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BOARD MEETING

STATE OF CALIFORNIA

INTEGRATED WASTE MANAGEMENT BOARD

JOE SERNA, JR., CALEPA BUILDING

1001 I STREET

2ND FLOOR

CENTRAL VALLEY AUDITORIUM

SACRAMENTO, CALIFORNIA

TUESDAY, AUGUST 17, 2004

9:35 A.M.

TIFFANY C. KRAFT, CSR, RPR
CERTIFIED SHORTHAND REPORTER
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APPEARANCES

BOARD MEMBERS

Linda Moulton-Patterson

Rosario Marin

Rosalie Mul

Michael Paparian

Cheryl Peace

Carl Washington

STAFF

Mark Leary, Executive Director

Julie Nauman, Chief Deputy Director

Marie Carter, Chief Counsel

Robert Conheim, Staff Counsel

Suzanne Hambleton, Supervisor, Permitting and Inspection Branch

Jim Lee, Deputy Director

Howard Levenson, Deputy Director

Sharon Waddell, Board Secretary

Shirley Willd-Wagner, Branch Manager

Patty Wohl, Deputy Director

ALSO PRESENT

Yvonne Hunter, League of California Cities

Mark Murray, Californians Against Waste

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PROCEEDINGS

CHAIRPERSON MOULTON-PATTERSON: Good morning. I'd like to call our meeting to order and welcome everybody to the August meeting of the California Integrated Waste Management Board.

Would the secretary please call the roll.

SECRETARY WADDELL: Marin?

BOARD MEMBER MARIN: Present.

SECRETARY WADDELL: Mulé?

BOARD MEMBER MULÉ: Here.

SECRETARY WADDELL: Paparian?

BOARD MEMBER PAPARIAN: Here.

SECRETARY WADDELL: Peace?

BOARD MEMBER PEACE: Here.

SECRETARY WADDELL: Washington?

BOARD MEMBER WASHINGTON: Here.

SECRETARY WADDELL: Moulton-Patterson?

CHAIRPERSON MOULTON-PATTERSON: Here.

Thank you.

Any ex partes, Ms. Mulé?

BOARD MEMBER MULÉ: I'm up to date.

CHAIRPERSON MOULTON-PATTERSON: Ms. Peace.

BOARD MEMBER PEACE: I'm also up to date.

BOARD MEMBER MARIN: So am I.

CHAIRPERSON MOULTON-PATTERSON: Mr. Paparian.

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BOARD MEMBER PAPARIAN: I spoke with Michael Sweeney briefly about the e-waste regulations. Other than that, I'm up to date.

CHAIRPERSON MOULTON-PATTERSON: Thank you.

Mr. Washington.

BOARD MEMBER WASHINGTON: I'm up to date.

CHAIRPERSON MOULTON-PATTERSON: I'm also up to date.

And we're going to get going. It's good to see everybody. We have somewhat of a short meeting, I anticipate, but you never know. Sometimes the short meetings are the longest meetings. So I never say. But I'll be going over the agenda in a moment after the reports, and then the Board will be having a closed session today at the conclusion of the meeting.

But let's start with Ms. Mulé. Any reports?

BOARD MEMBER MULÉ: Thank you, Madam Chair.

Yes, I had, again, another busy month just trying to get out and about and learning more about what's going on in the communities throughout the state.

Did go on a number of tours in Stanislaus County, Orange County. Did get to the L.A. Fibers, which we saw at our meeting last month. Very interesting tour that was.

I also attended a Conversion Technology Workshop

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with the city of Los Angeles at the end of July.

I attended the Tire Stewardship Workshop here that Mike Paparian helped host.

Did a Bay Area tour. Saw the Richmond Sanitary Service and got to see Joe Garbarino's operation, which was very, very interesting.

Also did have an opportunity to visit the Sonoma tire sites, a few of those. And given the fact we're working on that, that was very interesting.

And also on August 5th, I was the speaker at the Los Angeles County Disposal Association, which went very, very well. And --

CHAIRPERSON MOULTON-PATTERSON: I know they appreciated you coming.

BOARD MEMBER MULÉ: That's it. Thank you, Madam Chair.

BOARD MEMBER PEACE: On July 21st, I met with the city of San Diego to preview their new recycling campaign. It was developed in part with money from the Department of Conservation. I just think it would be nice if the Department of Conservation could develop a recycling campaign that could be adopted by jurisdictions statewide.

July 28th, I also attended the Tire Product Stewardship meeting. I heard a lot about civil engineering uses, RAC, and tire-derived fuel, but not much

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on any real product stewardship from the tire manufacturers.

I also visited the Stockton Cogen plant. Using tire derived fuel is a clean environmentally-safe way to produce electricity, while at the same time keeping tires out of our landfills and stockpiles. Stockton Cogen uses several million tires a year, thus reducing the amount of coal that has to be imported into our state every year.

On July 29th, I was the speaker at the Upper San Luis Rey Resource Conservation District cleanup kickoff. It was so sad to see the piles of garbage, old appliances, cars, furniture, and even dead animals that people intentionally dump. But I did get a lot of satisfaction representing the Board in this cleanup effort, knowing that we helped make it possible with a grant from our Farm and Ranch Cleanup and Abatement Program.

On August 4th, in a meeting arranged by my office and Randy Iwasaki, who is the Acting Chief Deputy Director of Caltrans, I, along with Jim Lee, Bob Fujii, and Stacey Patenaude met with some of the Caltrans people to discuss the uses of RAC and the use of tires in civil engineering applications. We also discussed some of the challenges that each of us face. I don't know how much this meeting actually accomplished, but it was my hope to establish more open communication between Caltrans and the Board.

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Randy is a big RAC supporter. And it is his goal to get Caltrans to use RAC in 30 percent of their projects next year. So that was very encouraging.

That's my report.

CHAIRPERSON MOULTON-PATTERSON: Thank you. We appreciate all your efforts, especially in the area of Special Waste. Thank you, because I know that's not easy.

Ms. Marin.

BOARD MEMBER MARIN: Madam Chair, I visited along with my colleagues, and they've already mentioned, both with Cheryl I visited La Montaa, and we went to see CRM and Lakin Tire. And then with Ms. Mulé, Sunshine Canyon tour and El Sobrante. That was a huge drive from one end of L.A. County to another one. It was just amazing. But it was very enlightening.

I was a speaker in Rosarito, Mexico at an Environmental and Health Conference on July 23rd.

And went and spoke at the UES Institute in Mariposa, California. And I just got to tell you, I was so impressed with those kids and what the teachers did to have the kids actually do an audit of the trash at their school. And I was very, very impressed. A little town where everybody comes together from the county, school, to the City Council. Everybody was there. It was just amazing. And I got to tell you, Joanne, she does such a

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great job.

CHAIRPERSON MOULTON-PATTERSON: She sure does.

BOARD MEMBER MARIN: I went to visit the Sonoma tire sites, and also went to San Diego to visit a couple of sites from Allied. Chuck was there. Where's Chuck Helget? There you are. Thank you.

And yesterday we went to the Roseville Recycling Facility and also a MRF in Placer County. I've been very, very busy.

I also participated in a small program. The title of the program was "Oil and Water Don't Mix" put together by the local -- is it Channel 3? It was Channel 3. It was very nice. And that was through a grant that this Board gave.

So I'm very busy next month. I'm going to be also very busy with my colleagues visiting some sites. So I'm very excited, and I thank everybody that has helped me go around. And we have great staff. I'm just very proud of them, Madam Chair. Thank you.

CHAIRPERSON MOULTON-PATTERSON: Thank you, Ms. Marin.

I just have to ask our two new Board members, have you had time to sleep? Just kidding. But it is really great to see the interest both of you have taken in going out in the field and seeing that. I just really

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think we all appreciate it.

BOARD MEMBER MARIN: I just want to mention that I did visit a site from Hewlett-Packard. They recycle all of their materials, and that was just amazing. And I know Mr. Paparian has been there a few times. It's an extremely -- more than enlighting. It's just amazing what they're doing, and the quantity of boards and cell phones and everything that they recycle. I know Ms. Mulé is going to be there next week, I believe. So just amazing.

And they're also -- I'll mention that when the item comes, but they're also supporting some of our efforts later on in the agenda.

CHAIRPERSON MOULTON-PATTERSON: Thank you, Mr. Paparian.

BOARD MEMBER PAPARIAN: Thank you, Madam Chair.

I also took a little tour of the facilities in Stanislaus County, including the Turlock Transfer Station, the Fink Road Landfill, the composting facility for the city of Modesto and the Covanta Energy Facility. I also met with some of the local citizens who have had some issues and concerns with some of those facilities.

I visited Three-D Plastics, a recipient of an RMDZ loan as well as a Tire Product Commercialization Grant. And they are doing some remarkable things with the recycling of both plastics and tires into a variety of

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highway safety products and other products.

The Product Stewardship Institute Tire Forum was already mentioned. I think we'll probably be hearing more about that in the coming months. I think it really offers an exciting opportunity to engage the tire manufacturers in taking a little bit more responsibility for some front end and back end solutions to some of the tire problems we're facing.

Together with Mitch Delmage, we went out to the UC Davis Institute of Transportation Studies, which is working on the smart tire technology contract, which we approved a few months ago. And they are doing some remarkable things with various technologies effecting transportation, roads, tires, and any product or fuel you can imagine associated with transportation. They're also in the process of relocating a test facility for highways from Richmond to Davis. And this is something that's used by Caltrans quite a bit to test various road technologies as well as things they use, scraping and other things they use on roads. I think that may offer some opportunities as we try to assure that they incorporate RAC into their future studies of what they'll need in the future.

