

Please note: These transcripts are not individually reviewed and approved for accuracy.

PUBLIC WORKSHOP
STATE OF CALIFORNIA
INTEGRATED WASTE MANAGEMENT BOARD
SPECIAL WASTE COMMITTEE
DEVELOPMENT OF THE FIVE-YEAR PLAN FOR
THE WASTE TIRE PROGRAM

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Victoria Rocha, Staff

Frank Simpson, Supervisor, Special Waste Division

Terry Smith, Staff

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Karen Barstow, Golden By Products

Bob Boughton, Toxic Control

David Brown, Sacramento-Yolo Mosquito and Vector Control District

Michael Blumenthal, RMA

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Tom Faust, Redwood Rubber

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Terry Leveille, TL and Associates

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Scott Smithline, Californians Against Waste

Jane Williams, California Communities Against Toxics

Cameron Wright, WCRA

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1 PROCEEDINGS

2 CHAIRPERSON PEACE: Good morning. We do have a
3 lot to discuss today, so let's get started.

4 Let the record show that Committee Members Linda
5 Moulton-Patterson, Carl Washington, and Cheryl Peace are
6 present. Also I'd like to thank Mr. Papanian for being
7 here today. Your input is very much appreciated.

8 I'd like to remind everyone to put their cell
9 phones on meeting mode or on the vibrate mode.

10 I want to thank you all for coming to the Special
11 Waste Committee's third workshop on the Five-Year Plan for
12 the Waste Tire Program. It is good business practice to
13 review the direction of any program to improve how it's
14 meeting its goals, and our Waste Tire Program is no
15 exception. As we went about implementing the existing
16 Waste Tire Plan, it became clear that adjustments needed
17 to be made, and our timing fits in with the legislative
18 revision requirement as well. Our staff has been working
19 very hard and will present their ideas for changes to the
20 plan, which will include changes culminating from the
21 stakeholders' suggestions made at the two workshops held
22 last fall.

23 How I'd like to proceed this morning is for all
24 of us to hold our questions and comments until after staff
25 has gone through their presentation of their

1 recommendations for the Tire Plan. And then after that,
2 we'll go through each program section, program element by
3 program element, one at a time, where the public and us
4 Board members can share our concerns and make our
5 suggestions and ask our questions. I want the comment
6 period to be informal, so we are not going to have speaker
7 slips. But we will have a microphone that will be passed
8 around for those wishing to make comments or ask
9 questions.

10 So at this point, I will turn the workshop over
11 to our Deputy Director of the Special Waste Division, Jim
12 Lee.

13 DEPUTY DIRECTOR LEE: Thank you very much, Madam
14 Chair. And good morning, Committee members. My name is
15 Jim Lee with the Special Waste Division.

16 Staff's goal today is to present to the Committee
17 and interested stakeholders draft program proposals and
18 their respective budgets. The proposals presented reflect
19 consideration of comments received from the public on
20 revisions to the current plan received in earlier
21 workshops last fall. It reflects input and direction from
22 Board members received under consideration of various
23 agenda items brought forward to implement the current
24 Five-Year Plan. It reflects the most recent information
25 available from our Budget Office on our spending authority

1 and available revenues. It reflects consultation with our
2 Legal and Legislative Affairs Offices on statutory
3 considerations in the Escutia legislation, SB 876; the
4 Kuehl bill, SB 1346; and recently passed legislation, AB
5 923, sponsored by Assemblyman Firebaugh.

6 Staff believes that the input seen to date is
7 supportive of a refocusing of the Tire Program to
8 concentrate on those activities which are legislatively
9 authorized and will most cost effectively utilize and
10 direct to a productive end use the largest number of
11 tires. Therefore, as compared to previous versions of the
12 plan, there are significantly more resources proposed to
13 be devoted to RAC, civil engineering, and other market
14 development activities.

15 Research activities have been scaled back or
16 redirected to more directly support our market development
17 initiatives. Proposed spending for long- and short-term
18 remediation is commensurate with identified need and our
19 acknowledged responsibility to reduce the threats to
20 public health and the environment presented by waste tire
21 piles and illegal waste tire disposal. To this end, staff
22 also proposes stable funding for the Local Waste Tire
23 Enforcement Program consistent with legislative direction.

24 With regard to the final program element in the
25 Five-Year Plan, the Hauler Registration and Waste Tire

1 Manifest Program, staff has no recommendation to make at
2 this time pending further public discussion and Board
3 member direction at the workshop on this issue to be held
4 on January the 24th.

5 I want to return for a minute to discuss recently
6 passed legislation, AB 923, which affects available
7 revenues in some of the outlying years. As you know, the
8 existing Tire Program is funded by a \$1 fee on new tires
9 sold in the state. Pursuant to SB 876, this fee was to
10 drop to 75 cents on January 1, 2007. However, AB 923
11 changed this fee structure. After January 1, 2005, the
12 fee is raised to \$1.75. One dollar of the fee will
13 continue to fund Waste Board Tire Programs. The remaining
14 75 cents will be used by the Air Resources Board to fund
15 programs and projects that mitigate or remediate air
16 pollution caused by tires.

17 Of particular note is that the fee is scheduled
18 to change again on January 1, 2007, with the fee reduced
19 to 1.50, but with the Waste Board continuing to receive
20 \$1, as opposed to the fee dropping to 75 cents as it would
21 have under provisions of SB 876. In light of these
22 developments, the budgets for fiscal year 06-07 and
23 subsequent years have been revised accordingly and are
24 notably higher than those projected in the last revision
25 of the Tire Plan.

1 The potential fly in the ointment is that there
2 may be some consideration of trailer bill language to this
3 year's Budget Act that would, on January 1, 2007, return
4 the portion of the fee going to the Waste Board back to
5 the 75 cents originally authorized in SB 876. If that
6 occurs, the budgets for the outlying years would have to
7 be revised accordingly. We will know more about any
8 potential developments in this regard in the next month or
9 two and will reflect these considerations at our next
10 scheduled workshop on the Tire Plan in March.

11 With regard to the format for today's meeting and
12 as noted by our Committee Chair, staff would like to
13 present the programmatic non-budgetary portions of all
14 five elements of the Five-Year Plan this morning. The
15 afternoon session we would like to devote to discussing
16 the budgetary aspects of the various proposals, plus any
17 additional proposals that come forward. We will be
18 providing interactive spreadsheets to assist the Committee
19 and to allow you to see and consider any proposed changes
20 and the affect on the bottom line.

21 I want to reiterate again, these are draft
22 proposals with nothing set in concrete. We encourage
23 input from stakeholders and direction from the Board to
24 ensure that this revision of the Tire Plan accomplishes
25 our shared objectives of reducing illegal waste tire

1 disposal and maximizing diversion.

2 With that introduction, I'd like to turn this
3 over to Mitch Delmage for a few remarks, and we will
4 commence with the presentation of elements of the
5 Five-Year Plan.

6 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Good
7 morning. This is Mitch Delmage with the Waste Tire
8 Branch. I want to thank everybody for coming. I want to
9 thank everybody for the input we've got over the course of
10 these workshops. We appreciate it. We're not the
11 experts. We need the input from the people that are in
12 the trenches. And they've been forthcoming, and we
13 appreciate that.

14 As Chair Peace said, we'd like to keep this
15 morning focused on the elements and the activities within
16 the plan. At the end of that presentation, then we'll
17 encourage the comments from our audience. We hope it to
18 be interactive. We'll have a mic that we can bring out to
19 people. We do ask if you're going to make comments that
20 you do state your name and your company for our court
21 reporter.

22 And with that, I guess we can begin. So this
23 morning we're going to start with the Enforcement and
24 Regulations Related to the Storage of Waste Tires and Used
25 Tires Activities. Bob Fujii will present that portion.

1 SUPERVISOR FUJII: Good morning, Committee
2 members and other members of the Board. Bob Fujii,
3 Special Waste Division.

4 In this element, there are basically two
5 different sections that we'll be presenting to you for
6 consideration of funding the current plan. They are the
7 Surveillance and Enforcement Assistance Section and also
8 the Local Waste Tire Enforcement Grant Assistance Section.

9 Under the Surveillance and Enforcement Assistance
10 Section, this is an area where we have partnered with both
11 the CHP and the ARB to provide assistance for us to
12 conduct our aerial ground surveillance to identify illegal
13 piles and also to assist us in investigations and
14 surveillance activities associated with illegal dumping
15 and illegal transportation of waste tires.

16 We're proposing in the upcoming plan to continue
17 our efforts with both of these different agencies. Under
18 the CHP contract, they will continue, as I mentioned
19 before, to assist us with doing the investigations and
20 surveillance activities, doing follow-up investigations on
21 some of the illegal haulers and illegal dumpers that are
22 identified through our Enforcement Program. So we want to
23 continue that.

24 But in addition to that, they've also
25 historically done some aerial surveillance work for us in

1 the past. However, I think we have determined that that
2 program has gotten to the point where it's given us the
3 information -- all the information we think we're going to
4 get at this point, and we want to go in a different
5 direction. So we will probably be scaling back that part
6 of their contract for the next go around and transitioning
7 into a new program which they will be bringing forward to
8 you in an agenda item next month which will involve the
9 Cal State University San Jose in partnership with NASA in
10 doing some satellite imagery in hopes of getting maybe
11 some more accurate information about some of the aerial
12 photos we'll be getting and doing a pilot project with
13 them. And, again, we'll be bringing that back maybe in
14 February.

15 In terms of the ARB, that's been a program that's
16 been relatively successful for us. And we discovered that
17 they have a program that does actual surveillance work.
18 And we've been using them to, as we identify some of the
19 illegal sites, to do actual surveillance on activities
20 that are going on with them. They set up cameras in
21 covert locations, in things like birdhouses and on top of
22 poles, that kind of thing. So we want to continue that
23 effort as well. So that's pretty much the surveillance
24 and enforcement assistance area.

25 In terms of the Local Waste Tire Enforcement

1 Assistance Grant Program, we had presented a revised
2 program to you this last fall with some revised criteria.
3 And, you know, initially the participation in this program
4 had been relatively low. But I think with the changes
5 that we made in the program we're seeing an increase in
6 that participation, and we anticipate an even larger
7 participation from the local governments in this next
8 grant cycle. We've had relatively good success with the
9 grantees.

10 You know, this is a program we hope to continue.
11 It's funded currently at \$6 million. We feel like we want
12 to continue that effort into the next several fiscal
13 years. Participation in the program has been -- like I
14 said, we've awarded about 4.5 million in the last go
15 around. And the current grantee participation gives us
16 about 60 percent coverage. And we feel that with new
17 grantees coming on board that we increase that coverage
18 even more. So that's pretty much this program, and we
19 want to continue that in the future.

20 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Thank
21 you, Bob.

22 We'll be doing Waste and Used Tire Hauler Program
23 and Manifest System. Mr. Lee will present this.

24 DEPUTY DIRECTOR LEE: As I noted in my
25 introductory comments, staff's proposal at this particular

1 time is to kind of defer that discussion to the workshop
2 that's going to be held on January the 24th on this item.
3 The budgetary numbers that have been included here are
4 from the existing plan. They could be higher or lower
5 depending on the direction and the input we receive, you
6 know, at the subsequent hearing.

7 WASTE TIRE DIVISION SUPERVISOR DELMAGE: All
8 right. Cleanup, Abatement, or Other Remedial Actions
9 Related to the Tire Stockpiles Throughout the State of
10 California. And Bob Fujii will present this.

11 SUPERVISOR FUJII: Bob Fujii, again, Special
12 Waste Division.

13 There's several elements in this particular
14 section of the proposed plan that I'm going to be
15 presenting to you; and the Long-Term Remediation Section,
16 the Short-Term Remediation Project Section, Local
17 Government Waste Tire Cleanup Grants, Local Government
18 Amnesty Day Grants, and also an emergency reserve account,
19 and then the Farm and Ranch Waste Cleanup and Abatement
20 Grant Program, and then the Office of State Fire Marshal
21 Training Program.

22 The first of these elements is the Long-Term
23 Remediation Projects, and this is basically the cleanup of
24 the Tracy site. We had an agenda item before you I
25 believe in November where we explained based on our most

1 recent information the need to increase the estimate for
2 the cleanup cost for completing this project. The number
3 that I think we presented at that time we're estimating
4 about 3.7 million now to complete this project. We're
5 proposing an additional 4 million in 05/06 to go ahead and
6 fund the remainder of this cleanup. We just completed at
7 the end of November the hazardous waste cleanup, and now
8 we're doing the non-hazardous cleanup portion of the
9 project. We anticipate the project will be done sometime
10 I want to say the middle of 2005. So we're on track, I
11 think, to complete that project next year.

12 Under the Short-Term Remediation Projects, this
13 is ongoing projects that we have for cleaning up the
14 smaller sites, the sites that are identified through our
15 Enforcement Program that are referred over. And the ones
16 that have not cleaned them up as a result of our
17 enforcement action, they're referred to this program. And
18 then they are done as Board-managed projects that are
19 presented to the Board for approval. We want to continue
20 this program.

21 Some of the key sites we'll be cleaning up in
22 this program will be those that are located in Sonoma that
23 you're all well aware of, and we probably anticipate doing
24 most of those in the next two or three fiscal years.
25 We'll be doing one of the larger ones, the Beebe family

1 ranch site, at the beginning of the summer. So we want to
2 continue these efforts in this particular area of the
3 cleanup section as well.

4 Local Government Waste Tire Cleanup Grant Program
5 is the ongoing program that we have for local governments
6 to deal with some of the smaller sites that are not
7 conducted as Board-managed cleanups. The subscription to
8 this program has been low historically, but we've seen
9 drastic increases over the last several fiscal years. We
10 anticipate we will continue to see those increases and
11 would want to continue funding these programs into the
12 next several fiscal years as well.

13 Local Government Amnesty Day Grant Programs are
14 programs that are neighborhood collections that are set up
15 through our Grant Programs that we issue to local
16 governments and have relatively well subscribed -- in
17 fact, oversubscribed in recent years, and we anticipate
18 that trend to continue. In fact, we've proposed increased
19 funding for this program over the next several fiscal
20 years and would like to continue that as well.

21 As you can see, there's also a set aside for the
22 emergency reserve for \$1 million. That's established in
23 the statute, and we're proposing to continue that as well.

24 Jim Lee will go ahead and deal with the Farm and
25 Ranch Section.

1 DEPUTY DIRECTOR LEE: At the last workshop we
2 held on the Five-Year Plan, there was comments from
3 stakeholders with regards to the level of the funding for
4 the Farm and Ranch Program coming from the Waste Board --
5 excuse me -- from the Tire Fund. As you may know, the
6 Farm and Ranch Program is statutorily authorized with
7 funding from three fund sources: Used Oil, Tire Program,
8 and the Integrated Waste Management Account. The funds
9 are, of course, of different sizes, and the amounts of
10 waste that are picked up during these farm and ranch
11 cleanups, there's differing amounts of used oil, tires,
12 and ordinary solid waste that's picked up.

13 In reflection of these considerations, staff is
14 proposing some, you know, redirection of some of the funds
15 to support that program. We feel that the program is
16 deserving of support. We subscribe to the argument that
17 any time that you have an illegal waste disposal site,
18 removing it, you're removing a magnet for all types of
19 waste being collected there. The statistics that the Farm
20 and Ranch staff has collected to date show that tires are
21 more than a nominal percentage of the waste that is
22 collected.

23 The arguments are a little less compelling for
24 the Used Oil Program. And that is why all that we're
25 proposing is proportionate increases for the outlying year

1 funding for the Farm and Ranch Program from the Tire
2 Program. We will be proposing proportionately less from
3 the Used Oil Program.

4 Also, as we'll discuss this afternoon, I think
5 the amount of money that we had proposed for the Farm and
6 Ranch was at 400,000. We think for this fiscal year
7 funding for budget year 05-06 that number should be
8 333,000, which is the statutory -- what is right now
9 included in our budget that's been submitted to Finance.

10 SUPERVISOR FUJII: The last element in this
11 particular section is the Fire Marshal Training. We have
12 had an interagency agreement with the State Fire Marshal's
13 Office over the last, I think, two fiscal years. And what
14 they've done is provided training to some of the local
15 fire agencies around the state to train them on the latest
16 techniques on suppressing tire fires.

17 The program's been relatively successful. They
18 updated a lot of the current technical documents that
19 relate to tire fires, as well as some of the training
20 curriculum. There's money set aside in an out year in
21 anticipating that, you know, with all things, the
22 technology changes, and so we would want to maybe revisit
23 updating any of the technical documents developed
24 currently by the State Fire Marshal maybe at a future
25 date, if the need should arise.

1 So that's pretty much the element for the Cleanup
2 and Remediation Section.

3 WASTE TIRE DIVISION SUPERVISOR DELMAGE: All
4 right. Mitch Delmage again.

5 We'll move to Research Directed at Promoting and
6 Developing Alternatives to the Landfill Disposal of Tires.
7 Frank Simpson will present.

8 SUPERVISOR SIMPSON: Madam Chair, Committee
9 members, and Board members, Frank Simpson with the Tire
10 Diversion Program.

11 I will be addressing portions of the Marketing
12 and Research Section of the Five-Year Plan for you today.
13 As this effort comes together, you will see we're
14 targeting the decision-makers and the people of influence.
15 We hope to provide technical and marketing assistance,
16 testing and certification of new products, funding for
17 production equipment, and streamlined user-friendly grant
18 programs to encourage the purchase of crumb rubber
19 products.

20 To be effective, staff feels strongly that the
21 core elements of the plan should be fully funded from the
22 Research and Market Development and New Technology
23 sectors. First, we propose developing a course for
24 continuing education units and a curriculum for rubberized
25 asphalt concrete and civil engineering applications. One

1 of the identified barriers to increasing the use of RAC is
2 providing existing engineers with the training and
3 accurate information regarding the benefits of RAC. The
4 proposal will develop a University of California
5 curriculum to expose new engineering students to RAC and
6 civil engineering applications. We have met several times
7 with U.C. Davis transportation experts. There's a very
8 strong interest from the School of Engineering, the School
9 of Business, and the Pavement Research sector.

10 Mitch.

11 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Thank
12 you, Frank.

13 The next item is International Trade and Border
14 Issue Study. This is in response to Levine's bill that
15 was vetoed, and it was vetoed on grounds that it might
16 violate NAFTA. The Governor in his veto message asked
17 that we go back -- not necessarily the Board -- but that
18 we go back and investigate NAFTA.

19 And also we wanted to look at other border
20 issues. There are many tire piles south of the border.
21 We've been looking at various options about how we can
22 work with the Mexican government to alleviate the
23 potential dangers from tire fires that might erupt south
24 of the border. So we want to put some money aside for our
25 Legal staff to look into these various issues. Perhaps

1 Marie Carter could maybe address some of the points.

2 CHIEF COUNSEL CARTER: Good morning. Marie
3 Carter, Chief Counsel, Legal Office.

4 This particular study as described in the
5 proposed Five-Year Plan really discusses two issues. One,
6 an issue relating to, as Mitch said, the Governor's veto
7 message regarding requiring the Department of
8 Transportation to use U.S.-generated RAC. We feel as
9 though with your approval it would be useful for us to
10 request the Attorney General's Office to provide us an
11 Attorney General opinion. Such opinions are given great
12 weight in court in the event we're challenged in this
13 matter. With your approval, we could discuss the possible
14 costs this would involve, so you would have a clear
15 understanding of what you would be committing to.

16 The second issue identified in this paragraph
17 relates to addressing border issues that are associated
18 with tire piles located in Mexico near California borders.
19 At this point in time, Legal is preparing a document which
20 we will provide to you to give you some insight as to
21 issues that we feel are important for you to know prior to
22 authorizing a study.

23 So at this point, we would just ask that you
24 reserve the 150,000, with the idea that it may be less for
25 what would be necessary for your purposes. Thank you.

1 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Thank
2 you, Marie.

3 Nate Gauff will discuss the next issue.

4 SUPERVISOR FUJII: Actually, this is Bob Fujii,
5 Special Waste Division. I'll go ahead and handle this
6 one.

7 Number 3 is Water Quality and Tire Chips Into
8 Projects. This is an area that is sort of a prerequisite
9 for us doing any of our civil engineering application
10 projects here in California. The Regional Water Quality
11 Control Boards are pretty active in assessing water
12 quality impacts from any kind of material that's stuck in
13 the ground, and tires is no different.

14 So what we've had to do is seek approval from
15 their agency to do these projects. And we've done some
16 work already for investigating waste tire chip -- water
17 quality impacts of chips of above -- from what happens
18 when they're placed above the groundwater table. What
19 we're finding is there is now a need to do projects that
20 are going to be in contact with water below the
21 groundwater table. And so an area we'd like to
22 investigate is assessing water quality impacts for tire
23 chips placed below the groundwater table, so this is what
24 this element deals with and is funded for an out year
25 06-07.

1 The next element is Number 4, Civil Engineering
2 Applications for Waste Tires. This is an element that
3 we've been dealing with for the last several fiscal years.
4 It's been relatively successful. We made great strides in
5 promoting some of the civil engineering projects around
6 the state. Specifically, we've done the Dixon Landing
7 Project in the Bay Area. We're working on several
8 retaining wall projects in Southern California. So this
9 particular application shows great promise. However, it's
10 an area that still is being developed. And we're
11 educating both state and local government, private sector
12 engineers, as well as other folks in the technology. And
13 it's an area we feel we need to continue our efforts into
14 the next several fiscal years. And we're proposing to
15 provide funding for this and alternating years beginning
16 in 06-07.

17 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Next
18 item is Tire Derived Product Testing and Certification.
19 Frank Simpson.

20 SUPERVISOR SIMPSON: The time and money required
21 for testing and certification are often mentioned as
22 obstacles to introducing new products or expanding the
23 markets for tire-derived products. We've learned due to
24 budget constraints that Caltrans has significantly reduced
25 their product research and testing activities. Caltrans

1 is known for establishing the benchmark for standards
2 which are used statewide and often nationally for product
3 reliability. The cutback has critically reduced Caltrans'
4 ability to test and establish specifications for new
5 products.

6 An integral element of our new strategic effort
7 is a proposed contract from a third party, which would be
8 something like an independent underwriter lab, which would
9 provide testing and certification for dozens of new
10 products consistent with the specifications and
11 requirements of Caltrans and the marketplace. The funding
12 would also provide for any new technologies and
13 evaluations, such as devulcanization and tire residuals,
14 such as steel.

15 While we at the staff level have conducted
16 extensive discussions with our peers, as part of this
17 effort, we would encourage Board members and Committee
18 members to engage the Director of Caltrans and provide a
19 Letter of Intent to accept that third-party certification.

20 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Thank
21 you, Frank.

22 Next item is the Environmental Life Cycle
23 Assessment. What we want to do here is a life cycle
24 assessment of scrap tire management methods. And this
25 study by the Department of Toxic Substances Control would

1 provide a life cycle assessment of the three major scrap
2 tire management methods: Civil engineering, tire-derived
3 fuel, and crumb rubber applications. The study will
4 quantify the mass flow of materials and energy in and out
5 and emissions and waste of each process and the benefits
6 from the products produced for each major scrap tire
7 management method. We still have some issues to resolve
8 with regard to tire-derived fuel. That's something we'll
9 be working with Legal on and the Department of Toxics.

10 And, finally, we have Generation and Diversion
11 Data Audit. As we were preparing the staff report for
12 2003, we noticed a discrepancy that had been getting
13 larger in the area of how we calculate the disposal rate.
14 In the past, we've been using a generation rate of .958.
15 And with that generation rate, we take that generation
16 rate times the population. We receive surveys from most
17 of the major players. We get fairly good data on the
18 number of tires diverted from landfill. We take that
19 number and subtract it from the generation rate and get
20 the disposal rate.

21 We also get fairly good numbers from the survey
22 on the disposal rates, and there's been a discrepancy over
23 the years of 2 million tires or more. So we began to look
24 at the generation rate. Most of the states in the
25 United States use a generation rate of one tire per

1 person. Some are more, 1.25 or 1.1. But the majority of
2 them use 1.

3 So what we've done here is, as we started to look
4 into this, we began to see some of the areas where the
5 numbers might be softer than we'd like. So this is really
6 about two things. One is gathering the data and making
7 sure that the data that we get is the best data possible.
8 The other is looking at the data that we receive from
9 these surveys and see how it correlates with data we're
10 getting from other sources; for instance, BOE on our fee
11 and also what we're getting from the Manifest Program.
12 We'd like to see how these numbers fit together, how they
13 can support one another, if they can find where there's
14 issues.

15 Now that being said, we've come up with three
16 methods to look at these numbers. The first one would be
17 using the old method that we've used for the last several
18 years, using the .958 tire per person calculation on
19 generation rate. And it shows disposal of 7.8. Now, the
20 numbers that we're getting from our surveys show the
21 disposal rate to be 10.5 million tires.

22 In the second option, we've gone with the
23 generation rate of one tire per person. And with that, we
24 come a little closer. Our diversion rate drops down to 74
25 percent, but we're a lot closer to that disposal number.

1 If you look at the bottom one, it's actually two sources
2 of information. If you calculate it one way, it turns out
3 to be a 1.1 generation rate. If you just forget the
4 generation rate and look at the numbers, those are the
5 numbers we receive through our surveys. So these are the
6 three calculation methods that we've come up with.

