

**Environment and Natural Resources Trust Fund
2018 Request for Proposals (RFP)**

Project Title:

ENRTF ID: 176-E

Keeping Groceries from Landfills to Reduce Greenhouse Gases

Category: E. Air Quality, Climate Change, and Renewable Energy

Total Project Budget: \$ 848,000

Proposed Project Time Period for the Funding Requested: 2 years, July 2018 to June 2020

Summary:

This project will help our food bank expand efforts to gain donations of food from grocery retailers, preventing this food from going to landfills, and thereby reducing greenhouse gas emissions.

Name: Bob Chatmas

Sponsoring Organization: Second Harvest Heartland

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St. Paul MN 55109-2020

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Web Address www.2harvest.org

Location

Region: Metro

County Name: Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne, Washington, Wright

City / Township:

Alternate Text for Visual:

Infographic on the impact of our current efforts in obtaining food donations at retail grocery stores.

| | | | |
|--------------------------|-------------------------|-----------------------------|----------------------|
| _____ Funding Priorities | _____ Multiple Benefits | _____ Outcomes | _____ Knowledge Base |
| _____ Extent of Impact | _____ Innovation | _____ Scientific/Tech Basis | _____ Urgency |
| _____ Capacity Readiness | _____ Leverage | _____ TOTAL | _____ % |



PROJECT TITLE: Keeping Groceries from Landfills to Reduce Greenhouse Gases

I. PROJECT STATEMENT

Each year, Second Harvest Heartland’s Retail Food Rescue Program visits grocery stores to collect millions of pounds of donated, fresh foods that are nearing their sell-by dates. We then distribute these donated foods to food pantries and meal programs. The program provides hungry people with fresh and nutritious foods. It also keeps organic material out of the waste stream, because if the grocers could not donate the foods to our food bank, they would have to dispose of them in landfills. According to the Minnesota Pollution Control Agency’s 2013 Statewide Waste Characterization study, food accounts for 17.8% of all waste sent to solid waste facilities in our state. The report notes that the Project Team identified food waste as a top potential diversion opportunity; with 519,400 tons of food waste available for diversion annually.

Our proposed project addresses air quality and climate change in Minnesota by reducing greenhouse gas emissions. A September 16, 2015 press release from the U.S. Environmental Protection Agency notes, “Food loss and waste is the single largest component of disposed U.S. municipal solid waste, and accounts for a significant portion of U.S. methane emissions, which fuel climate change. This large volume of wasted food is a main contributor to the roughly 18 percent of total U.S. methane emissions that come from landfills. Landfills are the third largest source of methane in the United States.” Last year alone, our Retail Food Rescue Program diverted 34.4 million pounds of food from landfills. However, analysis from the Boston Consulting Group indicates that our food bank has potential to divert an additional 12 million pounds that is still available, but not being collected, at Minnesota grocers each year. The goal of our project is to improve air quality and reduce climate change impacts through the diversion of a large portion of this total – an additional 5.5 million pounds of food in each of 2 years – from retail grocers in Second Harvest Heartland’s service area. Our service area includes 41 counties in southern and western portions of the state including the entirety of the Minneapolis-St. Paul metro area; and communities including St. Cloud, Mankato, Hutchinson, Marshall, Willmar and Worthington. Specifically, grant funds will be utilized over a 24-month period to provide for an additional Retail Food Rescue Coordinator, 2 additional drivers, and 2 additional trucks with refrigerated trailers.

II. PROJECT ACTIVITIES AND OUTCOMES

Activity 1: Fleet Expansion

Budget: \$708,000

We will expand our Retail Food Rescue Program fleet by an additional 2 trucks and 2 drivers, which will allow us to increase pick-up service from 3 days per week, to 5 days per week, at designated grocery locations.

| Outcome | Completion Date |
|---|--|
| <i>1. Purchase 2 additional trucks and refrigerated trailers for \$470,000; and provide for annual operating costs of \$19,000 in each of 2 years. The trucks will have refrigerated trailers to safely transport cold and fresh foods.</i> | <i>August 1, 2018</i> |
| <i>2. Hire 2 additional drivers for a total of \$200,000 (salary and benefits for 2.0 FTEs for 2 yrs).</i> | <i>August 1, 2018</i> |
| <i>3. Divert an additional 3.5 million pounds of food in each of 2 years by increasing pick-up frequency to 5 days, from 3 currently, at selected grocery partners. (Annually: 1.4 million pounds from Walmart locations, 0.7 million pounds from Sam’s Club, 1.4 million pounds from Cub Foods = 3.5 million pounds total annually).</i> | <i>July 31, 2019 and again July 31, 2020 (3.5 million lbs. in each of 2 years)</i> |

Activity 2: Expand Agency-Enabled Pick-ups

Budget: \$140,000

We will hire an additional Retail Food Rescue Program Coordinator to assist a sizable segment of our food pantry partners to expand their pick-ups of food from grocery retailers in their local neighborhoods. Currently, about half of all food obtained through the Retail Food Rescue Program is derived from more than 100 food pantries picking up the food directly. Our staff provides training, oversight and problem solving to these 100+ partners.