On e-waste, we've seen a lot of the staff and we're going to see them today. And we've thanked them profusely for the amount of work they've done to help us

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on the implementation of SB 20, the e-waste program. But some of the staff we don't see are the IMB folks, the computer folks who are developing a lot of the tools necessary to get collectors and recyclers and the collection system and the payment system together and to get our public website really in order and in good shape for everybody who wants to know about this program. I know that Doug Ralston and Chris Allen and Paige Lettington and Mercy Caputi and Amarjot Biring have really done a remarkable job of making sure that we have the computer side -- the internal computer side of our e-waste recycling program together. And I think they deserve some thanks.

And since we have hopefully a short agenda today, I thought it would be okay if I mentioned a little something about my summer vacation.

CHAIRPERSON MOULTON-PATTERSON: Sure. We'd love to hear about your summer vacation. It's almost back to school time.

BOARD MEMBER PAPARIAN: I went with my family. We went to Yosemite. We went over to the eastern sierra a little bit. And we were over in a hot springs near Mammoth, a little bit remote. It was the hot creek where the hot springs flows right into a running creek. So you have the hot and cold mixing together. It's a very

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popular spot. A lot of tourists go there.

We were there with my family. And there's somebody talking about waste. And I look around, and it's four members of our Waste Board staff who have just come off a backpacking trip and were soothing themselves in the hot springs. It was Reinhard Hohlwein and Dave Otsubo from the P&E Division, Randy Freelander from P&E, and Bob Horowitz from DPLA. Reinhard assured me that not only was he vacationing, he was also on his way to a MOLO training in the eastern sierras, lest I think he vacations too much. But it was fun to run into our four staff people there. What an unusual place.

CHAIRPERSON MOULTON-PATTERSON: That's great.

Mr. Washington.

BOARD MEMBER WASHINGTON: Thank you, Madam Chair. Just a couple of things here. I had the opportunity to speak at the SWANA Private Sector's Initiative on Construction Debris Management Workshop in Long Beach, which was very informational and informal.

The type of folks that were there were some good people. And to hear them talk about where we're going with construction debris is certainly -- it was exciting for me to just inform them that I was on a mission to save the California Integrated Waste Management Board and that I wanted everybody I could find to write a letter to the

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Governor about how important this public board is. And I believe that the word went out and those folks are really excited about helping us get the word out to the CPR Committee and those folks and letting them know what the California Integrated Waste Board does.

As Chair of Public Outreach and Education, one of the things I will be doing, Madam Chair, is certainly making sure people do understand what this Board is about. I saw a great article on the Water Resources Board and those folks in the San Francisco Chronicle. Never mentioned the California Integrated Waste Board. And we will be contacting those folks and saying, hey, this is what the California Integrated Waste Board does and that's why it's critical to maintain this Board as a public Board.

I'll be on a mission from now until whatever happens with the report to make sure that our message gets out that we are just as important. And I consider this Board to be more important than some of the other boards that exist around the state of California.

Likewise, on the 23rd, I attended with Senator Chesbro a very successful press conference. And I want to thank the Public Affairs folks. They put me up in a big ol' truck and had me dumping trash over down in Clear Lake where we had given a half-million dollar grant to the city

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of Clear Lake to help them with one of their illegal dump cleaning grant projects.

It was scary for a minute, and then when I got the hang of it, I invited John to come join me, but he ran back to the top of the hill. He didn't want to get in the line of fire.

So, again, I want to thank the staff for doing such a great job. And, again, I saw some of the articles. It was an excellent article as to what the Board is all about. That's what we want to do is we want to get the word out.

And then finally, Madam Chair, I'd like to comment on the memo I received from our Executive Director regarding the city of Gardena and their diversion compliance. And I would like to report they've done -- they're doing an excellent job, and we want them to continue to move forward. This is what we like to see, these type of projects, when we put someone on compliance, to make sure we work with them.

I want to thank Pat Schiavo and his staff for doing an excellent job in working with those folks in the city of Gardena and helping them come under compliance to our local assistance projects. And, again, kudos go out to the Local Assistance staff and all you guys who have done an excellent job. Thank you.

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CHAIRPERSON MOULTON-PATTERSON: Thank you, Mr. Washington. We appreciate it.

First of all, I'd like to say congratulations to Shirley Willd-Wagner. I watched her son in the finals for the Olympics. And, wow, we're going to be seeing him in four years, I'm sure. And you must be so proud. He's very young still, so he has a great future. And we're just -- I know it's taken a lot of time for you and your husband getting up at 4:00 in the morning and all that to take him to practice. But we're really proud of him and proud of you. Thank you.

BOARD MEMBER WASHINGTON: Madam Chair, what did he do?

CHAIRPERSON MOULTON-PATTERSON: He was in the finals for the Olympics swimming.

BRANCH MANAGER WILLD-WAGNER: Olympic trials.

CHAIRPERSON MOULTON-PATTERSON: But isn't that the finals kind of, the finals to go to the Olympics. In my mind, it is.

BOARD MEMBER WASHINGTON: I was going to say to Shirley, Madam Chair, that I'll take him on, but I can't swim.

CHAIRPERSON MOULTON-PATTERSON: He is a champion. Like I say, I know we'll see him at the Olympics in four years. So thank you so much for doing such a great job,

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Shirley. We appreciate it.

Also, I would like to -- I attended the partnership -- the AB 1568 partnership meeting for education and the environment. I know many of you have attended those meetings. And I just have to say that I am so impressed with what I see. This is a landmark bill that requires the coordination of responsibilities between the Secretary of CalEPA, the Integrated Waste Management Board, the Secretary of Education, the State Superintendent of Schools, the State Board of Education, the Legislature, and also has input from the environmental community, the business community, local citizens, and teachers, just educators that aren't in any of the organizations. And as you might know, not all these people get along all the time. And this is really a feet that we have come so far.

And I just want to point out that this would not have happened without CalEPA's Andrea Lewis and my advisor, Bonnie Bruce, who have managed this. And, of course, with Joanne Vorhies and her great team in education, they've made this happen. And I just wanted to point that out, because not only has Bonnie served me full time as my advisor, but she has also spent a great deal of time on 1548, not only as my advisor, but as a volunteer and spent many weekends and nights. And I just want to

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recognize Bonnie for all of her hard work, because she really has done a fantastic job, Bonnie.

(Applause)

CHAIRPERSON MOULTON-PATTERSON: And I've made her blush, and she doesn't like that when I do that. So I didn't tell her I was doing this. But it really is phenomenal. And this bill wouldn't have come this far without Andrea and Bonnie and Joanne. So thank you.

BOARD MEMBER WASHINGTON: Madam Chair, can I just comment?

CHAIRPERSON MOULTON-PATTERSON: Sure.

BOARD MEMBER WASHINGTON: I was there, too.

CHAIRPERSON MOULTON-PATTERSON: I know you were.

BOARD MEMBER WASHINGTON: And forgive me for that. And I, too -- and you did it well. Bonnie and the CalEPA folks are doing an excellent job of this bill and my kudos go to them, likewise.

CHAIRPERSON MOULTON-PATTERSON: Thank you, Mr. Washington.

Okay. Before I turn it over to Mr. Leary, I'd like you to please agendize as Item 1 for the September 21st Board the election of a Chair and Vice Chair. And that's Item Number 1, please, on the September agenda.

EXECUTIVE DIRECTOR LEARY: Will do, Madam Chair.

CHAIRPERSON MOULTON-PATTERSON: Thank you very

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much.

With that, I will ask for your report, Mr. Leary.

EXECUTIVE DIRECTOR LEARY: Good morning, Members.

Once again, I always start by thanking all of you for your positive comments about staff. And speaking of the positive work of our staff and the value of this Board, I have kind of a two-part Executive Director's report today. I'd like to do kind of the business items first and take a few of those, but I'd like to take advantage of the fact that we potentially have a lighter agenda today and do a little year-end review. We're at the end of the fiscal year, embarked on the end of a fiscal year, and I think we have a lot to be proud of and we've accomplished a lot in the last fiscal year.

And I'm going to do a report that I've prepared with the help of exec staff, and particularly the help of Jon Myers, Deb Orrill, and Chris Peck, to look back over the fiscal year 2003/04 and observe some of the positive things that happened as a result of the Board's activities.

So on the business side, I'd like to start with an update to you all on the suggestion box prioritization effort. Member Peace and Member Paparian asked me last month to make an effort with the executive staff to prioritize all the suggestions made by our staff, both

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through the electronic suggestion box and in their all-staff meetings with you.

I'd hoped to have completed that effort and have contributed by now, by this Board meeting, and we're darn close. But what we've done is half completed the prioritization effort, and we've prepared a spreadsheet I'd like to distribute by the end of the week hopefully, certainly the first of next week, to you all and to all staff of the Board commenting on how we've recognized all their suggestions, identified them, prioritized them, and are suggesting back to you, the Board, and to them our recommendations for how we address those suggestions in the coming months. So look for that here by the end of the week. And, again, I guess I apologize for not making today's deadline. But like I said, we're real close.

Another positive news, I'd like to give a little update on La Montaa. To recap recent developments, the city of Huntington Park's petition for a court ordered receiver for the property was granted on July 13th. This receiver has the authority to make decisions on the property, including authorization to proceed with the cleanup project approved by the Board in June.