7 The third one is the one that best matches the
8 survey numbers that we get back. But we feel like we need
9 to have a study look at these numbers and help us to make
10 sure, for instance, that the retread numbers are as
11 accurate as they can be. In the past, we've gotten the
12 numbers for retreads from a national survey that was
13 actually of North America. We had to calculate out Canada
14 and then calculate out the rest of the country to get
15 California's numbers. So it was a long way around.
16 Unfortunately, the Tire Retread Information Bureau is no
17 longer doing that study. So we don't have that source of
18 information.

19 What we've done in lieu of that in the third
20 calculation is we got together with people from the Tire
21 Retreading Information Bureau and came up with their best
22 estimate of how many retreads are sold in California. And
23 then rather than in the past where we've used just the
24 count of tires, we've recalculated that to PTEs, because
25 most of the retreads are truck tires. And so everything

1 else on that chart is calculated in PTEs. So we wanted to
2 bring that into alignment. So these are the kinds of
3 things we would look at with a study like this.

4 All right. Now we'll move on to the Market
5 Development area. The first one on the list is the
6 National Product Stewardship Dialogue for Tires. We had
7 brought that to the Board just a little bit ago. We want
8 to continue that effort. We feel that working on a
9 national platform, looking at ways to reduce the
10 generation of tires, and finding ways to work
11 cooperatively with other states so that we don't redo
12 studies and research that's been done somewhere else by
13 somebody else, we want to keep this going over the years.
14 We feel that we'll get more involvement from other states
15 as we go along so the funding goes down over time.

16 Now, on Target RAC Incentive Grant Program, Nate
17 Gauff will present on that.

18 MR. GAUFF: Good morning. I'm Nate Gauff with
19 the Special Waste Division.

20 The Rubberized Asphalt Program, which the Board
21 heard -- or at least the Special Waste Committee heard the
22 program elements at the December Committee meeting are
23 folded into this Five-Year Plan in several areas. The
24 first areas are the RAC Grants. The first being the
25 Targeted RAC Incentive Program, which is geared to go to

1 first-time users. That's going to be a million dollars a
2 year -- or proposed for a million dollars a year for the
3 next five fiscal years.

4 The second part of the program is the RAC Grant
5 Use Program, and that's more of a continuation of the
6 Kuehl Bill. And that's why this program, which is slated
7 for proposed funding of 1.5 million, is not going to start
8 funding until 06-07 fiscal year and then go into the out
9 years. Once again, the Kuehl Bill is on the books -- or
10 was on the books from the previous Five-Year Plan. So we
11 want to start this funding after the Kuehl Bill funding
12 ran out.

13 SUPERVISOR FUJII: The next element is dealing
14 with the civil engineering, market development from civil
15 engineering. This is an area that we've also done some
16 work in the past with trying to promote products using
17 tire-derived aggregate, using various contract or
18 construction oversight contractors, and actually
19 partnering with local government and state government to
20 do projects using tire-derived aggregate. An area, again
21 as I mentioned previously, we've had some great success
22 and we want to continue. We've allocated some funding for
23 this beginning in 05-06 and want to continue this
24 particular program trying to promote the various civil
25 engineering uses of waste tires in California.

1 Some of the uses were lightweight fill, drainage
2 layer, erosion control, and vibration in light rail
3 applications. And, you know, we did do a project also
4 with Valley Transportation Authority in San Jose, which
5 was very successful. And we'll be pursuing some of the
6 other transportation authorities who use light rail
7 projects to maybe partner with us in doing some projects
8 in the future. So an area we want to continue funding for
9 in the out fiscal years through this plan.

10 WASTE TIRE DIVISION SUPERVISOR DELMAGE: The next
11 one is Tire-Derived Product Grants. This is actually
12 taking the place of the Track and Playground Grants. What
13 we are looking to do with this is expand it beyond
14 playground and track and make it available for any type of
15 tire-derived product.

16 One of the concerns in the past is that the cost
17 per tire for some of these products is way too high. So
18 we plan on streamlining this grant program and make it
19 more tied to the number of tires diverted. So we would
20 recommend that we come to the Board and ask them to put a
21 cap on how much we'll pay per tire diverted by a
22 particular product. And we'll make it available to local
23 governments, school districts, a wide range of people out
24 there.

25 And rather than have them compete -- you know, we

1 have many grant programs, some of which that are much more
2 complex. You know, they're putting together a program to
3 divert household hazardous waste, many different elements.
4 But for the most part, this grant is just about buying
5 products. There's not a whole lot to it. So rather than
6 have people go through a large application process, what
7 we would do is have them apply and screen them for
8 eligibility that they are, indeed, a school district or,
9 you know, park district. And if they're qualified, they
10 would be eligible for the grant.

11 If this particular grant cycle is oversubscribed,
12 what we would recommend is that we just go into a lottery
13 system and work out some very fair equitable way of
14 picking who would get the money for their particular
15 products. But this way we're going to tie it directly to
16 the number of tires that they divert. So if they have a
17 project that is fairly expensive but doesn't divert a lot
18 of tires, they wouldn't get much out of it and their match
19 would be much bigger. If the project was 100,000 and
20 based on our cap we only gave them 10,000, they would have
21 a 90 percent match. So we feel that it kind of puts the
22 burden on them to buy products that are going to be
23 diverting more tires. And that way we feel that we'll
24 have a much better streamlined program.

25 The next item, Technical and Marketing Assistance

1 and Tire-Derived Businesses, Frank Simpson will present.

2 SUPERVISOR SIMPSON: During the past couple of
3 Five-Year Plan workshops, staff has been requested to
4 provide technical and marketing assistance for
5 tire-derived product businesses. A key element of our
6 marketing effort is to provide capacity building of crumb
7 rubber and other tire-derived products. Individual
8 businesses quite often mention a critical need for:
9 Technical assistance, which would include help in
10 designing and efficient plant layout, enhancing the
11 manufacturing process, and streamlining distribution;
12 second, marketing assistance and developing or adjusting
13 small business marketing plans, promotion, cooperative
14 marketing or ad placement; and third, general business
15 assistance in developing a business plan, personnel
16 issues, or business financial.

17 In media and outreach, in the past few weeks,
18 Tire Diversion management has been working closely with
19 the Office of Public Affairs on developing a comprehensive
20 outreach and marketing communications plan to bring all of
21 these ideas forward. Staff from the Tire Diversion
22 Section and OPA will soon be making a presentation to the
23 Committee, and later to the Board, on what we're presently
24 nicknaming as SWAT, or the Special Weapons Action Team --
25 Special Waste Action Team. In reality, it is intended to

1 work like a SWAT team effort. The Board members, the RAC
2 professional, the tire staff, OPA, the Tech Centers, and
3 the Steering Committee all working in conjunction to
4 attack a specific target and create social modification in
5 the use of RAC.

6 A key component is to target local governments
7 and decision makers to influence the increased use of RAC
8 and the purchases of other tire-derived products. The
9 plan calls for the executive involvement peer to peer, the
10 public helping mobilize local government, in conjunction
11 with a combination of targeted media and outreach.

12 The next category is Support of Other CIWMB
13 Market Development Activities. This is a combination of a
14 variety of very important waste prevention and market
15 development activities which include Sustainable Building,
16 the Recycled Content Products Trade Show, CalMAX, WRAP,
17 Buy Recycled Certification Audits, and other waste
18 prevention and market development activities.

19 In years past, we've itemized each one of these
20 programs, but this year in an attempt to streamline and
21 provide flexibility to WPMD, we're proposing a single line
22 item. The intent will allow WPMD to control priority
23 programs regarding their funding, while demonstrating our
24 ongoing commitment to our other sister CIWMB activities.

25 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Okay.

1 On the Tire Recycling Conference, Bob.

2 SUPERVISOR FUJII: Bob Fujii, Special Waste
3 Division, again.

4 The Tire Recycling Conferences are the biennial
5 conferences that we hold to showcase basically some of the
6 programs that we have here at the Board and also to do
7 technical information exchange with some of our
8 stakeholder groups. This year, we are partnering with the
9 Recycled Products Trade Show down in Ontario in the spring
10 to conduct this venue. We feel this is a valuable
11 conference to hold. It allows us, again, to interface
12 with our stakeholders and provide information exchange as
13 well as, you know, network with our many stakeholders out
14 there that are in this industry. And it's going to be
15 funded every other fiscal year starting with fiscal year
16 05-06.

17 MR. GAUFF: I'm Nate Gauff again for the Special
18 Waste Division.

19 Item 8 is the Rubberized Asphalt Concrete
20 Technology Centers. But I just want to clarify for the
21 purposes of the Five-Year Plan hearing here, the moneys
22 that the Committee approved at the December meeting for
23 the RAC Program for the marketing contract, marketing
24 expertise, and for the technical expert for rubberized
25 asphalt, those efforts are lumped in -- for the purposes

1 of this Five-Year Plan, they're lumped into the other
2 components that Frank mentioned, the media and outreach
3 and also the technical -- I'm sorry -- the technical and
4 marketing assistance for tire-derived product business.
5 The money is lumped in with those sums. So we haven't
6 wiped out those elements that were approved by the
7 Committee. We just combined them for the purposes of the
8 Five-Year Plan with some of these other moneys.

9 But one thing that we have kept separate is the
10 Rubberized Asphalt Concrete Technology Centers. And their
11 proposed funding is for 350,000 per year for the next five
12 fiscal years. So I just wanted to tell the Committee that
13 for the last four years on average we spent about \$1.6
14 million for the Rubberized Asphalt Program. And for the
15 next two years as part of this plan, we're looking at
16 spending about 3.4 million per year. So it's been a
17 significant increase in the effort, you know, toward
18 rubberized asphalt. Thank you.

19 WASTE TIRE DIVISION SUPERVISOR DELMAGE: All
20 right. State Agency Purchases Incentive Program, Frank
21 Simpson.

22 SUPERVISOR SIMPSON: For many years, we have
23 encouraged sister State agencies to purchase or develop
24 products made from scrap tire rubber. Consequently, staff
25 continues to work with the Department of General Services

1 and other State agencies on efforts to encourage and
2 sustain purchases of products made from 100 percent
3 California scrap tires.

4 Staff is very interested in Board and public
5 comment on how this effort can be better achieved. Two
6 internal proposals include the purchase of equipment for
7 the Prison Industry Authority to produce molded rubber
8 products for Caltrans and other California state and local
9 jurisdictions, such as weed abatement mats, curb stops,
10 top hats, spacer blocks, or speed bumps. We are in
11 continuing dialogue with PIA and Caltrans at the staff
12 level and are encouraged at the candor and high level of
13 interest in this proposal.

14 Another concept is a partnership with the
15 Pavement Research Center, soon to be located in Davis.
16 Some ideas include a contract to conduct the product
17 testing for Caltrans that we had mentioned earlier,
18 funding a RAC test track, or providing grants or
19 scholarships to engineering students who produce
20 rubber-derived products. If there is less than full
21 support for this item, then staff suggests shifting funds
22 to technical and marketing assistance and business
23 assistance programs.

24 WASTE TIRE DIVISION SUPERVISOR DELMAGE: All
25 right. The next item is the Business Assistance Program.

1 This was basically the Product Commercialization Grant
2 Program. And this, of all the things that we've brought
3 to the Committee on this Five-Year Plan, is the one that
4 we're still thinking strongly about. We have gotten a lot
5 of diverse input from our workshops, from Board members,
6 amongst staff. And we're really looking for direction
7 both from our constituents and from the Board on how best
8 to proceed with this program.

9 What we have initially is we're looking at making
10 it a loan program that's a forgivable loan program. We
11 could look at it in the form of contracts or some other
12 type of grant program. But this is an area we want to
13 keep a placeholder here. We think it's important, but we
14 need to get some more input and some more direction before
15 we finalize it for the March meeting.

16 That concludes staff's presentation --

17 SUPERVISOR FUJII: We had a couple more we need
18 to go through on the tire database. Terry Smith will do
19 this presentation.

20 MR. SMITH: Hi. The development of the last
21 Five-Year Plan came funds available for comprehensive tire
22 database system. Once complete, the database system will
23 tie together our existing tire-related information so it's
24 available from one source. Efforts to complete this
25 project are ongoing.

1 The first step to development of this database
2 was the enforcement portion, and we found that we really
3 needed to get some inspection reports. We were having
4 them come in from all the grantees in different formats.
5 And so it quickly became obvious that we need to
6 standardize the forms. With this effort, we ended up
7 developing a scannable waste tire survey and inspection
8 form report, and this report was sent out July 2004 to
9 both the grantees as well as the State Enforcement staff.
10 They're all currently using this form. And as of this
11 morning, we've had 2,874 inspection reports scanned into
12 this system.

13 I just wanted to update you on our progress.
14 We're currently developing standardized reports and
15 enforcement actions screenings which will allow us to
16 track orders that are issued and what ends up happening on
17 a tire case from start to finish. Staff is recommending
18 the continued funding of this project through 2007 so we
19 can continue to develop the system and hopefully end up
20 with a comprehensive tire database.

21 WASTE TIRE DIVISION SUPERVISOR DELMAGE: The last
22 item, the Kuehl Bill, was discussed earlier by Nate Gauff.

23 So with that, let's move to the comments from the
24 public. What we'd like to do is go down in the order that
25 we've made the presentation. So under Enforcement

1 Regulations Related to the Storage of Waste Tires and Used
2 Tire Activities, do any of the Board members or Committee
3 members have any comments they'd like to make before we
4 start?

5

6 CHAIRPERSON PEACE: First, I'd like to thank
7 Rosario Marin and Board Member Rosalie Mulé for also
8 joining us this morning. And I believe Rosario Marin had
9 a question.

10 BOARD MEMBER MARIN: Yes, Madam Chair. One of
11 the things on this particular item -- was it the local
12 enforcement? The contract that we have with CHP and the
13 ARB satellite, I know that you're suggesting it's going to
14 be going down. My question is this amount -- it seems to
15 me it's still pretty high if we, in fact, have basically
16 done the vast majority of the location and identification
17 of those piles. It seems to me pretty significant still.
18 And I don't know the justification for that. I'm not
19 quite certain that is fully justified.

20 SUPERVISOR FUJII: I'm just trying to understand.
21 You're thinking it's too low or too high?

22 BOARD MEMBER MARIN: Too high. If, in fact, we
23 have done the vast majority of identification of the
24 piles -- I mean, I know new ones come up every now and
25 then. But it seems to be pretty high. I may be

1 completely wrong.

2 SUPERVISOR FUJII: Right. And I think we would
3 agree to do. And what we're trying to do is decreasing
4 their role in terms of doing that particular function.

5 However, what the CHP does do for us is they
6 basically are our investigative arm that do follow-up with
7 some of our illegal haulers and illegal dumpers. So
8 that's something that actually has been very successful
9 for us in enhancing our enforcement program. So the
10 surveillance program is one aspect of what they did.

11 So now what I think we're doing is we also
12 realize that that particular portion of their contract has
13 maybe gone to, at least their capability, as far as it
14 needs to go. We'd like to bring back to the Board a more
15 streamlined approach to bring back the surveillance but
16 with less money.

17 BOARD MEMBER MARIN: If the enforcement is the
18 issue that's still pretty significant for us, why wouldn't
19 we use -- this is very rhetorical. And I was looking at
20 the number of people that we have in enforcement. Why
21 wouldn't we be able to instead of enable CHP to do that,
22 why wouldn't we do that? Why wouldn't we hire more
23 enforcement personnel and have a direct hand on that?

24 DEPUTY DIRECTOR LEE: The CHP performs functions
25 for us, you know, equivalent to putting people on the

1 highways. You know, they make the roadside stops. It's
2 kind of akin to, you know, you get to stop somebody from
3 speeding today, but, you know, the problem can still
4 reoccur in the future. We feel some need for their
5 ongoing participation.

6 That being said, we are trying to -- you know,
7 the Enforcement Program is a comprehensive one, many
8 elements. We feel the Manifest Program helps us keep a
9 control and an eye on the various -- helps us get a handle
10 on the legal waste disposal problem. We feel the CHP and
11 their interaction with our staff helps. We feel that the
12 local jurisdictions through the staff that are hired
13 through that program are a component. It's no single one
14 source that, you know, basically provides that overall
15 effort.

16 The funding for this particular program has been
17 relatively stable. You know, we're talking about some
18 modifications, you know, from change from the aerial to
19 assisting with the satellites. So we're kind of changing
20 the mix. But at this particular junction, we're not
21 proposing significant reductions. We don't think those
22 are warranted at this particular time.

23 BOARD MEMBER MARIN: One last, Madam Chair. In
24 as far as the surveillance is concerned, where -- is it
25 not the CHP in San Jose that's going to be doing some of

1 that?

2 SUPERVISOR FUJII: Yeah. The CHP, like Jim said,
3 they're performing some specialized work. Most of the
4 actual inspections and stuff are done by the staff and
5 some of the grantees. What we're talking about here is
6 when we find people who are doing illegal activities, CHP
7 have trained officers who actually go out, just like they
8 do for criminal cases, to do actual in the field
9 surveillance, undercover, watching some of these guys,
10 where they dump the tires, following them around.

11 They also conduct, as Jim mentioned, some of the
12 CHP checkpoints for us where we basically -- roadside stop
13 of individuals to verify that they have proper paperwork.
14 And that's a function that they do anyway as part of their
15 normal activities, so they're trained to do that. They
16 also are able to issue citations for other violations as
17 they identify them as part of the stop. So it's something
18 that's a little different than what our normal inspectors
19 do in a function that's been relatively successful for us
20 up to this point.

21 CHAIRPERSON PEACE: Also as far as the Board
22 taking on some more of these responsibilities, isn't it
23 just one of the problems is it's hard to get Department of
24 Finance to give us more PYs to do?

25 DEPUTY DIRECTOR LEE: That's exactly the case. I

1 know there have been concerns expressed by various Board
2 members with regards to the expense of the Local
3 Enforcement Program and some feeling that, you know,
4 perhaps we could do the work more efficiently ourselves.
5 You know, the problem being is that even though we have
6 funds available, we can't get authorization from
7 Department of Finance to increase our staff, given the
8 current budgetary consideration, even though we're special
9 funded.

10 The existing legislation calls for or strongly
11 encourages this program be done by the local
12 jurisdictions. They've been performing, in our
13 estimation, very adequately. And as we ramp up this
14 program to involve more of them, we think the overall
15 enforcement success will be even greater.

16 So I guess to get back to your original issue, we
17 feel that doing it by the locals is cost effective. When
18 you consider it, we don't feel that we'd even be able to
19 do the entire program at the state level being able to
20 ramp the staff up to a size, you know, that could be
21 equivalent to what we already have and are building with
22 the local jurisdictions.

23 COMMITTEE MEMBER WASHINGTON: Madam Chair, under
24 the surveillance program, we have a pilot project with San
25 Jose University; isn't that correct?

1 SUPERVISOR FUJII: We're going to be proposing
2 one to the Board, and that item should be coming before
3 the Committee in February.

4 COMMITTEE MEMBER WASHINGTON: What would be the
5 difference then what the CHP does for us than what will be
6 the project that you guys will be bringing before the
7 Board?

8 SUPERVISOR FUJII: The technology is a little
9 different. The CHP has in the past used their airplanes
10 and actual photographs taken with cameras. What they
11 typically do for location is use GPS units in the air
12 while they're taking the pictures. Sometimes what's
13 happening is, what we're finding is, as they take the
14 pictures and you click the button on GPS, it's not always
15 in the exact locations where they're taking the photo. If
16 you're off by several hundred feet or a quarter of a mile
17 in the air, it equates to a larger area on the ground.

18 So when our inspectors have gone out to try to
19 find some of these sites, we've had some difficulty in
20 locating some of these sites that have been identified to
21 the CHP. Some have been relatively successful and we have
22 good landmarks. But when we have areas when the landmarks
23 aren't as prevalent, it's a little more difficult for us
24 to find some of these illegal sites.

25 And so the technology that's going to be

1 investigated with San Jose State and NASA is satellite
2 technology where the accuracy and location information of
3 the pictures is much higher. So we feel our success rate
4 would be a lot greater in terms of locating these sites.
5 And it's not something we want to roll out full blown.
6 We'd like them to test the technology to demonstrate to
7 you and to us that it does work. And we'd like to propose
8 that again in February and maybe give you a little more
9 details about it then and see if it's something you want
10 us to pursue.

11 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Any
12 other questions or comments? All right.

13 BOARD MEMBER PAPARIAN: Madam Chair, if I can
14 just ask a couple quick questions. And I assume they're
15 here today. I got a call from somebody last night about
16 the mosquito abatement money that was in the budget
17 initially from the last Five-Year Plan, but it's not in
18 this one. Do you want to comment on that, or should we
19 wait until the --

20 WASTE TIRE DIVISION SUPERVISOR DELMAGE: If it's
21 okay, I'd like to wait.

22 DEPUTY DIRECTOR LEE: We'll take it now.

23 Board Member Paparian, we didn't include money
24 for that particular study this time around. There was a
25 lot of discussion about when this was put in the plan

1 originally. The money was basically for involving studies
2 with regards to studying the mosquito problems with tires.
3 However, this is a case much beyond the study stage. We
4 were actively out there cleaning up the sources, the
5 breeding areas for the mosquitos.

6 And so I think we put money in the last time, the
7 last revision of the Five-Year Plan, but we feel that the
8 redirection of the resources in the manner we've discussed
9 here is in the best interest of the program and would not
10 compromise, in our opinion, you know, the overall mosquito
11 abatement efforts in the state.

12 After all, again, I think as I noted two years
13 ago, there's a problem with mosquitos breeding in a lot of
14 the agricultural fields, the flooded rice fields in the
15 Sacramento area and is probably an area that bears study
16 as much as this one. So for that reason, we didn't
17 propose any additional funding.

18 I believe probably the mosquito abatement people
19 would be obviously the best people to present the defense
20 of that particular proposal.

21 BOARD MEMBER PAPARIAN: Okay. So at the right
22 time if we can maybe get into that a little more to
23 understand it.

24 Let me just ask one other question. You had a
25 very interesting chart about the generation data and the

1 .9 versus 1. And it appeared from the information you had
2 there that 1 would probably be more accurate than the
3 number we've been using. Are we going to go ahead and use
4 1 now, or are we going to wait for the results of the
5 study?

6 WASTE TIRE DIVISION SUPERVISOR DELMAGE: No.
7 We're going to look for direction from the Board on which
8 one to use.

9 BOARD MEMBER PAPARIAN: The reason I think it may
10 be important is our estimates of the generation affect how
11 much income we expect into the program. And if the number
12 is 1, then our expectation is a couple million dollars
13 more a year, if my math is right.

14 WASTE TIRE DIVISION SUPERVISOR DELMAGE: I'm not
15 sure. Maybe somebody from admin can address that. But
16 I'm not sure that we use the numbers from the survey for
17 any BOE projections. And that's one of the reasons we
18 want to do the study, is see how those numbers tie
19 together. Because BOE is based on a dollar per tire. Our
20 surveys are based on PTEs. So there's no real good
21 correlation. So that's one of the reasons for the study.

22 BOARD MEMBER PAPARIAN: Are we underestimating
23 the revenue typically?

24 WASTE TIRE DIVISION SUPERVISOR DELMAGE: I think
25 they have a pretty good track record of understanding that

1 number and the estimates -- you know, we've been doing
2 this a long time.

3 BOARD MEMBER PAPARIAN: We're not winding up with
4 surpluses?

5 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Not that
6 I'm aware of. We have more money coming in than we have
7 authorization to spend, but that's a different issue.

8 BOARD MEMBER PAPARIAN: But the money coming in
9 is what we expect to come in, but we just don't have the
10 authorization to spend up to that level?

11 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Right.

12 BOARD MEMBER PAPARIAN: Thanks.

13 COMMITTEE MEMBER WASHINGTON: Mitch, before you
14 go to that, I just have two further questions. I wanted
15 to ask about the tire businesses. I mean, we had
16 discussions regarding tire businesses. Did we ever get a
17 comprehensive list? I know some discussion was talked
18 about where they're not required to be permitted. Did we
19 at least get to the point where they're required to
20 register as a tire business? I know there was some
21 discussion about a comprehensive list and there was
22 discussion we couldn't put this list together because
23 people weren't registering for some reason. Have we
24 addressed the issue of our tire businesses in the state of
25 California?

1 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Well,
2 I'm sorry, Mr. Washington. I'm not familiar with this
3 particular request.

4 DEPUTY DIRECTOR LEE: Mr. Washington, are you
5 referring to your comments during the tire
6 commercialization and again the wanting to make sure that
7 people that can compete for the grants are --

8 COMMITTEE MEMBER WASHINGTON: I just remembered
9 some discussion -- I don't remember which workshop it was
10 in. But we had some discussions about making sure that
11 all of the tire businesses -- that we have a list of all
12 the tire businesses in the state of California. Do we
13 have such a list?

14 CHAIRPERSON PEACE: I think with our Local
15 Enforcement Grants, isn't that what they're doing as part
16 of that? As they get a grant, that money allows them to
17 go out in the field and identify all the different tire
18 businesses that are out there?

19 DEPUTY DIRECTOR LEE: I think the answer to the
20 question is yes. Again, the Board of Equalization, you
21 know, gives us information on the tire generators. We
22 have been using Local Enforcement staff to verify the
23 validity of some of the information, and we're finding
24 some significant discrepancies. I think I'm perhaps still
25 kind of working around the edge of your questions.

1 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Mr.
2 Washington, we use a mailing list, an in-house mailing
3 list, that we've sought individuals to get on it and
4 everybody is invited to be on it. So as far as we know,
5 it's a fairly comprehensive list of everybody that's
6 interested in tires. So whenever we do a mail-out, we do
7 have a pretty widespread mail-out to make sure that we
8 covered everybody. Is that what your question was?

