

September 1, 2000

FISCAL YEAR 1999-00
SOLID WASTE MANAGEMENT TRUST FUND
ANNUAL REPORT

This report details for FY 00 (July 1, 1999 - June 30, 2000) the activities and expenditures of the Solid Waste Management Trust Fund. The Trust Fund is administered by the Division of Pollution Prevention and Environmental Assistance (DPPEA) in the Department of Environment and Natural Resources. The Trust Fund was created by the passage of the Solid Waste Management Act of 1989 (SB 111) and is funded routinely by partial proceeds from a fee on the sale of new tires, a tax on virgin newsprint, and an advanced disposal fee on white goods (appliances). Additional revenues can come from appropriations and private donations.

The purpose of the Trust Fund is to provide funding for a range of solid waste management activities and to support achievement of the state's 40 percent waste reduction goal by 2001. Funding is intended for such activities as technical assistance to local governments, businesses, and other entities on solid waste issues; solid waste educational activities; research and demonstration projects; and recycling market development activities (G.S. 130A- 309.12).

As noted in the table below, the Solid Waste Management Trust Fund received \$847,922 in revenues in FY 00. When added to the beginning balance on July 1, 1999 of \$1,563,245, a total of \$2,411,167 was available for expenditure from the Trust Fund for FY 00. Actual expenditures for FY 99 were \$864,715, leaving a fund balance at the end of FY 99 of \$1,546,452. An additional \$976,695 of that balance was encumbered for previous grant contracts that had not been completed and for which funding had not fully been disbursed (grant contracts are paid on a reimbursement basis). The unencumbered balance at the end of FY 00 was \$569,757.

Two late grant cycles in FY 00 resulted in additional encumbrances of \$284,423 in early FY 00. These expenditures were approved in FY 99, but the encumbrances did not take place until FY 00. Taking into account these early encumbrances, the Trust Fund entered FY 01 with \$285,334 in unencumbered funds (not counting any anticipated revenues for FY 01).

**Summary of Trust Fund Expenditures
and Revenues - FY 00**

	Total FY 00
Beginning Balance	\$ 1,563,245
Revenue	\$ 847,922
Expenditures	\$ 864,715
Ending Balance	\$ 1,546,452
Encumbrances	\$ 976,695
"Uncommitted" funds as of 6/30/00	\$ 569,757

**Breakdown of Revenue Sources
FY 00**

Revenue Source	Total FY 00
Tire Tax	\$ 504,970
White Goods ADF	\$ 337,602
Newsprint Tax	\$ 350
Appropriations	\$ 0
Private Sector	\$ 5,000
Total Revenues	\$ 847,922

TRUST FUND REVENUE SOURCES - FY 00

Trust Fund revenues in FY 00, as indicated in the table above, came from four of the five possible revenue sources identified in the General Statutes. Activity from each revenue source is described below:

2% Tire tax – Trust Fund revenues from the tax on the sale of new tires accounted for \$504,970 or just under 60 percent of total revenues during FY 00, up three percent from \$489,485 in FY 99.

White Goods Tax – Proceeds from the advanced disposal fee (ADF) on white goods accounted for \$337,602, or just under 40 percent of total revenues for FY 00. White goods proceeds were 11 percent lower in FY 00 than in FY 99.

Virgin Newsprint Tax – North Carolina newspaper publishers that fail to meet state-required purchasing goals for recycled content newsprint must pay a \$15.00 per ton tax on the virgin newsprint they consume. The law allows wide exemptions for companies that are unable to purchase recycled content newsprint due to availability or pricing constraints, or who are actively involved in the recovery of newspaper for recycling. During FY 00, only \$350 in revenues were received from the virgin newsprint tax. In seven years, the annual revenue from the newsprint tax has never been higher than \$3000.

General Appropriations - When the Trust Fund was first established in 1989, a one-time appropriation of \$300,000 was allocated to provide an initial fund balance. Since that time, however, there have been no further appropriations to the Trust Fund.

Private Sector Contributions to the Trust Fund – The North Carolina Soft Drink Association was the sole private contributor to the Solid Waste Management Trust Fund in FY 00, donating \$5,000 toward the “Recycle Guys” educational campaign (see more on this campaign below).

A Note on Trust Fund Revenues:

A major issue for the Solid Waste Management Trust Fund is the stability of its revenue sources. As detailed above, 99 percent of Trust Fund revenues come from two sources - statewide fees on the sale of tires and white goods. The Trust Fund receives 5 percent of the proceeds from the tire tax and 8 percent of the proceeds from the white goods ADF. In the 2000 session of the General Assembly, the “sunset” on the white goods fee was removed. In addition, the Department of Environment and Natural Resources was instructed to make recommendations to the General Assembly by October 1, 2000 on both the tires and white goods programs. As it stands, the tire legislation sunset scheduled for June 30, 2002 would reduce the fee to 1 percent on all tire sales and would raise the amount of the fee coming to Trust Fund to 10 percent of proceeds. More detail on the sources of Trust Fund revenue is provided in Attachment A to this Report.