On August 5th, staff submitted a written request to the receiver for authorization to proceed. Staff included the Board's contractor's removal plan, identified

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potential destination facilities for the material, and initial price quotes. The CEQA Notice of Exemption statute of limitations has concluded without challenge. In addition, staff forwarded our community health and safety plan for the project to the city as well to Communities for a Better Environment for their review and comment.

In reply, CBE staff expressed their appreciation for the Board's responsiveness to community concerns and indicated their intent to use the Board's plan as a model for other projects. They also offered thanks for the Board's open process.

And we have good news about the cost of the project also. The cost estimates are at the low end of our initial estimate, about $2.1 million. The project is expected to take 60 working days, and most of the material will likely be used as engineering fill at a fully permitted inert mine reclamation facility. Upon authorization by the receiver, final price quotes from these facilities and cost estimates will be established.

We are dealing with some delay in starting up the project as a consequence of working with this new receiver. However, we do anticipate that he will review our report favorably. It is our current best guess staff will hold a public meeting around mid September and the

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project might start late in the month and continue into December. We'll continue to keep you updated on this project.

CHAIRPERSON MOULTON-PATTERSON: Thank you very much. That's good news.

EXECUTIVE DIRECTOR LEARY: That is good news.

Continuing saga of the Anderson Landfill. On January 30th, 2004, the LEA for the county of Shasta received a request and granted a temporary waiver on February 12th, 2004, pursuant to the Code of Regulations to temporarily increase the permitted height limit at the Anderson landfill. An extension of the waiver was granted on May 11th that continued to August 10th, 2004. The LEA then granted a second extension requiring all the waste temporarily stored above the permitted height limit to be relocated to the newly constructed subtitle D lined cell by August 30th.

In the request made to the LEA, the operator projected that the relocation of the waste would be completed within a few days after the expiration of the agreement, that is August 10th, but requested additional time to complete the project. Board staff found that the additional time was not warranted. And under my authority, the extension has been limited to August 20th, 2004. Because of the Shasta lake fire, the LEA was not

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able to make her report to you today. However, both the operator and the LEA have indicated the site will be in compliance by our mandated August 20th.

And then finally in the recent good news department, the EPP Task Force, as I reported to the Sustainability Committee, that is the Environmentally Preferable Purchasing, is making great stride. It has representatives from 15 different state agencies, UC Office of the President, and the California Community Colleges Foundation.

We met on July 28th. The major focus of this task force is to implement Assembly Bill 498 through a partnership with DGS, the Board, and other major stakeholders. This partnership establishes a program to provide state agencies with information and assistance regarding environmentally preferable purchasing. The task force has met intermittently for some time and has been meeting monthly in 2004. But recent appointments of the new General Services Director and the new Deputy Director for Procurement has given this task force new life and energy.

At the July 28th meeting, the members signed a charter reinforcing the administration's commitment to and the executive support for the work the task force is doing. DGS Director Ron Joseph and Deputy Director of

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Procurement Rita Hamilton spoke to the group about the Department's strong commitment to EPP strategic sourcing and procurement reform. Ms. Hamilton will now co-chair the task force for the Board.

With the administration's focus on procurement reform, I think we'll see some very positive outcomes from the task force in the near future and promise to keep you updated on its progress.

That concludes the business portion of my Executive Director's report. Now I ask you to kind of sit back, get comfortable, take a look at your screens, and let's do a little year review 2003/2004, and Deb will assist me by operating the projector here.

(Thereupon an overhead presentation was presented as follows.)

EXECUTIVE DIRECTOR LEARY: The Board has made many great accomplishments over the last fiscal year, and there are many reasons to be proud of what we do here every day. We provided more than $36 million in grants and more than $7.4 million in loans to support local diversion, market development, and enforcement activities.

Our cleanup program eliminated a number of illegal dumps across the state, and we provided educational materials and resources to school and hundreds of districts. We have very much to be proud of.

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It was a year of change as well. In October of last year, we welcomed the new Governor of California as well as a new Secretary of CalEPA. We said goodbye to two of our Board members, and welcomed two new ones. And legislation has brought new programs.

I'd like to take a few minutes to recap some of the many highlights from last year. While we'd like to celebrate each and every accomplishment over the last year, there just isn't enough time in our Board meeting to do so today. So please remember that all the events, issues, conferences, and programs we've worked on are significant and are important to what we do as a Board.

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EXECUTIVE DIRECTOR LEARY: One of the first highlights took place in August of 2003, the Yulupa School cleanup in Santa Rosa.

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EXECUTIVE DIRECTOR LEARY: An arson-caused fire that damaged tire-derived playground material of Yulupa Elementary School in Santa Rosa just prior to the beginning of the school year triggered a plea from the --

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EXECUTIVE DIRECTOR LEARY: -- principal to the Board for assistance with cleanup. The Board responded with a $61,000 cleanup to remove and properly dispose of

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the fire-damaged playground tire chips.

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EXECUTIVE DIRECTOR LEARY: In September of 2003 --

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EXECUTIVE DIRECTOR LEARY: -- we dedicated the RAC project at the --

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EXECUTIVE DIRECTOR LEARY: -- new East End office complex in downtown Sacramento. A $250,000 grant to the Department of General Services funded the use of RAC paving on city streets surrounding the East End Complex.

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EXECUTIVE DIRECTOR LEARY: Former Board Vice Chair Medina participated in the dedication.

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EXECUTIVE DIRECTOR LEARY: Also in September, then-Governor Gray Davis signed SB 20, the Electronic Waste Recycling Act of 2003.

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EXECUTIVE DIRECTOR LEARY: Board Member Paparian joined former CalEPA Secretary Hickox and --

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EXECUTIVE DIRECTOR LEARY: -- then-DTSC Director Lowry at a press conference in the Bay Area to announce

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the signing of SB 20 to address California's e-waste challenge.

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EXECUTIVE DIRECTOR LEARY: September also saw our Waste Tire Conference. Several Board members as well as staff --

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EXECUTIVE DIRECTOR LEARY: -- participated in this event. The conference presented the Board's --

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EXECUTIVE DIRECTOR LEARY: -- perspective on dealing with illegal waste tire disposal south of the border and other related issues.

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EXECUTIVE DIRECTOR LEARY: In October of 2003, Governor Davis held a signing ceremony in Santa Monica for AB 1548.

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EXECUTIVE DIRECTOR LEARY: This legislation paves the way for state agencies with environmental programs to coordinate with our office and the CalEPA.

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EXECUTIVE DIRECTOR LEARY: The coordinated effort will develop, incorporate, and implement environmental principles and concepts in a unified education strategy

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for all California elementary and secondary schools.

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EXECUTIVE DIRECTOR LEARY: Also in October, the Board participated in the grand opening of Habitat for Humanity ReStore warehouse --

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EXECUTIVE DIRECTOR LEARY: -- on 7th Street in Sacramento. The ReStore warehouse offers consumers good quality new and --

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EXECUTIVE DIRECTOR LEARY: -- reusable home improvement and building materials at pennies on the dollar, including recycled paint --

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EXECUTIVE DIRECTOR LEARY: -- stocked on the store shelves.

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EXECUTIVE DIRECTOR LEARY: Our Office of Public Affairs rolled out the Board's new "Zero Waste" message at the 2003 League of Cities --

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EXECUTIVE DIRECTOR LEARY: -- Exposition in Sacramento where --

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EXECUTIVE DIRECTOR LEARY: -- Board Member Peace

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presented Resources for the Future awards to several deserving cities.

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EXECUTIVE DIRECTOR LEARY: Another wonderful event that took place in October was the Torrey Pines High School track dedication --

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EXECUTIVE DIRECTOR LEARY: -- in San Diego. Board Member Peace attended the dedication ceremony for the track --

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EXECUTIVE DIRECTOR LEARY: -- resurfacing work which was completed with $100,000 grant from the Board. The project installed a rubberized, all-weather, nine-lane 400-meter running track at the school in conjunction --

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EXECUTIVE DIRECTOR LEARY: -- with a stadium improvement project that included installation of artificial turf, new handicap accessible bathrooms, and safety lighting.

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EXECUTIVE DIRECTOR LEARY: In November, we were pleased to have Board Member Washington acknowledge the Board's $700,000 RMDZ --

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EXECUTIVE DIRECTOR LEARY: -- loan to Electronic Partners Corporation in Los Angeles. The company will use the money to divert up to 5 million pounds --

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EXECUTIVE DIRECTOR LEARY: -- of electronic waste per month, or approximately 30,000 tons a year --

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EXECUTIVE DIRECTOR LEARY: -- and is projected to create an additional 97 jobs.

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EXECUTIVE DIRECTOR LEARY: November also kicked off the start of our 2003 WRAP of the Year tour, with Board Chair Moulton-Patterson --

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EXECUTIVE DIRECTOR LEARY: -- making a presentation to the Blue & Gold Fleet in San Francisco. A windy day, obviously. In 2002 --

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EXECUTIVE DIRECTOR LEARY: -- the Blue & Gold Fleet recycled 100,000 pounds of cardboard, 32,000 pounds of paper, and 6,000 gallons of oil and installed energy efficient lighting to save 82,000 kilowatt hours per year. Through its engine re-power program for ferry vessels, the companies had reduced its use of diesel fuel by more than 100,000 gallons annually.

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The Chair also presented WRAP of the Year award in December --

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EXECUTIVE DIRECTOR LEARY: -- to the Community Environmental Council in Santa Barbara. The CEC is a nonprofit environmental education organization --

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EXECUTIVE DIRECTOR LEARY: -- with six centers and 20 employees and operates ten education programs, providing community services --

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EXECUTIVE DIRECTOR LEARY: -- related to water quality protection, hazardous waste management, recycling and waste reduction, integrated pest management, and energy conservation.