9 COMMITTEE MEMBER WASHINGTON: We probably have
10 to -- go ahead.

11 MR. CAMBRIDGE: Hi, I'm Keith Cambridge, Program
12 Manager for Waste Tire Hauler Registration Program.

13 We currently have devised what we call a Tire
14 Program identification number. Any time tires are removed
15 by a registered hauler or delivered to a location, they
16 are required to put that on the manifest. We've generated
17 approximately 17,000 business locations, generators,
18 haulers, end-use facilities. There are a certain small
19 percentage that may have gone out of business and such,
20 and that's what our LEAs and our own Enforcement staff go
21 out and conduct periodic inspections of these locations to
22 determine if they're still an active business.

23 Also through mailings, we are also able to bring
24 that number down. But we have a pretty extensive list so
25 far.

1 COMMITTEE MEMBER WASHINGTON: On the manifest,
2 they are required to list their tire businesses on that?

3 MR. CAMBRIDGE: Correct. It's a unique number
4 assigned to that business.

5 COMMITTEE MEMBER WASHINGTON: Okay. Thank you
6 very much.

7 And my final question as it relates to the pilot
8 grant program with the CDAA, on page 7 it talks about the
9 rural jurisdictions. But would the non-rural
10 jurisdictions also be able to benefit from this?

11 SUPERVISOR FUJII: I'm going to defer to Legal on
12 this. I'm not sure how the CDAA program is implemented.
13 Maybe Wendy Breckon, the contract manager for that, can
14 address the question.

15 STAFF COUNSEL BRECKON: Hi. I'm Wendy Breckon,
16 Staff Counsel with the Legal Office.

17 We use CDAA. We have a contract with them to --
18 we refer some of our cases for criminal investigation or
19 criminal prosecution. Also they come up with their own
20 cases that they have either investigated or prosecuted.
21 Right now, we have Gloria Moss from CDAA, and she's here
22 willing to answer any questions.

23 COMMITTEE MEMBER WASHINGTON: And, again, my
24 basic question is, will non-rural jurisdictions be able to
25 use CDAA also?

1 STAFF COUNSEL BRECKON: So far we've just had the
2 contract for rural jurisdictions, and that is based on the
3 circuit prosecutor project because the basis is that rural
4 jurisdictions don't have the resources to enforce
5 environmental crimes, whereas cities and bigger towns do.
6 However, that's not to say that we couldn't work with CDAA
7 to come up with language so that they can work with the
8 non-rural areas as well. Do you have further comments on
9 that?

10 MS. MOSS: I think what Wendy has stated is
11 accurate. If there was a case perhaps that was large
12 enough that could use our services, then I'm sure we could
13 join with the local district attorney of that jurisdiction
14 and assist them.

15 Can I make a general comment? My name is Gloria
16 Moss. I'm the Senior Circuit Prosecutor from the CDAA
17 Circuit Prosecutor Project. I would just like to thank
18 you for including us in your proposed agenda and including
19 funding for us. And we've been successful in a lot of
20 cases. And we look forward to having a continued
21 relationship with you. Thank you.

22 CHAIRPERSON PEACE: I guess I just had one
23 observation. In terms of the Local Waste Tire Enforcement
24 Assistance Grants, we heard from the locals that they want
25 stable funding. So according to the 6 million a year, it

1 looks like stable funding. But if you look at our funding
2 for our administration, it's gone up since the last time
3 because of cost of living, because of pensions. I'm just
4 wondering, is this really stable funding when you see \$6
5 million a year for the locals, because I'm sure they have
6 cost of living and stuff they need to consider also. So
7 is this really stable funding for them? Or are we
8 expected that as they get into the program and do a lot of
9 the up-front work that their time and stuff should be
10 going down for this program?

11 DEPUTY DIRECTOR LEE: Yes, Madam Chair. That's
12 exactly what we're kind of contemplating here. The
13 funding, we anticipate there's a lot more expenses with
14 the initial start-up of the programs, but that over time
15 as they become more efficient, again, as they refine their
16 programs, as they concentrate on the higher priority
17 areas, there should be some reduction in the amount of
18 resources they need to utilize in the program. That would
19 compensate for the fact that at this particular juncture
20 we're not proposing any increase to reflect inflationary
21 or other salary consideration.

22 And the other thing I would point out is that
23 although this is a Five-Year Plan, it's reviewed every
24 two years. And as we committed to the Board during our
25 presentation of the Local Enforcement item I believe back

1 in September and October, we are continually evaluating
2 the performance of the local jurisdictions and their cost
3 effectiveness. And so with each year, we get a little
4 more information to help us refine exactly what the
5 appropriate budget should be for them.

6 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Are we
7 all set?

8 I'd like to go through the agenda as we presented
9 it. If anybody has any comments or questions on
10 enforcement regulations, go ahead with your general
11 comments, and state your name for the court reporter.

12 MR. SMITHLINE: Scott Smithline, Californians
13 Against Waste.

14 Madam Chair, Committee members, and Board
15 members, thank you for this opportunity to comment on the
16 Five-Year Plan. We think this Five-Year Plan is an
17 opportunity to take a step back and take a fundamental
18 look at how we're managing tires in the state of
19 California. Board Member Peace, as Chair of this
20 Committee, has really issued a challenge to us, we think,
21 to not just role over the plan with new numbers, but to
22 reassess and try to think out of the box about what
23 they're going to do with tires in the state of California.

24 We think this is an opportunity to try to
25 redirect the focus of the program from tire management and

1 from mitigating tire problems to really a focus on
2 recycling of tires in the state. And maybe it's an
3 opportunity to reassess what has become a very expensive
4 and somewhat complex regulatory program and possibly
5 there's an opportunity to simplify it. And what I'm
6 talking about is possibly a longer-term plan, but
7 something we need to start addressing and thinking about
8 now.

9 We think the stakes are really great for this
10 program right now. As was mentioned by your staff with
11 the new legislation, when the consumer fee on a tire has
12 gone up to \$1.75, now we may know that 75 cents of that is
13 going to Carl Moyer type air pollution programs, but I
14 don't think the average consumer is going to make that
15 differentiation. When you add on top of that an up to \$2
16 fee charged by a dealer, you're talking about a
17 significant fee on a tire. And I think public and private
18 scrutiny on this program is really at an all-time high,
19 and people are asking how we're doing.

20 If you look at the 2003 numbers as presented by
21 your staff, we have approximately 10 million tires going
22 directly into the landfill. If you add on top of that
23 another five million going to the landfill as ADC and
24 hundreds of thousands, perhaps a million or more going in
25 as civil engineering and other uses, we're talking about a

1 significant portion of our tires still ending up in the
2 landfill. Landfill is really still the largest consumer
3 of tires in the state of California.

4 The diversion rate has essentially been unchanged
5 for several years. But, frankly, I don't think that's the
6 most important number. I think the most important number
7 is eight million. Eight million is the number of tires
8 that we're actually recycling into new products in the
9 state of California. That's only about 20 percent of the
10 tires.

11 So I think this is largely the result of the
12 incentive that's driving tires through the system right
13 now in the state of California. The current incentive is
14 to get rid of tires cheaply. If I'm a registered hauler,
15 as soon as I've picked up a load of tires, I have every
16 reasonable business incentive to get rid of those tires as
17 cheaply as I can. I've earned my credit. I now have a
18 liability with these tires. And my goal is to get rid of
19 them as cheaply as possible. And, unfortunately, that
20 often means landfill and ADC, and occasionally worse.

21 So I think if we don't address this fact, we're
22 still going to be spending the bulk of our resources on
23 enforcement. We're going to be subsidizing enforcement as
24 we have been. We're going to be subsidizing cleanup and
25 abatement as we have been, and we're not going to have the

1 money left over to put towards promoting and supporting
2 recycling as we would like to.

3 A more effective system would harness the money
4 we're already spending and reverse the current incentive
5 away from cheap disposal and move it towards recycling.
6 Instead of subsidizing enforcement and cleanup, we can
7 create direct incentives for recycling that's already
8 occurred.

9 We have proven examples of this kind of model,
10 including the California Bottle Bill, and as this Board is
11 about to implement SB 20 regulations. Both of these
12 models are 100 percent back-end funded models. And the
13 Bottle Bill, as you know, is a very successful model.
14 This year the recycling rate is approximately 60 percent.
15 You compare that to the number of tires that are actually
16 being recycled, it's substantially more. We've had a
17 recent increase of a penny and a half, and the Department
18 of Conservation is telling us we're probably going to see
19 a 5 to 10 percent increase in recycling from that modest
20 increase.

21 So I understand and we understand the importance
22 we have to move this plan forward and we have to have a
23 budget, and we're going to participate in that process.
24 But we think this is a fundamental opportunity for us to
25 take a step back and also be thinking about how can we

1 change the incentives in this program so that incentive
2 isn't to get rid of these tires, that the tires aren't a
3 liability, but that people want these tires because they
4 represent value. And in the end, once those tires are
5 dropped off at, you know, somewhere where we want them to
6 be, that's where the value will be established for those
7 tires. Thank you for this time.

8 CHAIRPERSON PEACE: Thank you, Scott. Your
9 points are well taken.

10 When I look at the whole plan, it kind of bothers
11 me to think we're spending \$10 million a year on
12 enforcement. If we can put that towards recycling, we'd
13 have less tires going to a landfill.

14 But I tell you, we've thought about it and
15 thought about it and thought about it. Even putting a ban
16 on tires at this point, would that be more going to a
17 canyon? How do you make the hauler -- like you said, they
18 are going to put them somewhere where they can get rid of
19 tires at the least amount of cost. And if we try to do
20 something like the Bottle Bill or whatever, that's going
21 to create a whole other bureaucracy.

22 So I agree with you that when I look at this \$10
23 million going to enforcement really bothers me, but I
24 haven't come up with a better plan yet. And what we're
25 hoping is with putting more money towards the RAC projects

1 and the civil engineering projects, that hopefully over
2 time we can see the enforcement go down as the demand for
3 tires in those areas goes up. That's our hope.

4 WASTE TIRE DIVISION SUPERVISOR DELMAGE: All
5 right. Terry Leveille.

6 MR. LEVEILLE: Madam Chair, Committee members,
7 Board Chair Marin, and Board Members Papanian and Mulé,
8 I'm Terry Leveille with TL and Associates, today
9 representing a couple of different stakeholders in the
10 industry, the Tire Dealers Associations, North and South,
11 the Lakin Tire, and the BAS Recycling and Crumb Rubber
12 facility down in Southern California.

13 This specific -- well, I wanted to give kind of a
14 general comment, too, like Scott, although I'm not going
15 to launch into a real macrocosmic proposal like he did. I
16 think it's worthy of debate. But I think today we've got
17 to really focus on some of the issues specific to the
18 programs.

19 I thought that the overall report that staff did
20 was commendable, and I congratulate staff. I think it
21 provides a balance in terms of focusing funding on a
22 variety of different programs and technologies with the
23 emphasis, of course, as always, on the asphalt rubber,
24 crumb rubber, molded rubber products, and civil
25 engineering. I'd like to see -- I'm glad to see some of

1 the civil engineering projects and proposals for programs
2 come before.

3 One of these days, I'd also -- I'm not so averse
4 to saying those nasty words, TDF. I'd like to see the
5 Legislature maybe take another look at that issue, and
6 hopefully this year maybe an opportunity to relook at this
7 issue as far as the Board is concerned. Maybe we can look
8 at the Five-Year Plan in a little different light in a
9 couple of years.

10 As far as enforcement, the only comment I had
11 was, once again, the Local Enforcement Grants, the \$6
12 million. It is a lot of money. I would just want to hope
13 that staff would ensure at least a part of that money or
14 some funds be set aside for training some of the local
15 enforcement people. I know that, you know, a lot of these
16 people are LEAs that are very versed in dealing with
17 landfill issues and cleanup issues and that type of thing.
18 But the tire problem is very unique, and I would hope that
19 staff would consider and the Board would consider
20 funneling some money into training through a series of
21 workshops or whatever those LEAs that are going to be
22 accepting and applying for those grants.

23 That was all. Thank you.

24 WASTE TIRE DIVISION SUPERVISOR DELMAGE: All
25 right.

1 MS. BARSTOW: My name is Karen Barstow. I'm from
2 Golden By Products. I'm a Northern California tire
3 recycler, and I'd like to make a comment about
4 enforcement. And I believe that we have spoken -- one of
5 us from our organization has spoken at least once about
6 this to several of the Board members.

7 Board Member Peace, you commented that several
8 agencies had asked about stable funding. We take the
9 position that the biggest part of the problem, although
10 they've made great gains in helping new grants be written,
11 is that it is grant based. Those dollars come from the
12 local communities. They need to -- a portion of that
13 needs to go back automatically to local communities,
14 probably to the LEAs, which are different in each area, so
15 it's regular funding, not grant dependent. Because I can
16 list at least ten agencies who complain to us as
17 recyclers. They call us and say, "We're having to write
18 our new grant. We don't want to do the grant
19 applications. They're too constringent."

20 We need to have regular dollars that go back to
21 the local community, so you know in the little town of
22 Merced, for example, that at least twice a year somebody
23 goes to every little corner tire generator, be it a tire
24 dealer, a used tire dealer, gas station, and twice a year
25 they check with them and say, "How are you disposing of

1 your waste tires? Show me your manifest." Just like they
2 do in the Oil Program. When that is done, you're going to
3 know where the tires are being generated, because that
4 gets to the base of the problem.

5 So our concern is and our support is our
6 Enforcement staff statewide is doing a wonderful job.
7 They can't do it at the local level. We need to get more
8 dollars diverted back to the local communities for that
9 enforcement. Thank you.

10 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Thank
11 you.

12 Enforcement, any other comments or questions?

13 CHAIRPERSON PEACE: On Karen's question when it
14 comes to regular funding, not grant funding, you know,
15 I've thought about that also when they have to write a
16 grant, you know, every single year. But I don't know if
17 statutorily how we're funded if we can have it be like a
18 two year or three year. Or is there any way around that
19 where they don't have to be putting in a grant every year
20 for this? It could be at least every two years.

21 DEPUTY DIRECTOR LEE: Madam Chair, that's
22 something we'd have to look into. Part of our problem is
23 that not every local jurisdiction is interested in being
24 involved in the Tire Program. Under, like, the LEA
25 Program, you know, where the Waste Board uses the local

1 jurisdictions to enforce a lot of their other solid waste
2 regulations, that's stipulated in statute. The
3 participation in the Tire Local Enforcement Program is
4 purely voluntary. So what we're finding is the
5 jurisdictions that see that program is in their best
6 interest or have a significant tire problem are the ones
7 that are working with us. The others, you know,
8 oftentimes have higher local priorities.

9 CHAIRPERSON PEACE: The ones that want to be
10 involved in the program and do put in a grant, is there a
11 way that when they submit the grant they know it's for
12 two years, instead of having to do it every year? Or
13 because of the way our funding is we can't --

14 DEPUTY DIRECTOR LEE: I understand the concept.
15 Again, as I mentioned in my earlier remarks, I think staff
16 is very supportive of stable long-term funding. I think
17 that was also the legislative intent.

18 I think I'd like to look at the legislation and
19 talk with our Legal Office to see, you know, what kind of
20 alternatives might be available in that regard.

21 But with regards to the concept of wanting to
22 make sure that the local jurisdictions are long-term
23 players and with us, that's something that certainly
24 deserves some consideration.

25 CHAIRPERSON PEACE: Wendy.

1 STAFF COUNSEL BRECKON: Wendy Breckon, Staff
2 Counsel, Legal Office.

3 As Jim Lee said, the statute just provides for
4 stable, sufficient, non-competitive funding. It doesn't
5 say anything about yearly grants. That's just kind of
6 been our past practice. So, you know, if you directed, we
7 could look into possibly multi-year grants or some other
8 mechanism of funding.

9 BOARD MEMBER MARIN: Madam Chair, you know, I'm
10 very interested -- I forgot the lady that spoke
11 beforehand, her name. But coming from local government,
12 it would seem to me it makes sense that you would have an
13 allocation that you know is coming to you. And,
14 therefore, you plan to have those local revisions, if you
15 will, of the local tire disposal or the tire dealer or
16 whatever.

17 Absent that -- and you're absolutely right, Jim.
18 It may not be the highest priority, only because it's
19 going to take me, as a Council member or as a local
20 enforcement person in the city, a lot more time and energy
21 and effort to get \$10,000. You know, I'm going to spend
22 \$10,000 in staff time to request a grant that may or may
23 not come to fruition because it's competitive.

24 But if we were to move towards a funding
25 mechanism for all of those cities or agencies, some of

1 them might be counties, that may be more interested
2 without necessarily having to compete every year for that,
3 that is something that really is worthwhile looking into
4 it. I certainly would voice that, Madam Chair, if nothing
5 else, to explore that.

6 CHAIRPERSON PEACE: I definitely think we should
7 do that and see if we could do every year, at least some
8 more longer term.

9 BOARD MEMBER PAPARIAN: Madam Chair, I mean, I
10 think the opportunity there may be through the LEA Program
11 where we have a really established enforcement
12 relationship in every square inch of the state. I think
13 what's been awkward about this program is we've been
14 dependent on local governments voluntarily stepping
15 forward to take advantage of this money, and that's where
16 we've gotten real disparities in terms of the amount of
17 money received by some local jurisdictions versus the
18 problem within their jurisdiction.

19 The amount of money we allocate to this program
20 is rather huge. As far as I know, it's the biggest
21 targeted environmental enforcement program in CalEPA. The
22 number \$6 million was a somewhat random number that was
23 come up with several years ago. It was a round number.
24 There was initial thought, well, we'll spend \$2 million
25 one year, then \$4 million, then \$6 million. I think if

1 we -- and I know the staff this year has tried to come up
2 with some criteria to justify how much money goes to each
3 jurisdiction.

4 But I think if over time we moved to LEAs being
5 the central focus for some of this enforcement activity,
6 we might be able to get a better handle on how much money
7 we want from them and how many inspections and so forth.
8 And maybe as the Chair suggested, over time bring down the
9 costs involved. Because I think that, again, \$6 million
10 if you look at all the environmental enforcement programs
11 out there, it's huge. And I'm not sure that there's -- if
12 you add it up, there's really \$6 million worth of need out
13 there for enforcement on the Tire Program.

14 DEPUTY DIRECTOR LEE: Mr. Papanian, if I could
15 just comment on a follow-up on a couple of the points you
16 made. I think the LEA model presents a good opportunity.
17 I know this is some of the things that the California
18 Performance Review talked about as trying to conduct
19 enforcement efforts more globally or regionally, you know,
20 across various platforms.

21 Again, the thing with the LEA Program, though,
22 again, is their participation. Without a change in
23 statute, it's unlikely a lot of them will opt to pick up
24 the Tire Program responsibilities. And the LEA Program
25 right now appears to have less Waste Board financial

1 support. But the actual cost of that program is
2 significantly more than what the Waste Board bears. Most
3 LEAs are supported by additional fees that they charge the
4 people that they inspect.

5 Indeed, like I say, having come from the private
6 sector and having run a landfill, I'm aware of the fees
7 that we were charged basically for the inspections that
8 were performed at our facility. So the \$6 million, again,
9 nominally looks like a large sum, but given what it has to
10 support and given the absence of any other fee support for
11 it, the numbers in comparison with other programs here or
12 even at the Board are not out of line.

13 COMMITTEE MEMBER MOULTON-PATTERSON: Thank you.

14 Just in reference to what Terry said, how much
15 actual tire training -- could you just let me know, review
16 with me, what we actually do at this point?

17 SUPERVISOR FUJII: The grantees are given
18 training by the Board's Enforcement staff as part of the
19 ongoing effort to work with them, partner with them to be
20 our enforcement arm and ears in the field. So yes, they
21 are given training by our staff. It's not like we give
22 them a grant and say, "Go for it. You're now an
23 Enforcement staff person." We do conduct one-on-one
24 training with them as well as regional workshops where we
25 can facilitate that with grantees that are in a general

1 vicinity to help make our efforts spread a little further
2 than they might normally. So, yes, they do receive
3 training.

4 COMMITTEE MEMBER MOULTON-PATTERSON: Like a
5 four-hour workshop?

6 SUPERVISOR FUJII: I'm not sure what the
7 workshops are. Maybe one of my staff could answer that.
8 I believe that's about half of a day. Some of them may be
9 a day, depending on the number of grantees that attend.
10 But there are also follow-ups that are done with each of
11 the grantees on various aspects of the program when there
12 are questions or issues that come up.

13 COMMITTEE MEMBER MOULTON-PATTERSON: Thank you.

14 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Madam
15 Chair, I'd like to add one point. It's my personal
16 mission here to make these grant programs as efficient and
17 streamlined as possible, both for our own staff as well as
18 for the grant applicants. I feel if we can reduce some of
19 the bureaucracy that our staff has to deal with and the
20 staff of local jurisdictions for that matter, it will free
21 them up to do the actual work. And that's what we want to
22 move toward.

23 Okay. The Waste and Used Tire Hauler Program and
24 Manifest System, as Mr. Lee said, we want to defer at
25 least our proposal until after the January 24th meeting.

1 But I do know there's some haulers here. And if you'd
2 like to comment on anything, I think it would be
3 appropriate at this time.

4 MR. ANITIA: Hello. My name is Victor from L&R
5 Tire Disposal. Just a comment on what we were talking
6 about. I'm one of the guys in the field. I'm one of the
7 guys in the trenches. And I've heard talk about the local
8 funding, and how the State is trying to help.

9 This is just a general comment. What I see going
10 on out there in the field is the generator, I believe, is
11 one of the main key factors. He's the one getting the
12 tires. And as a tire disposal company, we're going out
13 there and picking them up. One of the biggest problems
14 I'm seeing out there is, like the gentleman said before
15 me, they had good recycling ideas, which is one of the
16 best things that over all the years that I believe is
17 going to benefit the state and the tire problem.

18 But one of the problems I see out there right now
19 is the generator is getting up to 2 to \$3 per tire. Okay.
20 When the hauler comes up to make a business friend and pay
21 employees a good wage, the generator is not paying that.
22 The generator is paying up to 65 cents, 75 cents by bigger
23 companies. I believe that's where we're getting our tire
24 piles along the state. Even though they're getting a
25 dollar per new tire, okay, but there's nobody regulating a

1 set price for the used tire, you know, for the junk tire.

2 I'd like to see that be one of the issues brought
3 up is for every generator, for every company that picks up
4 tires, for everything to be set, because it's not
5 competitive. A used tire hauler that's registered that's
6 in compliance with the state can't compete with, say, a
7 bigger tire company, which, you know, around a small area.
8 That creates a lot of problems with more tire piles and
9 everything being found. My general thing is we ought to
10 set just a standard pay scale for all the tire haulers.
11 Thank you.

12 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Thank
13 you.

14 Any other questions or comments?

15 MR. SCHOLL: Hi. My name is Marty Scholl. I'm
16 with Calaveras County. I'm a Waste Tire Enforcement
17 grantee. And I took the liberty of talking to a couple of
18 the agencies since the last review we had of this and
19 asked them about their views of the grant. And I will
20 admit it is slightly labor intensive. I spent the last
21 week applying for the next grant. And we are in our
22 second grant term applying for the third. And I just now
23 got our program fully up and running with the database.

24 A couple points I do want to make is obviously
25 Calaveras is a very rural county. And from talking with

1 other LEAs, that a lot of the Northern California counties
2 are rural. And what I'm noticing, we are a major dumping
3 ground for mostly commercial tires.

4 And the biggest problem that I see with my
5 enforcement activities out there is that there are
6 neighboring counties and jurisdictions who do not have a
7 waste tire enforcement program. So I do enforcement on a
8 business, they start complaining back to me, "How come I
9 can get away with doing this over there? How come I can
10 haul tires up in this county, but not in your county?"
11 Things like that. All I can do is refer them back to the
12 Board.

13 I just urge you to look at the funding. Yes, it
14 is for the most part stable. Sometimes we wonder, will we
15 get the next grant? We don't know. And it makes it
16 difficult to hire a full-time, usually LEAs, REHSs. But
17 look at the funding. Is there a way to use whatever
18 funding is not allocated in grants to maybe give it to
19 other grantees to help in some of the areas that don't
20 have the grant to solve some of these problems?

21 Like I say, we have a major dumping problem, but
22 they don't originate in our county. I can't go and
23 enforce it to those haulers or generators. They're not in
24 my county.

25 Also I have done a lot of work with CHP training

1 in my local area. And what I found, they had no idea
2 about the Waste Tire Program or any of the laws about it.
3 So now I had to go to our court and get a ticket fees
4 schedule, and now they're out there writing tickets. So
5 that is good. But we need to get more of that throughout
6 the state. So just may look at, can we use that full six
7 million towards the grantees to get more up and running,
8 because it is an issue that I'm finding with neighboring
9 counties.

10 CHAIRPERSON PEACE: Thank you. We do know that's
11 a problem here. We hear it down in San Diego, too, where
12 the city has a grant and the county doesn't. We are
13 trying to get everyone on board. And where they're not on
14 board, our Enforcement staff is trying to do the best they
15 can. But we know that's a problem. Thank you.

16 WASTE TIRE DIVISION SUPERVISOR DELMAGE: One
17 thing I'd like to add is this coming year we're proposing
18 to use the Amnesty Day Grants and the Cleanup Grants as
19 kind of a combined grant program. And there may be ways
20 we can look at how that interacts with the Enforcement
21 Grants and make a bigger package as an enticement to get
22 people involved. So these are some of the options we're
23 looking at.