TRUST FUND EXPENDITURES - FY 00

The array of items funded through the Trust Fund fall within four main categories: 1) grants, 2) educational and research projects, 3) miscellaneous projects and 4) staff support, including sponsorship of two student interns each year. The following text describes the projects and ongoing activities of the Trust Fund during FY 00:

I. FY 00 Grants

In determining how to make the most appropriate grant opportunities from the Trust Fund, DPPEA depends on state-level data and an analysis of the keys to success for recycling in North Carolina. The grant opportunities put forth in FY 00 were based in large part on data that showed three large components – organics, construction and demolition waste, and paper – dominate the state’s disposed waste stream. There is a need to develop waste reduction programs and infrastructure in these areas if the state is to make progress toward its waste reduction goal. In addition, DPPEA seeks every year to fund

local government programs, which remain the backbone of recycling efforts in the state. DPPEA has also targeted best management practices and other activities that will strengthen waste reduction efforts, such as recycled content purchasing and pay-as-you-throw programs. Grants are also used to encourage attention to the top of the waste reduction hierarchy established by the General Assembly in 1989. Thus, specific categories of awards are established for source reduction and reuse programs. The following text describes FY 00's grant making activities.

2000 Solid Waste Reduction Assistance Grant Awards

Since 1992, DPPEA has conducted the Solid Waste Reduction Assistance Grants Program to help meet the basic equipment and other needs of local governments and non-profit agencies. The size of the individual grant awards has typically been small (generally between \$4,000 and \$25,000 each), enabling a wide distribution of the limited funds available in the Trust Fund. To ensure full support of a grant by the administering agency and its decision-making body, a match is required of the grantee, usually in the range of 10 to 20 percent.

Solid Waste Reduction Assistance Grant cycles are highly competitive. To encourage objective selection of the best proposals, DPPEA convenes a panel of five award judges who make funding decisions using a blind-vote process under a pre-established set of criteria and points (this procedure is used in all grant reviews by DPPEA). DPPEA often sets up the grant process to encourage specific activities, such as the implementation of source reduction and commercial/industrial waste reduction programs.

The 2000 Solid Waste Reduction Assistance Grant cycle was initiated by a Request for Proposals sent in February 2000 to all 100 counties, 520 municipalities, 18 regional Councils of Government, and a list of non-profit agencies involved in waste reduction. The grant cycle included four categories of possible projects: 1) the promotion of backyard composting, 2) the building of "swap shops" at community convenience centers to encourage reuse of discarded items, 3) improvement of local educational efforts, and 4) general waste reduction projects. DPPEA received 23 grant proposals requesting a total of \$269,428 in funding and completed its award process in May. Seventeen proposals were selected for funding for a total award amount of \$179,423. For more detail on specific recipients and their projects, please see Attachment B to this report.

2000 Organics Waste Reduction Assistance Grants

In FY 00, DPPEA conducted the second annual grant cycle aimed at reducing organic solid wastes. Organics, in particular food wastes, represent 11 percent of all landfilled waste, making it one of the largest single waste streams. However, the waste reduction infrastructure for these wastes in North Carolina is highly underdeveloped.

In October 1999, a Request for Proposals was sent to all interested parties, including local government agencies, and non-profit and for-profit organizations, soliciting project proposals for the reduction of organic wastes. DPPEA received 19 proposals requesting a total of \$449,937 in funding. Using a grant review process similar to the Solid Waste Reduction Assistance Grants, DPPEA made grant awards to nine recipients for a total award amount of \$187,737. The awarded projects are expected to permanently divert as much as 5,000 tons annually from landfills. For more detail on specific recipients, please see Attachment C to this report.

2000 Construction and Demolition Waste Grants

As a result of North Carolina's tremendous economic growth, construction and demolition (C&D) wastes are by far the largest single waste stream in the state. In an effort to build up the C&D recycling infrastructure in North Carolina, DPPEA conducted its second C&D waste reduction grant round in the fall of 1999. Requests-for-proposals were sent out to prospective public and private sector recipients in September 1999. Twenty-two proposals were submitted requesting a total of \$512,633 in funding. In

December 2000, Seventeen proposals were selected for funding for a total award of \$278,700. The selected projects are expected to result in the permanent annual diversion of 42,000 tons of solid waste from North Carolina landfills. For more detail on specific recipients, please see Attachment D to this report.