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EXECUTIVE DIRECTOR LEARY: And who can forget these dramatic photos from the Red Rock Canyon State Park cleanup in January?

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EXECUTIVE DIRECTOR LEARY: At the request of the State Department of Parks and Recreation, the Board commenced a $125,000 cleanup operation --

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EXECUTIVE DIRECTOR LEARY: -- at the 28,000 acre

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park in Kern County. Using helicopters to remove several abandoned vehicles from the steep ravines of the --

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EXECUTIVE DIRECTOR LEARY: -- popular hiking and off-road park, the Board accomplished a difficult operation that past attempts using two tow trucks failed to complete. That's one of our staff operating that helicopter, I believe.

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EXECUTIVE DIRECTOR LEARY: Also in January, we celebrated another WRAP of the Year winner, the Hitachi Automotive Products in Torrance. Board Member --

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EXECUTIVE DIRECTOR LEARY: -- Washington was on hand to recognize Hitachi's waste reduction and recycling achievements. The plant has diverted more than 2.4 million pounds of materials, metals, and plastics from local landfills.

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EXECUTIVE DIRECTOR LEARY: Another WRAP of the --

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EXECUTIVE DIRECTOR LEARY: -- Year awards tour continued in Redding at Turtle Bay Exploration Park. Board Member Paparian recognized the --

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EXECUTIVE DIRECTOR LEARY: -- accomplishments of this not-for-profit park, which operates --

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EXECUTIVE DIRECTOR LEARY: -- a large scale recycling and waste reduction program. More than 700 tons of --

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EXECUTIVE DIRECTOR LEARY: -- materials were reused or recycled by the museum last year.

Turtle Bay's in-house campaign to use fewer supplies and materials has saved the nonprofit approximately $19,000. The facility itself is built with many recycled materials and with environmental stewardship and sustainability in mind.

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EXECUTIVE DIRECTOR LEARY: February 2004 brought us to another great WRAP of the Year winner --

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EXECUTIVE DIRECTOR LEARY: -- at Toyota North American Part Center in Ontario. Here Secretary Tamminen joined Board Member Washington in --

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EXECUTIVE DIRECTOR LEARY: -- recognizing the efforts of this business, which employs 516 workers and is committed to protecting the environment through natural

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resource conservation --

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EXECUTIVE DIRECTOR LEARY: -- recycling, pollution prevention, and other initiatives.

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EXECUTIVE DIRECTOR LEARY: In March, we highlighted the Board's $2 million --

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EXECUTIVE DIRECTOR LEARY: -- RMDZ loan to Looney Bins for its new "Downtown Diversion" location in Los Angeles. Secretary Tamminen and Board members --

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EXECUTIVE DIRECTOR LEARY: -- toured the new facility, which is now processing a wide variety of construction and demolition materials.

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EXECUTIVE DIRECTOR LEARY: Downtown Diversion will create approximately 75 new jobs over the next three years and will divert approximately 50,000 tons per year of construction and demolition debris in the L.A. region.

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EXECUTIVE DIRECTOR LEARY: March was also trade show month.

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EXECUTIVE DIRECTOR LEARY: Board officials, local

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dignitaries, staff, and the public poured into the Sacramento Convention Center for the --

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EXECUTIVE DIRECTOR LEARY: -- Recycled Product Trade Show, the premier West Coast event of its kind. More than 100 exhibitors and 2,000 buyers --

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EXECUTIVE DIRECTOR LEARY: -- specification writers, project managers, and support staff attended the two-day show.

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EXECUTIVE DIRECTOR LEARY: The Board's used oil and household hazardous waste conference provided an --

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EXECUTIVE DIRECTOR LEARY: -- opportunity to recognize some of the many excellent local programs that are helping to keep unwanted material out of our landfills.

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EXECUTIVE DIRECTOR LEARY: Another wonderful and some say Goofy event, was Jiminy Cricket's Environmentality Challenge awards at Disneyland in April.

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EXECUTIVE DIRECTOR LEARY: Secretary Tamminen honored the fifth-grade students from Park View Center School in Semi Valley, California, and their teacher, Deni Lopez --

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EXECUTIVE DIRECTOR LEARY: -- as the 2004 grand prize winners. The statewide competition promotes environmental stewardship among students who complete action projects and make --

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EXECUTIVE DIRECTOR LEARY: -- pledges to think and act with the environment in mind. More than 600,000 California students have participated in the challenge since its inception in 1994.

That's not one of our staff.

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EXECUTIVE DIRECTOR LEARY: On April 22nd, Governor Schwarzenegger appointed the two newest members of the Board, Rosario Marin and Rosalie Mulé.

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EXECUTIVE DIRECTOR LEARY: Ms. Marin represents the general public on the Board, and Ms. Mulé occupies the position reserved for someone with private sector experience in waste management.

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EXECUTIVE DIRECTOR LEARY: Members Marin and Mul were both sworn in shortly after being appointed by the Governor and participated in their first public meeting of the Board in June.

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EXECUTIVE DIRECTOR LEARY: Also in April, the Board accepted honors --

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EXECUTIVE DIRECTOR LEARY: -- from U.S. EPA in the Region IX 2004 Environmental Awards for the success of the Jobs Through Recycling Program. This project brought together the economic development and recycling communities in Alameda County to demonstrate the benefits of establishing regional markets for locally recovered recyclable materials.

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EXECUTIVE DIRECTOR LEARY: In May, Board Member Washington presented a $275,000 --

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EXECUTIVE DIRECTOR LEARY: RMDZ loan to Ability Counts in Corona. Ability Counts provides vocation training and employment for persons with developmental disabilities.

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EXECUTIVE DIRECTOR LEARY: Their 56,000-square

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foot Corona facility has an annual budget of $6.8 million --

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EXECUTIVE DIRECTOR LEARY: -- employs 525 developmentally disabled persons, and maintains a recycling program in Riverside.

I understand Mr. Washington now owns that shirt, he liked it so much.

BOARD MEMBER WASHINGTON: And the hat.

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EXECUTIVE DIRECTOR LEARY: The Board participated in the waste tire hauler checkpoint here in Sacramento. This is one of --

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EXECUTIVE DIRECTOR LEARY: -- several unannounced checkpoints operated by the California Highway Patrol to monitor waste tire haulers' compliance with the state waste tire hauler manifest regulations.

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EXECUTIVE DIRECTOR LEARY: Trucks in Sacramento and around the state are being stopped and their drivers checked for the required documents, including registration papers and trip logs for their waste tire deliveries.

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EXECUTIVE DIRECTOR LEARY: Still in April, a busy

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month, Board Members Marin and Washington, along with local and district officials --

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EXECUTIVE DIRECTOR LEARY: Visited the Desert Sands Unified School District Office in La Quinta to celebrate its new food waste composting program. The district, a participant in the Board's Environmental Ambassadors pilot --

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EXECUTIVE DIRECTOR LEARY: -- is using an $89,000 grant to help establish waste diversion activities, including an organic composting program, and integrate those activities in the classroom curricula.

The program will turn food wastes from select schools located in the cities of Indian Wells and Palm Desert into organic compost to help the city's residents grow greener lawns and gardens.

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EXECUTIVE DIRECTOR LEARY: In May, Board staff toured the Indian Wells Tennis Gardens complex --

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EXECUTIVE DIRECTOR LEARY: -- site of a very successful large scale food composing project coordinated by the city of Indian Wells. Tennis Gardens is the site of the annual two-week long --

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EXECUTIVE DIRECTOR LEARY: -- Tennis Master Series, drawing an estimated attendance of nearly 200,000.

This pilot project began in 2001, and over the past year introduced a biodegradable food service component at the Tennis Garden facility and substantially expanded its food scraps collection and cardboard --

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EXECUTIVE DIRECTOR LEARY: -- and container recycling efforts.

We are getting increasingly positive evidence from the Indian Wells project that large-scale food scrap diversion holds promise for many jurisdictions.

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EXECUTIVE DIRECTOR LEARY: And in June, Board Member Washington joined Assembly Member Bermudez --

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EXECUTIVE DIRECTOR LEARY: -- and city leaders in dedicating a running track at Liberty Park in the city of Cerritos. A $100,000 grant from the Board to the city helped provide a new recycled rubber content --

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EXECUTIVE DIRECTOR LEARY: -- surface for the 330-yard long Liberty Park community jogging track.

This track resurfacing project represents one of

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the most beneficial and appreciated uses of waste tires.

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EXECUTIVE DIRECTOR LEARY: The ever shy and retiring Board Member Washington then jogged over to 92nd Street School in Los Angeles where Assembly Member Dymally joined him in another dedication.

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EXECUTIVE DIRECTOR LEARY: Here, again, waste tires were used to resurface the track at this Watts-area elementary school.

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EXECUTIVE DIRECTOR LEARY: The Board awarded a $25,000 matching grant that helped the Los Angeles Unified School District complete the project. In addition, 150 --

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EXECUTIVE DIRECTOR LEARY: -- students from the school were awarded bronze-, silver-, and gold-level honors for outstanding achievement in the school's first-ever Olympics athletic competition, which were held on the new track. Mr. Washington hasn't reported which level he got. I think the kids probably beat him, though.

