and landfill volumes continue to hold steady with pricing in line with current inflationary trends. MSW is going down which is an indication of the economy.

Carpet: Nylon 66 is in high demand price slightly lower. Nylon 6 is in high demand and price is the same. PP high quality is good, price is coming down.

Cardboard: Cardboard is down to \$35 and expected to drop another \$10 in December

Plastics: is starting to come back up.

Organics: From a localized Atlas perspective, \$11.58 for all products in the last quarter.

Metals: Number one heavy metal scrap had a high of \$545 per ton in March and it went down to \$343 a gross ton in November. Industrial Comp was \$776 a gross ton in April and went down to \$366 in November. Shredded scrap is at \$374 in November.

### **ADJOURN**

The RMDAC Retreat Meeting was adjourned at 4:20 pm.

The next RMDAC meeting will be held on January 17<sup>th</sup>, 2023.