2000 Paper Waste Reduction Grants

Behind C&D wastes, paper is the next largest category of disposed wastes in North Carolina. To encourage greater diversion of this waste stream and to take advantage of existing market opportunities for various paper grades, DPPEA conducted a specific grant cycle in FY 00 for paper. A request-for-proposal was sent out to public and private sector entities statewide in January, 2000, and resulted in the receipt of nine proposals requesting a total of \$172,287 in funding. In April 2000, six projects were selected for funding at a total of \$105,000 in funding. For more detail on specific recipients, please see Attachment E to this report.

2000 Buy Recycled Grants

The widespread purchase of recycled products is critical to the strength of recycling markets and the overall success of recycling. In FY 00, DPPEA conducted the first specific grant cycle to encourage the development and expansion of buy recycled programs at the local government level. In November 1999, a Request-for-Proposals was distributed to local government agencies across the state, resulting in the submittal of nine proposals to DPPEA requesting \$40,690. Using its standard review process, DPPEA awarded grants to eight communities for a total award of \$30,909. For more detail on specific recipients, please see Attachment F to this report.

Feedstock Conversion Grants

Since 1997, DPPEA has conducted an EPA funded project to promote “feedstock conversion” wherein manufacturers begin to use recycled materials rather than virgin feedstocks to make their products. These conversions increase recycling markets, providing additional outlets for materials recovered from the waste stream by local governments and businesses. As a component of this project, DPPEA conducted a feedstock conversion grant round beginning with distribution of a Request-for-Proposals in October, 1999. DPPEA received four proposals requesting a total of \$80,000. Awards were made for two projects in January 2000 for a total of \$30,000 in feedstock conversion grants. For more detail on specific recipients, please see Attachment G to this report.

Pay-as-you-throw Grants

“Pay-as-you-throw” programs use financial incentives to encourage households and other waste generators to reduce, reuse, and recycle. In FY 00, DPPEA received a grant from the US EPA to encourage the adoption of pay-as-you-throw programs by North Carolina cities and counties. As part of this effort, DPPEA has offered \$10,000 pay-as-you-throw grants to local governments on a first-come, first-serve basis to help them plan and implement their programs. In FY 00, two local governments were awarded pay-as-you-throw grant contracts – Charlotte and Mecklenburg County. The implementation of pay-as-you-throw in these high population communities would be a major step forward for this mechanism in North Carolina. DPPEA will continue to offer pay-as-you-throw grants in FY 01.

Needs not met

Because of limited funding, many requests for grants from the Solid Waste Management Trust Fund are turned down. In addition, to stretch Trust Fund resources, DPPEA often works with recipients to reduce their requested award (without harming the project). Most grant amounts are also relatively small, hence meeting larger, more capital-intensive requests is relatively unfeasible. Furthermore, with the competitive nature of a cycle such as the Solid Waste Reduction Assistance Grants, many local governments have grown discouraged in seeking grants from the Trust Fund – the number of grant applicants has declined from between 80 and 150 per year in the early 1990s to around 30 or so per year in the late 1990s.

The inability to meet all requests diminishes the Trust Fund's potential to build the state's waste reduction infrastructure. As one indicator of this "unmet" need, the Trust Fund's competitive grant opportunities in FY 00 resulted in 23 turned-down proposals and approximately \$674,000 in denied funding. In helping the state reach its 40 percent per capita waste reduction goal by 2001, the Trust Fund's lack of resources has been a limiting factor.

Grants from Previous Fiscal Years

Grant awards made in past fiscal years from the Solid Waste Management Trust Fund have been specifically described in previous Annual Reports. DPPEA keeps extensive records on grant projects awarded to date and can provide information about previous grant cycles or about individual grants upon request.

II. Education, Research, and Special Projects:

In addition to providing funding for waste reduction grants, the Trust Fund is used to fund special education projects, training programs, research projects and the development of publications that can be distributed statewide. These special projects often allow for a wider impact than individual grants, which usually affect only a restricted area of the state. While some education and research projects are initiated by DPPEA in response to a perceived need, many projects are proposed by outside parties. In the latter case, funding requests are reviewed and evaluated based upon consistency with overall state waste reduction goals and the demonstrated need for the proposed project. Below is a description of the educational and research projects funded through the Trust Fund during FY 00.