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EXECUTIVE DIRECTOR LEARY: Finally, last, but certainly Not least is our Royster waste tire site in Tracy. This has been an ongoing --

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EXECUTIVE DIRECTOR LEARY: -- project since we began final fire suppressions at the site in 2000 to extinguish hot spots of a seven million tire fire that occurred in 1998. To date, our contractor has removed --

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EXECUTIVE DIRECTOR LEARY: -- over 121,000 tons of California hazardous waste left in the tire's passing. A total of 5,110 loads have been transported to a hazardous waste facility in Kettleman Hills. The project has also unearthed pockets of pyrolytic oil, solid waste, and evidence of previous small tire fires. The hazardous waste removal phase will be completed by October 2004.

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EXECUTIVE DIRECTOR LEARY: As I said, much has happened over the last year. And this is only a portion of the great things the Board has done. You can see how Board grants alone are used to better our environment and our economy for California. And while we have done much over the last year, the new fiscal year presents many more opportunities to work toward a zero waste California.

And with that, Madam Chair, I conclude my report.

CHAIRPERSON MOULTON-PATTERSON: Thank you. That was great. I really appreciate your office, John, for putting that together. You know, you forget how many

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things we have done over just the past year. So thank you very much.

Okay. With that, we're going to get down to business here on our agenda.

Item 13 has been pulled.

Item 5 was heard at Committee only.

Items 1 revised, 2, 3 revised, 6 revised, and 7 through 12 have been proposed for the consent agenda.

I understand that you'd like to pull Item Number 3 off that consent, Ms. Peace.

BOARD MEMBER PEACE: Yes, that's correct.

CHAIRPERSON MOULTON-PATTERSON: We'll put it on the full agenda.

Were there any others?

Thank you.

So once the consent calendar is approved, the full Board will hear Items 3, 4, 14, and 15. And we will be having a somewhat extended closed session at the end of this meeting. We might be taking a lunch break first, depending on what time we close.

So with that, would you like to make an additional report, Ms. Peace, on Special Waste?

BOARD MEMBER PEACE: Yes. We did have a short meeting. There was only a couple items.

But with regard to the grant appeal in Item

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Number 1, the Committee decided to grant the appeals before us as recommended by our staff and to have the Executive Director be responsible for any future appeal requests.

Separate from that vote, we've asked staff to come back to the Committee with an item to address the issues around grant application due dates for the competitive and non-competitive grants.

The Tracy item has full Committee support. We are formalizing an action the Board agreed to in May. The original estimate to clean up the site was $9 million, and now we're at 11.5 million. And staff told us in the end the Board probably will have spent about $14 million cleaning up this mess.

Finally, we received some suggestions from the public on some new approaches to consider when we start to review the Five-Year Plan next month. And I would also like to remind anyone interested that there will be a workshop this Thursday at 10:00 in the Sierra Room to discuss the proposed tire manifest changes.

That concludes my report.

CHAIRPERSON MOULTON-PATTERSON: Thank you, Ms. Peace.

All the items on Special Waste were -- I'm sorry. I'm going a little fast. We need to call the consent

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calendar; correct?

BOARD MEMBER PAPARIAN: I'll move the consent calendar.

CHAIRPERSON MOULTON-PATTERSON: Thank you very much.

BOARD MEMBER WASHINGTON: Second.

BOARD MEMBER MARIN: Second.

CHAIRPERSON MOULTON-PATTERSON: And again, it's Items 1, 2, 6 revised, 7 through 12 that are proposed for consent.

Mr. Washington, did you second that?

BOARD MEMBER WASHINGTON: Yes.

BOARD MEMBER MARIN: I did.

CHAIRPERSON MOULTON-PATTERSON: Okay, Ms. Marin.

BOARD MEMBER WASHINGTON: Ms. Marin seconded that.

CHAIRPERSON MOULTON-PATTERSON: We have a motion to approve the consent calendar as read by Mr. Paparian and seconded by Ms. Marin.

Please call the roll.

SECRETARY WADDELL: Marin?

BOARD MEMBER MARIN: Aye.

SECRETARY WADDELL: Mulé?

BOARD MEMBER MULÉ: Aye.

SECRETARY WADDELL: Paparian?

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BOARD MEMBER PAPARIAN: Aye.

SECRETARY WADDELL: Peace?

BOARD MEMBER PEACE: Aye.

SECRETARY WADDELL: Washington?

BOARD MEMBER WASHINGTON: Aye.

SECRETARY WADDELL: Moulton-Patterson?

CHAIRPERSON MOULTON-PATTERSON: Aye.

At this time we will go to Permitting and Enforcement, and Ms. Marin is Chair of that Committee.

Ms. Marin.

BOARD MEMBER MARIN: Madam Chair, the two items that we had were actually for consent, but I understand Ms. Peace is pulling 3. So I'm very excited to hear why she pulled it.

It was very good. You know what I find most amazing? There was a lot of concern about one particular item, and staff was able to work really hard on Item Number 2. And, to my surprise -- pleasant surprise, we were able to come to an agreement with new language, and everybody seems to be pretty happy about that. So I'm delighted about that. Very, very short meeting as well, Madam Chair. So we'll listen to Number 3.

CHAIRPERSON MOULTON-PATTERSON: Okay. Thank you.

BOARD MEMBER PEACE: I just wanted to say the reason I pulled this item is not that I had any real big

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problems with it. But just in keeping the full Board protocol, the full Board should hear every permit before it.

CHAIRPERSON MOULTON-PATTERSON: Okay. Thank you. And with that we'll go to Mr. Levenson on Item Number 3.

DEPUTY DIRECTOR LEVENSON: Thank you, Madam Chair. Good morning, Board members. Howard Levenson with Permitting and Enforcement. Suzanne Hambleton from our Permitting and Inspection Branch will make a short presentation on this item. And if you have any specific questions, we can go into more detail as needed.

SUPERVISOR HAMBLETON: Hi. I'm Suzanne Hambleton. Thank you for this unexpected opportunity to be before you.

I'm going to tell you about the Borrego Landfill, the small landfill in the northeast corner of San Diego County. It's owned and operated by Allied Waste Industries.

Permitted tonnage is currently 50 tons per day. That will not be changing in this permit revision. The nearest resident is 1.8 miles away.

The proposed changes include a change in acreage -- a small change in acreage, a change in the days and hours of operation. A notice of exemption was prepared by the lead agency for these small changes.

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All of the required findings have been made, and staff recommend that the Board concur in the proposed permit and adopt Resolution 2004-210. Melissa Porter is here representing the San Diego County LEA, and we can answer any questions that you may have.

BOARD MEMBER PEACE: I guess I just have one question. So the site was a burn dump in the '60s. Is that correct? It was a burn dump in the '60s and it is unlined. And, yet, there are no environmental documents to be found anywhere, yet we exempt it from CEQA. Is this, like, normal for these older landfills?

SUPERVISOR HAMBLETON: We're exempting the two small changes that have occurred, which are, I believe, an increase in something like three acres due to the fact that waste was placed outside of the -- not outside of the footprint, but outside of a mandatory buffer that San Diego County has imposed on their facilities. But there's no change in the existing footprint.

In terms of existing CEQA documentation, this landfill was grandfathered in, I believe, '78 or '79. And it is -- there are other landfills that this has occurred with. So the exemption is just for these two small changes. And the remoteness and the smallness of this particular landfill is the reason why staff reviewed the exemption as well as our Legal staff and agreed that was

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the adequate CEQA documentation.

BOARD MEMBER PEACE: It will only require a new environmental document when there is an expansion?

SUPERVISOR HAMBLETON: Yes, of course.

BOARD MEMBER PEACE: Thank you.

SUPERVISOR HAMBLETON: You're welcome.

CHAIRPERSON MOULTON-PATTERSON: Okay. Do I have a motion, Mr. Washington?

BOARD MEMBER WASHINGTON: Just before I make a motion, I would like to thank the landfill operators for conducting -- I read when they conducted a May 11th public hearing. I would like to just thank the operators for conducting the public hearings that they had. The LEA, I believe, went down to those folks and had a public hearing. Down in one of the little towns down there somewhere, they had a public hearing. And I understand it went well. The comments were made. People had a chance to exercise their opinion. They wanted to know was this landfill going to expand and all those kinds of things. I think that's what the nuts and bolts of this is about. So I really want to thank them for doing that and thank the staff for working on this.

SUPERVISOR HAMBLETON: Correct. That's the hearing that's required according to AB 1497 that the LEA had initiated and held.

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BOARD MEMBER WASHINGTON: Great.

With that, Madam Chair, I'd like to move adoption of Resolution 2004-210 revised.

BOARD MEMBER MULÉ: Second.

CHAIRPERSON MOULTON-PATTERSON: A motion by Mr. Washington and seconded by Ms. Mulé.

Please call the roll.

SECRETARY WADDELL: Marin?

BOARD MEMBER MARIN: Aye.

SECRETARY WADDELL: Mulé?

BOARD MEMBER MULÉ: Aye.

SECRETARY WADDELL: Paparian?

BOARD MEMBER PAPARIAN: Aye.

SECRETARY WADDELL: Peace?

BOARD MEMBER PEACE: Aye.

SECRETARY WADDELL: Washington?

BOARD MEMBER WASHINGTON: Aye.

SECRETARY WADDELL: Moulton-Patterson?

CHAIRPERSON MOULTON-PATTERSON: Aye.

Ms. Marin.

BOARD MEMBER MARIN: Madam Chair, I just need clarification as to how is it that we're going to be bringing items and putting them on consent. I appreciate the fact that any Board member can pull any item out of consent. But I just need a specific guideline, because we

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put the item on consent. And there was a 3-0, and it was very, very clear that prior to not having Committees, all of the items were for Board discussion, completely and open, because there were no Committees. But when there were Committees, even P&E when there was permits that had a 3-0 or whatever, it was unanimous, it would automatically go on consent. So I just need direction to make sure that -- and I understand that any Board member can pull any item at all. But I just need to have that clarified.