24 BOARD MEMBER PAPARIAN: Could I ask one more
25 quick question? The legislation suggests that we could,

1 if we wanted to, have a bounty program. And every
2 Five-Year Plan we've said we'll look at that if we have
3 time, but we never quite have the time to look at it. Are
4 we still thinking about that?

5 WASTE TIRE DIVISION SUPERVISOR DELMAGE: We are
6 still thinking about it. And we've been looking into it.
7 We don't want to put anything off the table. There are
8 pluses and minuses. Any input we can get from our
9 constituents we'd appreciate.

10 And there's still time. As Jim said at the
11 beginning, this is our first draft. In March, we plan on
12 bringing a much more complete document forward for the
13 next workshop. And so this is the time to look at those
14 issues that we want to bring into the program that we may
15 not have considered before. Does that answer your
16 question?

17 BOARD MEMBER PAPARIAN: Yeah. I think maybe that
18 would be the time to talk about whether we want to pursue
19 that in some way or not. I understand the pluses and
20 minuses. But, you know, at some point we have to make a
21 decision, are we going to try to have a bounty program or
22 are we just going to reject that idea?

23 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Yeah.

24 Any other questions on the Manifest Program or
25 the Enforcement before we move onto the next one?

1 CHAIRPERSON PEACE: It's not a question, but I
2 just want to make a comment on the Manifest System. I
3 have been working with Senator Escutia's office to
4 introduce some changes to the legislation that's going to
5 simplify the system. We're going to be doing that
6 hopefully this week. And if we're lucky, we might even
7 get, you know, in the bill and have it be like an urgency
8 bill. That's what we're hoping.

9 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Thank
10 you.

11 Yes, sir.

12 MR. FACOLN: My name is Lupe with Sanger Tire
13 Disposal. I want to say with the EAs that are going out
14 in the area, they're doing real good progress. Because in
15 our area in Fresno, a lot of people -- you know, we
16 thought it was going to hurt, but it's doing a real good
17 job, because it's keeping all the shops in line. And I
18 just want to say it's doing a good job. It's working.
19 And, you know, it's keeping the tire shop owners on their
20 toes. They can't get away with dumping them illegally.
21 And I just want to say it's working. It's going the right
22 way. Thank you.

23 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Thank
24 you.

25 CHAIRPERSON PEACE: That's good to hear.

1 WASTE TIRE DIVISION SUPERVISOR DELMAGE: We'll
2 move on then to Cleanup and Abatement of Remedial
3 Activities.

4 Terry Leveille.

5 MR. LEVEILLE: Terry Leveille for TL and
6 Associates, once again.

7 The only issue that I have on this one, of
8 course, as I mentioned before, representing the tire
9 dealers, is the Farm and Solid Waste Ranch Program. I
10 just haven't seen enough data, evidence that this one
11 really focuses on tires or that the tires make up more
12 than just a very small amount of the tonnage that is
13 cleaned up. I remember maybe five or six years ago there
14 was some reports on that particular thing, and maybe staff
15 maybe has some better ideas on that. But I can't think it
16 should bear the lion's share of the program.

17 And I agree probably Oil doesn't -- the Used Oil
18 Program doesn't need to be funding it as well. I think
19 that's a very small part, too. And I just think it really
20 needs to be taken a look at. There's a lot of other
21 programs that could use the funding. And I'm not averse
22 to using 25-, \$50,000 or something like that, a token
23 amount, going to the program. But I think there's some
24 market development programs, some research programs that
25 could use the money more than the Farm and Ranch and Solid

1 Waste. And the IWMA account is probably a better place to
2 look for that money. Thank you.

3 BOARD MEMBER MARIN: Madam Chair -- if I may,
4 Madam Chair, I understand, and I read a big report that
5 Howard sent to us. I agree with the notion that once it's
6 in legislation it's very difficult for us not to fund it
7 when it's very clearly stated that we must fund.

8 And what my question to Jim is, if the three
9 portions of our programs fund that, why are we now picking
10 up more than one-third? And I know you made note of that.
11 If I had my druthers, I would say let's keep it at the
12 same level of 333, only because, as Terry suggests, you
13 know, it's not a huge amount. I know it's more than even
14 the Oil portion of the waste. If I really had my
15 druthers, I would go back to one-third from each program.

16 DEPUTY DIRECTOR LEE: I understand, Madam Chair.
17 Let me try to refine my earlier remarks.

18 Basically, the legislation says support from the
19 three funds. Doesn't have to be proportional. Right now
20 it's one-third each, for approximately \$333,000 a piece.
21 Right now, that funding consideration doesn't take into
22 consideration the existing fund condition. It doesn't
23 take into consideration the volumes of the various
24 respective waste streams that are being picked up.

25 So, you know, given the fact that the Tire Fund

1 is at least 50 percent larger than the Used Oil Fund, and
2 the Waste Management Account I think is larger than the
3 Tire Fund, you know, the proportional funding doesn't
4 appear to be right for that. As I said, we do have
5 statistics that show tires are being picked up at these
6 farm and ranch cleanups. And I think the percent is less
7 than 10 percent.

8 But on the other hand, there's other areas where
9 tires are being cleaned up that are not coming from the
10 Tire Fund itself. You know, Madam Chair, you mentioned
11 the La Montaa effort which you're familiar with. There
12 was a significant number of tires that were there that
13 were cleaned up in the course of that 2136. That's an
14 IWMA-funded cleanup that were not charged to the Tire
15 Program, per se.

16 And as I mentioned earlier, I think, again, I
17 very much subscribe to the notion that, you know, any time
18 you have illegal waste disposal, they're a magnet for all
19 different types of waste. And that, you know, any of our
20 efforts again to clean up these sites ultimately helps all
21 of the various funds and programs.

22 So again, that was why -- in consideration of
23 those things, that was why, you know, we were proposing,
24 as I said, 333,000 for 05-06, but a slightly increased
25 proportion for subsequent years. We think the money would

1 be well spent.

2 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Howard,
3 did you want to say something?

4 DEPUTY DIRECTOR LEVENSON: Good morning, Madam
5 Chair. Howard Levenson with the P&E Division.

6 I have new glasses here, so I'm struggling.

7 I concur with what Jim said. I just wanted to
8 give you a little bit of information. In the 2001 report
9 to the Legislature on the Farm and Ranch Program, we
10 documented that about 54 percent of the Farm and Ranch
11 expenditures for those first years were tire related. And
12 in the last year, the Farm and Ranch Program has cleaned
13 up about 4,000 tires to date. That represents about a
14 third of the expenditures to date.

15 So we feel strongly that the current formula, you
16 know, does represent kind of the right proportional
17 allocation related to the tires. And we could argue for
18 it to be increased, as Jim has suggested, to 400,000 to
19 offset some of the other issues related to the Farm and
20 Ranch allocations. But the data that we have do indicate
21 that tire-related cleanups are a substantial part of the
22 Farm and Ranch Program.

23 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Any
24 other comments?

25 BOARD MEMBER MARIN: Now, on these grants, we

1 don't ever look for recovery, or do we go after recovery?

2 DEPUTY DIRECTOR LEVENSON: Not on the Farm and
3 Ranch Grant Programs. On the 2136, we definitely do.
4 That's part of the statutory provisions for Farm and
5 Ranch.

6 COMMITTEE MEMBER WASHINGTON: So under that
7 funding, if we go out to clean up tires and there's junk
8 cars, refrigerators, and other things that are out there,
9 are we still liable for picking that stuff up because we
10 see it? Or can we go in and get the tires out and leave
11 the rest of the stuff there for the owner to clean up?

12 DEPUTY DIRECTOR LEVENSON: As Jim indicated, in
13 the Farm and Ranch site, you typically have quite a
14 mixture of different kinds of waste. It could be used oil
15 or household hazardous waste, appliances, car bodies,
16 solid waste in general, tires. And since the funding for
17 the program comes from the IWMA, Used Oil, and Tires,
18 we're able to cover all that under the osmosis of the
19 program.

20 COMMITTEE MEMBER WASHINGTON: So the
21 perception -- perhaps the mechanism needs to be put in
22 place that it sounds like to me that the argument that's
23 being made is that we're taking Tire money and cleaning up
24 solid waste with the Tire money. Perhaps there's a way we
25 can -- and I don't know how to do it. I'm just sitting

1 here thinking in terms of the argument and criticism we're
2 getting because of the program that we're going out
3 cleaning up everything. Maybe that needs to be clarified.
4 And I don't know how we do it. I'm just thinking out loud
5 here. If there's a way that we can satisfy -- because
6 Terry just came up to say, look, you guys are using Tire
7 money for other stuff. And how do we satisfy that, that
8 that is not happening? And based on what you just said,
9 Howard, in terms of the two grants, how can we separate
10 the two so it won't be the case?

11 DEPUTY DIRECTOR LEVENSON: Well, one thing to
12 consider is when you're at a farm and ranch site, most of
13 this stuff is commingled, so you need a lot of hand labor
14 to pick things apart. But in general, the costs of
15 collecting the tires and transporting them for disposal
16 recycling in a small site is on the order of 15 to \$20 a
17 tire, based on some of the data we've been able to glean.
18 The number of tires that we've cleaned up, given those
19 costs, is roughly a third of the total costs of the Farm
20 and Ranch Programs. So we're basically spending that
21 allocation pretty much proportional to what's being
22 cleaned up.

23 COMMITTEE MEMBER WASHINGTON: And I understand
24 that. Until we come up with a mechanism to show the
25 difference in the resources that's available for tires

1 versus other solid waste, we're always going to get the
2 criticism then that we're just picking up everything when
3 we go out and clean up a tire site. So maybe that's
4 something we're just going to have to live with. I don't
5 know.

6 DEPUTY DIRECTOR LEVENSON: We can look into
7 better tracking mechanisms. But I think you start getting
8 into the complexities of tracking specific tires on
9 individual grants and all the other materials. And that
10 in and of itself is pretty difficult. So at this --

11 COMMITTEE MEMBER WASHINGTON: We'll continue to
12 talk to Terry and other folks in terms of if there's other
13 ways we can figure out how we do that.

14 You had some comments, Terry.

15 MR. LEVEILLE: Just a quick one. You know, I
16 mean, \$333,000 for 5,000 tires, I can't see how to clean
17 up 5,000 tires would be a third of the program. That
18 seems --

19 DEPUTY DIRECTOR LEVENSON: Based on the Local
20 Government Cleanup Grants -- I don't have the data right
21 with me, but I've provided it to Board members. If you
22 look at the cost of cleaning up tires at small volume
23 sites, small numbers of sites where there's small numbers
24 of tires, under, say, 500 or under 1,000, the costs are on
25 the order of 15 to \$20 a tire. They're not down to 2 or 3

1 or \$5 a tire.

2 MR. LEVEILLE: We're talking \$333,000.

3 DEPUTY DIRECTOR LEVENSON: If you want to clean
4 up tires --

5 MR. LEVEILLE: Once again, \$50,000 out of this
6 program, should go to this program. I don't have a
7 problem with \$50,000 going to this program. The rest
8 should go to market development or research or something
9 like that that really does something towards developing
10 some markets for these tires. This should be funded out
11 of the IWMA account. The Legislature in its wisdom said a
12 million dollars. It didn't say which accounts it's
13 supposed to come out of. It seems logical it should come
14 out of the IWMA account. That's my only argument, that
15 \$50,000 max maybe from Used Oil and maybe from the Tire
16 Program should help, but it shouldn't bear the brunt of
17 the program. We've got so many other things we need to do
18 with these programs.

19 CHAIRPERSON PEACE: When you say picked up 5,000
20 tires and it cost \$333,000, that's \$66 a tire. But at the
21 same time, you just said like at La Montaa we picked up a
22 bunch of tires that weren't charged to the Tire Program.
23 So if you add those in, I think we're probably paying our
24 fair share.

25 DEPUTY DIRECTOR LEVENSON: And Member Peace, it

1 wouldn't even be \$66 a tire, because right now that's just
2 preliminary data for the last year. On the expenditures
3 to date for the program, it was roughly a third of the
4 230,000 expended was tire-related cleanup.

5 But you're right. We clean up probably on the
6 order of, over the last five to ten years, over half a
7 million tires in the 2136 program. And that's IWMA moneys
8 that have been expended for that.

9 CHAIRPERSON PEACE: So if we had to reimburse the
10 IWMA for the tires they picked up, it would probably come
11 out more even. It all comes out in the wash. We're
12 paying our fair share.

13 BOARD MEMBER MARIN: Last but not least, let me
14 just ask this, because it's a million dollars that the
15 Farm and Ranch legislation set aside; right? That's my
16 understanding.

17 DEPUTY DIRECTOR LEVENSON: Up to one million
18 dollars.

19 BOARD MEMBER MARIN: So Terry's point basically
20 becomes mute by the fact it's a legislative mandate. It's
21 coming out of -- whether it comes out of IWMB or Tires or
22 Oil, it's a million dollars. It doesn't matter. I
23 appreciate that he's looking after the Tire Fund itself,
24 but it's a million dollars, no matter where it comes from.
25 It all comes from the same pot of money, which is our --

1 it's all of our money.

2 DEPUTY DIRECTOR LEVENSON: Just to be accurate, I
3 do want to say it's up to a million dollars. And that is
4 somewhat discretionary. The Board could choose to fund
5 the program at less than that amount, at least to offer
6 that and suggest it in the budget. But over the last few
7 years as a result of legislation proposed and enacted by
8 Senator Chesbro, the program has become oversubscribed
9 last year, and we expect it to be oversubscribed this
10 year. So we really have a minimum of a million dollars in
11 demand and probably could generate more.

12 BOARD MEMBER MARIN: But then the question if --
13 I'm sorry. Because the question then, under other
14 programs, we could actually go for recovery.

15 DEPUTY DIRECTOR LEVENSON: That's right.

16 BOARD MEMBER MARIN: So nothing really prevents
17 us from lowering this threshold and then going under
18 another program, clean up some other areas, and then
19 asking for recovery.

20 DEPUTY DIRECTOR LEVENSON: Except that the
21 statute -- that was one of the reasons why the Farm and
22 Ranch Program was created in the first place by the
23 Legislature, was to remove that burden of cost recovery
24 from the small farm and ranch landowners who weren't
25 necessarily responsible for the dumping on their land in

1 the first place.

2 Part of the material that I provided to you last
3 week or the week before was a memo from the Legal Office
4 regarding that very issue. And I'd like to -- we could
5 get Steven Levine or Marie to speak more to that
6 particular issue if you wish.

7 BOARD MEMBER MARIN: We would probably do it in a
8 different setting. Once you said that it is up to a
9 million dollars, that opens the door to me.

10 DEPUTY DIRECTOR LEVENSON: I have to be honest.

11 BOARD MEMBER MARIN: You always are, Howard. And
12 I truly appreciate that. But you just opened a door, at
13 least for me.

14 CHAIRPERSON PEACE: I think we're going to have
15 to leave it the way it is until such time our recycling
16 programs are working so well we're not getting any more
17 tires dumped on the farm and ranch properties. If it
18 comes to that where we're seeing there aren't any tires in
19 this mix of mess, maybe then we can reevaluate where the
20 money should come from. But I think right now I think
21 that's a fair amount that we're putting into the program.

22 COMMITTEE MEMBER WASHINGTON: And I just have one
23 more question under the Waste Tire Stabilization and
24 Abatement Program. Jim, at our meeting in Los Angeles
25 where we did the Five-Year Plan, I believe there was some

1 discussion or comment or something came up regarding the
2 staff person under the Enforcement Program was shot at or
3 had a gun put on him by one of the owners. Have we
4 addressed this problem, or where are we at with addressing
5 the safety of our staff?

6 SUPERVISOR FUJII: Board Member Washington, yes,
7 there was an incident that involved several Enforcement
8 staff. And I forget the county, but in Southern
9 California area in a remote part of the state, they were
10 attempting to do an inspection, and they were shot at by
11 one of the owners of the property.

12 COMMITTEE MEMBER WASHINGTON: That was because he
13 said he didn't know they were -- which we know that's not
14 true. Everybody knows the difference. You come into my
15 neighborhood, you know that they're law enforcement.
16 Trust me. You come to my house or 3:00 or 4:00 in the
17 morning, I'm going to know something is wrong.

18 Go ahead.

19 SUPERVISOR FUJII: He may or may not have your
20 awareness.

21 But in dealing with the situation, what we have
22 done is suspended some of our inspections to some of these
23 remote areas pending review of our existing procedure on
24 how we approach these kinds of situations. And we're
25 evaluating that with our Health and Safety Office and

1 Legal Office at this time. And we won't resume those
2 inspections until we're sure our staff is safe.

3 WASTE TIRE DIVISION SUPERVISOR DELMAGE: All
4 right. Anything more on cleanup and abatement?

5 CHAIRPERSON PEACE: Under cleanup and abatement,
6 it says you're going to continue to eliminate illegal
7 stockpiles with more than 5,000 piles. Do we have any
8 idea how many are left out there?

9 SUPERVISOR FUJII: You know, off the top of my
10 head, Board Member Peace, I don't think I could give you
11 that number. It's probably something we could look into
12 and get back to you on.

13 I can tell you that we do have a fairly
14 substantial list of sites that have been referred to us
15 through our Enforcement Program that are currently in the
16 process of being cleaned up either through -- well,
17 through the Board-managed program. But that's something
18 we probably have to get back to you on. I don't know off
19 the top of my head.

20 DEPUTY DIRECTOR LEE: Clearly, again, I don't
21 have the exact number. You know, the largest remaining
22 tire piles in the state are the ones in Sonoma. And as
23 the Board is aware, we're actively engaged in trying to
24 clean those piles up.

25 CHAIRPERSON PEACE: And under Short-Term

1 Remediation Projects, in the last Five-Year Plan, 06-07
2 had dropped to a million dollars, and then 07-08 had
3 dropped clear down to 352,000. In the new one, it's 1.5
4 million a year. What was the big change there? Was it
5 all Sonoma?

6 SUPERVISOR FUJII: Right. I think you kind of
7 hit it on the head. I think when we developed the
8 numbers, Sonoma wasn't really -- as a group as a whole, we
9 didn't have a good handle on the number of tires that were
10 present at those sites. And since then, we've been out to
11 those sites and have fairly decent estimates on what we
12 feel is out there in terms of clean up. We revised those
13 cost estimates based on the number of tires and costs that
14 we feel we're going to need to deal with those sites over
15 the next two or three fiscal years. That increase is
16 reflected there. We do have an ongoing workload as well
17 and the other sites that are not located in Sonoma that we
18 also will be dealing with.

19 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Since
20 we're running low on time, let's move on to Research.

21 MS. KRAMER: Good morning, members of the Board.
22 I'm Vickie Kramer, Chief of the Vector Borne Disease
23 Program at the California Department of Health Services.

24 I'd like to urge the Board to reinstate funds
25 into the Five-Year Plan to address the public health

1 hazard created by waste tires as a breeding ground for
2 mosquitos, mosquitos which carry and transmit West Nile
3 Virus. California experienced an outbreak of West Nile
4 Virus last year. Over 800 Californians became ill and 25
5 people died. This year we expect a recurrence of the
6 problem, in fact, a problem that will most likely be of
7 greater magnitude, especially in Central and Northern
8 California where West Nile Virus has just begun to take
9 hold and is now already starting to amplify in nature. In
10 fact, we had our first West Nile Virus positive dead bird
11 just reported yesterday from San Jose.

12 The proposals provided to you previously, in
13 fact, two years ago by the Department of Health Services
14 and the Mosquito and Vector Control Association, are a
15 win-win situation for public agencies and Californians.
16 By working together, we can enhance our ability to locate
17 and clean up small to midsize tire piles that produce
18 mosquitos. These proposals submitted to you were not
19 research proposals, although there was certainly a small
20 component to it. But our objective is the same objective
21 that you have. We want to get rid of these tires. We
22 don't want these tires to be serving as an ideal breeding
23 ground for mosquitos, especially in people's backyards.

24 We can educate the public that the tires that
25 they are illegally discarding produce mosquitos. And I

1 think people will have greater incentive to properly
2 disregard tires if they know those tires can be a source
3 of illness and even death. Last year, the Governor called
4 on all State agencies to work together to minimize the
5 risk of West Nile Virus transmission. Californians expect
6 that we, as public agencies, take every step possible to
7 address this problem.

8 I think in partnering together and addressing
9 this problem more fully, I think that we can work to get
10 the public to discard tires properly and better address
11 the issue of mosquito breeding in tires. Once again, I
12 ask that you reinstate the 350,000 previously allocated
13 over a three-year period to this proposal.

14 Thank you. Are there any questions on the
15 proposal?

16 MR. BROWN: Good morning. My name is David
17 Brown. I'm the Manager of the Sacramento-Yolo Mosquito
18 and Vector Control District. We are one of 56 districts
19 at least within the Mosquito and Vector Control
20 Association of California that are the front line defense,
21 if you will, against West Nile Virus and in the control of
22 mosquitos.

23 With all due respect to staff, there were more to
24 the proposals than just research. And, actually, we
25 should have probably been addressing this through cleanup

1 and abatement, because from a mosquito and vector control
2 aspect and control component, eliminating the source is
3 the best way of addressing and dealing with mosquitos. We
4 believe the funding should be reinstated for surveillance
5 and control of various mosquito sites. And what we have
6 up here on the board is an example of what could be
7 accomplished with additional funding to help us locate
8 where tire sites are within -- what's represented on the
9 board is Sacramento and Yolo Counties. But certainly in
10 other parts of the state.

11 Just as a note, though, not all -- we've talked
12 about local government. Unfortunately, not all local
13 governments are created equally. While we are able to do
14 the mapping, several other districts throughout the state
15 would also be able to identify them. They may not be able
16 to identify them in the way we've done that. But they
17 would be able to identify where the sites are and then
18 pass that information on to the appropriate folks for
19 disposal of the sites.

20 To concur with Dr. Kramer, we also use a public
21 outreach and education program, and we believe that would
22 be critical to help us illuminate mosquito development
23 sites, which we already know that tires are a component of
24 that.

25 Third, we know you want to eliminate tires. We

1 want to protect public health. Eliminating tires will
2 help us protect public health. We think it's a very good
3 fit. And we'd like to see this Board step up, and it's a
4 golden opportunity to help us address potential epidemic
5 issues in this coming year. So thank you very much.

6 BOARD MEMBER PAPARIAN: Madam Chair, where I'm
7 intrigued by this is that -- and I think maybe he's right
8 that this isn't a research type of proposal, but more a
9 cleanup type proposal. As I understand -- maybe you could
10 stay up here for a second. I don't know a whole lot about
11 these mosquito districts, but I get the impression that
12 folks are out there from the districts looking for the
13 breeding grounds in the ditches in the various -- in the
14 various open space areas where they might be. And what
15 I'm thinking is, you know, maybe there is an opportunity
16 for some assistance in identifying the locations of tires
17 and getting them out of the environment where they are
18 threatening both the environment and public health.

19 MR. BROWN: Yes, sir. The components of a sound
20 integrated mosquito control program is just that. We go
21 out. We try to identify where mosquitos develop in
22 aquatic sites. And, actually, what you see represented on
23 the screen is our crews going out throughout Sacramento
24 and Yolo County, identifying sites where mosquitos
25 develop. In this case, we can do a search on just tires,

1 and that's what we have represented here. Other districts
2 throughout the state do the same thing, if they have the
3 resources available to be able to conduct those types of
4 exercises. And certainly with a little bit of additional
5 resources, we believe they could. And I think it's a
6 win-win situation. I'd love to take all those red dots
7 off the maps, because then we would be able to devote
8 other resources towards other areas, whereas staff already
9 mentioned, there are sites that do produce mosquitos.
10 We'd like to be able to devote resources to those sites as
11 well.

12 SUPERVISOR FUJII: Just a comment. Bob Fujii,
13 Special Waste Division.

14 I did get an opportunity to meet with both Dave
15 and Vickie yesterday, and we had a good discussion. I
16 kind of concur with some of the statements he's made. If
17 the Mosquito Abatement District in working with DHS could
18 restructure their proposal maybe to do some of the work
19 he's talking about as described today, it certainly would
20 be an assistance to us. I mean, any help we can get in
21 identifying illegal tire piles through another branch
22 would be helpful. It would help us focus our efforts not
23 only in the Waste Tire Cleanup Program, as well as the
24 Amnesty Day Grant Program, but even maybe referrals to our
25 enforcement grantees or the local jurisdictions to

1 investigate sites. So this is something that could, you
2 know, possibly have some merit.

3 CHAIRPERSON PEACE: You don't think this is
4 duplicative when we're already having the locals with the
5 Amnesty Day Grants and all the other things that we have
6 are already looking for tire piles?

7 SUPERVISOR FUJII: In some areas it certainly is
8 possible that could happen. But also the Mosquito
9 Abatement Districts are looking for these particular tire
10 piles for different reasons. Much smaller tire piles in
11 smaller residential areas that may or may not be on the
12 radar screen of our grantees who are looking for the more
13 substantial piles. You know, that's a good question.

14 COMMITTEE MEMBER MOULTON-PATTERSON: Thank you,
15 Ms. Peace.

16 You know, I certainly feel that our highest
17 obligation is to public health. This was a huge public
18 health outcry last year during the season, and if there's
19 any way we could work to our benefit with these vector
20 controls or whatever, I certainly would like to see it
21 done, personally.

22 BOARD MEMBER MARIN: Madam Chair, I am familiar
23 with the vector control system. As a formerly elected
24 official, we have people that sit on the local boards.