Recycle Guys (\$23,505)

In FY 00 North Carolina adopted a highly successful recycling educational campaign originally developed by the State of South Carolina. The "Recycle Guys" campaign features cartoon characters representing different recyclable materials that appear in television and radio advertisements promoting recycling, source reduction, composting, and buying recycled products. In addition, trading cards, activity books, special event costumes, and other aspects of the program enhance the promotional message. DPPEA bought permanent statewide licensing rights to the Recycle Guys (which also allow local governments to use the program) and conducted a kick-off event at the Carolina Recycling Association conference in March 2000. The US Postal Service and North Carolina Soft Drink Association have partnered with DPPEA to produce the first 10,000 sets trading cards for schoolchildren. In FY 01, DPPEA will make a major push in cooperation with local governments to broadcast the Recycle Guys on television in the state's major urban areas.

Pasquotank County Fish Composting Project (\$30,000)

Fish processing wastes represent a large and problematic disposed material in many eastern NC counties. However, the wastes are divertable from the waste stream through composting. Fish wastes can be co-composted with other types of solid waste (e.g., wood wastes) to produce a highly beneficial soil additive. In FY 00, DPPEA funded efforts by Pasquotank County to develop a prototype in-vessel composting system for fish wastes. Once the system is operational in the fall of 2000, the County and DPPEA will hold a seminar on the project for other counties or businesses interested in similar systems.

Triangle J Council of Governments "Future Search" (\$30,000)

The Triangle region of North Carolina generates one fifth of all waste in the state. The region faces tremendous challenges as this waste stream continues to grow and as available local disposal space dwindles. In FY 00, the Triangle J Council of Governments requested support from DPPEA for a regional planning effort involving elected officials, solid waste professionals, waste generators, and other stakeholders. Triangle J held a regional multi-day meeting using the "Future Search" planning technique in February 2000 to assess the region's solid waste situation and identify new or expanded efforts to

address the Triangle's expanding waste stream. As a result of the Future Search, subsequent efforts are underway to address specific challenges such as wood waste, educational programs, and the need for regional processing facilities. The TJ COG Future Search is expected to result in increased waste diversion in the Triangle and to provide a model for other regions wanting to conduct a similar process.

Land-of-Sky Material Recovery Facility study (\$10,000)

The Land-of-Sky Council of Governments (Region B) requested funding from DPPEA in FY 00 to support a regional study on setting up a material recovery facility (MRF) to serve the four counties in the Land-of-Sky area. DPPEA agreed to fund the proposal in exchange for a study that could be used by other localities interested in establishing MRFs. Land-of-Sky subsequently produced a report with specific cost and throughput data that is now available to local governments across North Carolina, and should provide a firm foundation for the Land-of-Sky's plans to implement a regional MRF.

Waste Reduction Partners Program support (\$20,000)

The Waste Reduction Partners (WRP) is a highly successful program using retired engineers and business people to provide environmental technical assistance to companies and local governments. In response to a rising demand for services addressing solid waste, WRP requested and received \$20,000 in support from the Solid Waste Trust Fund to conduct industrial solid waste audits and buy recycled efforts in the western area of the state. WRP assisted businesses to divert 13,006,000 pounds (6,503 tons) of solid waste from landfills during FY 2000 for a total estimated \$227,600 savings in avoided disposal costs. WRP is also working with the NCSU Minerals Research Laboratory in Asheville to investigate alternative products and outlets for a number of high-volume waste streams in the mountain area.

Electronics Workshop Contract (\$24,820)

Electronic wastes, in particular computers and televisions, are a growing and problematic part of North Carolina's solid waste stream. The 1998 Recycling Market Assessment conducted by DPPEA projects the annual disposal of over 50,000 tons of electronic goods. These materials are complex, containing many types of plastics and metals, including as much as six to eight pounds of lead in the cathode ray tubes (CRT) of computer monitors. To begin to address this issue, DPPEA contracted with the Southern Information Waste Exchange (SWIX) to conduct two full day educational workshops on electronic wastes. These workshops, which will be held in October of FY 01, will bring together a wide range of stakeholders, including regulatory personnel, computer manufacturers, recyclers, local governments, and non-profit agencies to identify opportunities to divert electronics from disposal in North Carolina.

PAYT Video (\$2,000)

In FY 00, North Carolina partnered with South Carolina to produce a video on pay-as-you-throw programs, featuring North Carolina local governments who have implemented such programs. In addition to being available to communities statewide, portions of the video will be used by the Institute of Government in their training program for newly elected county commissioners.

Illegal Dumping Research Project (\$55,000 over two years)

In FY 99, DPPEA allocated \$55,000 to the Division of Waste Management (DWM) to conduct a comprehensive study of the growing illegal disposal problem in the state. The two-year project characterizing the extent and nature of illegal dumping statewide is now complete. DWM has created a guidance document for local governments on this issue. In addition, it is anticipated that DWM will report to the General Assembly on the illegal disposal.

