Aloha Mayor & County Council

I apologize that I am not able to testify live as I have a scheduled operation the same day. I testified for the original ban few years ago, however this time, you may be surprised to read that I am against the proposed amendments.

While I want to testify against use of one-time use plastic all around, I will share the realities of what we are dealing with as a restaurant owner and operator. We ourselves are blessed in that we have a platform that reaches not only on Maui, but also Internationally so our business is supplemented by other opportunities. But today I’d like to speak on my experiences to protect other small mom and pop establishments that may not be able to afford these changes.

As stated in the Exemptions section 20.26.050 (E) - A price for a product that is more than 40 percent higher than a comparable plastic product is not reasonably affordable. For comparison purposes - a plastic fork from Costco cost 2 cents. Our cost from Sustainable Island Products - which is also at their cost - for a compostable fork is 5 cents. That is 150% higher. Can we be assured that this and other plastic products will still be available for purchase if this ban goes through being that they would fall under this exemption?

Besides prices, another thing we deal with is the accessibility of compostable products. While we have been using compostable products for the past 5 years and are committed to continue so, the cost just in the past year has risen 30% and continues to rise because the products are not being manufactured to meet its demand. We are constantly being asked to looked at other alternative products that are even more costly - about double - and would have to settle for subpar quality. We are being told by our vendors that it will eventually run out. Until we are not threatened by the availability of compostable products, we have to have access other products that will satisfy our needs in order to continue serving our community.

The entire food supply was disrupted by the Covid pandemic in such a way that so much of the food cost has risen just in the past year and we’re constantly having to substitute so much of our products - food and packaging. To pass the amendments to the bill at this time when we are all already struggling to keep up with costs and the availability of products would be detrimental to the success of all our small businesses. Therefore, I urge you please don’t pass these proposed amendments.

Mahalo,

Janice Simeon
Co-Owner, Tin Roof Maui
Cell 808-276-5258
Twitter & Instagram @tinroofmaui
www.facebook.com/TinRoofMaui
www.tinroofmaui.com
Council Chair Lee and Members of the Council:

My name is Megan Nakashima from Pukalani Superette and I am in favor of the Administrative Rules implementing County of Maui Ordinance No. 5084 that bans the use and sale of plastic disposable foodware as it is written.

By including packaging necessary for containing food that is of significantly high temperature in the exemptions, we won’t be immediately faced with an enormous financial burden that renovations and large scale process changes would create.

We do understand that this exemption will not be forever. We care about the environment too and understand that plastic is not the way to go. We have been actively trying to source alternative packaging, but have not found one that can withstand the temperatures needed to maintain food safety in our warmers. We welcome any resource that you can provide regarding this. We hope as plastic alternative technology progresses, that there will be a viable option.

We are aware the alternative to not finding a suitable container is to enact a large scale process change. We are working on this as a last resort. This change will impact our workers and our financial stability. We have reached out to other businesses to learn about plastic free food service models and are doing our research. We need time and resources in order to make this option feasible.

Thank you for your time and consideration.

Respectfully yours,

Megan Nakashima
President
Pukalani Superette
Please include the attached testimony in your review and consideration of the Administrative Rules for the implementation of the Plastic Disposable Foodware Ordinance.

Mahalo,
Gary

Gary Saldana  
Conservation Manager  
Pacific Whale Foundation  
300 Ma'alae Rd., Suite 211  
Wailuku, HI 96793  
Cell: 808-419-8961  
Email: garysaldana@pacificwhale.org
Proposed Revisions to the Plastic Disposable Foodware Administrative Rules Title 17, Subtitle 14, chapter 402, Department of Environmental Management

Thank you for the opportunity to provide comments on the proposed revisions to the Administration Rules relating to Plastic Disposable Foodware.

On behalf of Pacific Whale Foundation, please find our thoughts and recommendations below.

We submit these comments on the Plastic Disposal Foodware Administrative Rules to help ensure a comprehensible, immediate, and efficient implementation. We are concerned that certain definitions may cause confusion in the implementation and enforcement of this ordinance.

Section 17-402-3 Definitions.