CHAIRPERSON MOULTON-PATTERSON: I hear your point. But in the past haven't all permits come to the full Board?

EXECUTIVE DIRECTOR LEARY: Actually, Madam Chair, we've done it both ways over the history of the Board.

CHAIRPERSON MOULTON-PATTERSON: We need to settle it then.

EXECUTIVE DIRECTOR LEARY: We've had Committees, and Committees have put it on consent. They've come to the Board for consent when we didn't have Committees. The Board has taken all those items up. We've had Committees, and the Board has resisted the temptation to put them on consent and taken them up at the full Board meeting. So we have truly done it every way possible.

CHAIRPERSON MOULTON-PATTERSON: I think that's

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something the Board needs to decide so it doesn't happen again. And we'll talk about that.

Did you want to speak to that, Ms. Peace?

BOARD MEMBER PEACE: I just want to say it's my belief that when it comes to permits, the full Board should hear them before voting. But I guess we can talk about that in closed. Is that something we can talk about in closed session?

CHAIRPERSON MOULTON-PATTERSON: That wouldn't be closed session. But since it's not agendized can we -- we need to settle it, though. But I don't know that -- Ms. Carter, what would you recommend?

CHIEF COUNSEL CARTER: Madam Chair, the Legal Office will be bringing to the Board an opportunity to review some of these processes. And they are -- the ones we'll be bringing to you are discretionary so you can look at them again fresh and determine which would be best, considering the current make up of the Board and how the Committees are structured. And that will be happening within the next month or so.

CHAIRPERSON MOULTON-PATTERSON: Okay. Thank you.

You know, I do think it's something we really need to look at, because permits are so important. Some way if we could know there was a 3-0 vote, but yet have a brief presentation or something, I do think it's important

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that we take a vote on the permits. But that's something I'd like to hear from Legal first, and then we can make a decision on that, but so we're not in that uncomfortable position of not knowing.

Ms. Marin.

BOARD MEMBER MARIN: Madam Chair, the only reason is because oftentimes -- and I'm doing it for the people that maybe would not even come, because they know their item is on consent and then to literally pull a fast one on them.

CHAIRPERSON MOULTON-PATTERSON: We wouldn't want to do that.

BOARD MEMBER MARIN: But I will follow the will of the Board, but I think we need to be very clear.

CHAIRPERSON MOULTON-PATTERSON: I think so, too. One thing that we have said, at least while I've been Chair, is that anything is likely to come to the Board. Do not take the Committee system as -- even if you get a recommendation, don't take that as, you know, it's going to be a done deal.

And I think when we had a report from the Attorney General's Office, that special -- I can't remember his name, but the expert on it, he cautioned us about letting the Committee structure act as the Board. And so I really want to take that into consideration.

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I see your point, but I think it's really good so we all understand the ground rules. So I'll be looking forward to your legal opinion on that.

Okay. Thank you.

We did call the roll on that one, didn't we? I'm on a little cold medication today. You've got to excuse me. I'm a little stuffed up.

Anyway, okay. That brings us to the Sustainability and Market Development section of our agenda. And Mr. Paparian is the Chair of that Committee. And I would like to ask him to report on his Committee.

BOARD MEMBER PAPARIAN: Thank you, Madam Chair.

We heard nine items in the Committee. One went on fiscal consensus. Seven items were on consent. And one discussion item was heard in the Committee only. That one related to a plan that was put together for the Waste Prevention and Market Development Division, and I think what that really showed us is the remarkable amount of work that the division is doing and a lot of the creative thinking they've engaged in on what can be done more effectively and efficiently over the next couple of years. I think all the Committee really appreciated hearing that. And I think there's a copy of the item in the binder, and I'd recommend it to the members who didn't have a chance to hear that presentation.

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So the item that's coming before us, I think we'll get the description of right now. It's an RMDZ loan item.

CHAIRPERSON MOULTON-PATTERSON: Okay. Thank you, Mr. Paparian.

Ms. Wohl.

DEPUTY DIRECTOR WOHL: Morning, Madam Chair and Board member.

Agenda Item 4 is Consideration of the Recycling Market Development Revolving Loan Program Application for ITEC Environmental Group, Inc. This project is projected to divert 15,000 tons of PET postconsumer plastic bottles and create 45 new jobs. The facility will be located in Riverbank, California, within the Stanislaus County RMDZ. The proposed RMDZ loan will fund $2 million, and staff recommends that the Board approve Agenda Item 4 and adopt Resolution 2004-221 in the amount of $2 million.

CHAIRPERSON MOULTON-PATTERSON: Okay. Thank you.

Mr. Paparian.

BOARD MEMBER PAPARIAN: If there's no questions, I'd like to move Resolution 2004-221.

BOARD MEMBER MARIN: Second.

CHAIRPERSON MOULTON-PATTERSON: We have a motion by Mr. Paparian, seconded by Ms. Marin to approve Resolution 2004-221.

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Without objection, please substitute the previous roll call.

That brings us to Item 14 that will also be presented by Ms. Wohl.

But before she starts, just so we're really clear on ex partes, I received for all the Board and I think everybody got a copy of it -- I don't know if they got it in time. But we did receive four faxes regarding Item 14 on the e-waste fee.

Number one, the National Resources Defense Council, don't delay until February 2005 was the gist of it.

Number two, Southern California Recyclers, Inc., supports delay.

Number three, Jane Bogner, Sierra Club, don't delay.

And number four, Californians Against Waste opposes the delay. However, Ms. Bruce did speak to Mr. Murray after the e-mail and said he understood the process our staff is suggesting, but he's here so he can speak for himself, and he has a speaker slip.

And with that, I will turn it back over to Ms. Wohl.

DEPUTY DIRECTOR WOHL: Yes. Agenda Item 14, Consideration of Emergency Amendment Without Regulatory

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Effect of E-Waste Regulation to Conform to Law Change in AB 901. And I'd like to introduce Shirley Willd-Wagner, and she'll be introducing Bob Conheim.

BRANCH MANAGER WILLD-WAGNER: Good morning, Chair Moulton-Patterson and Board members. I'm Shirley Willd-Wagner, and I'm heading up the Electronic Waste Team here at the Board. And since we were last here in April, I just wanted to update you on some of the activities. We, of course, had two new members join the Board since then, so I wanted to update you on the activities of the Electronic Waste Team, which we finally refer to as the E-Team.

This is truly an inter-divisional and inter-departmental team. Mark Leary allocated resources from the Special Waste Division, Waste Prevention Market Development Division, the Legal Office, Policy Office, Legislative Office. We have support, of course, from Administration and Finance and Public Affairs Office, as well as with the Department of Toxic Substances Control.

Mark has recently suggested -- has directed that our team now be consolidated in the Waste Prevention and Market Development Committee -- Division, and the impact I wanted to mention and put on the record here for the stakeholders is that we will now be coming with the waste issues to the Sustainability and Market Committee, rather

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than the Special Waste Committee in the future.

One of our main focuses over the past couple of months has been in accepting and reviewing applications from electronic waste recyclers and collectors who are applying to us to be approved to participate in the payment system identified in SB 20. In order accomplish this, we've worked very closely with the Department of Toxic Substances Control. The collaboration has been necessary for the inspections and to verify the information to ensure that collectors and recyclers are in compliance and conformance with applicable laws and regulations.

Also I had in my notes I was going to say exactly what Mike Paparian already said earlier this morning, acknowledging our staff in the computer services IMB staff. For those new members, you probably may not know, but we have the very best in the state and they were able to develop a database for this whole process of accepting and tracking applications from collectors and recyclers. So I also wanted to acknowledge and appreciate that support.

We've continued with our stakeholder communication. We have a list serve distribution which allows us to provide up-to-the-minute almost instantaneous news to all of our stakeholders who have shown an interest

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in and has subscribed to our list serve. This is really necessary with the changes that happen hourly, daily in the legislative process, the regulatory process with SB 20. And some of you may have seen over the weekend -- in fact, there was a news story an KCRA Channel 3 talking about electronic waste collection in the city of Lodi. Our operators -- they gave the Board's phone number at the end, the 341-6000 number. And I got several calls 7:00 Monday morning, we've got all these voice mails, what do we tell them?

Because of the electronic waste directory that we have on our database, our receptionists and staff were able to answer phone calls from over 50 people yesterday as a result of this story. There was free collection in the city of Lodi, and everybody wanted to know where they could get it next in Roseville and Rocklin and Elk Grove and everywhere else.

So we got some good publicity out of that. Unfortunately, we didn't have the advance knowledge so we didn't have all of the scripted answers ready. But we were able to refer people not only to our electronic product directory, but also to our very successful partnership that you may be aware of between Office Depo and Hewlitt-Packard to accept electronic devices from the public free of charge through Labor Day. So we had a

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couple of resources, which was really good for our program.

Lastly, we're continuing to work on Senate Bill 50 by Byron Sher which are cleanup amendments to SB 20. The last time we were before you, we mentioned we were still continuing to work with the Board of Equalization that may collect the fee. If SB 50 does pass, the Board of Equalization will be required to collect the fee. So we're working very closely with them, meeting with them to ensure that language in SB 50 reflects their needs, what will make it both efficient and effective to collect the fee and also to be able to respond to questions from the stakeholders.

I wanted to make sure that you realize that as these things do change daily, the staff of the E-Team is available to you to answer any clarification questions. Any issues that may come up, be sure to contact anyone or myself on the team.