Recycling Business Training – NX Level (\$11,250)

A widespread network of successful recycling businesses will be critical to the large-scale diversion of waste from North Carolina landfills. Many small recycling companies have started business in the past

five years, providing local markets for recyclable materials and services necessary to remove materials from the waste stream. To strengthen these small businesses, DPPEA contracted with the Small Business and Technology Development Center (SBTDC) to provide scholarships to the NxLevel business training courses held in different locations across North Carolina. The course provides training on a wide range of business skills, from planning to financing. Recycling businesses that have attended the course thus far have said it proved very useful. This contract will be in place through FY 01.

Scholarships for Technical Training (\$2000)

To improve the technical capabilities of waste reduction professionals in North Carolina, DPPEA provided funding for scholarships to the Carolina Recycling Association conference in March 2000.

Previously funded Research and Education Projects

As with the waste reduction grants, detailed information is kept by DPPEA on past education, research, and training projects funded by the Trust Fund, and is readily available upon request.

III. Miscellaneous Projects

The following section lists a number of miscellaneous expenditures from the Solid Waste Management Trust Fund in FY 00.

Restaurant Waste Reduction Project (\$8,099)

The food service industry is a large generator of solid waste across the state. In addition, the management of restaurant oil and grease, both recyclable commodities, is becoming an issue in many municipalities where sewer overflows have been linked to the improper disposal of these materials. In response to these problems, DPPEA launched a food service project designed to reduce waste and to encourage better management of oil and grease. This project involved a partnership with the NC Restaurant Association, the NC League of Municipalities, and numerous local pretreatment coordinators. Educational materials, including the development of a mascot and website, were developed and distributed through workshops and other outlets (e.g., through the NC Restaurant Association newsletter). This campaign has since been emulated by the state of Georgia and the cities of Detroit and Cincinnati.

Animal Paper Bedding Survey (\$632)

As a follow-up to a previous grant, DPPEA agreed to a small request from Environmental Impact RC&D to conduct a survey of poultry growers in the southern piedmont regarding use of mixed paper as a bedding for chicken houses. The survey will yield data necessary for recruiting and siting a possible manufacturer of the bedding product.

Markets Directory Printing (\$4339)

Since 1989, recyclers and waste generators across North Carolina have relied on the state Directory of Recycling Markets to find outlets for recyclable and discarded materials. In the Spring of FY 00, DPPEA produced, printed, and distributed a new and expanded version of the Directory containing contact information for over 500 recycling markets serving North Carolina. DPPEA has also made the Directory searchable on the web at www.p2pays.org.

Backyard Composting Poster (\$2845)

Backyard composting can be just as effective on a pound-for-pound basis as curbside recycling in diverting materials from disposal. To encourage more public understanding and to support Trust Fund grants given to local governments to conduct backyard composting programs, DPPEA produced an educational poster on the issue. The poster explains the benefits of backyard composting, discusses different types of containers and methods, and provides some "do's and don'ts" for households to follow. The posters are available free of charge to local government and non-profits promoting backyard composting.

IV. Staff Support:

While the majority of Trust Fund expenditures are for grants or educational projects to support waste reduction efforts, a portion of the Trust Fund in FY 00 was used to support three staff positions in the Division of Pollution Prevention and Environmental Assistance and one position in the Division of Waste Management. During FY 00, a total of \$195,970 was expended to pay for salaries, benefits and some limited operational support. These positions are described below:

Recycling Market Development Specialist (DPPEA) Established in May 1993, this was the state's first full-time position dedicated to providing marketing assistance to local governments and others involved in recyclable materials collection. Now a part of the Recycling Business Assistance Center in DPPEA, this person is responsible for conducting the bi-annual market assessment required by state statute and for helping to strengthen recycling capacity for secondary materials collected throughout the state.

Waste Management Analyst (DPPEA) In addition to working with local recycling coordinators, this position is responsible for developing educational materials and programs on solid waste issues to audiences ranging from school children to adult populations. In particular, this position implements the multi-media statewide "Recycle Guys" campaign designed to boost recycling participation rates in North Carolina.

Waste Management Analyst (DPPEA). This position is responsible for providing technical assistance to local governments on their waste reduction programs, including solid waste planning and full cost accounting (statutory requirements for local governments). The position also manages recycling program data from state-mandated local waste reduction reports, which in turn allows completion of the State Solid Waste Management Annual Report.

Local Solid Waste Plan Analyst (DWM). This position at the Division of Waste Management analyzes and monitors local government solid waste plans required by state statute, and manages data for calculating the state's progress toward its statutory waste reduction goal. The position is developing information to help prepare an update of the State Solid Waste Management Plan and in FY 01 will improve the usability and public availability of data on waste disposal and other permitted facilities.