1. “Food Service Container” is included in the definitions but is deleted in the main provisions of the proposed Rules.
   a. The proposed Rules delete the term “food service container” throughout the Prohibitions and Exemptions sections and is replaced with the term “plastic disposable foodware.”
   b. By defining the term “food service container”, then removing it from the body of the Rules, may cause confusion and impact the implementation of this vitally important piece of legislation.
   c. Furthermore, “Foodware” is defined as “food service containers and utensils”. Since it is proposed to delete “food service containers” in the main body of the Rules, we propose to rename the “food service containers” term to “foodware” and include utensils in its definition.
   d. The proposed Rules defined “plastic”, “disposable”, and “foodware” separately, but not as a whole.
   e. To prevent confusion, another approach could be to define “plastic disposable foodware” as a single term to replace the “food service container” definition.
   f. Additionally, in the event you maintain the definition of “food service container,” the language “designed for one-time use” should be revised to read: “designed to be discarded after a single or limited number of uses and not designed for long-term multiple re-use.”
g. Our concern is the use of “designed for one-time use” might be misinterpreted; that a container which can be used 2, 3 or 4 times may be permissible.

2. “Prepackaged food” includes additional language-

a. The following language in the “Prepackaged foods” definition is not in Section 20.26.02, Definitions, “Prepackaged food”, Maui County Code (MCC):

i. “Prepackaged food includes “grab-and-go” prepackaged foods such as bentos, salads, and sandwiches. “Prepackaged foods” excludes prepared foods packaged and intended for immediate consumption (e.g., food purchased from a fast-food establishment, food truck, or stand).”

b. Our concern is that since certain “Prepackaged food” included in this additional language may be exempt, it could increase the number of containers that may be exempt from the proposed restrictions.

c. Additionally, since the proposed language was not included in Section 20.26.020, MCC, the use and potential exemption of these containers may not have been fully vetted by the County Council.

d. Therefore, before this proposed language is included in the Administrative Rules, we would respectfully request that it be transmitted to the Council for their review and consideration.

The recommendations herein might require revisions to Chapter 20.26, MCC and review by the County Council. However, for purposes of providing clarity for implementation and enforcement, further Council review may be appropriate.

Pacific Whale Foundation’s mission is to protect the ocean through science and advocacy, and to inspire environmental stewardship. We believe that the clear and timely implementation of this ordinance will aid in the County’s efforts to combat the threat of plastic pollution to the marine environment, as well as ensure the longevity of the health of the people and the natural resources on which they depend.

Thank you for your consideration of our comments.
To whom it may concern;

This is a written testimony against the Ordinance 5084, Bill No. 52. We currently serve our product in a recyclable plastic product and it makes no sense to us to have to change to a forest based product of a paper cup and wooden spoon. We feel that having to use forest-based products the worst for the world environment. Maui County recycling should look into expanding their recycling programs rather than force business owners to use paper products that hurt a different environment.

Sincerely,
Paia Gelato Owners
Department of Environmental Management,

I’d like to request that this ban be delayed until the effects that the Covid 19 Pandemic has had on the Sales and Distribution Industry subsides. The issues caused by the pandemic (Labor shortages, unusually high demands, shipping delays, raw material shortages, . . . Etc.) are making it very difficult to execute the transition away from plastic products by the current Plastic Ban deadline.

The two main issues are: There is a major shortage of Polylactic acid (PLA) and fiber/bagasse raw materials which currently are the best practical compostable replacements for plastic goods in the food industry. Secondly, world wide shipping delays are making the movement of raw materials and goods very challenging especially for isolated places like Hawaii. As a result, our suppliers and manufacturers have been rationing our orders below fifty percent of what our customers need and product arrivals have been severely delayed.

We have been working on this plastic ban since October 2020, gradually phasing out plastic goods. When businesses started to reopen, all of the aforementioned issues forced us to reintroduce plastic goods to supplement the lack of available compostable goods that we were trying to phase in. This is going to cause an issue where distributors like us are going to have to gamble on how much plastic to bring into Hawaii in order to keep up with the demand versus depleting plastic inventory to meet the Plastic Ban deadline. If we fall short in our supplemental ordering of plastic products, businesses (our customers) will suffer. If we order too much and the aforementioned issues improve unexpectedly, we stand to lose profits. What exacerbates the situation is the uncertain shipping lag. Some of our orders are being delayed four months or more. So we could order items now, and those items could potentially not reach us until after January.

Attached are a few letters I received from our manufacturers that will explain what is driving these shortages and shipping issues.

I hope the department will implement some leniency into the Plastic Ban especially with regard to the deadline.