25 But one of the questions I believe -- I don't

1 know whether it was L.A. County or some county just
2 recently passed some -- what was it? I know there was an
3 initiative. And I know at least in L.A. County, if I
4 recall correctly, there was some significant funding that
5 was allocated, some measures were approved. And I'm
6 familiar with the work that the mosquito control does.

7 The question for me, quite frankly, had to do
8 more with how -- in the proposal that I had read -- and I
9 made it very clear at the last meeting, the last workshop
10 that we had back in Diamond Bar, the proposal that I read
11 did not in any way, shape, or form reduce any of the piles
12 by one tire. So, quite frankly, there was -- at least in
13 my perspective, as much as I feel that the work that you
14 guys do is noble and whatever, the task before this Board
15 is to eliminate tires. That has to be -- from stockpiles
16 that obviously have a greater proportion. Your proposal
17 in no way, shape, or form helped that effort.

18 MS. KRAMER: We initially submitted independent
19 proposals from the Department of Health Services and the
20 Mosquito and Vector Control Association. And based on the
21 feedback we received from staff as well as the Board, we
22 are in the process of combining those proposals and
23 rewriting them to emphasize more the disposal aspect and
24 the role that the Mosquito Abatement Districts have in
25 terms of surveillance and location of these tires.

1 And on top of that, the educational aspect of the
2 program. I really believe that if people know that the
3 tires they are disposing of serve as the source of West
4 Nile Virus that can kill their grandmother or another
5 family member, they will be more likely to take the
6 appropriate steps to dispose of those tires. So the
7 proposal we're in the process of merging would definitely
8 emphasize tire disposal as our ultimate goal with a strong
9 educational component to that that would be included in
10 the educational programs of our Mosquito Abatement
11 Districts.

12 As you know, West Nile Virus had extensive media
13 coverage last year. And, certainly, we can ramp up the
14 role of waste tires as a source of West Nile Virus in the
15 upcoming year. But we do need some extra funds to work
16 with our local vector control agencies to provide a little
17 bit of extra money so they can get out in the field to
18 more accurately identify where these piles are to partner
19 more closely with some of other agencies working on waste
20 tire disposal and developing educational programs. Those
21 would be the nuts and bolts of the upcoming program.

22 BOARD MEMBER MARIN: Okay. And just to remind
23 you because -- and I read the title of the program that
24 your proposal came under. It said, "Budget for Research
25 Directed at Promoting and Developing Alternatives to the

1 Landfill Disposal of Tires."

2 MS. KRAMER: That was a cut and paste from the
3 website. That wasn't the title I gave you.

4 BOARD MEMBER MARIN: So, quite frankly, maybe if
5 that proposal looks a little bit different and goes under
6 a different program, that might probably have a better
7 landing than it did. Because, like I said, just that
8 alone --

9 MS. KRAMER: That's why I stated I thought it
10 would more aptly fit under the abatement section than the
11 research section where it was previously placed.

12 And in terms of Los Angeles, new laws that came
13 into effect, that's to allow Mosquito and Vector Control
14 Agencies to inspect backyards. Previously, they didn't
15 have that authority. But there were no funds attached to
16 that. There was some funds in state government allocated
17 for West Nile Virus, almost a million dollars, to enhance
18 West Nile Virus surveillance in California.

19 BOARD MEMBER MARIN: I got my initiatives all
20 mixed up. I can't keep up with 300 of them on a yearly
21 basis.

22 MS. KRAMER: Thank you very much.

23 CHAIRPERSON PEACE: Excuse me. Do you already
24 have a -- it says here "statewide education campaign." Do
25 you already have one that informs the public about the

1 health hazards of standing water?

2 MS. KRAMER: The public education efforts vary
3 throughout the state depending on the resources available
4 at the local level. In terms of a statewide program, yes,
5 we do. But it is somewhat limited in terms of reaching
6 everybody that it needs to reach. It's primarily geared
7 toward working with the media and developing materials
8 that we make available to local agencies. But certainly
9 one of the key messages provided to the public this last
10 year was get rid of standing water.

11 CHAIRPERSON PEACE: I don't think it necessarily
12 needs to be tires on a separate campaign. It needs to be
13 standing water, and that can be tires or horse troughs or
14 ponds in your backyard.

15 MS. KRAMER: That's correct. But we can
16 emphasize tires as a key component of the program.

17 CHAIRPERSON PEACE: I just think our money is
18 better spent cleaning up the tire piles where mosquitos
19 breed in the first place. And I think the Vector Control
20 Districts need to concentrate more on large places where
21 there's standing water, instead of tires.

22 Just personally, where I live, there's a big
23 ravine behind my house. And I can't go out in the
24 summertime because of so many mosquitos. And they're not
25 coming from tires. It seems like the Mosquito Vector

1 Districts should be concentrating on those areas. You
2 know, I have to call every summer, "Can you come spray?"
3 We can't even go outside.

4 MS. KRAMER: Actually, it is the small backyard
5 sources that fueled the outbreak of West Nile Virus in Los
6 Angeles this past year. Vision L.A. an urban jungle,
7 essentially. You do not have large bodies of water there.
8 Yet, we had 300 cases alone of West Nile Virus in
9 Los Angeles County. Most of those sources were backyard
10 sources or underground sources, unkept swimming pools,
11 tires, birdbaths. Because in the small sources there are
12 no natural predators, and there's no wave action, both of
13 which reduce mosquito breeding.

14 CHAIRPERSON PEACE: Thank you. I mean, West Nile
15 Virus is a serious problem. But I don't think the
16 seriousness of it comes from tires. And I think our money
17 is probably better spent just cleaning up the tires that
18 are out there. That's my personal opinion.

19 MS. KRAMER: We would like to work with you to
20 help clean up the tires, and we think we can do that.

21 MS. EDEN: The discussion -- maybe a few ideas to
22 present here. I have other comments later.

23 Joyce Eden, West Valley Citizens Air Watch.

24 In line with the -- now, what I haven't heard and
25 I don't know if the Health Department doesn't perhaps have

1 an estimate, is how much of the source of West Nile Virus
2 do they think is coming from miscellaneous tires laying
3 around. Obviously, you're dealing with the big piles. So
4 I think -- I don't know if they can estimate the small few
5 tires here and there add up to a lot.

6 So my comment on that is perhaps in conjunction
7 with the educational campaign and public service
8 announcements there could be a 1-800 tire number that
9 people could call in with amnesty for themselves or where
10 they see tires laying around in conjunction with the West
11 Nile threat, which I think people are really concerned
12 about it.

13 That was just one issue I wanted to point out,
14 that landfilling in the state of California requires tires
15 to be chipped before they're landfilled. Therefore,
16 landfills don't have a tire mosquito issue. They don't
17 collect water. Obviously, the legacy piles do. But
18 landfills do not.

19 And also just a quick comment in terms of your
20 example, Cheryl Peace, of the ravine. And I'm sure the
21 Public Health Department is aware that there are various
22 bats that eat tons and tons of mosquitos, and actually
23 installing a bat house could actually make the difference
24 in these types of places. So I don't know if that's part
25 of their campaign or not. But working with biologists, I

1 think that would be something to look into. Thanks.

2 MR. BLUMENTHAL: Good morning. My name is
3 Michael Blumenthal. I'm with the Rubber Manufacturers
4 Association, Madam Chair, Madam Chair, members of the
5 Board.

6 Some general comments. Item Number 2 on
7 International Trade and Border Issues, I would like to
8 propose that we are working with an ad hoc group made up
9 of four U.S. states, six Mexican states, several
10 non-government organizations, and several industry
11 organizations on the U.S.-Mexico border tire pile issues
12 basically from California through Texas. One of the
13 things we're trying to do is get more educational programs
14 along the U.S.-Mexico border working with Nat Bank,
15 working on a large training program on modified asphalt
16 and would ask that you consider increasing the amount of
17 money that will be used for border issues.

18 There are a lot of tire piles on the Mexico side.
19 There are not a lot of markets on either side. And what
20 we're trying to do is to help to coordinate the different
21 training programs that the states and federal government
22 are trying to offer. Here in California, you have lots of
23 resources on RAC and civil engineering. You have a great
24 tire fire prevention fire-fighting course. All of these
25 are very important for the border area. I would encourage

1 you to see if you can do more along the border area with
2 the resources that you currently have.

3 Item Number 3 on the border quality issue, I
4 understand that there are some differences in the
5 standards that will be used in this test as opposed to
6 what the federal government currently has. I do want to
7 suggest there are two excellent reports already out in the
8 marketplace. They are both five-year field studies, one
9 above the groundwater level, one below the groundwater
10 level, both done by Dr. Dana Humphrey from the University
11 of Maine. They are excellent field studies. They come up
12 with very good data. But I think here is an example of
13 where: One, you will be recreating the wheel; and, two, I
14 think you're going to fall into the well of unintentioned
15 things that will happen after this test, the unintended --

16 CHAIRPERSON PEACE: Michael, where did you get
17 the information that Dana Humphrey has already done it
18 below the water testing?

19 MR. BLUMENTHAL: Above and below. And they are
20 in PDF format. They're on our website. You can download
21 them, take a look at them. They are excellent studies. I
22 know that this -- what you have here may be looking at
23 different -- some different issues, but here Dana Humphrey
24 looks at primary and secondary water quality testing
25 standards. And they come out very -- the test results are

1 very good.

2 CHAIRPERSON PEACE: From what I understand, we
3 had done the above the water level testing, but not below
4 the water level testing.

5 SUPERVISOR FUJII: Right. Michael, let me jump
6 in here. Bob Fujii, Special Waste Division.

7 He's correct. Dr. Humphrey has done both of
8 those studies, and they were both conducted back in Maine.
9 We did use some of that information as a basis for the
10 above-ground study, which we did an independent study here
11 in California.

12 Unfortunately, when we deal with the regulatory
13 agencies out here, California wants things done in
14 California. So although we gave them that information
15 preliminary as sort of a segue to start the discussion
16 about the possibility of doing some of these projects, the
17 response we got from the Regional Board was, "Well, that's
18 great for Maine, but it don't cut it here in California."
19 That's kind of their response.

20 So what we did was we did do a study out here in
21 California using Dr. Humphrey, and we would probably use
22 that information that was generated by Dr. Humphrey back in
23 Maine as a basis for this follow-up study. And we would
24 probably conduct the study here in California based on
25 California conditions. So anyway --

1 MR. BLUMENTHAL: Those were still U.S. federal
2 groundwater testing standards Dr. Humphrey did in Maine.
3 There are leachate studies from Florida which also have
4 very high standards. And you know hearing that it doesn't
5 make the California standard, there's only one federal
6 standard. And most of the tests do go about those.

7 I would caution you to be testing too many
8 things. Minnesota in 1991 did a very stringent leachate
9 test, and it wound up, in essence, not allowing tires to
10 be used in civil engineering applications for almost
11 ten years in Minnesota. As far as civil engineering
12 applications are concerned, I would strongly suggest that
13 you do get Dr. Humphrey to do more on-site training
14 programs. He has the best training program out there. He
15 is one of your consultants. And get it down to the county
16 level. I think that's a very effective way to increase
17 the markets for that.

18 Page 3, on your end of life assessment, I don't
19 think \$133,000 is going to be enough to do adequate study.
20 And on your generation rate and diversion data, may I
21 suggest you take out retreads from your scrap tire
22 markets. Technically speaking, retreads are not scrap
23 tires. They are several order of magnitude above scrap
24 tires. You cannot retread a scrap tire, and no scrap tire
25 is considered a retread. They are a reuse of the tire.

1 We should try to encourage more retreading. It
2 does delay tires going into the waste stream, but there's
3 no other state in this country that considers retreads as
4 a market for scrap tires. You take your used tires to
5 retread. You don't go into the piles and pull out tires
6 to retread them. I think that also skews your numbers.

7 I'll be back for the next section. Thank you.

8 WASTE TIRE DIVISION SUPERVISOR DELMAGE: I
9 apologize, but we're going to hold off the Markets until
10 after lunch. Our court reporter I'm sure is about to
11 cramp up.

12 COMMITTEE MEMBER WASHINGTON: Mitch, I just have
13 one question for staff in terms of the continued education
14 units. One is, are we working with the Board of
15 Professional Engineers as well as engineering associations
16 with the curriculum? Or will we be working with those
17 folks?

18 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Yes.
19 We'll be working through the University of California
20 Davis, and we will include the associations as well.

21 COMMITTEE MEMBER WASHINGTON: Then, also, there
22 are engineering programs in community colleges and trade
23 tech schools. Will they be dealing with those folks
24 likewise?

25 WASTE TIRE DIVISION SUPERVISOR DELMAGE: That,

1 I'm not sure about. Like I said, we'll be working with
2 the University of California Davis. And this is the
3 first -- well, in fact, we show the funding in the second
4 year in 06-07 so -- because we felt like we needed a year
5 to really look at this closely, because it's so important.
6 So we will take those things into consideration and see if
7 we can get everybody involved.

8 COMMITTEE MEMBER WASHINGTON: Yeah. I would
9 certainly hope you do so, because you'll find you get a
10 lot of folks that can't go to universities and go to our
11 local community colleges and our trade tech schools, and
12 they do offer engineering programs around the state of
13 California. So I hope that you really consider our
14 community colleges and trade techs.

15 DEPUTY DIRECTOR LEE: Understand, Mr. Washington.
16 I think what Mitch is trying to say is we're probably
17 trying to roll -- this is just kind of the initial foray
18 into this field. We're still exploring to see about its
19 feasibility. But we certainly understand we would need to
20 roll it out to more than just the major universities, you
21 know, ultimately.

22 CHAIRPERSON PEACE: Are we trying to close out
23 then the discussion for the research part?

24 WASTE TIRE DIVISION SUPERVISOR DELMAGE: We'll
25 close out -- unless there's any other discussion on

1 research, we'll close out that part.

2 CHAIRPERSON PEACE: I just had a question on this
3 \$150,000 for the International Trade and Border issue. I
4 had a comment. In here it says that the veto message
5 stated the Governor encouraged further investigation into
6 NAFTA issues. You know, I really don't want to get
7 distracted by that veto message, because it's bullshit.

8 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Strike
9 that.

10 CHAIRPERSON PEACE: The labor and business
11 interests lobbied against that. And so we do have leg.
12 counsel. We do have an Attorney General who can give
13 those opinions. When Marie was talking about the Attorney
14 General giving an opinion, does that cost us money then?
15 Do we need to pay the Attorney General when they give us
16 an opinion on something?

17 CHIEF COUNSEL CARTER: I believe it does. I can
18 check with the Attorney General and get back to you. I
19 would expect they could charge the hourly rate for
20 attorney's research.

21 CHAIRPERSON PEACE: If we're going to leave that
22 in there, I think I would rather see that not
23 International Trade and Border Issues Study. Why don't we
24 just have a line item in there for legal --

25 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Make it

1 broader.

2 CHAIRPERSON PEACE: Make it broader. Say legal
3 issues. This is money for any legal issue that comes with
4 borders or whatever. But specifically saying we're going
5 to use some of this money for NAFTA, that's ridiculous.

6 CHIEF COUNSEL CARTER: Madam Chair, I would just
7 suggest that you might consider the fact that by leaving
8 that amount, although we expect it to be more than what
9 the Attorney's General fee would be, that it does allow
10 you some room to negotiate or enter into contracts that
11 might explore border issues, and what could be done to
12 help the Mexico government clean up their tire piles to
13 protect the health, safety, and environment of the border
14 communities.

15 CHAIRPERSON PEACE: I don't have any problem with
16 leaving that in. I just thought make it more broad.
17 Let's say we leave this money in there for exploring legal
18 issues related to whatever we think is necessary.

19 BOARD MEMBER MARIN: Madam Chair, I know we're
20 leaving. I do have a couple of comments, but I'd rather
21 just have them when we come back, because I'm very
22 cognizant that somebody needs a break at least. And I'm
23 not the only one.

24 CHAIRPERSON PEACE: We'll come back and have a
25 few more comments.

1 WASTE TIRE DIVISION SUPERVISOR DELMAGE: We'll
2 come back at 1:15, and we'll finish off Research, and then
3 begin on Markets. And then after that, we'll look at the
4 Budget.

5 (Thereupon a lunch recess was taken.)

6 CHAIRPERSON PEACE: We're ready to get started.

7 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Were
8 there some more questions or comments on the Research part
9 before we go into Markets?

10 CHAIRPERSON PEACE: Do we need to ask for ex
11 partes? Because we're not taking any votes, I didn't know
12 if we needed to or not.

13 WASTE TIRE DIVISION SUPERVISOR DELMAGE: You have
14 to defer to Legal on that.

15 CHIEF COUNSEL CARTER: I think it would be a good
16 idea, just to get them out of the way.

17 CHAIRPERSON PEACE: Well, let's go ahead and ask
18 for ex partes.

19 COMMITTEE MEMBER MOULTON-PATTERSON: I have none.
20 I'm up to date. Sorry.

21 BOARD MEMBER MULÉ: I just had a lunch meeting
22 with George Ewon.

23 CHAIRPERSON PEACE: And I had lunch with Terry
24 Leveille and Michael Blumenthal.

25 COMMITTEE MEMBER WASHINGTON: I'm up to date.

1 BOARD MEMBER PAPARIAN: I also spoke with Terry
2 Leveille and Michael Blumenthal and also briefly Tom
3 Faust.

4 BOARD MEMBER MARIN: And I also spoke to
5 Mr. Blumenthal for a second.

6 WASTE TIRE DIVISION SUPERVISOR DELMAGE: All
7 right. And we don't need to have this so formal that
8 everybody needs to come up. If you'd like to speak, we'll
9 bring a microphone to you. If you'd like to come up,
10 you're welcome to as well.

11 MS. EDEN: Joyce Eden, West Valley Citizens Air
12 Watch.

13 I really appreciate this Board and the staff that
14 you're taking a fresh look at the Five-Year and the
15 Two-Year Plan. And we have common goals of recycling
16 tires and protecting public health and keeping additional
17 hazardous air pollution out of the air that we all breathe
18 and that moves all over the state.

19 Under the Public Resources Code 40180, it's the
20 code which defines recycling. It says, "recycling does
21 not include transformation as defined in Section 40201,
22 transformation being tire burning for fuel." So we keep
23 that in mind at all times, and we are very glad that
24 California does have that law and that code.

25 The direction provided by and the goal of SB 876

1 is to recycle tires. SB 876 cites Public Resources Code
2 42889, "Funding for the Waste Tire Program shall be
3 appropriated to the Board in the annual Budget Act for the
4 following purposes: G. To assist in developing markets
5 in new technologies for used tires and waste tires." The
6 Board's expenditure of funds for purposes of this
7 subdivision shall reflect the priorities for waste
8 management practices specified in Subdivision A of Public
9 Resources Code Section 40051.

10 Public Resources Code Section 40051 is a priority
11 hierarchy. At the top and the very first the priority for
12 the Waste Board to follow is source reduction. Secondly,
13 and in the middle of the hierarchy, is recycling. And I
14 just quoted the California definition of recycling. And I
15 will note again that transformation, TDF, energy recovery,
16 whatever euphemism is used, is not recycling. And
17 finally, at the bottom of the hierarchy is equally
18 transformation and landfilling. Transformation that is
19 going on in the state of California now represents a
20 failure of previous Boards to follow the Public Resources
21 Codes and the law of California. So we look forward to
22 this new Board.

23 Source reduction, we haven't really seen any
24 source reduction in the Waste Board's programs, and that
25 is the top of the 40051 hierarchy. So we have a proposal

1 for source reduction which is to require in California
2 that tires on all new cars that are sold in California be
3 rated to last at least 150,000 to 200,000 miles. This
4 would greatly reduce the turnover of tires in California.

5 I had a car agency ride in Los Angeles about four
6 years ago, and the person there bought tires for his
7 business, because he used the car a lot, that were rated
8 at 200,000 miles. And he said they got 150- to 175,000
9 miles, which is very impressive and saved him money, saved
10 him the down time. And this is something we can do. And
11 if we do it in California, this will incentivize -- as you
12 know, these things happen this way because of our
13 population -- the national tire companies. And we can
14 give a tax rebate, and we can give an incentive for this,
15 or whatever you come up with.

16 Also, burning tires for fuel, besides not being
17 recycling, is a waste of a really valuable resource. The
18 synthetic rubber material that is made can be put to many
19 uses, as you know, for molded plastics and so on. The
20 other main impetus that we would like to see supported by
21 this Board with the major amount of funding that is coming
22 in now is the rubberized asphalt concrete.

23 I did a figure on this one time which I don't
24 have with me. I looked up the number of two-lane
25 highways -- paved two-lane highways in the state of

1 California and the amount of tires per mile that RAC uses
2 and realized that all the 30 million tires that are
3 generated each year in California could be used in RAC.
4 It would get rid of all of them. As you know, it's used
5 successfully in California and other states. As a matter
6 of fact, state highway 88, one of the heaviest used
7 highways in California, on the east side of San Francisco
8 Bay is being paved -- or maybe they finished, I'm not
9 sure -- with RAC, which shows it works.

10 The pollution and health costs of burning tires
11 are really unacceptable, especially in a state like
12 California and besides which violate the Public Resources
13 Codes. In an example, one of the few tests that actually
14 did measure coal and then coal plus tires -- I believe
15 they used 10 percent -- I know they used 10 percent tire
16 chips, because more than that gummed up their works.

17 Here are the following emissions among others
18 that went up: Benzene by 12 percent; dioxins by 30
19 percent, one of the most powerful toxins and hormone
20 disrupters known; hexavalent chromium by 837 percent, the
21 Erin Brockovich pollutant; small particulates by 14
22 percent, the leading cause of asthma in children; mercury
23 by 15 percent; and even NOx, which was touted as the main
24 reason for adding tires to the mix, went up by 6 percent.

25 In addition to the codes that I read, we now have

1 AB 1756. Even without AB 1756, there should be no burning
2 of tires according to the Codes. That's not the way the
3 Code works with the hierarchy. AB 1756, as I think you
4 all know, says, "the Plan may not propose" -- the Plan,
5 referring to the Five-Year Plan -- "may not propose
6 financial or other support that promotes or provides for
7 research for the incineration of tires." To me, that's
8 very clear.

9 The proposal for the study violates this law, the
10 life cycle assessment study. That should not be done, and
11 no money should go to it. And it is a waste of the
12 taxpayers' money and the Board and the staff's time.

13 At the Biennial Recycling Conference that the
14 Board puts on, there is a lot of valuable information
15 presented. And I've learned a lot, and I certainly did
16 learn about the joys of RAC there and that you only use
17 two inches as opposed to four inches of material. It
18 lasts way longer, as we know from Arizona. It has less
19 maintenance. The tires that drive on the road make less
20 noise, therefore I've seen a whole variety of numbers of
21 noise reduction. So I have no idea what it is, but
22 apparently it's significant, and some say extremely
23 significant, which could eliminate those
24 million-dollar-a-mile sound walls. Also to top it off,
25 the tires last longer that drive on the RAC. So we have a

1 win-win.

2 And I really, you know, like the comment from the
3 transcript that I read from Deputy Director Lee's comment
4 about not -- that we already have completed a lot of the
5 research, and we need to move into the market development
6 area. Please, let us not do any more testing of RAC. RAC
7 has been tested. We need to just get on with it.

8 Also, at the last Biennial Conference I was at,
9 there was a representative from Caltrans. And many of us
10 were extremely frustrated to hear him say there were
11 people in his agency that just needed to kind of be
12 coddled along about the RAC, and they weren't ready to
13 really go for it yet. This is not acceptable. This is
14 completely unacceptable. This Board needs to push
15 Caltrans and needs to put the funding in place and just do
16 it. The time is now on that.

17 CHAIRPERSON PEACE: When you say this Board needs
18 to push Caltrans, you realize that last year we did try to
19 do that and the Governor vetoed the bill? We got clear to
20 the Governor's desk, and the Governor vetoed it.

21 MS. EDEN: No, I did not realize that. And I
22 thank you, and let's do it again. Let me encourage you to
23 do it again. And we will help you. We will write
24 letters. We will make phone calls. Really, thank you.
25 Sometimes it just needs, you know that as well as I do, to

1 be brought back another time. So let's go for it.

2 CHAIRPERSON PEACE: Like I say, we agree with you
3 that we need to use RAC and push it. And I think from the
4 direction of the Five-Year Plan that is where we're
5 headed.

6 MS. EDEN: Right. Exactly. What we're
7 encouraging you to do is actually go heavier on RAC and
8 really shift moneys -- because that's a proven technology
9 and shift moneys to RAC, more moneys to RAC.

10 And I did want to say also about the pollution
11 aspects from the cement kilns, burning tires. Another
12 thing that goes up are the small particulates. You only
13 get the 2.5 PM when you burn something. You can pulverize
14 things and get very small particulate matter. But that is
15 completely different than when you burn something. When
16 you burn something, the substance becomes so tiny and also
17 sticky. So when you aspire it into your lungs, it goes
18 into the deepest recesses of your lungs, your children's
19 lungs, your grandchildren's lungs. It carries the
20 mercury. It carries that little bit of dioxin. It
21 carries that little bit of benzene. And it stays there.
22 And your body cannot get rid of it. It's very dangerous.

23 And, you know, even though a lot of the
24 substances, yes, they only increase a small amount, some
25 increase a large amount. Some increase a small amount.

1 And maybe it is a small amount of substance. But in those
2 small amounts, those substances are extremely dangerous.
3 And that one little particle that's in someone's lungs,
4 that could be the one particle that causes that one cell
5 to become cancerous. So it is very dangerous and it is
6 very, very significant.