Graduate Intern Program

Through a contract with the Water Resources Research Institute (WRRI) of the University of North Carolina, DPPEA obtains the services of two student interns for a full year. The students work full time (40 hours/week) during the summer months and 12 hours per week during the academic year. Student projects in FY 00 included: 1) research and support of the Industrial Discards Project, 2) research and support for the pay-as-you-throw program, 3) research and support of organic waste diversion efforts, and 4) assistance with the market development work of the Recycling Business Assistance Center in DPPEA. In addition, an intern was hired in FY 00 to support the Department of Administration's efforts to expand the number and kind of recycled products available to state agencies. All of the interns who have gone through this program have secured positions in solid waste management or another environmental field. Expenditures for the intern contract for FY 00 were \$29,060.

PLANNED EXPENDITURES FOR FY 01

Planned Trust Fund expenditures for FY 01 include funding the Solid Waste Reduction Assistance Grants program, and four other grant opportunities targeting organic wastes, construction and demolition debris, buy-recycled efforts, and paper recycling. In addition, the Trust Fund will be used for statewide recycling education efforts with television and radio broadcasts of the "Recycle Guys." This project will involve partnerships with local government and the private sector. Trust Fund resources will be used as well to continue to address the problem of electronics discards. Finally, the Trust Fund will also be used to

maintain the statewide initiative on pay-as-you-throw solid waste management systems and to support the Waste Reduction Partners program in western NC. Other research and grant needs may become apparent that warrant budgetary consideration from the Solid Waste Trust Fund in FY 00. It is projected that expenditures for FY 01 will roughly match expected revenues, with as many Trust Fund resources as possible judiciously committed to projects that will increase waste reduction in North Carolina.

All questions regarding the North Carolina Solid Waste Management Trust Fund may be directed to Scott Mouw, Chief, Community and Business Assistance Section, Division of Pollution Prevention and Environmental Assistance, at 715-6512

ATTACHMENT A: TRUST FUND REVENUE SOURCES

The North Carolina Solid Waste Trust Fund receives 99 percent of its revenues from two sources: the statewide fees on the purchase of new tires and white goods (appliances). The Trust Fund only receives a small portion of the proceeds from these fees. The total distribution arrangement of each of these fees is described below:

Scrap Tire Tax -During this reporting period (July 1, 1999 - June 30, 2000), a two percent fee was levied on the purchase of new tires in North Carolina. The tire tax allocation is as follows:

- 68% of revenues are distributed to the counties on a per capita basis to pay for the proper management of discarded tires.
- 27% of revenues are credited to the Scrap Tire Disposal Account (administered by the Solid Waste Section) for local government grants and nuisance tire site cleanup.
- 5% of revenues are credited to the Solid Waste Management Trust Fund (administered by the Division of Pollution Prevention & Environmental Assistance).

White Goods Tax - During this reporting period (July 1, 1999 - June 30, 2000), a \$3 dollar fee was levied on the purchase on all appliances. The white goods tax allocation is as follows:

- 72% of revenues are distributed to the counties on a per capita basis to pay for the proper management of discarded white goods.
- 20% of revenues are credited to the White Goods Management Account (administered by the Solid Waste Section) for grants to local governments for managing discarded white goods.
- 8% of revenues are credited to the Solid Waste Management Trust Fund (administered by the Division of Pollution Prevention & Environmental Assistance)

ATTACHMENT B: FY 00 SOLID WASTE REDUCTION ASSISTANCE GRANTS

GRANTEE	AMOUNT	GRANT DESCRIPTION
Pasquotank County	\$3,450.00	Pasquotank will build and put into operation a swap shop and paint swap at the Fun Junction convenience center
Brunswick County	\$3,500.00	Brunswick County will build and put into operation a swap shop at the transfer station convenience center.
Albemarle Regional SWMA	\$5,496.00	ARSMA will install a swap shops in Perquimans and Gates County.
McDowell County	\$3,474.80	McDowell County will put a swap shop into operation at the Rt 226 convenience center
Iredell County	\$3,500.00	Iredell County will install a swap shop and paint swap at the County's balefill.
Jones County	\$3,267.00	Jones County will install a swap shop at a local convenience center
Town of Lewisville	\$4,960.00	The Town of Lewisville will implement a backyard composting program and sell bins to residents at a subsidized cost.
Orange County	\$5,000.00	Orange County will use the Recycle Guys to implement a billboard educational program.
Duplin County	\$4,200.00	Duplin County will implement a multifaceted education program using the recycle guys and other educational media.
Winston-Salem	\$5,000.00	Winston-Salem will implement an education program using a recycling magic show in local schools and Recycle Guys PSAs.
Rose Hill	\$3,375.00	Rose Hill will implement an education program using the Recycle Guys and other educational media.
Macon County	\$18,000.00	Macon County will increase its processing capabilities in order to expand recycling program into local municipalities.
Columbus County	\$20,000.00	Columbus County will purchase containers, equipment and expand a building to improve the County's paper recovery program.
City of Eden	\$20,000.00	The City of Eden will expand its recycling program by purchasing "igloo" containers for a new drop-off site.
Land of Sky Regional Council	\$15,000.00	The LOS Council will implement a regional HHW collection program.