I mentioned the inter-divisional support. And certainly one of the great benefits has been having a Senior Staff Counsel assigned to the Electronic Waste Team. Bob Conheim not only provides us with good sound guidance and advice, but also humor when we need it. It's been an overwhelming project. Bob's got a real good even sense of humor that keeps us going. He's going to present

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today's item.

So I'll turn it over to Bob at this time. Thank you.

CHAIRPERSON MOULTON-PATTERSON: Thank you.

STAFF COUNSEL CONHEIM: Thank you, Patty and Shirley and Board members. I'm Bob Conheim of the Legal staff. I've never heard my sense of humor described as even handed or anything but perverted, but I've tried real hard to keep us on an even keel.

This is a very difficult law to implement. But what I'm bringing to you today is, by definition, by legal definition, a very simple change to a single regulation in the regulations that you adopted for the program in April. And the reason we're bringing this to you is that the regulation that we are proposing to ask you to approve to change is the regulation that established a date from which time covered electronic waste could be eligible to be collected and would be eligible for payment under the system established by SB 20.

Because AB 901 in the spring signed June 30th at about 6:30 p.m. changed the date for the beginning of the payment of the covered electronic waste recycling fee from the next day, July 1, 2004, to November 1st, 2004, the regulation that you adopted in April establishing October 1st as the date from which covered electronic waste would

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be eligible for payment under the system was out of sync with the statute. When you adopted that regulation, you established a --

(Thereupon an overhead presentation was presented as follows.)

STAFF COUNSEL CONHEIM: There we go. It's fine. Thank you for doing that. I actually forgot it was there.

When you adopted that regulation, you established a 90-day period between the beginning of fee payment by consumers to the point at which covered electronic waste would be eligible for payment under the system. It gave a 90-day fund accumulation period.

So what we're proposing to you today in this regulation is to move the start of that payment eligibility date to February 1st, 2005, to continue and maintain the 90-day period, the three-month period, from the beginning of the fee collection date to the beginning of the payment system eligibility date.

We can do this both as an emergency regulation, because we don't have a lot of time before October 1st, and as a regulation without -- as a regulation change without regulatory effect, a so-called Section 100 change. And a Section 100 change refers to regulations of the Office of Administrative Law which allows for an abbreviated and expedited process for changing

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regulations, which, once changed, have no legal difference than the regulation that was in effect before the change.

And in fact, what I would like to explain to you and show you on the slide -- there are two slides. I'll toggle between the two of them -- is that if you approve this regulation, you are merely maintaining the three-month period between the beginning date for the payment of the covered electronic waste recycling fee and the start of the period of time after which recyclers can submit claims for covered electronic waste which they are recycling. So we're actually changing nothing legally by doing this, and that's what we're proposing to you.

The earlier regulations were subject to a categorical exemption under the California Environmental Quality Act in this regulation as an administrative regulation is also subject to that exemption. The exemption is reflected -- use of that exemption is reflected in the resolution that you are being asked to consider.

I'll call your attention to the slides, and let me just show you the second one. Let me see if I can get to it here.

--o0o--

STAFF COUNSEL CONHEIM: There's two slides. I'll go back to the first one. In the top bar, this was

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prepared by Jeff Hunts who, whenever body had a dropped jaw about who knew how to do Power Point in this manner, everybody said, "I don't know. I don't know. I don't know," Jeff said, "I don't know, but I'll do it." And he did it. So he deserves recognition for that.

CHAIRPERSON MOULTON-PATTERSON: Thank you.

STAFF COUNSEL CONHEIM: As you can see from the blue box, fee collection begins under the SB 20, it began -- it was to begin July 2004. Then there would have been a three-month revenue accrual period until October when the covered electronic waste collection payment system would have kicked in. What we're proposing -- I'm going to skip over the second bar.

--o0o--

STAFF COUNSEL CONHEIM: What we're proposing is to maintain the exact same relationship between the fee collection date and the covered electronic waste collection and payment system start, the same three-month interval.

--o0o--

STAFF COUNSEL CONHEIM: But if we don't do it, what we have is a revenue gap. The collection actually would begin 30 days before the new fee collection would begin. And as you know, you can't pay out of a fund for which there's no money. So what I'm proposing to you,

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what we, as staff, are recommending is what we consider to be this minor regulatory change, which is fiscally responsible which doesn't change the legal relationship between the dates that are spawned by AB 901, the new law --

--o0o--

STAFF COUNSEL CONHEIM: -- allows the collection system to begin at a time and for payments to begin after funds are deposited in the account.

And at this point, I'd like to make myself available for questions. This has been difficult to explain to you. So I'm certain I've not been as clear as --

CHAIRPERSON MOULTON-PATTERSON: Mr. Washington has a question.

BOARD MEMBER WASHINGTON: Thank you, Madam Chair.

Just so I can be clear, we're talking about two dates here, dates consumer paid and dates we paid the recyclers.

STAFF COUNSEL CONHEIM: That's correct.

BOARD MEMBER WASHINGTON: So you're saying that we need to change the date because there will be no money in the fund to pay this if we don't use this delay process; is that correct?

STAFF COUNSEL CONHEIM: That's also correct, yes.

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BOARD MEMBER WASHINGTON: So I would like to hear from those who are opposing this as to why wouldn't you want the money there? Because if we continue to do this, it sounds like we don't have any money to pay anyway. I mean, I'd like to hear from those who are in opposition to why we wouldn't delay this.

CHAIRPERSON MOULTON-PATTERSON: Mr. Paparian.

BOARD MEMBER PAPARIAN: Thank you, Madam Chair.

And there is a cash flow issue. I think on one of the slides it showed that the money wouldn't be coming in until around May from the BOE collection. They're going to allow the collections to occur for five months before the money is transmitted to the state. So I think this gets at the issue of whether we can identify another pot of money to cover our payments out in anticipation of the money coming in in May.

BOARD MEMBER WASHINGTON: Is there a pot of money?

BOARD MEMBER PAPARIAN: Basically, whatever we can borrow from the general fund or some other fund in order to cover those anticipated revenues. And I think that gets to the heart of the question about when we can start the payments. You know, I think all of us would love to start the payments on the day that the fees are collected. But if there's no money in the checking

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account, we can't do that. We have to find a source of money to put in that checking account. And we might get into that a little bit more a little bit later after --

BOARD MEMBER WASHINGTON: We're going to borrow from Peter to pay Paul type of thing.

BOARD MEMBER PAPARIAN: Yeah. I think over a year and a half or two years it ought to all work out. I've seen the spreadsheets and stuff. The problem is in this first fiscal year, which ends June 30th, we only have one payment to BOE in May covering five months of payments.

STAFF COUNSEL CONHEIM: The only thing that we know at this point -- the only thing that we know is that the date for the beginning of collection of the fee from consumers has moved to November 1st. That's the single fact that we know. We know that we are seeking answers to questions about whether there's other money available or just how the collection system is going to work.

What we also don't know at this point is what changes SB 50 may make in this regard and the problem with our waiting on the supposition there will be an SB 50 signed is that the timing of bringing this item to you requires that I propose it to you this month, because by next month I wouldn't have time to propose to you something that would be effective October 1st. So all

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we're proposing is just the simple change based on the single fact we know, the November 1st fact.

BOARD MEMBER PAPARIAN: As you say, Bob, there are some things you don't know. One of them would be whether another pot could be identified and authorized by the Department of Finance. There's been some speculation that our friends at the Department of Conservation may be sitting on some money. There's been some speculation that others may be sitting on some money that we can borrow to cover this. But that money has not been identified or allocated in any way yet.

If some of those funds were identified and allocated and made available for this, my understanding is that we could come back and adopt an emergency regulation to move up the date from February, if we had the money to cover it, and that we could adopt that emergency regulation at virtually any of the Board meetings coming up, and they could take effect on the first of the month following any Board meeting.

STAFF COUNSEL CONHEIM: That's an accurate statement. It takes 10 or 15 days. There's a legal 10-day review period by Office of Administrative Law. Let's call it 15 days for paperwork processing. So we could be responsive to you, Board members, in proposing new legal authority if there was new law or new facts that

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occurred at any time. And we're prepared to be as responsive as the law allows us to be with following all of the processes. But we can abbreviate them. There are abbreviated processes, emergency reg processes available.

CHAIRPERSON MOULTON-PATTERSON: Thank you.

And Mr. Paparian, thanks for pointing that out and putting it so clearly.

Ms. Peace and then Ms. Marin.

BOARD MEMBER PEACE: So I guess from what I understand, what we're proposing today is just a temporary fix, depending on what happens with SB 50, and that we might have to come back and change it again depending on what happens with the bill.

STAFF COUNSEL CONHEIM: That's correct. I mean, it's permanent if nothing else changes, or it's permanent until the Board decides to do something else. But this is a change that we are able to propose to you based on Section 100 and emergency regs based on this legal status quo existing at this time. And we can bring -- we can be responsive to other legal or fiscal availability changes.

CHAIRPERSON MOULTON-PATTERSON: Thank you. I think we understand that now.

Ms. Marin.

BOARD MEMBER MARIN: Madam Chair, the only thing I understand very, very clearly is that we need to do

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this, and this is erring on the side of caution. Because if we do not do this and then other things happen, then we would not have the time to be able to respond. So as far as I'm concerned, this enables us to respond in the most appropriate way when we have more known facts.

Today, the only thing we know is that the collection fee from consumers changed three months. And based on that, this would give us the cushion that we need to be able to respond appropriately when other things change. So --

CHAIRPERSON MOULTON-PATTERSON: Great. Okay. I don't see any other questions so we're going to go to the public speakers.