7 CHAIRPERSON PEACE: The figures that you were
8 giving us on the particulate matter, can you give me the
9 date on that study?

10 MS. EDEN: That was 1996, early. The test burn
11 was done late 1995.

12 CHAIRPERSON PEACE: So ten years ago.

13 MS. EDEN: At that point, this was touted as the
14 best study. And it was also a study that actually
15 compared coal to coal with tires. All the other studies
16 were apples and oranges.

17 CHAIRPERSON PEACE: Please realize that study is
18 ten years old. Things have changed in ten years.

19 MS. EDEN: I do realize that. Well, for example,
20 on that particular cement kiln, it was the Kaiser Cement
21 Kiln. It's now the Hanson Cement Kiln. I'm not aware
22 that they have changed their scrubbers or anything in any
23 way or in any significant way.

24 And they're already -- cement kilns are already a
25 very high source of pollution in communities. Very high.

1 And that particular kiln is the highest single point
2 source of air pollution in the Bay Area. And adding tires
3 just would increase that. So it already has too much
4 pollution coming out of it, because cement kilns are not
5 regulated like other incinerators are regulated. So
6 another incinerator burning coal would have a lot less
7 pollution than a cement kiln burning coal.

8 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Excuse
9 me. We need to wrap it up, because we've got a long
10 afternoon ahead of us.

11 MS. EDEN: Sure. I have one other quick thing in
12 regard to the manifest and just another potential
13 suggestion, just hearing what the situation is. I'm
14 wondering if there's a possibility of when the loads of
15 used tires are trucked or by rail somewhere, the manifest
16 should be and the fee should be collected at the drop-off
17 point, not at the point where the tires are picked up.
18 And then at the drop-off point, there could be -- could
19 have a computer program where the receiving end of it
20 notifies the Waste Board in this program that they have
21 received the tires. So you would actually know where they
22 landed as opposed to when they leave. So for whatever
23 that might be helpful or not.

24 Okay. And we also would like clean up of the
25 legacy tire piles to have a high priority. Thank you.

1 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Thank
2 you. Any other on the research before we --

3 CHAIRPERSON PEACE: I think somebody --

4 MS. EDEN: I just -- I'm sorry. I just wanted to
5 make sure I made it clear that we oppose the environmental
6 life cycle assessment waste tire management methods, any
7 funding. Thank you.

8 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Yes,
9 Madam Chair.

10 MR. BOUGHTON: Hello. I'm Bob Boughton from
11 Toxics Pollution Prevention Program, and I submitted the
12 LCA proposal.

13 I offer two things. One is some of the things
14 that were just mentioned are many of the things that would
15 be valorized and brought out in an LCA study and compared.
16 And that's the tool. LCA is the perfect tool for using to
17 do these comparisons to look at whether a cement kiln is
18 better with tires or without and compare them on a level
19 playing field to the other uses, such as RAC. That's the
20 whole purpose of LCA.

21 What I would offer to the Board is if the TDF
22 aspect is too hot, that we can do any comparison that
23 you're interested in doing. We can look at RAC. We can
24 look at molded products and look at playing fields versus
25 landfill, whatever you want to do. There's still value in

1 that to the Board, in that you will have a comparison
2 between whatever methods we look at, and that might help
3 you to prioritize in your future work and your funding
4 from a comparative basis.

5 The other is from an evaluative basis, you can
6 look at each one and perhaps find where there's a hot
7 spot. We might see that the grinding that it takes to
8 make these small materials for RAC consumes a lot of
9 electricity. If that's the hot spot, then maybe we need
10 to put money into finding or improving that process so it
11 uses less energy. Maybe that's cryogenic, whatever that
12 happens to be. LCA will help you focus in the detail of
13 what's the major process step that might contribute to the
14 overall impact. So that's what I offer.

15 Any questions on the proposal other than that?

16 Thank you.

17 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Thank
18 you, Bob.

19 MS. WILLIAMS: Good afternoon, members of the
20 Board. I'm Jane Williams. I'm here representing two
21 organizations today actually, the Desert Citizens Against
22 Pollution and also California Communities Against Toxics.

23 I also want to talk broadly. I want to second
24 the comments that Mr. Smithline made earlier. We're
25 incentivizing the wrong activities with the Tire Program.

1 It seems very clear to me, and I think we really need to
2 step back and rethink about making it look more like a
3 Bottle Program, so you're incentivizing the actual
4 disposal or reuse of the tire rather than picking it up.

5 On the environmental life cycle assessment, we've
6 been actually very involved with the conversion
7 technology. And what you see in the conversion technology
8 is the costs of looking at the emissions from different
9 processes are very high. Just to give you an example, air
10 testing for dioxin is anywhere from 50,000 to \$100,000.
11 You're proposing to use \$150,000 for the entire study. My
12 colleague Joyce talked about --

13 CHAIRPERSON PEACE: That wasn't the figure we
14 came up with. That was the figure that people wanting to
15 do the study came up with, so maybe they can address that
16 when you're done.

17 MS. WILLIAMS: I don't know who came up with it.
18 What I'm saying is if you're going to look at comparative
19 emissions from different processes, let's take a look at
20 vulcanization versus pyrolysis versus TDF versus some
21 other use. You need to look at the air emissions. The
22 reason you have so much pushback on TDF is because of the
23 air emission issue.

24 There's only three cement kilns in the state that
25 burn tires. Actually, there's only two. One's getting

1 ready to. The emissions data that we have from these
2 kilns is ten years old, until very recently. We just did
3 comparative stack testing at National Cement where they
4 burn actually things that are much dirtier than coal.
5 They burn pet coke. It's the only cement kiln in the
6 state that burns pet coke.

7 And what we see when we look at that -- and we'll
8 be happy to bring that data back to you -- but we see
9 pretty much the same thing. And this is the newest cement
10 kiln, actually, not just in the state, but almost in the
11 entire country. It was recently rebuilt. And we see an
12 increase of 30 percent by dioxin.

13 Now, I know that it is not the purview of the
14 Waste Board to understand the relative toxicity of toxic
15 air components, but I can pretty much assure you that if I
16 came to any of the communities that you live in and said I
17 was going to be emitting 30 percent more plutonium into
18 your community than I already am, that there'd be riots in
19 the streets.

20 Now, you need to understand this, because it's
21 very important. The cancerous slope of dioxin is steeper
22 than the cancerous slope for plutonium. So when you come
23 into these communities and you tell them that you're going
24 to be taking a point source that's already probably the
25 largest point source of pollution in that community --

1 cement kilns are very, very, very dirty facilities. And
2 most of the communities that they're in, they will dwarf
3 the stationary source emission of any other source.

4 And you said you're going to burn tires and
5 increase the emissions of these very, very toxic air
6 contaminants, people don't like it. That's what happened
7 with tire-derived fuel. It happened ten years ago, and it
8 happened again.

9 So if you want to take a look at the various
10 technologies like vulcanization, like rubberized asphalt,
11 the production of it, you would have to look for these
12 toxic air contaminants. There wouldn't be any much point.
13 You could just look at mass and look at emissions, look at
14 energy, rather. But the idea here is we want to be
15 protecting the environment with whatever moneys we're
16 putting towards this.

17 So looking at these emissions from these
18 facilities is very expensive. Very, very expensive.
19 That's why the cost of emissions testing is almost always
20 done by responsible parties by the polluters themselves,
21 not by government agencies.

22 So I urge you, just as I urged you in the issue
23 with conversion, you really need to get the Air Board at
24 the table here. The Air Board understands the costs of
25 looking at these emissions. They understand the toxicity

1 of the emissions, and they understand the risk from the
2 emissions.

3 And this whole issue that there's new
4 technologies for air pollution, not one of the cement
5 kilns in the state of California has carbon injection,
6 which is the control technology choice for dioxin.
7 Because of the expense of carbon injection at such large
8 stack flow rates, we're not going to see that happening in
9 California, unless it was legislatively mandated. So
10 we're not going to be controlling the emissions of dioxins
11 from cement kilns. The dioxins coming from cement kilns
12 is the largest single source of dioxin from an industry
13 class in California. They're the largest emitters. And
14 adding tire-derived fuel to their fuel just makes it
15 worse.

16 Thank you very much. Have a nice afternoon.

17 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Thank
18 you.

19 Any others on research?

20 CHAIRPERSON PEACE: Do you want to address that
21 question, Bob, on the cost on this study?

22 MR. BOUGHTON: Well, I'm not sure what the
23 comment was about. We're not proposing to do any stack
24 testing. We're not proposing to do any field work. We're
25 not proposing to do what I think she was talking about, so

1 I don't know where she's coming from.

2 The biomass study that was recently done for the
3 Board, I believe the LCA was well over \$300,000. I'm
4 proposing to provide time in-kind and only asking the
5 Board for \$150,000, so I think you're getting a good deal
6 in that regard.

7 The types of things that are being talked about,
8 the information that I have from the tire database, which
9 is a national database maintained by EPA that has looked
10 over the years at emissions from a whole variety of
11 different industries, but they have a large database on
12 cement kilns. You can partition those to -- or all of
13 that data into two camps. And one group with a particular
14 type of technology and air pollution control has what I
15 would characterize a high dioxin emission. Another group
16 with better air pollution control, lower exit gas
17 temperatures. And more modern kilns have like 200 times
18 less dioxins. I agree they're large emitters, but that
19 doesn't mean that we shouldn't burn tires there.

20 The life cycle assessment technique takes into
21 account things such as the 2,000 miles or 1,000 miles of
22 railway emissions for coal being mined in Montana and
23 brought here. There are particulate emissions from that
24 that impact communities and people. When you look
25 holistically, you look at the emissions from the

1 electricity that's consumed and all of the other
2 attributes. You look at the impact to the commons, to the
3 air, the water, and the lands that are aren't included in
4 normal analyses. When you look holistically, sometimes
5 something jumps out and surprises you. So that's one of
6 the biggest values to LCA.

7 And I do worry about using -- I'm certainly not
8 going to be looking at just one particular source test.
9 We're going to be looking as broad as we can at
10 holistically modern kilns. Perhaps we'll find that only
11 the most modern kilns with certain characteristics are the
12 ones that you want to target for use of tire-derived fuel
13 and the others are not. But that's maybe one of the
14 outcomes. But we certainly will valorize and take into
15 account dioxin emissions and sort them and value them in
16 the total package. Thank you.

17 CHAIRPERSON PEACE: Thank you.

18 BOARD MEMBER MARIN: Madam Chair, I'd like to ask
19 a couple of questions regarding this research budget. In
20 so far as the study for the life cycle assessment --
21 especially if we're going to be looking at the issues that
22 Tom just spoke to. I am puzzled by the fact that when I
23 visited a cement kiln, they expressly stated that they had
24 been using carbon for the longest time. And their
25 internal assessment showed that when they went into tires,

1 that their emissions were lowered. So as you go and look
2 at cement kilns -- and I don't know that there was only
3 two working. I thought there were more that use tires.
4 Are you going to be looking at every single one of them,
5 two or three, or only one? I'm very interested in this.

6 MR. BOUGHTON: Well, I'll probably talk to all of
7 them that are using it. But I'll probably be using more
8 of a spread of data that's more representative of a group.
9 I'm not doing an EIR. I'm not doing a source test type
10 site assessment. So I won't be just using the data from
11 one. I'm going to try to look at characterizing a broader
12 group of them.

13 BOARD MEMBER MARIN: You know, I think it's very
14 relevant for us to be looking at the most recent
15 scientific data we have. And if, you know, putting up
16 \$150,000 of that is going to give us the best most up to
17 date data, you know, instead of what we feel or what we
18 fear or what we think might be, this would be a good
19 expenditure of money. We can't just act, especially as a
20 Board, on what might be or what we may fear it is, but
21 rather what the most scientific data gives us. And unless
22 we're willing to collect that, we're never going to have
23 that. And it will all be hearsay and what happened
24 20 years ago and 30 years ago or even 10 years ago. So I
25 don't have any problems with this, but I want to make sure

1 that it is as comprehensive as possible.

2 MR. BOUGHTON: That's the intention.

3 BOARD MEMBER MARIN: Thank you.

4 CHAIRPERSON PEACE: Also, when I visited cement
5 kilns, the one in Colton, they were saying their emissions
6 went way down when they were burning petroleum coke and
7 coal. When they start mixing it with tires, their
8 emissions actually went down. And their whole emissions
9 system was tied into the Air Board. And so they were
10 always underneath any of the Air Board's requirements.
11 And they were monitored, you know, second by second by the
12 Air Board what was coming out of their stacks.

13 So even though I understand, Joyce, your
14 concerns, I don't think we should be afraid of having the
15 study done. Let's really find out.

16 MS. EDEN: I'm not afraid of a study being done.
17 I'm citing the study that was actually a stack test in the
18 same kiln under pretty much the same condition. When
19 those of us who have been working on this issue started
20 out, we were concerned the tires were being added to the
21 kiln mix. But we did not know if that increased emissions
22 or not. And what we wanted to do was find out.

23 And as it happened, one of the technical people
24 in our group was an expert in statistical analysis of data
25 sets, and happened to be out of work at the time. He went

1 through the entire stack emission data from the kiln,
2 which the Air Board has. And that's when we got
3 concerned, is when we saw what was actually coming out.

4 So, you know, we are not scared of tire burning
5 because it sounds bad. We're concerned about it because
6 we see actual emission data. And then as my colleague
7 Jane just pointed out, which I hadn't known about, here is
8 a recent actual stack data statistics from coal, coal plus
9 tires. And what I would like to get across is that
10 because we've been involved in this for many years, we've
11 seen other studies that have been done by previous boards,
12 the Waste Board, and we looked at those. And what they do
13 is -- that's when I said apples and oranges.

14 And this is also concerning me, from what I
15 heard -- is it Tom? Bob. About his methodology, because
16 this was the methodology that we saw -- have seen before
17 where there are a lot of data sets out there that are not
18 valid because they don't compare the same kiln and the
19 same conditions with the same fuel and then adding the
20 tires. They don't do that. That's why I cite the Hanson
21 Kaiser test, because that one actually did it. And that's
22 why Jane cited the test she did, because that was the same
23 kiln with coal and coal in the same time period. These
24 other ones are over all different years, different kilns,
25 different limestone, different conditions of how much air

1 goes into it, different configurations of the kiln shapes.

2 They're not valid. They're scientifically not valid.

3 As a matter of fact, we had Ph.D.'s in the

4 physical sciences review that report of the Board and look

5 at that report of the Board, and they gave us a report

6 back, every one of them, that it was junk science because

7 of what I'm saying. They were comparing apples and

8 oranges, which you can't do. It's not valid. So most of

9 the statistics where you hear that these dangerous

10 emissions went down, they're not actually a valid data

11 set.

12 So the reason we're concerned is because of what

13 we've seen. And as I said to you -- and I went through

14 California Public Resource relevant codes and the laws,

15 because this is not the right thing to do under California

16 law. The whole idea is to actually recycle, take the

17 materials and recycle them. And, you know, the rubber

18 that's in tires, that is an artificial substance, a long

19 chain molecule artificial substance. It takes seven times

20 the amount of energy to create those tires as you get out

21 when you burn them.

22 So, actually, when Bob was talking about the

23 overall picture, the overall picture with tires is you

24 have a giant -- I'm talking giant energy loss when you

25 take this valuable material that's taken all that energy

1 to create and then you just use it in incineration. You
2 have now lost seven times the amount of energy. And the
3 material itself is a valuable material, even though you're
4 having trouble right now in where to use it.

5 Also at one of the Waste Board conferences, I met
6 with someone from I think it was Reeboks or Nike who said
7 the reason they didn't open a plant in California was they
8 weren't sure they could get a steady supply of the used
9 tires to use as molded product because of the burning of
10 the tires. They didn't know where that was going to go,
11 and they needed to know they were going to have a steady
12 source in order to open up a plant to do the molded
13 product.

14 So I'm very concerned. And, also, it's
15 inappropriate to spend money on research for TDF. It's
16 completely inappropriate. So I'm concerned when I hear
17 Bob say, well, we can do this study and leave off TDF and
18 then comes back up and talks about all this various data
19 sets he's going to incorporate for TDF. We have seen in
20 previous Waste Boards many times over the years that the
21 actual purpose is to support TDF. And that's what it's
22 starting to look like that's the purpose of this
23 particular study. And on top of it, it's not legal at
24 this point.

25 BOARD MEMBER MARIN: Madam Chair, can I just

1 address that? Because you do raise a very good point.
2 And I'm very comfortable with the law and stating that the
3 money cannot be used for that and my concern, if you will.
4 I understand that. There's no question that the law does
5 not allow for that particular research.

6 My point that I was trying to make before -- and
7 there is no study really, per se, because many of us have
8 actually gone in and visited some of these cement kilns.
9 Those cement kilns tell us that their records, their air
10 emissions -- and as the Chair said, the Air Board has
11 responsibility over them. And they are the ones that time
12 and time again have to ensure that the air emissions are
13 within whatever level they're allowed. Should it be so
14 bad, you know, they wouldn't even be functioning. I'm
15 sure the Air Board would have time and time again fined
16 them, fined them -- you know, objected to their even being
17 there as a business.

18 So something has got to give in the sense that we
19 are functioning without real knowledge. And my concern is
20 that unless we know what it is, we'll never know. And it
21 will be all speculation and be your scientist versus
22 somebody else's scientist and so forth. And we are in a
23 situation where, yes, you are right. The law says we
24 cannot spend money specifically for tire-derived fuel.
25 But at the same time, unless we know, we will be in the

1 situation forever. It will be a puzzle that cannot be
2 solved.

3 MS. EDEN: And even without the current law that
4 we have, burning tires for fuel is not recycling under
5 California law. I went through the codes. It is
6 absolutely not recycling. And you have a priority
7 hierarchy which says source reduction first; recycling,
8 under the California law, which is not transformation,
9 tire burning for fuel. And on the bottom of the
10 hierarchy, which means don't do this unless you've put
11 what you can into the others, which has not been done, is
12 transformation and landfilling. And those are equal.

13 And from our point of view, landfilling is better
14 than transformation, because at least there may be some
15 leachate from it. And I haven't seen it, but I was
16 interested to hear about that. But when you burn, you've
17 got 100 percent of it going into the air. And what comes
18 up must go down, and that goes into the water. Goes into
19 the rivers, into the lakes, into the groundwater, and
20 eventually into the aquifers, and into all air-breathing
21 mammals' lungs. So it's a big problem.

22 And, for example, we already have too much
23 mercury in the San Francisco Bay. If they added the tires
24 that increases the mercury, according to the statistics we
25 have, which are the stack emissions statistics, it would

1 increase. There would be additional mercury going up into
2 the air, which would fall down into the bay and into the
3 streams that feed the bay.

4 So I do want to also address that -- a couple
5 quick things. You know, you have a wonderful statement
6 about environmental justice. Most of the cement kilns are
7 located in low income, people of color neighborhoods. We
8 just happen to be in a relatively affluent, upper middle
9 class, highly educated neighborhood with people with
10 education and resources to look into this. So we just
11 happened to look into it. Unfortunately, you know, as I
12 said, we had the perfect person out of work at the right
13 time. So these other communities don't happen to have
14 that base from which to really understand what's going on.

15 But when we got into this and we realized what
16 was going on, we determined that we did not want any other
17 community in California to get this pollution. It's not
18 right, and it's not fair, and it's not necessary, and it's
19 illegal in California.

20 So we also -- and I forgot to say this. As part
21 of the Two-Year and the Five-Year Plan, we are also
22 proposing, as we have been proposing for many years but
23 I'm hoping this time it's taken up in this fresh look, is
24 a reduction per year over a three- to five-year period
25 that we would like three years of elimination of any tire

1 burning in cement kilns. That's our proposal. We
2 proposed it numerous times. And it's in letters that we
3 have sent to the Board over the years. So we would like
4 to see consideration of that in this new Two-Year and
5 Five-Year Plan.

6 And I do want to also address the regulatory air
7 emissions issue, because we've ended up having to delve
8 into this also and learn a lot about it.

9 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Excuse
10 me.

11 MS. EDEN: One last thing. We found out that the
12 regulatory numbers are not health supportive. And what we
13 had in experience with the Bay Area Air Quality Management
14 Board that when we found out that this cement plant -- the
15 Kaiser Hanson Cement Plant was actually going to exceed
16 the regulatory numbers, do you know what they told us?
17 They told us that, "Oh, we'll just change the numbers."
18 Okay. That doesn't protect health. Thank you.

19 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Thank
20 you.

21 One thing I would like to end with on this
22 particular study. I've known Bob for a long time. I have
23 every belief that he would do a fair and just report on
24 this. So I'm not concerned about that aspect of it.

25 BOARD MEMBER MARIN: I change his name every now

1 and then, Tom and Bob. You know, nicely, he responds
2 back, so I appreciate that.

3 MR. BLUMENTHAL: Michael Blumenthal, Rubber
4 Manufacturers Association.

5 For the record, in tire manufacturing, mercury
6 and arsenic are not used to make tires. So if it's not in
7 there, I question some of this data. When the previous
8 speaker spoke about scientifically invalid data, I believe
9 the test results from the test at the cement kiln at
10 Kaiser Permanente falls into that category. You talk to
11 the people at the Air Board, they'll tell you the results
12 of that were not at all valid.

13 I do have a report from last year from the Center
14 for Disease Control that did a health impact study at a
15 cement kiln in Bolder, Colorado. And I'd be happy to send
16 the Board that particular study done by the CDC, which
17 says that cement kilns do not pose a health threat. And
18 there is good data out there. I think the report from the
19 Colton Plant done in 2002, probably one of the best
20 reports out there, as well as the one from EPA in '97 also
21 done here in California. So there's ample data to support
22 the use of tires. Thank you.

23 CHAIRPERSON PEACE: Michael, one question maybe
24 you could address. You were talking about we need to
25 concentrate more on source reduction and getting tires to

1 last longer. I thought maybe you could tell us what
2 you're doing on the national level with the smart tire
3 technology and stuff --

4 MR. BLUMENTHAL: Well, smart tire technology is a
5 co-term used for basically having a computer chip or data
6 chip inside of a tire that you can actually get a readout
7 from that tire. Mostly right now it's what is known as
8 RFID, radio frequency identification, used in commercial
9 truck tires, large on-road tires, that can give the
10 manager of the fleet information on the amount of miles on
11 that tire, the amount of tread left on the tire, the
12 amount of miles since the last tread was placed on it, the
13 amount of air pressure, the miles per gallon. And the
14 information coming out of these technologies is
15 incredible. This is only the beginning of this
16 technology.

17 CHAIRPERSON PEACE: The passenger tires, you were
18 saying there's going to be something in the car that will
19 tell you what tires are low.

20 MR. BLUMENTHAL: Right. Because of the Tread
21 Act -- the Tread Act came as an aftermath of the Ford
22 Firestone issue four years ago. All cars I think starting
23 in '06 and thereafter will have to have what's known as a
24 tire pressure monitoring system installed in their cars.

25 Right now, we're negotiating, arguing with the

1 folks in Washington trying to figure out what is the right
2 level at which that red light does appear on your
3 dashboard. The folks at -- the agency people want it to
4 be at 25 to 30 percent below recommended air pressure. We
5 feel that is way too low. We want it at 10 percent below
6 recommended air pressure for the light to come on. And
7 this argument will continue to go until a decision is
8 made. We're not sure when that decision will be made.

9 Obviously, air pressure in current tire
10 technologies is important. We know that anything below 10
11 percent has a negative impact on the miles per gallon that
12 you get, has adverse impact on the wear of your tread, the
13 longevity of the tire. And you get more emissions out of
14 your tailpipe because the engine has to work harder to
15 push that tire on the road, regardless of whatever the
16 rolling resistance of that tire might be.

17 So the idea that we have is we've been getting
18 the information out about taking care of your tires,
19 making sure that you have the right amount of air pressure
20 in your tires. Having said that, there's a new technology
21 that's called the run flat tire, which is based on a
22 concept where you do not need air to keep the tire in the
23 proper shape or form. And that is held up by a series of
24 basically plastic molds to make sure the tire does what
25 it's supposed to do. And you can run that tire with no

1 air in it, which alleviates the problem of proper air
2 inflation.

3 These topics and others will be discussed, I
4 believe, at the March Special Waste Committee meeting. We
5 talk about new concepts in tire technology. But the goal
6 of each of the seven U.S. tire manufacturers is to make
7 the tires last as long as they possibly can. Truck tires
8 today cannot be sold unless they can be retreaded six to
9 seven times. We're getting close to the one-million mile
10 tire. That's a thumbnail sketch of things.

11 CHAIRPERSON PEACE: Thank you.

12 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Thank
13 you.

14 Anything else on research?

15 BOARD MEMBER MARIN: I only have one quick
16 question regarding the tire-derived products testing and
17 certification regarding Caltrans. I want to know why
18 Caltrans would not use our -- Caltrans is not willing to
19 accept our research, is it --

20 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Well,
21 generally they don't like accepting research from other
22 states.

23 BOARD MEMBER MARIN: So we would have to pay
24 internally so that Caltrans themselves do the research? I
25 don't understand that.

1 WASTE TIRE DIVISION SUPERVISOR DELMAGE: We would
2 either contract with them or UCD or a third underwriter
3 type lab. But we would want to make sure that Caltrans
4 would accept their data.