Environment and Natural Resources Trust Fund (ENRTF)

2018 Main Proposal

Project Title: *Keeping Groceries from Landfills to Reduce Greenhouse Gases*

We also act as a liaison between the food pantries and retail grocery stores, to ensure successful participation among all partners. Budget is for 2 years of salary/benefits.

| Outcome | Completion Date |
|---|--|
| <i>1. Hire 1 additional Retail Food Rescue Program Coordinator to build the capacity of our agency-enabled store-pick-ups. Our goal is to engage more food pantry partners to pick up donated fresh food at retail stores that have agreed to participate in our program, and for current partners to pick-up greater quantities of food throughout the week. We provide training to all partners, and ongoing program oversight and compliance monitoring.</i> | <i>August 1, 2018</i> |
| <i>2. The Coordinator will begin meeting with designated food pantry partners, to set goals and make action plans regarding their food pick-ups. The Coordinator will also meet with the applicable retail stores to ensure a successful relationship between the stores and food pantry partners.</i> | <i>September 1, 2018</i> |
| <i>3. The Coordinator will provide monitoring, follow-up and individualized assistance to both the food pantry and retail partners to ensure donation and pick-up goals are met. This will include analysis of pick-up reports to identify opportunities for additional pick-up based on our experience and results from similar stores.</i> | <i>Through July 31, 2020.</i> |
| <i>4. Divert an additional 2.0 million lbs. of food in each of 2 years by increasing the number of food pantry partners that pick up donated food from retail grocery stores, and increasing the total amount of food they pick up each week.</i> | <i>July 31, 2019 & again by July 31, 2020.</i> |

III. PROJECT STRATEGY

A. Project Team/Partners

Bob Chatmas will provide executive oversight of this project through his role as Chief Operating Officer. April Rog, our Retail Food Rescue Program Manager, will manage the day-to-day operations of this project. Currently, 485 grocery and convenience stores donate food through our Retail Food Rescue Program. Over the course of the 2-year grant period, this number will increase slightly as new grocery stores are built. However, most of the program growth described in this proposal will occur by picking up a greater amount of food each week from current partner grocery stores. At this time, our food bank and our 100+ food shelf partners do not pick up all food available to us, due to internal capacity issues that will be largely solved through this grant. All funds from this grant will be utilized by Second Harvest Heartland, with no re-granting.

B. Project Impact and Long-Term Strategy

This grant will be utilized to help us divert 5.5 million pounds of food from landfills in each of 2 years. The EPA’s WARMModel indicates that eliminating 5.5 million pounds of food from landfills will prevent 2,898 metric tons of carbon dioxide equivalent (MTCO2E) annually. Long-term, this project will help us build our internal capacity to completely divert the 12 million pounds of food that is estimated to still be available to the Retail Food Rescue Program, but is not currently being sourced due to our current lack of capacity. By keeping this food from entering the waste stream, we will help reduce waste in Minnesota landfills, reduce greenhouse gases in our air, reduce climate change impacts and provide meals to underserved individuals. The project will also help provide fresh and healthy food to low-income, food-insecure children, families and seniors in Minnesota.

C. Timeline Requirements

This capacity building project will operate for 2 years, from July, 2018 to June, 2020. Our proposed project is an expansion of our current program, which currently has an annual budget of \$1,917,599, and experienced great success since 2009. Because we currently operate this program with considerable year-over-year growth, we are well-positioned to integrate our proposed activities into future annual program plans and budgets should we receive this grant.

2018 Detailed Project Budget

Project Title: *Reducing Methane Emissions through Food Rescue*

INSTRUCTIONS AND TEMPLATE (1 PAGE LIMIT)

Attach budget, in MS-EXCEL format, to your "2018 LCCMR Proposal Submission Form".

(1-page limit, single-sided, 10 pt. font minimum. Retain bold text and DELETE all instructions typed in italics. ADD OR DELETE ROWS AS NECESSARY. If budget item row is not applicable put "N/A" or delete it. All of "Other Funds" section must be filled out.)