Mark Murray, Californians Against Waste.

MR. MURRAY: Madam Chair, Members, Mark Murray with Californians Against Waste. And I appreciate the time that I've had. In the last 24 hours, had an opportunity to talk with a number of your staff and a number of Board members about this issue and appreciate the time and the thoughtfulness that you've given me on this.

And I understand and accept the need to pursue the Section 100 process for this delay beyond October 1st. I recognize that it doesn't make sense to use that October 1st date in the context of a November 1st payment by the

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consumer date. So I understand that. I accept that.

The issue that I think that we all need to jointly be pursuing, both legislatively and administratively, is figuring out how the Board is going to have the resources to pay recyclers, whether it's January 1st, November 1st, or February 1st.

I think that Jeff's spreadsheet or chart up there is very helpful. If you look at that chart, you see that the Board will not be receiving -- under the scenario, the Board will not be receiving funds from the Board of Equalization until May at the earliest. That means that there is a gap between the February 1st date and the May date. So you won't have the money to pay recyclers even on that date. Again, that's a cash flow problem.

I think that given the commitment that recyclers have made in California, we need to make every effort to coincide the dates of the consumer payment and the opportunity for the consumer to get that free recycling. And that would be coinciding that those two dates, whether that's November 1st or January 1st.

Mr. Conheim said that the one thing we know as a fact is that the consumer payment will start on November 1st. And I'm frankly concerned that that fact may be sliding a little bit and that the Board of Equalization has, again, lost their enthusiasm for collecting the fee

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on November 1st. And, again, I think, you know, we were in error in not forcing them to do that collection on November 1st.

So I think at this point I understand why you need to take that action using the Section 100 rule. But I want to continue to work with your staff, with Mark and with Julie, to figure out how can we put on the table in SB 50 not only the cleanup legislation that needs to be in that bill, but in the statute putting the two dates together, the consumer payment date and the recycler payment date, so a consumer that goes to a Best Buy and buys a new computer and finds out they had to pay a fee and that afternoon wants to go to a drop-off recycling center to drop off their old computer doesn't get tagged a second time so they're paying two fees in the same day or during the same period of time.

So, again, I understand why you have to make this. I'm opposed to the notion from a policy perspective of having a three-month gap between the pay-in and the pay-out. I understand why out of an abundance of caution given what we know right now that's the policy you need to pursue right now. But I'm asking the Board to direct your staff and to have your staff, frankly, continue to work with me on trying to identify those funds that the Board could have the authority to borrow so we can make those

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two dates coincide. Again, be it November 1st ideally, or worst-case scenario given the disposition of the Board of Equalization, January 1st.

CHAIRPERSON MOULTON-PATTERSON: Thank you, Mr. Murray. And that's a good point.

And I certainly would direct our staff to continue to work with Mr. Murray on this, because I certainly am in agreement with him on that.

With that -- oh, Ms. Hunter, you have a speaker slip here. Now did you want to speak now or wait until the public comment part? We'd love to hear you now, because you are pretty much the last speaker.

MS. HUNTER: Good morning. Thank you. Yvonne Hunter with the League of California Cities.

And as much as, similar to what Mark said, I would like to say no, no, don't change the date, it is not fiscally prudent for you to do that. And, clearly, this is the proverbial between a rock and a hard place. And if you did anything else, I think you would be breaching your fiduciary responsibility.

With that being said, though, I would like to echo what Mark said. First of all, I know the Board members themselves, CalEPA agency, and your staff are working as hard as you can to explore a number of avenues for getting BOE to move smartly along, for a loan, and I

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think that's laudable. I think if there is anything the various stakeholders can do in the sense of coalition letters or whatever to help in that process, I know we're all happy to do that.

I think that the difficulty is going to be -- and we've discussed this when the original regulations were adopted. The tension between the consumer paying the fee on a certain date, having the program advertised as free and convenient, yet the collectors, which are both private companies as well as primarily public agencies, not getting paid until later.

Now, if there is some potential down the line, if it is fiscally prudent, to be able to get reimbursed retroactively for what you did collect early on, that would be something we think would be appropriate for the Board to consider. But you have no options right now.

So I think we support this proposal. If something changes, I'm heartened to hear Bob say next month, assuming a loan comes through, you could adopt another regulation. So I think your staff has done a great job. You have all done a great job. So let's hope that we find a pot of money. Maybe we should all by lottery tickets. Thank you very much.

CHAIRPERSON MOULTON-PATTERSON: Thank you, Ms. Hunter. Thank you for being here and letting us know your

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position.

Okay. Mr. Paparian. Item 14, you want to --

BOARD MEMBER PAPARIAN: Thank you, Madam Chair.

And I think I'm sensing from my fellow Board members a general agreement that if we can identify the pot of money that would make this work, I think we all would love to see or desire to see the payments to collectors happen at the same time the fee collection starts.

You know, I'm very sympathetic to the scenario Mr. Murray suggested where someone buys a new television or monitor, pays a fee on it, takes their old one down and has to pay another fee because this program hasn't kicked in yet. I would not be a happy consumer if I was in that position.

To the extent we can re-double our efforts to find those pots of money -- and I'd also encourage the supporters of this program to continue to work with us. We'll continue to work with you. And you may have to also do some of your magic in other ways as well to try to put the pressure necessary to try to identify and utilize some of those funds.

So, you know, I think we're all there. That's what we would like to see if we can make it happen. But this is what we've got before us and what we need to do.

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So I'll move Resolution 2004-212.

BOARD MEMBER MARIN: Second.

CHAIRPERSON MOULTON-PATTERSON: Okay. We have a motion by Mr. Paparian, seconded by Ms. Marin to approve Resolution 2004-212.

Without any objections, please substitute the previous roll call.

Our last item, we're going back to Special Waste. It's Item 15. I understand, Mr. Lee, this is a brief item.

DEPUTY DIRECTOR LEE: Yes, it is.

CHAIRPERSON MOULTON-PATTERSON: The reason I say that is I don't think we'll take a break right now, unless it's going to be long.

DEPUTY DIRECTOR LEE: No, Madam Chair. This should be a brief item.

Board Item 15 is Consideration of Amendment to the Award of Fiscal Year 2004/2005 Tire Fund for the Tracy Tire Contract, IWM-C2017.

The purpose of this agenda item is to allow the Board to formally approve a $1.7 million increase to the Sukut Engineering contract for fiscal year 2004/05 to reflect previous Board direction and fund allocations in the Five-Year plan. This item was heard by the Special Waste Committee and recommended for fiscal consent. Staff

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recommends the Board approve Resolution 2004-223.

CHAIRPERSON MOULTON-PATTERSON: Okay. Thank you. Ms. Peace.

BOARD MEMBER PEACE: If there aren't any questions, I'd like to move Resolution 2004-223, Consideration of the Amendment to Award Fiscal Year 2004/2005 Tire Funds for the Tracy Tire Fire Contract.

BOARD MEMBER WASHINGTON: Second.

CHAIRPERSON MOULTON-PATTERSON: We have a motion by Ms. Peace, seconded by Mr. Washington to approve Resolution 2004-223.

Without objection, please substitute the previous roll call.

Thank you, Mr. Lee.

And that concludes the public part of our agenda.

I'm not going to give any advise to whoever the new Chair is, with the exception of don't get in the way of Board members and lunch. So that's why I'm going to open it up.

Mr. Leary, how long are you going to need? Because some would like to do it before lunch and take the time than take a late lunch and others might not. Could you give us a brief -- I mean, a general idea of about how long you need.

EXECUTIVE DIRECTOR LEARY: Madam Chair, a little

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bit of a down side is I need a little bit of time to get ready for closed session. And then closed session itself, I imagine, will take somewhere in the neighborhood of an hour to two hours, depending on the level of discussion. So if I could make a recommendation, it would be to maybe take an early lunch and maybe re-gather at 12:30 or whatever the Board cares to do.

CHAIRPERSON MOULTON-PATTERSON: Some have some conflicts. Let me hear from the Board members. But thank you for giving us that time estimate.

Mr. Washington.

BOARD MEMBER WASHINGTON: I just have a meeting from 12:15 to about 1:00 so --

CHAIRPERSON MOULTON-PATTERSON: So would you rather re-convene at 1:00 and have our closed session then? And that would give you enough time, Mr. Leary?

EXECUTIVE DIRECTOR LEARY: I'd appreciate that, Madam Chair.

CHAIRPERSON MOULTON-PATTERSON: We will re-convene for our closed session at 1:00. And probably about an hour, two hours. And I know the Board had asked for that, for a full explanation. So that's why it's a little longer than usual. Thank you very much everybody.

(Thereupon the California Integrated Waste Management Board, Board of Administration

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recessed into closed session at 11:01 a.m.)

(Thereupon the California Integrated Waste Management Board, Board of Administration adjourned at 3:15 p.m.)

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CERTIFICATE OF REPORTER

I, TIFFANY C. KRAFT, a Certified Shorthand Reporter of the State of California, and Registered Professional Reporter, do hereby certify:

That I am a disinterested person herein; that the foregoing hearing was reported in shorthand by me, Tiffany C. Kraft, a Certified Shorthand Reporter of the State of California, and thereafter transcribed into typewriting.

I further certify that I am not of counsel or attorney for any of the parties to said hearing nor in any way interested in the outcome of said hearing.

IN WITNESS WHEREOF, I have hereunto set my hand this 25th day of August, 2004.

TIFFANY C. KRAFT, CSR, RPR
Certified Shorthand Reporter
License No. 12277