5 BOARD MEMBER MARIN: Okay. I'm speechless. I'll
6 talk to staff later on.

7 DEPUTY DIRECTOR LEE: Ms. Marin, one other
8 additional follow-up on that. Again, it was brought up I
9 think in the Diamond Bar workshop that one of the
10 stakeholders had difficulty securing a market for the
11 tires because it didn't have that Caltrans imprimatur of
12 acceptance on it. So, again, this is, again, part of our
13 effort again to enhance the marketability, you know, of
14 some of these tire-derived products.

15 WASTE TIRE DIVISION SUPERVISOR DELMAGE: All
16 right. I guess we can move into market development. If
17 we could, because we're running a little long today, if we
18 can keep our comments at three to five minutes, I'd
19 appreciate it.

20 Mr. Faust. Mr. Faust has a Power Point
21 presentation along with his presentation. Please state
22 your name for the record and your company.

23 MR. FAUST: Good afternoon. I have a slightly
24 different perspective. And were the Board members given a
25 copy of this? Okay. What I did, I called Mitch and said,

1 "Mitch, can you give me the latest report on tires, what's
2 happening to them?" And he said, "Tom, it's not
3 available, the latest." And he said, "The last one we
4 have is October 23rd, which covers the year 2002." So I
5 said, "Okay. Well, if that's the best data you have, then
6 that's what we'll use." And it kind of reminds me of when
7 my children -- I have three of them -- when one of them
8 has a bad grade, they don't want to give their report
9 card. So they kind of defer giving me the report card.

10 So, anyway, if this report covers the year 2002,
11 and under recycling, category E, this covers diversion.
12 They include alternative daily cover, civil engineering,
13 tire-derived fuel, and tires that are imported. Under the
14 recycling formula, I mean, this is not recycling. So to
15 make a report that talks about tire diversion, that's
16 interesting. But that's not the focus of the Integrated
17 Waste Board or what the money that you're being sent.

18 I also note on Item 2 under footnote that you're
19 only using .915 tire per person per year, whereas versus
20 other states have over one tire per person. So the number
21 of waste tires is actually probably a lot higher than your
22 own reports indicate.

23 So if we can switch down to this table here that
24 has the two arrows on it, on this one we see that -- on
25 the far left column, we see in 1998 you had approximately

1 \$7 1/2 million of tire tax proceeds. And if we eliminate
2 the categories of civil engineering, which is really
3 burying tires, ADC, that's another form of burying tires,
4 and we eliminate TDF and all that, we come up to -- for \$7
5 1/2 million, we got 38 percent of California tires -- I
6 think to go on the far left column, that's column L.
7 Thirty-eight percent of the tires were actually recycled
8 for spending \$7.5 million of taxpayers' money.

9 Now, if we go down here to 2003 under the same
10 categories, and here we've extrapolated under here,
11 we've -- for \$34 million, you're only getting 21 percent.
12 So what's happened over the last four years is the moneys
13 have not accomplished what they were supposed to
14 accomplish. We're getting less bang for our buck. The
15 moneys are being, as I would say, misspent on not
16 accomplishing their legislative intent, which is
17 recycling. So that's the reason that reports are not
18 being timely submitted.

19 So PRC Section 42855 on the next page shows how
20 you're supposed to spend your money. This is under
21 Firebaugh's bill 923. And it says not less than \$6 1/2
22 million on remediation for the next two years and on
23 studies to promote alternatives to landfill disposal of
24 waste tires.

25 And you have moneys budgeted in here for civil

1 engineering. Civil engineering is sophisticated landfill.
2 These moneys should not be spent on anything other than
3 following the hierarchy of needs. That's under 40051.

4 Item 7 under the legislation that controls how
5 this money is to be spent, it's to assist in developing
6 markets and new technologies for used tires and waste
7 tires. The Board's expenditures of funds for purposes
8 shall reflect the priorities and management practices
9 specified in Subdivision A, Section PRC 40051.

10 If we can go to the next one. This is the way
11 I'm suggesting that you reorganize your Tire budget. Now,
12 you have -- enforcement and remediation I put under one
13 category; 3 million for enforcement, rather than your
14 current 6 million. And remediation -- and that would be 6
15 1/2, so you have a total of 9 million under that category.
16 You need to spend a million on manifest. The law says you
17 have to put one million on long-term emergencies. And I'm
18 asking that you spend \$23 million on developing new
19 markets and new technologies.

20 You have evidence before you, this Board. You
21 spent \$100,000 on a study, you know. And the study came
22 out that ultrasonic devulcanization was the most promising
23 technology for recycling tires. And, yet, there wasn't
24 one cent included in the budget proposal. I have letters
25 from Winston Hickox and from Terry Tamminen saying, "Tom,

1 as soon as the results of the study are in, then the Board
2 will act." You know, I would like to see you act. And I
3 would like to see you developing -- putting moneys and
4 developing new technologies.

5 We know that crumb rubber has a lot of problems.
6 And it's only real good surface is RAC. And excellent
7 surface. But there are other new technologies. For
8 example, our project where we propose to build integrated
9 photovoltaic roofs. That is saving energy for the state.
10 That is totally recycling tires and finding a whole new
11 market. Give us a chance. The studies have been endorsed
12 by the University of California -- University of Southern
13 California, their chemical engineering department.
14 They've been endorsed by the Sierra Club.

15 Environmental organization after environmental
16 organization wants to see a fully sustainable tire
17 recycling project done. Now is not the time to do another
18 study and go off in another direction. We know that the
19 other formulas and other systems that the Board and staff
20 have used for the last four years have not achieved any
21 desirable results.

22 So by just rubber stamping and just doing the
23 same thing that we're doing, I mean, we know that we're
24 going to have undesirable, unfavorable results. We have
25 to put an end to this. And I'm asking you to strongly

1 consider this proposed tire budget to change the mediocre
2 tire recycling percentage in California. You know, we can
3 do it.

4 CHAIRPERSON PEACE: Thank you, Tom.

5 MR. FAUST: Does any of the Board members have
6 any questions? I wasn't able to take any of you to lunch.

7 CHAIRPERSON PEACE: You're right, we needed to
8 change the Five-Year Plan. I think we have changed it
9 quite a bit from the last time. So thank you very much
10 for your comments.

11 MR. FAUST: Anybody else?

12 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Tom
13 Faust with Redwood Rubber.

14 MR. BLUMENTHAL: I'm sorry I don't have a Power
15 Point presentation. I'll make my comment fairly quickly.

16 On the national product stewardship dialogue,
17 what it has here, it looks more like a tire manufacturing
18 technology review. I'm not sure that is something that
19 this Board is -- that has the technical merit to look at.
20 Like I said, we will have tire experts here in March at
21 the Special Waste Committee meeting to address many of the
22 issues that you have out here.

23 As far as a national dialogue is concerned, as we
24 have mentioned before, there currently is an ongoing
25 effort on that called the EPA Resource Conservation

1 Challenge. There have been some Waste Board staff on the
2 conference calls. There is a meeting that will be held in
3 May in Little Rock. It's the National Resource
4 Conservation Challenge Product Stewardship meeting. I
5 encourage Waste Board folks to be there. That will be the
6 national dialogue for this effort. And we, the
7 manufacturers, are largely involved in that.

8 Also want to remind you that there was an effort
9 here this past year on product stewardship, and it was
10 voted by the stakeholders to make it more of a California
11 market development effort, which we certainly do encourage
12 and would like to continue to be part of.

13 On Number 4, Technical Marketing Assistance, I
14 think that is a great idea. I think that should be
15 applauded and expanded. Many of the issues here are
16 things that have plagued the industry. One of the things
17 that we heard during the discussion was the focus will be
18 on production. Certainly, making the production of ground
19 rubber more efficient is an admirable goal, but the market
20 for anything in the scrap tire industry is not supply side
21 driven. It is demand pulled. So anything that you do
22 needs to look at the market development aspect. Anything
23 that can increase the demand for the product will
24 automatically help the ground rubber producers and
25 producers of any other tire-derived products here. So,

1 certainly, technical assistance is important. But we
2 believe that it should focus on market and market
3 development.

4 I missed something on Number 3 on the
5 tire-derived product grants. One thing we mentioned
6 before, if you do give out a grant, one of the conditions
7 should be that a report comes back from the recipient on
8 the value of that product, whether it's playground -- if
9 it's on playground, that it's on how many less accidents
10 were there? What was the reduction in severity? If it's
11 running tracks, same thing on injuries. If it's other
12 products, what were the benefits. You put this into a
13 report, get it out to the marketplace, that will help sell
14 the product more than anything else.

15 Item Number 9, I found this one particularly
16 disturbing. The concept here is to give money to other
17 state agencies, in essence, to go into competition with
18 existing ground-rubber-producing companies and companies
19 that are making a product with ground rubber. You're
20 spending millions of dollars on these Commercialization
21 Grants, on other market development grants to the private
22 sector. Now you're going to create a new competitor of an
23 existing state agency. I mean, I realize that that may be
24 looking to give the state agencies funding for very
25 beneficial purposes, but it is counterproductive to

1 keeping the ground rubber industry solvent.

2 You give money to prisons or whatever to create
3 in-state competition, you are wasting your money. One
4 side or the other, someone is going to lose, probably
5 both. Leave them out of -- leave these agencies out of
6 the tire processing business. Leave them out of the tire
7 product manufacturing business. You already have an
8 investment in the private companies now. It was shocking
9 to hear that you're actually thinking about creating
10 in-state competition.

11 Once again, if you're going to put money into
12 some incentive plan, put the money into market
13 development. Keep the focus in on how can we expand the
14 markets? How can we grow these markets? How can we make
15 these markets self-sustaining? At one point in time, the
16 grant money will end. And what we have seen in other
17 states around the country is where the markets are --
18 where the companies are dependant upon, the markets are
19 dependent upon a grant from the state, when the grant
20 ends, the companies go away, the markets go away. And
21 that is not what you folks should be looking at.

22 You should be looking at developing the markets
23 so they are self-sustaining. There are many different
24 ways of doing that. As I talk to staff, I said we'd be
25 very happy to work with you on these type of market

1 development projects.

2 Thank you very much. Be happy to answer any
3 questions you have.

4 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Michael,
5 thank you for that, because I just wanted to say that
6 we've heard this before. And we really want to get into
7 that end of pulling the markets forward. We'll be working
8 a lot with the Market Development Division and hopefully
9 with your organization, other organizations, and really
10 make that kind of the main purpose of this Five-Year Plan.

11 MR. BLUMENTHAL: We'd be very happy to work with
12 you on any and all market development programs. We have a
13 booklet that we put out on how to start a program, how to
14 grow markets. And we've been focusing on that for the
15 last 15 years. And I think that is the most effective way
16 of dealing with the tire issue.

17 MR. LEVEILLE: Committee members, Board members,
18 this is Terry Leveille, TL and Associates.

19 Just real quickly, like Michael. I was a little
20 bit concerned about the tire-derived product grants going
21 to a lottery. I'm not sure how that would work. Somehow
22 you lose the ability to judge a project on its merit, or
23 staff to judge or whoever does the evaluating. Throwing
24 it into a lottery just seems like a little bit of a crap
25 shoot as far as who gets a grant. And I think that you

1 lose that ability to target certain areas, as maybe Indian
2 reservations, or whatever. And you lose that ability to
3 kind of focus on what is a good program, what is a good
4 grant proposal. And I think just throwing it to a
5 lottery, I'm a little bit apprehensive about that.

6 CHAIRPERSON PEACE: Wasn't our intent to look at
7 which ones were good proposals and only put them in a
8 lottery when we were oversubscribed?

9 WASTE TIRE DIVISION SUPERVISOR DELMAGE: No.
10 Actually, I don't look at these as projects, per se.
11 Essentially, a local jurisdiction is going to be buying a
12 product. If the jurisdiction or whoever is applying is
13 eligible and the product is eligible, then there is no
14 program to evaluate.

15 MR. LEVEILLE: My concern was just that it just
16 seems like you don't want to lose that ability to judge a
17 project by its intrinsic worth. And I was just a little
18 bit concerned about that.

19 I said I wasn't going to raise the cash cow
20 issue, but I am. And I have that -- you know, as good as
21 these programs are, CalMAX, WRAP, Jerry Hart's Recycled
22 Product Trade Show, et cetera, I do have to squawk once
23 more on behalf of the Tire Association that sees just a
24 very peripheral tire aspect to them, 1.665 million over
25 three years, and everything rolled into one another so you

1 can't sort of pick apart any more. It's going to be very
2 difficult to, you know -- once this is approved, it's
3 going to be difficult to come back here and say this is a
4 cash cow of the Tire Fund whereby for programs that really
5 should be funded under the Integrated Waste Management
6 Account.

7 And then, finally, I think that some of these --
8 as much as I laud the staff for doing market development
9 and having a balanced program, looking at a variety of
10 different technologies, supporting a variety of different
11 technologies, the tire product -- some of these programs
12 are a little bit half-baked. We don't know exactly what's
13 going into them.

14 The Tire Product Commercialization Program, which
15 becomes the Business Assistance Program, which is either a
16 contract, grant, or loan still -- and with less money than
17 has been offered to this type of program in the past, I
18 still have some openness about that, and so I will
19 continue to monitor it.

20 I hope they have -- maybe we could have at one of
21 the Special Waste Committee hearings just a discussion on
22 that particular one, because that's going to be a fairly
23 significant one as far as the private sector is concerned
24 as to what stakeholders would really like. I think
25 they're all over the board right now. But for the Board

1 to get input on this, I think you really need more than
2 just the traditional scope of work and evaluation. You
3 might really want to focus before you start that with just
4 a hearing on that specific issue.

5 Other than that, very good. Thanks.

6 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Thank
7 you, Terry.

8 Other comments on the market section? All right.

9 We --

10 COMMITTEE MEMBER WASHINGTON: Mitch, I just had a
11 concern as it relates to the Business Assistance Program.
12 The discussion about the forgivable loans, whatever
13 happened with that discussion?

14 WASTE TIRE DIVISION SUPERVISOR DELMAGE: It's
15 still open and ongoing. As I said when I introduced this
16 this morning, this is the one area that, as the staff,
17 that Terry pointed out correctly, it's half-baked. We've
18 got a lot of ideas from a lot of people. You know, we're
19 trying to balance, you know, staff resources, the entire
20 budget, and we're looking at the various ideas. And we
21 just haven't come up with what we feel is an idea that is
22 fully baked yet. So I think Terry Leveille's idea that we
23 need to maybe have a discussion item come before this
24 Committee before the March workshop or we can maybe do
25 it --

1 COMMITTEE MEMBER WASHINGTON: That will be fine,
2 because I do think this is a discussion we should have so
3 the Board can make a decision. Because, again, it's
4 something that I'm very open and certainly amenable to
5 having a real discussion about. I've been met with a lot
6 of stakeholders, and these Commercial Grants, it's just
7 not working. The \$250,000 seems like it's going
8 everywhere with the Tire Fund. And I think we need to get
9 a better hold on these resources.

10 And I'm certainly not into putting people out of
11 business or anything like that. But if we have a
12 forgivable loan where people can demonstrate they're doing
13 the right things with these resources and certainly proven
14 itself, we need to start looking at how we can get a
15 better handle on this thing. And I've said that since
16 I've been at this Board, because I was hit with that as
17 soon as I got here, that people are operating out of the
18 trunks of their cars and things like that getting this
19 \$250,000 pot. So we really do need to bring some closure
20 as to where we want to go as a Board with this particular
21 issue.

22 MR. WRIGHT: Good afternoon, Board. Cameron
23 Wright, West Coast Rubber Recycling.

24 And, Mr. Washington, just as a company that's
25 received two grants, right now, we've definitely benefited

1 from the ongoing grant program. And it's helped our
2 company grow immensely. We've put it to good uses. We've
3 been able to come up with a number of new products, new
4 product lines. And, in turn, the number of tires that
5 we're able to recycle now has grown immensely. At the
6 same time, our company has grown to where we dispose of
7 more tires, but we're always looking for new markets, new
8 directions to take our company. And we're encouraged by
9 the future years that the grant program will continue to
10 go and look forward to working with you, staff, and
11 increasing the number of tires that we can divert from the
12 landfill.

13 COMMITTEE MEMBER WASHINGTON: Let me ask you, do
14 you see a problem with a forgivable loan program? You
15 just said that you have been very successful. And you can
16 demonstrate that, and you certainly wouldn't have any
17 problem with demonstrating that again. Would you have any
18 problems with a forgivable loan versus a grant? Because
19 at the end of the day, it balances out to the same thing,
20 if you demonstrate, as you just said, for the last two
21 that you received, you've been very successful with it.

22 MR. WRIGHT: No. I can appreciate that. The
23 forgivable -- the grant program has worked for us now.
24 We've been able -- the forgivable loan program, it sounds
25 like there would be different requirements, things like

1 that. There's a match requirement for the grant program
2 that kind of keeps companies above board. I mean, there's
3 a commitment on our side, as there is a commitment on your
4 side.

5 COMMITTEE MEMBER WASHINGTON: You know, as Mitch
6 just said, it's a half-baked cake here. So it hasn't been
7 put together. And we certainly welcome your comments as
8 to, you know, if it's a forgivable loan, what you see is a
9 process of getting there and making it really work so that
10 you, who have really benefited from it, versus someone
11 else who has gotten the \$250,000 and we have no clue as to
12 what they've done with it, how do we balance? And that's
13 where we are as a Board. We're trying to make sure that
14 we're being fair to all the businesses in California.

15 And, again, we've gotten people who have said to
16 us a thousand times who are very successful, you know,
17 these people are getting money. They're not doing
18 anything with it. So we have to make those types of
19 decisions. And I really do appreciate the accomplishment
20 that you guys have had and that you will certainly be a
21 partner with us in trying to really close this closure as
22 to how we make this really work.

23 MR. WRIGHT: Sure. We'd like to be part of any
24 ongoing discussions, too. I've met staff. We'd love to
25 help iron out what comes up.

1 COMMITTEE MEMBER WASHINGTON: Thank you very
2 much. I appreciate that.

3 BOARD MEMBER MULÉ: Madam Chair, if I may.

4 I have a question for staff regarding the current
5 grant process. When a company receives a grant and
6 throughout the process, are they required to submit
7 reports -- timely reports? And then at the end of the
8 grant cycle, are they required to submit a final report
9 demonstrating how successful they've been?

10 And then my next question beyond that is, could
11 they be required to submit yet another -- like a one-year
12 follow-up report to ensure that they're continuing their
13 success? So just excuse me because I don't know what our
14 process is, so I'm just asking that question just so we
15 all know.

16 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Linda
17 Dickinson can answer that.

18 MS. DICKINSON: They're required to submit
19 reports every six months, once they're in grant agreement,
20 and a final report at the end of the grant. And,
21 currently, with the new grant program, we are now
22 requiring a yearly report up to five years.

23 BOARD MEMBER MULÉ: Good.

24 MS. DICKINSON: We just instituted that with this
25 current one, and the Notice of Funds Available was just

1 released about ten days ago.

2 COMMITTEE MEMBER WASHINGTON: Ms. Mulé, you
3 understand that's after they get the money they make the
4 reports?

5 BOARD MEMBER MULÉ: That was my next question.
6 So they first receive --

7 MS. DICKINSON: They don't receive the money
8 until they give me receipts and proof of payment. They
9 don't get any money until they give me receipts and proof
10 of payment. They have to come up with the money and pay
11 for whatever their expenditures were. And the current
12 grant is only for equipment.

13 BOARD MEMBER MULÉ: But I know with some of the
14 grants that I've worked with in the past they may
15 withhold, say --

16 MS. DICKINSON: Ten percent.

17 BOARD MEMBER MULÉ: Ten percent, that's it for
18 final payment. Okay. Thank you.

19 CHAIRPERSON PEACE: We need to talk about this
20 forgivable loan thing some more, because I guess I don't
21 understand this. If we give them a loan and their
22 business does really well, you say you don't have to pay
23 the loan back. But if you give them a loan and the
24 company crashes and can't pay the loan back --

25 WASTE TIRE DIVISION SUPERVISOR DELMAGE: These

1 are some of the things that cause it to be half-baked.

2 MS. DICKINSON: And then we have to come up with
3 reasons as to why you don't have to pay us back.

4 BOARD MEMBER MARIN: Why do you have to be so
5 logical, Madam Chair? I don't understand.

6 WASTE TIRE DIVISION SUPERVISOR DELMAGE: These
7 are the things we're looking into. And it would be good
8 to have another discussion before the March meeting.
9 Timing wise, I don't know how that will work, but we'll do
10 our best to get that on the schedule.

11 CHAIRPERSON PEACE: It seems to me like the grant
12 program had become just a program to support established
13 players, to me. And that's my gut feeling. And, to me,
14 it should be a loan program.

15 MS. DICKINSON: Cameron's program -- his
16 partner's Gary -- was one of those companies that --
17 correct me if I'm wrong -- that started out in the back of
18 his pickup truck, and now he's one of the top
19 distributors. I believe he was mentioned in RMA as one of
20 the top distributors in the United States. In just a few
21 years, he's become very, very successful. And he didn't
22 want to mention that up here, because he didn't want to
23 toot his own horn. But one of the big success stories in
24 California.

25 CHAIRPERSON PEACE: But with other recycling

1 businesses other than tires, do we give away free money
2 like this?

3 MS. DICKINSON: Sorry?

4 CHAIRPERSON PEACE: Of the other recycling
5 businesses we have in the state other than tires, I don't
6 think there is any other ones that we just give away free
7 money to start a recycling business.

8 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Well, I
9 don't believe the Board has a grant program that's similar
10 to the Commercialization Grant. In the Oil Program, we do
11 have a grant program that would go out to a private entity
12 for research and development, but that's the nearest thing
13 we have here at the Board.

14 MR. BLUMENTHAL: I have a point of information.
15 In the state of Pennsylvania, they have one of these type
16 of loan programs, and I'll give Mitch the name of a couple
17 of people to contact so you can hear from a state that has
18 this forgivable loan type of program, find out how they
19 manage theirs. So it has been tried before.

20 DEPUTY DIRECTOR LEE: What was the results of
21 that, or how is that being handled and administered?

22 MR. BLUMENTHAL: They don't have as big a budget
23 as you do. They have a tire fund, but the money goes for
24 mass transit. Any type of fund that goes -- any grant or
25 loan has to come out of the general fund. And it's

1 piecemeal. It's not consistent. It's not -- there's no
2 set amount. It really is sort of almost on a whim. So
3 the type of programs they have in Pennsylvania that you
4 have here are day and night. There is no comparison. But
5 they do have or did have one of these forgivable loan
6 programs. I know they went out to several companies that
7 manufactured high quality products that contain recycled
8 rubber. So there is some history out there. Like I said,
9 that's about as much as I know about that program.

10 DEPUTY DIRECTOR LEE: Madam Chair, I appreciated
11 your comments earlier on this. I just have some qualms
12 about the forgivable loan. I think it sounds good in
13 concept. I'm a little concerned about the workability and
14 the administration of that.

15 This is of the many reasons why this item is --
16 we don't have a set recommendation to make at this
17 particular point. That's why we're still ruminating on
18 the various possibilities here. But anyway --

19 MR. BLUMENTHAL: I'm not here to either support
20 or not support.

21 I have a question for Mitch. When in March are
22 we looking at having that meeting?

23 WASTE TIRE DIVISION SUPERVISOR DELMAGE: I'm not
24 sure.

25 CHAIRPERSON PEACE: March 3rd.

1 MR. BLUMENTHAL: March 3rd is the Special Waste
2 Committee meeting.

3 MS. FRENCH: Thursday, March 3rd at 9:30, and
4 it's a workshop. We meet on Wednesday, so that would be
5 the 9th, the Special Waste Committee.

6 MR. BLUMENTHAL: It's on the 9th. And it's going
7 to be on the 8th.

8 MS. FRENCH: The 3rd.

9 WASTE TIRE DIVISION SUPERVISOR DELMAGE: The next
10 workshop for the Five-Year Plan. I don't know if we'll be
11 able to fit in any type of a workshop just on
12 commercialization, but we'll certainly will make time for
13 -- if we don't, for the next workshop.

14 MR. BLUMENTHAL: So the workshop is on the 3rd,
15 and then the Special Waste is on the 9th.

16 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Right.

17 MR. BLUMENTHAL: Thank you.

18 CHAIRPERSON PEACE: I guess it's no secret that I
19 feel that the grant program should no longer be, and we
20 should have a low interest type loan program. So we'll, I
21 guess, be discussing that more on the 3rd.

22 Could you go back to the state agency purchase
23 incentive program and explain that? Where was it saying
24 you're going to set up something in prisons?

25 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Well, we

1 had three different concepts that we were looking at. And
2 one of them was to buy some equipment for the Prison
3 Industry Authority. One of their mandates is that they
4 don't interfere with businesses that are established. So
5 when we heard that from them, we started looking at this a
6 little sideways, too, as Terry was saying.

7 But we've also got another concept that we're
8 looking at working with the Pavement Institute at U.C.
9 Davis to maybe do some work with them on putting in a RAC
10 test track that we may be able to get a lot of use out of
11 over the years, and also would help with our continuing
12 education units as well.

13 CHAIRPERSON PEACE: And then I guess maybe
14 explain to me under the difference between the tires
15 database and the generation and conversion study under
16 research.