COMBINATION FY 00 SOLID WASTE REDUCTION ASSISTANCE GRANTS AND PAPER WASTE REDUCTION GRANTS*

GRANTEE	AMOUNT	GRANT DESCRIPTION
Chatham County	\$35,000.00	Enlarging storage area for recyclables by approximately 2,000 square feet to allow materials recovery facility to operate two shifts consistently.
Pamlico County	\$30,000.00	Pamlico County will purchase recycling roll-offs to expand their local collection capacity. This grant was merged with a 2000 Paper Grant.
Pitt County	\$35,000.00	Pitt County and the ECVC will expand the MRF in order to run work shifts more efficiently. This grant was merged with a 2000 Paper Grant.
Stanly County	\$40,000.00	Purchasing additional recycling collection equipment and setting up a processing facility.

* The Solid Waste Reduction Assistance Grants and Paper Waste Reduction Grants were awarded close together in the spring of FY 00. As detailed in this table, there four proposals from each grant round that were jointly funded in single contracts.

ATTACHMENT C: FY 00 ORGANIC WASTE REDUCTION GRANTS*

GRANTEE	AMOUNT	GRANT DESCRIPTION
Brooks Contractor	\$45,000.00	Brook Contractors will expand its commercial source-separated organics collection and composting program
UNC-Charlotte	\$24,150.00	UNC- Charlotte will institute dining hall food waste diversion and on-site, in-vessel composting system pilot project
East Coast Compost	\$30,000.00	East Coast Compost will divert grocery store food waste to composting facility
McGill Environmental Systems of NC	\$21,487.00	McGill will evaluate the economics of compost-amended soils in conventional agriculture (watermelon, sweet potato, canteloupe)
R. Alexander & Associates	\$20,200.00	R. Alexander and Associates will create and execute statewide compost market development and educational activities
Cherokee County Cooperative Ext. Service	\$1,200.00	The Cherokee County Cooperative Extension Service will set up five BYC demonstration sites in schools and at convenience centers
Mountain Organic Materials	\$17,200.00	Mountain Organics will continue technology development for aerated compost bin design
Rondeli Corporation	\$21,000.00	Rondeli will pilot test restaurant/grocery food waste diversion and treatment by anaerobic digestion

* Please note that the proposal from Kamlar, described in the C&D table below, was jointly funded with the \$7,500 each from the Organics and C&D grant cycles. Hence the total grant award shown on this table differs by \$7,500 from the text description of the Organics grants in the Annual Report.

