

Universal Recycling Grant and Low Interest Loan Program FAQs

Q. What is the state's position on recycling?

A. The state's position on recycling, as spelled out in Senate Bill 234, is to maximize the diversion of recyclables from disposal with specified diversion goals by specified dates. The Universal Recycling Grant and Low Interest Loan Program is designed to assist with the capital start up costs of implementing the programs that will be necessary to achieve the identified diversion goals. By doing so the state will conserve resources and energy, extend the life of the landfills, create jobs, reduce green house gas emissions, and promote sustainability.

Q. What is meant by the statement "Providers of trash services must supply customers with recycling?"

A. No later than January 1, 2013 anyone providing solid waste collection services must also provide single-stream recycling collection services to all Delaware multi-family (i.e. apartment and condominium) customers. The service must include providing appropriately sized recyclables containers that are adequately sized for the customers use such that recycling is encouraged and disposal is discouraged, notification on participation in the recycling program and a frequency of collection that precludes the containers from over flowing. Multi-family residential owners are required to provide residents with information on participation at least yearly. The universal recycling law also has a single-family residential component and a commercial recycling component, but they are not a priority in this grant cycle.

Q. Is there a maximum amount of funds an applicant can request?

A. No, however; there is a definite limit to the total amount of grant money that can be awarded and distributed amongst the grantees and therefore the grant requestors are asked to exercise frugality in their requests. The program is competitive; it is possible that applicants may not be awarded or be only partially funded. Also, please note that this is a reimbursement designed program. The intent is that a one-time reimbursement request will be submitted by the grantee and a one-time reimbursement will be issued by the Department. On a case-by-case basis advances for grant money will be considered. If you are issued an advanced award and you have not implemented your program or spent the money by the end of the grant period, you will be required to return any unused award money.

Q. Can I request money for yard waste ban related activities?

A. Although you are not precluded from applying for funds for single-family residential recycling, commercial recycling, or yard waste recycling activities, **the priority for this grant offering is the implementation single-stream recycling in multi-family complexes.** Please understand, the yard waste ban was implemented via a permit condition and is not related to, or a requirement of, Universal Recycling. Even if Universal Recycling was not implemented, the yard waste ban would still be in effect and there would not be any grant program associated with it.

Q. What happens if I do not reach the goals stated in the legislation?

A. The diversion goals specified in the legislation are statewide goals. There is no penalty for any public or private waste hauler not achieving the specified goals within a defined geographical boundary. If it is determined in 2015 that we are collectively falling short of the stated goals, then recommendations will be made by DNREC and the Recycling Public Advisory Council as to what actions may need to be taken in order to achieve those goals. In the interim, it is in the interest of all recycling stakeholders to maximize diversion of recyclables from disposal not only for the beneficial reasons already stated, but also to

avoid the need for additional requirements and intervention to see that the goals are met. While the stated goals can be fairly characterized as aggressive, they are achievable.

Q. Where is the grant money coming from?

A. The grant is being funded by the new 4 cent recycling fee that replaced the 5 cent bottle deposit on December 1, 2010 for each qualifying beverage container sold in Delaware. This temporary fee was originally expected to generate \$22 million in revenue to fund the grant program and the fee is set to expire on December 1, 2014. However, based on the first year's fee revenue it is unlikely this funding source will achieve \$22 million in revenue and total funds collected are now expected to be in the \$12 to \$14 million range by the time the fee ends.

Q. What recyclables are included?

A. To satisfy the single-stream recycling service requirement, the recyclables included are number 1, 2, 4, 5 and 7 plastic containers, paperboard (i.e. cereal boxes), glass containers, newsprint, office and mixed paper, cardboard, and steel/tin and aluminum cans. All of these recyclables can be commingled by the customer and stored in the same container. For a more complete list of acceptable recyclables please visit: www.recycling.delaware.gov

Q. What if a municipality cannot use a truck more than 10-20% of the time but needs to purchase one to comply with the implementation of Universal Recycling?

A. The grant requests will be reviewed for efficiency in deciding who to award grant funds to and partial awards in these circumstances are a distinct possibility. Partnering should be considered with surrounding communities and/or public-private partnerships. Although not covered by the grant program, we suggest exploring sub-contracting for services where equipment usage would be very low. Grant funding is limited to the amount of start-up costs that were estimated for implementation of efficient statewide recycling collection. There is no "slush" for low efficiency requests. An alternative to applying for a new truck might be to apply for equipment to clean an existing truck in between trash and recycling collections.

Q. Can DNREC provide an estimate on the average amount of recyclables that are diverted from Delaware households?

A. Yes. Based on the experience of other recycling programs in Delaware and elsewhere, it should be estimated that on average somewhere between about 550 and 750 pounds per participating household per year of recyclables will be diverted from disposal. Socioeconomic factors influence the lower and upper end of this range. Therefore you may use your community/customer demographics to estimate the range recyclables of recyclables that may be diverted. DNREC has heard from many avid participants that the volume of their recyclables far exceeds the volume of their trash. Participation levels and diversion rates are heavily influenced by customer education and advertising.

Q. Is there a specific match requirement?

A. No. DNREC is not requiring any specific match requirements. However, it may be possible to receive a few extra points by showing any match contributions. Since this grant program is designed primarily to defray the capital start up costs of implementing Universal Recycling, any match should primarily be capital cost related as well. Costs for labor will not be considered for the simple reason that everyone will have labor costs.

Finally, it cannot be understated that match is not nearly as important as, or as valuable as, the other scoring criteria. To focus on supplying a match at the cost of inadequately addressing the other scoring criteria, would be diminish an applications potential overall score and therefore is not advised. Please do not put too much emphasis on the match requirement, overall it simply isn't that important as compared with all other components of the application.

Q. Can additional pages be attached to the application if I want to provide more information than what will fit on the application?

A. Yes. In the event that the space provided on the application is not long enough for the information you would like to submit, you may attach up to **one additional page** with your application. Additional pages are only acceptable if you run out of rows on your budget worksheet OR for attachments such as quotes that support the budget expenses.

Q. Are there any reasons that DNREC would allow for a rate increase from grant recipients?

There are two conditions which have been identified by both the public and private waste haulers where such a grant recipient should be allowed to consider a rate increase between the time application for a grant is made and the March 15, 2013 freeze on waste service rate increases:

1. An increase in the DSWA tipping fees and,
2. An increase in fuel costs.

As has been explained since the introduction of Universal Recycling, the design of the legislation is to maximize the diversion of recyclables and to do so while minimizing the cost of the implementing the required recycling programs. As such, it is DNREC's position that a waste collection service rate increase due to either a raise in DSWA tipping fee or fuel costs should only be a direct pass through to the customer.

For example: If the average household generates 1.25 tons of waste per year (and this number should decrease with the implementation of single-family, single stream recycling) and DSWA's tip fee increase by \$2.00, then the additional average cost of disposal per household per year is \$2.50 per year or \$0.63 per quarter or \$0.21 per month. Therefore the waste service rates should not increase more than this amount. **This requirement will be a condition of the contract between DNREC and any Universal Recycling and Low Interest Loan grant recipient.**

Q. How can I receive DNREC press releases?

A. Send an email to join-dnrec_press_releases@lists.state.de.us. Press releases are also found on the DNREC homepage www.dnrec.delaware.gov (go to left hand side of the page and click on "Newsroom").