Thank you,

Esther Nakamura  Non-Food Buyer
808.877.5055 ext. 234 (p) 808.877.4739 (f)
74 Hobron Avenue Kahului, HI 96732 | enakamura@vipfoodservice.com | www.vipfoodservice.com

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June 7, 2021

RE: Price Increase Announcement

To Our Valued Customers:

Due to continued escalation in raw material and other manufacturing costs, Pactiv Evergreen is announcing a 10% price increase on all Molded Fiber & Paper products sold in the United States and all international and export markets.

This increase will take effect with all orders placed on or after July 15, 2021 and orders shipped on or after July 22, 2021. In addition, all contracted business will increase per the terms of the agreement.

Pactiv Evergreen will not accommodate any advance buys and will reserve the right to restrict any orders which exceed normal ordering patterns or previously submitted forecasts.

We appreciate your ongoing support for our packaging products.

Thank you for your business.

Sincerely,

Tim Levenda
President, Foodservice

Eric Wulf
President, Food Merchandising
Freight Surcharge Announcement

June 11, 2021

To our valued customers,

Just six weeks ago we issued a supply chain memo regarding different factors negatively impacting our industry. Since then, the ocean freight situation has become even more volatile with delivery delays exceeding 5 weeks and container shipping costs that have literally doubled.

Shipping container costs from the Far East to Southern California are now $10,000 to $14,000, when available. Due to the size and speed of these increases, we must now institute a freight surcharge on all products. The surcharge ensures that the additional freight cost is applied equitably across the products based on their actual cube/loading in the container.

This surcharge will be $6500 per container and added to the case price of all products through our warehouse. For direct container orders, current product costs will still be valid but the $6500 surcharge will be added as a line item for each container. The surcharge will be effective July 12th for orders through our warehouse. For direct container orders, the surcharge is effective immediately for new orders placed beginning today, June 11th. Updated price lists will be distributed shortly for products through our warehouse.

While we regret having to institute this surcharge, it does provide a clear and concise way to account for the freight impact. When shipping rates decline, the surcharge will decline accordingly. As communicated in the last memo, our goal is to provide this type of information proactively and transparently. We will continue to do so as these factors change.

We truly hope this situation improves as soon as possible and look forward to being able to reduce/eliminate this surcharge. Thank you for your understanding and continued support of DHG, Inc. and its operating divisions.

Sincerely,

John Yamashita
Chief Operating Officer
June 16, 2021

Dear Valued Customer,

Effective with orders placed prior to July 19, 2021 and/or shipments beginning August 1, 2021, Duro Bag is announcing the following price increase:

- All Duro Products except Plastic Bags: 9%
- Plastic Bags: 15%

A detailed price list reflecting this increase will be sent to you soon.

All orders placed prior to July 19, 2021 for shipments prior to August 1, 2021 will be invoiced at the current price. These orders must be in line with your normal 4-week usage by bag size. Due to heavy market demand, we will be unable to accept advance buys. Orders already acknowledged by Duro Bag for shipments on/after August 1, 2021 prior to this announcement will be honored at the acknowledged price.

Additional price increases have been announced for linerboard and corrugating medium which affect the cost of the paper we buy. As mentioned in prior communications, the demand for recycled liner, corrugating medium, linerboard, and bag paper remains at unprecedented levels.

The mid-February freeze that shut down the Texas & Louisiana gulf coast created significant supply shortages in raw materials needed for adhesives and inks resulting in double digit increases in the cost of these materials. Global shortages and discontinuations of certain pigments has also contributed to cost increases of 15-20% on solvent based inks and 8-13% on water-based inks.

One of the largest challenges companies like us are facing today is in the labor market – we have implemented significant wage increases and continue to adjust wages to attract and retain talent.

The freight markets are still supply constrained (equipment and drivers); spot market rates are up 67% year-over-year and fuel is up 34% year-over-year, and 20% just since the start of the year.

Polyethylene resin has increased 130% over the last 12 months, 28% just in the last ninety days.

We value your business and as always appreciate your support. Your local sales representative will contact you to answer any questions you may have with this announcement.

Best Regards,

Sachin Shah
SVP – Pricing and Commercial Strategy

cc: Chuck Hathaway, VP, Sales
June 23, 2021

TO: Our Valued Customers

The global market for ocean freight is suffering through a challenging combination of record low service levels combined with significant price increases as the demand for goods recovers from COVID-19.