ATTACHMENT D: FY 00 CONSTRUCTION AND DEMOLITION WASTE REDUCTION GRANTS*

GRANTEE	AMOUNT	GRANT DESCRIPTION
R24 Lumber Company	\$20,000.00	"Lamination of Scrap Lumber" expands the collection system for clean wood scraps and establish the production of finger jointed and laminated stair treads and structural wall posts.
Recycling For Youth Inc	\$20,000.00	"Recycling Gypsum from C&D Debris" establishes the collection, transportation, and recycling of gypsum from contractors in Orange County.
Accent Construction	\$20,000.00	"Accent Construction Recycling and Reuse Initiative" reuses and resells salvaged building materials from construction projects.
Waste Reduction Products Corporation	\$15,000.00	"Gypsum Drywall Processing" establishes a gypsum recycling facility in Charlotte, NC.
Construction Site Clean-up & Recycling Inc	\$39,700.00	"Construction Waste Material Collection and Recycling" expands a residential construction debris collection and recycling service for the Wake county area.
Pasquotank County	\$15,000.00	"C&D RRR [Reduce, Reuse, Recycle] Project" establishes a permanent structure for the storage of salvaged C&D materials in Pasquotank County.
Envirosafe Foundation	\$20,000.00	"Paint Recycling Project" establishes a waste paint collection and recycling service for contractors in North Carolina.
Union Gypsum	\$15,000.00	"Gypsum Recycling" establishes a recycling facility to process gypsum for agricultural uses in the Union County area.
Site Clean Up and Recycling	\$10,000.00	"Site Clean Up and Recycling" source separates and recycles residential construction debris in the Mecklenburg County area.
Blue Ridge Recycling	\$15,000.00	"Carpet Recycling" purchases collection vehicles for the recycling of used carpet.
Recycled Materials Inc	\$25,000.00	"Recycled Enhancements" establishes a mixed C&D processing facility in Dudley, N.C.
Salvage King Inc	\$12,500.00	"Mobile Home Recycling" establishes a mobile home recycling collection and deconstruction business.
Soundside Recycling & Materials Inc.	\$25,000.00	"Soundside Recycling & Materials Inc." establishes a mixed construction debris processing facility in Currituck County.
Chapel Hill	\$13,000.00	"Wood Waste Recovery at Orange Regional Landfill" establishes the separation and processing of wood waste at the Orange Regional Landfill.
Kamlar Corporation	\$15,000.00	"Bagged Wood Waste Mulch" establishes the coloring and bagging of ground C&D derived wood for mulch.
Habitat For Humanity of Wake County	\$5,000.00	"Expanded Marketing and Outreach for the Habitat Reuse Center" expands the marketing efforts to increase the amount of material being donated and resold through the new, larger reuse center.
Brunswick County	\$1,000.00	"Mobile Home Recycling" deconstructs and recycles mobile homes at the Brunswick County C&D Landfill.

* Please note that the proposal from Kamlar, described in the C&D table above, was jointly funded with the \$7,500 each from the Organics and C&D grant cycles. Hence total grant award shown on this table differs by \$7,500 from the text description of the C&D grants in the Annual Report.

ATTACHMENT E: FY 00 PAPER WASTE REDUCTION GRANTS*

GRANTEE	AMOUNT	GRANT DESCRIPTION
Gaston County	\$1,000.00	Establishing a voluntary newspaper recycling program in the schools, and offering incentives for schools recycling high volumes.
Windows of Opportunities	\$15,000.00	Purchasing a truck and baler for collection and processing of recyclables from local military base and businesses.
Caldwell County	\$5,700.00	Purchasing additional recycling collection containers and paper shredders to expand paper recycling into more counties offices / facilities.
Albemarle Regional Solid Waste Management Authority	\$4,500.00	Purchasing additional recycling collection containers and constructing a structure to store some of the material collected.

*Please note that proposals from Stanly County, Pitt County, Pamlico County and Chatham County were jointly funded with Solid Waste Reduction Assistance grants. Those proposals are described on the bottom of Appendix B. Hence, the total number of awards and total funding for this grant round shown on this table differs from the text description of the Paper grants in the Annual Report above.

ATTACHMENT F: FY 00 BUY RECYCLED GRANTS

GRANTEE	AMOUNT	GRANT DESCRIPTION
Orange County Solid Waste Department	\$4,500.00	Orange County will establish a tracking system for recycled product purchases, host a buy recycled conference and hold a vendor fair.
City of Hendersonville	\$3,500.00	Hendersonville will establish buy recycled policy, conduct training among city staff, and form a procurement team to audit purchasing.
Land-of-Sky Regional Council	\$4,000.00	The Land-of-Sky Council will develop policy and conduct workshops to support efforts to purchase products with high post-consumer content.
Chatham County Division of Waste Management	\$5,000.00	Chatham County will strengthen buy recycled practices, assess quality of recycled products, and educate others in county government.
Pasquotank County Solid Waste	\$4,484.00	Pasquotank County will establish a buy recycled program in county offices and purchase and evaluate recycled-content building, automotive, and office products.
Mecklenburg County Engineering and Stds.	\$4,000.00	Mecklenburg County will advance county buy recycled practices through policy development, outreach, and product testing.
Gaston County Recycling	\$2,925.00	Gaston County will promote recycled content purchasing through policy development and employee training and education.
Town of Hope Mills	\$2,500.00	Hope Mills will purchase and evaluate the performance of remanufactured office furnishings and recycled playground surfaces.

ATTACHMENT G: FY 00 FEEDSTOCK CONVERSION GRANTS

GRANTEE	AMOUNT	GRANT DESCRIPTION
Feedstock Conversion Grant	\$15,000.00	Matrix will purchase a Pierret Cutter, ovens, blade sharpener, electric and wiring, pelletizer and screw compressor to process waste twintex to create a feedstock for the molding of auto parts and sporting goods.
Wellmark Incorporated	\$15,000.00	Wellmark will purchase a horizontal baler and vacuum system to upgrade regrind polypropylene as a feedstock for the automotive industry.