IV. TOTAL ENRTF REQUEST BUDGET [Insert # of years for project] years

| BUDGET ITEM <i>(See "Guidance on Allowable Expenses", p. 13)</i> | AMOUNT |
|---|-------------------|
| Personnel: 2.0 FTE Drivers x \$50,000 annual salary and benefits per FTE x 2 years (24 months). Benefits/fringe calculated at .2895 of salary per FTE | 200,000 |
| Personnel: 1.0 FTE Retail Rescue Program Coordinator x \$70,000 salary and benefits per FTE x 2 years (24 months). Benefits/fringe calculated at .2895 of salary per FTE | 140,000 |
| Professional/Technical/Service Contracts: N/A | \$ - |
| Equipment/Tools/Supplies: 2 trucks with refrigerated trailers to pick-up and transport donated foods from grocery/retail partners. | \$ 470,000 |
| Acquisition (Fee Title or Permanent Easements): N/A | \$ - |
| Travel: N/A | \$ - |
| Additional Budget Item: Annual truck operating cost. Calculated at \$19,000 per truck x 2 years (24 months). Based on previous fleet management experience. | \$ 38,000 |
| TOTAL ENVIRONMENT AND NATURAL RESOURCES TRUST FUND \$ REQUEST = | \$ 848,000 |

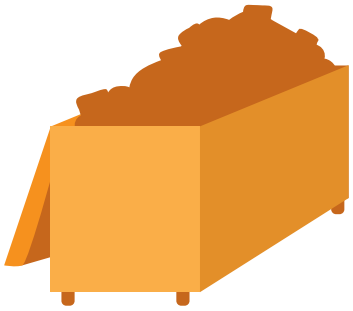
V. OTHER FUNDS *(This entire section must be filled out. Do not delete rows. Indicate "N/A" if row is not applicable.)*

| SOURCE OF FUNDS | AMOUNT | Status |
|--|---------------|---|
| Other Non-State \$ To Be Applied To Project During Project Period: <i>Indicate any additional non-state cash dollars secured or applied for to be spent on the project during the funding period. For each individual sum, list out the source of the funds, the amount, and indicate whether the funds are secured or pending approval.</i> | \$ - | <i>Indicate: Secured or Pending</i> |
| Other State \$ To Be Applied To Project During Project Period: <i>Indicate any additional state cash dollars (e.g., bonding, other grants) secured or applied for to be spent on the project during the funding period. For each individual sum, list out the source of the funds, the amount, and indicate whether the funds are secured or pending approval.</i> | \$ - | <i>Indicate: Secured or Pending</i> |
| In-kind Services To Be Applied To Project During Project Period: <i>Indicate any additional in-kind service(s) secured or applied for to be spent on the project during the funding period. For each type of service, list type of service(s), estimated value, and indicate whether it is secured or pending. In-kind services listed must be specific to the project.</i> | \$ - | <i>Indicate: Secured or Pending</i> |
| Past and Current ENRTF Appropriation: <i>Specify dollar amount and year of appropriation from any current ENRTF appropriation for any directly related project of the project manager or organization that remains unspent or not yet legally obligated at the time of proposal submission. Be as specific as possible. Indicate the status of the funds.</i> | \$ - | <i>Indicate: Unspent? Legally Obligated? Other?</i> |
| Other Funding History: <i>Indicate funding secured but to be expended prior to July 1, 2018, for activities directly relevant to this specific funding request. State specific source(s) of funds and dollar amount.</i> | \$ - | |

RETAIL FOOD RESCUE

behind the numbers

Every day, the professional Retail Food Rescue fleet and our food shelf partners collect thousands of pounds of produce, dairy, deli, meat, bakery and grocery items from local grocery retail partners. This donated product is distributed to food shelves, soup kitchens and shelters to share with our hungry neighbors.



Millions of pounds
of food go unused
each year in Minnesota



Second Harvest Heartland's
RETAIL FOOD RESCUE PROGRAM
offers an innovative solution:

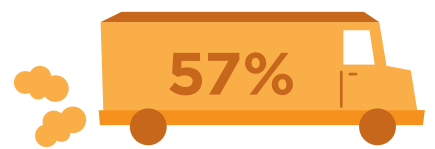
Partner with retail grocers in our communities to divert food being removed from their store shelves to feed hungry people.

IN 2016, WE HAD...