As a result, Bridge-Gate Products will be implementing a 7% price increase on all Bridge-Gate brand product per the below:

<table>
<thead>
<tr>
<th>Category</th>
<th>Increase %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bridge-Gate and Private Brand Compostable Dinnerware (Natural Bagasse and White Bagasse)</td>
<td>7%</td>
</tr>
<tr>
<td>Bridge-Gate and Private Brand Compostable Hinge Containers (Natural Bagasse and White Bagasse)</td>
<td>7%</td>
</tr>
<tr>
<td>Bridge-Gate Compostable Gourmet Line</td>
<td>7%</td>
</tr>
<tr>
<td>Bridge-Gate Worldview</td>
<td>7%</td>
</tr>
</tbody>
</table>

This increase will be implemented with all container load orders leaving China port on or after July 1, 2021. For domestic warehouse orders this increase will take effect with all orders received on or after August 1, 2021. All orders of normal ordering patterns received before this date, and calling for immediate pick up or delivery, will be invoiced at previous price levels. All orders will be shipped according to current terms and conditions and will be subject to available inventory. All contracts and bid pricing will increase per the terms of the existing agreements.

Thank you for choosing Bridge-Gate. If you have questions please contact your Bridge-Gate representative.

Regards,

[Signature]

Greg Wilcox
Director of Sales
July 1, 2021

Dear Eco-Products® Valued Customer:

The global demand for foodservice packaging remains at an all-time high. While Eco-Products® is focused on providing the highest quality products at competitive pricings, we continued to incur significant and unprecedented drivers of inflation across our business.

As you have seen in the headlines, the market has experienced historic increases in resin, paper and foil costs over the past year. Additionally, we have been absorbing sustained cost increases in transportation, packaging, labor and other input costs that continue to increase. Most significantly, we have watched the market for Ocean freight fall to record low service levels at all-time highs for pricing. Furthermore, logistic cost increases in local transportation, pallets costs, warehouse labor and other input costs are being absorbed at unsustainable rates.

As a result of this challenging environment, Eco-Products® will be implementing an additional increase of 10% on all Eco-Products® product categories effective August 1, 2021 including:

- BlueStripe® family of RPET products and RPS products
- Green Stripe® Cold Cups, Portion Cups & Lids
- CPLA Hot Cup & Soup Cup Lids
- PLA Food Containers & Lids
- PLA Take Out Containers
- PLA Straws & Plates
- All Cutlery
- Worldview™ Containers RPET and PLA lids
- All Molded Fiber

The key driver for this increase remains the unprecedented highs we are experiencing in ocean freight costs. We are continuing to manage ocean freight and supply chain activities so that we may continue to service our customers and return our pricing to normalized levels. We encourage you to work with your Eco-Products® sales representative to review forecasted demand to ensure that product is available as the market recovers.
All orders received on or after August 1, 2021 will be invoice at the new prices. All contract and bid pricing will increase per the terms of the existing agreements. Eco-Products® reserves the right to restrict orders that exceed 1/12th of your historical or forecasted volumes.

Thanks for your continued support and choosing Eco-Products®. We appreciate your business.

Sincerely,

[Signature]

Gary Muczko
Vice-President of Sales
July 13, 2021

Dear Valued Customer,

As the hospitality industry has re-emerged (with a vengeance!) with strong pent-up demand and consumers with money to spend, we continue to face challenges meeting rapidly rising demand. In March, we experienced a significant jump in unforeseen demand. Now, the challenges are securing necessary shipping containers and vessel space, with elongated delivery periods due to scheduling and port delays. That said, we have a significant number of inbound containers enroute; replenishment stock is on the way. While that’s good news, we expect some level of delays and shortages to persist in the weeks and months to come. The global supply chain is being severely challenged.

Securing shipping containers and vessel space often goes to the highest bidder. This is a global challenge well beyond our industry that I am sure you have read about. Beyond the volatile cost implications, containers and vessel space are taking longer to secure and port delays exacerbate replenishing our inventories. These issues are adding 4-6 weeks to arrival times.

As you may recall, pre-Covid demand for PLA was very strong causing challenges, and now we are seeing that high demand return. Combine rising demand with tight raw material supplies and the result is increased lead times, especially for PLA cold cups. Our NoTree line of bagasse paper cold cups may help you avert the continued challenges of PLA cups.

We appreciate your patience as we work through these unprecedented times and challenges. It is important that you know that we are doing everything we can to service your business, meet your demand, and offer reliable service levels. As always, we appreciate your continued partnership!

Sincerely,

Mark Stephany
SVP of Sales
980-722-1757