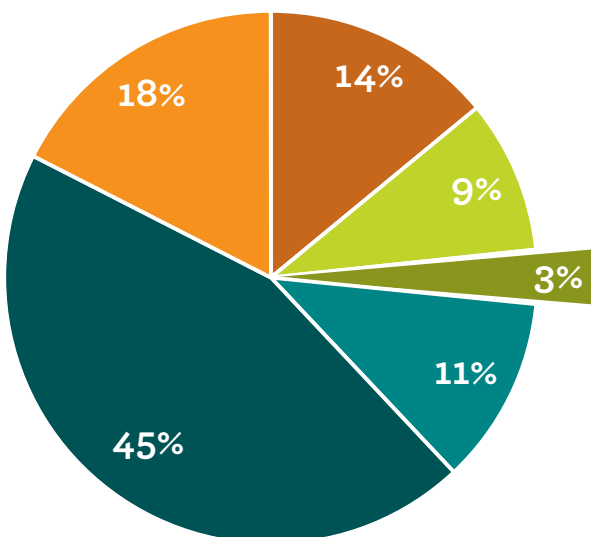
485 Retail Partners
including grocery retail and
convenience stores



Collected **34 MILLION Pounds**
up from **24 MILLION** in 2012



The percent of donated pounds
picked up *directly* by agency partners



Food Rescue Pounds Breakdown



Source: 2015 annual data



second harvest
HEARTLAND

Page 5 of 6 Changes everything.™

07/29/2017

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ENRTF ID: 176-E

SECOND HARVEST HEARTLAND:

PROJECT MANAGER QUALIFICATIONS AND ORGANIZATION DESCRIPTION

May 1, 2017

Project Manager Qualifications:

Bob Chatmas serves as Chief Operating Officer at Second Harvest Heartland. In his role, he oversees the internal systems of Second Harvest Heartland to ensure the efficient and effective use of resources to achieve our mission. He is responsible for Food Bank Operations, Transportation and Food Sourcing functions. Since Bob joined Second Harvest in 2007, the organization has tripled the amount of food distributed and moved from distributing mostly shelf-stable products to distributing large amounts of perishables such as fresh fruit and vegetables. Bob has a wealth of experience in operations management in the food industry including: Transportation Manager and Plant Manager, 22 years with General Mills, Inc.; Plant Manager, Kohler Mix Specialties, a Division of Michael Foods; and Plant General Manager at VICOM. He has an MBA from the Carlson School of Management in Operations Management, a Master's in Nonprofit Management from Hamline University, and received his BS in Business Administration from the University of Arkansas.

As project manager for this project, Bob will oversee all staff and lead the coordination of the hiring and training processes for new staff additions. He will also oversee all grant expenditures, and ensure program progress over the course of the grant period. In addition, Bob will manage the data collection and reporting functions. Bob's Retail Food Rescue Program team is regularly called upon to present at national conferences about best practices in food rescue, and to assist in the development of guidebooks and tools that help food banks across the country to replicate our efforts.

Organization Description:

With a mission of ending hunger through community partnerships, Second Harvest Heartland serves as a high-volume food bank and hunger relief leader for our region. The organization was created in 2001 as a result of a merger between the Greater Minneapolis Food Bank and Second Harvest Food Bank of Saint Paul. Prior to the merger, the two food banks had operated for a combined 44 years. Our food bank currently serves 41 counties in Minnesota and 18 counties in Wisconsin, an area that includes the Twin Cities metropolitan area. Second Harvest Heartland currently ranks among the largest members of Feeding America, which is a network of 200 food banks throughout the nation.

Our organization has grown from distributing 30 million pounds of food in 2007 to 92.76 million pounds (or over 77 million meals) in 2016. For the second year in a row, the majority of food we distributed was fresh items such as fruits, vegetables, meat, bakery, and dairy items. We meet all standards of the Charities Review Council. Reflecting the efficiency of Second Harvest Heartland's operations, Second Harvest Heartland applies 94% of every donation directly to our programs. In December 2016, the U.S. Conference of Mayors' Report on Homelessness and Hunger recognized Second Harvest Heartland in the category of "Exemplary Programs that Respond to Hunger."

Our long term goal is to ensure that there is sufficient food in the hunger relief system to end hunger. Second Harvest Heartland is the Upper Midwest's largest hunger relief organization, and is nationally recognized for efficiency and innovative practices. We find, procure, and bank food; distribute food to those in need; and serve as a hunger relief leader through innovative outreach, research, and advocacy. We serve approximately 532,000 individuals each year. More than 33% are children under age 18, and 10% are individuals over the age of 60.