17 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Bob, you
18 want to --

19 SUPERVISOR FUJII: The generation database --
20 Mitch can speak more to this -- deals more with the
21 numbers -- the tire numbers. The tire database is our
22 system that's going to track all of our individual tire
23 sites. So information that's gathered during inspection
24 and our enforcement actions are legal actions, hopefully
25 tied in eventually to our grants, our grant system. And

1 so it's different because it's tracking different
2 information. Does that kind of answer your question? The
3 tire database that is proposed in Number 11 deals
4 specifically with tire facilities themselves. I think
5 Mitch --

6 WASTE TIRE DIVISION SUPERVISOR DELMAGE: It's
7 more of an enforcement effort so they can track permit
8 violations, where facilities are. And the other study is
9 going to have nothing to do with that. That's just
10 looking at the data coming in from our surveys that talk
11 about our diversion and disposal numbers, and also the
12 number coming in from BOE that has revenue numbers, and
13 the numbers that will be coming in from the Manifest
14 Program to try to reconcile the various numbers. But it's
15 a very separate thing from the tire database.

16 CHAIRPERSON PEACE: Will the tire database be
17 part of the enforcement item section?

18 SUPERVISOR FUJII: You mean the --

19 WASTE TIRE DIVISION SUPERVISOR DELMAGE: I'm not
20 sure why it's in markets.

21 SUPERVISOR FUJII: It could be moved. It relates
22 more to the enforcement part, so maybe it's more
23 appropriately put there. It's just a bad fit, I guess.
24 We'll make that --

25 DEPUTY DIRECTOR LEE: We'll look into that.

1 CHAIRPERSON PEACE: I understand the database was
2 going to list all the generation sites and all the --

3 DEPUTY DIRECTOR LEE: The work that's been
4 done --

5 CHAIRPERSON PEACE: Is that what it's going to
6 do?

7 DEPUTY DIRECTOR LEE: Among other things, Madam
8 Chair. The work that's been done to date, as we discussed
9 before, right now we have a lot of local jurisdictions, a
10 lot of people out in the field doing inspections of
11 facilities and disposal sites. You know, up until very
12 recently, you know, all this information coming in was
13 hand generated. You know, with IMB staff now we have a
14 computerized form for the inspection information to be
15 logged on and then to be subsequently scanned and entered
16 into a database so, again, we have this information, you
17 know, at our disposal, as opposed to being locked away in
18 a file someplace. So as I understand it, you know, we
19 want to continue the ongoing efforts and the work that's
20 already been initiated in this area to expand this system.

21 CHAIRPERSON PEACE: I'm just wondering if the
22 tire's database is going to be helping us list all the
23 generators and all the end users and tracking all that,
24 that maybe that should be done first before we do the
25 generation and diversion study. Does the generation and

1 diversion study need to be started right away, or should
2 we wait until after the database is finished and wait
3 until also after the Manifest System is revised?

4 DEPUTY DIRECTOR LEE: They're really two separate
5 things. The diversion study, as we discussed before, is
6 really to get a handle on where the various tires are
7 going and how our diversion efforts -- one of the
8 performance measures we're judged on is how well tires are
9 being diverted in the state. And right now, as Mitch
10 explained, there's a lot of assumption, a lot of estimates
11 that are used in these calculations. And depending on
12 what set of assumptions you use, you know, our reported
13 diversion rate can go plus or minus 3 or 4 percent. So we
14 feel it would be -- especially since we're going to be
15 monitored on that metric, if you will, it would be
16 desirable to have as much information as possible.

17 On the tire database situation, though, I see
18 that more, you know, having more of an enforcement
19 relationship. And like I said, you know, I'll explain to
20 the staff where the appropriate area for that should be,
21 perhaps even under the enforcement line item as opposed to
22 where we have it now under markets.

23 CHAIRPERSON PEACE: I realize it's going to be
24 used for enforcement. But I'm thinking once you have that
25 information, wouldn't it helpful to then have a diversion

1 study?

2 SUPERVISOR FUJII: You know, in tying in kind of
3 the information we collect in the current Manifest System,
4 there's certainly -- that one of the potential uses of the
5 information, you know, assuming that everyone fills that
6 information out correctly.

7 But, you know, the database itself, it was set up
8 specifically probably to track more the inspection and
9 enforcement information related to the sites. But there
10 certainly is a possibility we could link it with the
11 Manifest System, tie it to numbers in that system, and
12 maybe generate that number again. It would depend on the
13 accuracy of the information we're getting from that system
14 so --

15 CHAIRPERSON PEACE: I'm just wondering until we
16 get the entire database finished and we get to the changes
17 to the Manifest System, maybe we might get more accurate
18 numbers for this generation diversion study.

19 WASTE TIRE DIVISION SUPERVISOR DELMAGE: We'll be
20 looking at moving it out into the out years.

21 CHAIRPERSON PEACE: Is that really necessary we
22 need to do that next year, or wait or maybe have more
23 information?

24 WASTE TIRE DIVISION SUPERVISOR DELMAGE: We can
25 do that.

1 BOARD MEMBER MARIN: Madam Chair, I have a couple
2 of other questions.

3 First of all, I'm going to make a comment I've
4 been making since I joined this Board and I'm going
5 continue for the rest of my life. When every program that
6 we have -- and I know that this is probably not the right
7 time or the right place, but it seems to me that we must
8 have some kind of measurements allocated to each and every
9 program. If we're going to spend a million dollars on a
10 particular program, how many tires are we going to get rid
11 of by that million dollars? If we're going to spend
12 \$500,000 or \$100,000 or \$20,000, how is that going to give
13 us a measurement of success?

14 You know, will this grant that we -- or loans or
15 whatever it is that we're giving, how are we going to
16 measure how this Board was successful or how that business
17 or how that industry was successful? You know, is it 20
18 tires, you know, getting rid of 20 tires or whatever
19 versus 100,000 tires? You know, we need to be able to
20 really get a grasp on the measurements.

21 There is nothing here that basically says if we
22 spend a million dollars in civil engineering, we are going
23 to get rid of 100,000 tires. However, if we spend a
24 million dollars on playground surfaces, we're going to get
25 rid of 1,000 tires. And I think that that for us, you

1 know, as policy makers, we can decide that spending a
2 million dollars to get rid of 1,000 tires and spending one
3 million dollars getting rid of 100,000 tires, it's okay.
4 But we make that determination from this end. We may
5 decide that it makes no sense for us to spend a million
6 dollars to get rid of 1,000 tires. Maybe we should be
7 spending \$2 million getting rid of 200,000 tires.

8 Do you see what I'm saying? And I don't know if
9 anybody else feels that way, but I do feel very strongly
10 that we must attach some kind of measurement to every
11 expenditure that we have.

12 WASTE TIRE DIVISION SUPERVISOR DELMAGE: In
13 response to that, two things. One is in the Five-Year
14 Plan that's in existence right now, we do have performance
15 measures associated with each of the five elements. For
16 this particular workshop, we just wanted to focus on the
17 activity and kind of narrow in on what everybody was
18 thinking was important and making sure we're heading down
19 the right path. For the March workshop, we will have
20 included a new set of performance measures for these five
21 elements.

22 That being said, the other thing I wanted to add
23 is that the life cycle analysis study helps us look at
24 that very issue, because too often it's easy to take two
25 numbers and divide them to say, here's the dollars, here's

1 the number of tires. But that's not the whole story.

2 As somebody mentioned earlier, when we do a RAC
3 overlay, we use two inches instead of four. Now, that is
4 a savings in and of itself. But it also means half the
5 number of trucks are out on the road. So the roads aren't
6 getting wore out, and the air is not getting polluted, and
7 the gas isn't getting used. So we need to be able to look
8 at the full picture to make the very decisions you're
9 talking about. That's why I put a little plug in for the
10 life cycle analysis.

11 MS. EDEN: I wanted to address what Ms. Marin
12 said. This is why we're really pushing RAC, because we
13 feel that this will take care of a huge number of -- in
14 fact, we feel it could take care of probably all the 30
15 million tires per year, of course, depending on you have
16 less -- because of the roads last so long, then, you know,
17 that would decrease probably over the years. But then
18 some of these other uses will then start coming in. So I
19 think that could work really well.

20 Another aspect of that -- and maybe you're
21 probably addressing this. If not, I think it would be
22 good to do. Is besides Caltrans, which is the 500 pound
23 gorilla, there's all the communities throughout the state
24 of California. And while it's an expenditure up front
25 that's more, this is where the Board could help with some

1 of their funds. In the long run, it saves the communities
2 money. And I would think it would be good for the local
3 politicians because there would be less potholes, unless
4 they like to fix potholes because that shows they're doing
5 something, which I proved that theory.

6 But I was intrigued by Michael Blumenthal's
7 comment on Pennsylvania and their tire fund having money
8 going for mass transit. And I like that idea. Obviously,
9 there's a lot of implications and complications with that.
10 But that is a source reduction, less use of tires. So,
11 you know, I'd like the staff to see, you know, how that
12 could work.

13 And the other thing I thought of is myself and
14 many people who ride bicycles would really -- there's a
15 lot of places we'd like to ride, but it's dangerous. And
16 I was thinking that besides helping with bike lanes -- and
17 obviously you could do a cost effectiveness on that -- but
18 there's also, as with the RAC, the communities and the
19 communal benefit. The curbs -- I'm not sure if I'm using
20 the right term. But I know I've seen the recycled rubber
21 curbs, and that would be able to separate the bicycles
22 from traffic. I don't know what safety issues are with
23 those. But I always would like -- I would ride a lot more
24 if there was a separation. So --

25 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Thank

1 you. All right.

2 Any more questions on the market activities?

3 CHAIRPERSON PEACE: I just have one question. A
4 couple things have come up like the study for the utility
5 cut patching and another kind of project on the using
6 rubber in concrete. I think those are both proposed by
7 Art Turf and the Rubber Pavement Association. Is there
8 any money in this plan for something like that?

9 WASTE TIRE DIVISION SUPERVISOR DELMAGE: That's
10 in the RAC Technical Centers.

11 CHAIRPERSON PEACE: It's going to go through the
12 RAC Technical Centers. There's enough money in there to
13 do that.

14 BOARD MEMBER PAPARIAN: Madam Chair, I just
15 wanted to follow up again on the performance criteria. I
16 know it's in the statute also that we're supposed to have
17 performance objectives and measurement criteria. So at
18 the March 3rd meeting, that's when we'll have whatever
19 changes will be listed out and so forth?

20 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Yes.

21 BOARD MEMBER PAPARIAN: The one thing I would
22 encourage is perhaps some overall measurement criteria.
23 You had a chart after the lunch break showing the
24 percentage of tires recycled and some very good
25 information year by year. And, to me, kind of an overall

1 criteria would be to increase the amount recycled and
2 perhaps even set some goals for ourselves to try to get
3 some percentage increase in the numbers actually recycled.

4 WASTE TIRE DIVISION SUPERVISOR DELMAGE: As I
5 said in an earlier workshop, I would like to see the Board
6 establish a set of goals, maybe ten-year goals, five-year
7 goals, and maybe a 20-year vision. So I've been kind of
8 collecting ideas from various people. So we'll be seeing
9 that as well.

10 All right. Now we get to move into the budget
11 part. But before we do, I just want to thank everybody
12 for hanging in there so long. And thanks for all your
13 contributions.

14 Thank the Board members for their involvement,
15 and our staff that's done a lot of work putting this
16 together.

17 But I have to really say this Five-Year Plan is
18 Sally French. She has been pushing us making us toe the
19 line, get it done. And she put this chart together, and
20 she's going to work with you as you go through these
21 budget items. But she's the one that brought the history
22 to it for me, because I'm new to the program. She worked
23 with Martha before. She's been through this before, and
24 she's really done a good job.

25 So with that, are you ready?

1 DEPUTY DIRECTOR LEE: Before we commence, I want
2 to point out that obviously the numbers are still somewhat
3 influx. As we mentioned earlier, the Manifest Program
4 situation still needs to be resolved. And, obviously, the
5 changes will ripple down to the other elements in the
6 plan. And as we've discussed today, there's still a
7 couple of areas where we need to do some work. So the
8 numbers still need to be massaged, even after we go
9 through this iteration. So anyway --

10 MS. FRENCH: First up we have the Staffing for
11 Enforcement at 1,720,948. Is that okay with the Board?

12 BOARD MEMBER MARIN: I don't know about that.

13 MS. FRENCH: Is that okay for across the board
14 for all five years?

15 CHAIRPERSON PEACE: Well, yeah. But what happens
16 when we get the cost of living like we just did this last
17 time? Will they have to be adjusted again, or do we just
18 lose people?

19 DEPUTY DIRECTOR LEE: There's a degree of
20 estimation with regard to this, and we're back in
21 two years in any event.

22 WASTE TIRE DIVISION SUPERVISOR DELMAGE:
23 Basically, this exercise is just to get a good idea if
24 we're on the right track. The numbers are going to be
25 changing over the next couple months before we finalize

1 this in May. So this is an exercise to just really look
2 at the things that we may want to increase or decrease by
3 some substantial amount.

4 BOARD MEMBER MARIN: I have a question, because
5 we have an entire Board here. Does this raise any
6 particular -- I mean, I don't have to speak. It might be
7 better that at least the three members of the Board that
8 are here that are not -- maybe we should walk out, because
9 I'm afraid it would be perceived as the Board taking
10 action when, in fact, we're not.

11 CHIEF COUNSEL CARTER: You're right to have some
12 concerns. The caveat that was just discussed about what
13 this is, it's a floating number. It's not intended to be
14 a final number, gave me some comfort in the fact the Board
15 would not be making this as a final decision.

16 However, this was not meant to be a deliberative
17 workshop. This was meant to be an information gathering
18 workshop. Now, part of the information gathering could be
19 the sense from the Committee as to general ideas of the
20 figure. But you raise a very good concern about, you
21 know, that line between what could be perceived as Board
22 action and what is really within the purview of the
23 Committee within the confines of the workshop.

24 BOARD MEMBER MARIN: I think that for my own
25 peace of mind, maybe it would be appropriate that the

1 three members of the Committee that oversees this
2 particular item would continue. And unless anybody else
3 feels very strongly, that we walk out. I just -- for
4 matters of perception more than anything else.

5 CHIEF COUNSEL CARTER: Yes, it would be
6 perception. You could certainly stay if you'd like, but
7 certainly to eliminate any appearance.

8 BOARD MEMBER MARIN: I'm going to do that.

9 BOARD MEMBER PAPARIAN: If we're going to do
10 that, I wonder if I can just make a general comments
11 before I go, just a couple of things.

12 I'm concerned that we don't have enough devoted
13 to source reduction, and that would include really
14 encouraging tires on the road to last longer through
15 enhanced tire maintenance or encouragement by fleets or
16 individuals to purchase longer-live tires.

17 And the only other comment I would make is that I
18 think we should remain open to this mosquito abatement
19 proposal. I think it's going to be coming back to us. I
20 think we had an indication from staff that as their
21 understanding of the evolution of that proposal, it might
22 be meritorious and worth some consideration.

23 BOARD MEMBER MARIN: Thank you, Madam Chair.

24 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Thank
25 you all for coming.

1 MS. FRENCH: We have the Surveillance and
2 Enforcement Assistance at 400,000 for the first year, and
3 350- for the second year, 300- for the next three years.
4 Does anyone have any concerns about those? Is it okay to
5 enter those amounts? Okay.

6 And next we have the Local Waste Tire Enforcement
7 Grants, which is 6 million. What do you think about that?

8 CHAIRPERSON PEACE: That's fine.

9 And under Enforcement, we're going to add the
10 tire database.

11 MS. FRENCH: Move it over.

12 WASTE TIRE DIVISION SUPERVISOR DELMAGE: We will
13 move it over, but we're not really set up to do it in this
14 particular exercise. When we get to it in the market, we
15 can look at the amount and you can see what it was and
16 what we're proposing. Is that okay?

17 CHAIRPERSON PEACE: When we redo this, you'll
18 move it over --

19 WASTE TIRE DIVISION SUPERVISOR DELMAGE: We'll
20 switch it over before the March meeting.

21 MS. FRENCH: Mitch, do you want to start the next
22 section while I catch up?

23 DEPUTY DIRECTOR LEE: Madam Chair, on the Hauler
24 Manifest and Registration, as we mentioned earlier, again,
25 we propose to defer that discussion. We have some

1 placeholder entries that reflect the current budget in the
2 Five-Year Plan, subject to the Committee and the Board's
3 determinations in January and the meeting in March.

4 CHAIRPERSON PEACE: If we don't make any changes,
5 can you go back instead of sitting there and putting them
6 all in? Would it speed things up if there's no changes
7 just to go ahead --

8 DEPUTY DIRECTOR LEE: That would be fine.

9 WASTE TIRE DIVISION SUPERVISOR DELMAGE: That
10 would probably work for us real well.

11 Sally, what she's suggesting is just go directly
12 to the ones we might want to discuss and just assume the
13 other ones are okay.

14 MS. FRENCH: What would you like to discuss?
15 We're now in Cleanup.

16 CHAIRPERSON PEACE: I think I was okay with
17 Cleanup. Did anybody have anything?

18 Leave it the way it is. Okay.

19 MS. FRENCH: How about Research?

20 COMMITTEE MEMBER MOULTON-PATTERSON: Is that the
21 one with mosquito abatement?

22 DEPUTY DIRECTOR LEE: That would be where we're
23 entering that.

24 COMMITTEE MEMBER MOULTON-PATTERSON: I would,
25 like Mike, like to see that considered and if there is a

1 way to work with them, because I think it's an important
2 issue. I think the education -- I don't think every man
3 on the street or woman on the street has really thought
4 about that tires are breeding grounds and we need to --
5 and that's the nexus as I see it.

6 DEPUTY DIRECTOR LEE: Understand.

7 Ms. Moulton-Patterson, what we would like to do on this,
8 our staff has already had some initial discussions with
9 the mosquito abatement people. Again, as I think even as
10 they mentioned, they kind of revised their proposal to
11 less study, more actual tire cleanup potentially. We'd
12 like to firm that up and make sure that the activities are
13 directed in that area and also look at the dollar amount.
14 But I think certainly we should have some placeholder for
15 them in there.

16 MS. FRENCH: Can we go back to Cleanup? Did you
17 mention about the Farm and Ranch?

18 WASTE TIRE DIVISION SUPERVISOR DELMAGE: We
19 talked about Farm and Ranch earlier. And there was some
20 discussion about the amount. Was there any concern of the
21 Committee?

22 DEPUTY DIRECTOR LEE: For 05-06, I proposed to
23 change the 05-06 to 333,000, which is the amount that has
24 been specified in our budget that's been submitted to
25 Department of Finance. But for subsequent years, again,

1 I'd like to propose the \$400,000 increase as shown on the
2 chart.

3 CHAIRPERSON PEACE: And, again, it isn't that the
4 total fund is going up, but the Oil amount would be going
5 down, and the Tire amount will be going up?

6 DEPUTY DIRECTOR LEE: That would be certainly
7 what I would be proposing as the Special Waste Division
8 Deputy Director.

9 MS. FRENCH: Research, do we have any --

10 WASTE TIRE DIVISION SUPERVISOR DELMAGE: We just
11 put a placeholder in for mosquito abatement.

12 MS. FRENCH: I thought that it was going to be
13 under the Cleanup element.

14 WASTE TIRE DIVISION SUPERVISOR DELMAGE: That's a
15 good thought. It would be under Cleanup.

16 MS. FRENCH: So now we're under Research. There
17 was discussion that the generation data study and life
18 cycle analysis was low. Any discussion on that?

19 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Madam
20 Chair --

21 CHAIRPERSON PEACE: Bob didn't say he needed more
22 money, so --

23 MS. DICKINSON: Just the lady said it was low.

24 DEPUTY DIRECTOR LEE: And again, Madam Chair, we
25 will continue to look into this issue with regards to our

1 ability to work -- have the study involve the TDF issue.
2 There are some legal issues I think the stakeholders have
3 touched upon. And we'll firm that up and be better able
4 to respond to that at the next workshop.

5 MS. FRENCH: International Trade and Border Issue
6 Study will now be changed to legal issues.

7 WASTE TIRE DIVISION SUPERVISOR DELMAGE: We'll
8 work on that name.

9 MS. FRENCH: Anything else?

10 CHAIRPERSON PEACE: You're going to take a look
11 at whether the generation diversion study should be done
12 right away or whether it makes more sense to put it off?

13 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Right.

14 MS. FRENCH: And last we have the Markets
15 section.

16 CHAIRPERSON PEACE: The only question I had, I
17 asked you about the utility cut patching and some of the
18 studies to use more rubber in concrete. You said that was
19 going to be done through the RAC Tech Centers.

20 SUPERVISOR FUJII: Board Member Peace, Bob Fujii,
21 Special Waste Division. You might recall when Nate Gauff
22 made the presentation in December about the RAC Program, I
23 think at that time he was proposing additional funding in
24 the RAC Tech Center project to do special projects.

25 Some of those special projects -- one of the

1 special projects I think that was also proposed by L.A.
2 County was to do the patch project. And it is something
3 that we also felt was something that needed to be done.
4 There isn't any information out there that determines
5 whether we could patch that material effectively or not.
6 So I think it was our proposal to see if that can't be
7 done through the Tech Center contract to do that line item
8 in their contract that allows for special projects.

9 CHAIRPERSON PEACE: The Rubber Pavement
10 Association said they could do it for \$30,000. But how
11 about using the rubber in concrete? Is there going to be
12 any money if we think these studies --

13 SUPERVISOR FUJII: That's maybe something we can
14 explore through our Caltrans interagency agreement. I'll
15 let him speak to this one.

16 MR. GAUFF: Nate Gauff from Special Waste.
17 Certainly, we could put related projects or ask
18 Caltrans to investigate some of these related projects.

19 If the Board would like -- or the Committee would
20 like, certainly we could put in a placeholder or a line
21 item for special projects for RAC. I mean, in addition to
22 what's already been approved, you know, through the
23 Committee process last month, you know, staff is willing
24 to entertain that, too, if you'd like.

25 CHAIRPERSON PEACE: Do you think there's enough

1 money in here?

2 MR. GAUFF: We could propose an amount and bring
3 it back to you. Right now, the tact we're taking is that
4 we were going to approach special projects through the
5 Tech Center allocation. Both Tech Centers have, I think,
6 about \$75,000 per fiscal year set aside to do -- or set
7 aside to address special project issues. But once
8 again --

9 CHAIRPERSON PEACE: You feel like that's going to
10 be enough?

11 MR. GAUFF: Well, personally, yes. You know, if
12 you put a pot of money out, I'm sure somebody can submit a
13 proposal as a way to spend it. I don't deny that. I
14 think what we've heard today from a number of people is
15 that we need to do less research on RAC and more
16 implementation, so to speak.

17 But there have been issues even over the last
18 several years that have come up that we've had to address
19 outside of the bigger contract efforts, such as the
20 Caltrans effort. There have been some things that have
21 been on a smaller scale that we've had to address or we've
22 tried to address, and we've usually addressed those
23 through the Tech Centers. So far it's been fairly
24 effective. And I think if we continue along that tact,
25 we'll be okay. We may come back to you in two years and

1 say we need a half-million dollars a year to address
2 special projects, but right now I don't think there's
3 going to be a need.

4 SUPERVISOR FUJII: The other thing we could do
5 through the Tech Centers, as you mentioned, Board Member
6 Peace, the RMA submitted a proposal for doing that patch
7 analysis, the patch report much cheaper than the L.A.
8 County folks had originally given us a proposal on. We
9 could certainly attempt to have that partnership created
10 with them as well, if that's something -- because they do
11 contract with the RMA now to do certain things. Maybe
12 that's a possibility as well to make it a more cost
13 effective use of our money anyway.

14 CHAIRPERSON PEACE: Do you remember how much it
15 was, the study they wanted to do for putting crumb rubber
16 into concrete?

17 SUPERVISOR FUJII: Off the top of my head, I do
18 not remember the dollar amount. Maybe Nate would know.

19 MR. GAUFF: I don't remember either.

20 But another idea just came to me, you know, that
21 if there are issues that arise outside of at least the
22 planned processes that we have for addressing them, a
23 reallocation item could be another way of addressing these
24 at the end of the year. At this point I don't think
25 there's a need for us to put aside any additional moneys

1 at this point to address anything that might come up. I
2 think we've got it really well covered with what we've
3 proposed thus far.

4 CHAIRPERSON PEACE: I'll take your word for it.

5 SUPERVISOR FUJII: Someone just handed me the
6 enclosure from one of those reports. The Los Angeles
7 County report I think that talked about the report you're
8 talking about or the analysis you're talking about, it
9 says \$96,000 on here, for feasibility study and pre-cast
10 concrete using rubber. I think that was the proposal.

11 CHAIRPERSON PEACE: That was the proposal from
12 the Southern California Tech Center? That wasn't the
13 proposal from Art Turf?

14 MR. GAUFF: I think this one from Art Turf was
15 less.

16 CHAIRPERSON PEACE: All their proposals were
17 less.

18 MR. GAUFF: We're looking at, at most, 100,000
19 for that one. And I think the Art Turf, if we're looking
20 at the utility cut patching, was somewhere in the
21 neighborhood of \$50,000.

22 CHAIRPERSON PEACE: It was 30, I think. Okay.

23 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Any
24 other items we want to discuss on the budget? I did want
25 to address Mr. Papanian's concerns.

1 CHAIRPERSON PEACE: On source reduction.

2 WASTE TIRE DIVISION SUPERVISOR DELMAGE: We do
3 have the product stewardship we're going to be moving
4 forward on, and that's specifically going to be focused on
5 source reduction, smart tire technology, longer-live
6 tires, and whatnot. But we're also going to be doing an
7 outreach and media campaign that will include better tire
8 maintenance, so we're addressing it in that way.

9 Sometimes it's not money that gets the job done.
10 It's staff. And so we see getting this message out as
11 being one of the duties of staff. And through this media
12 contract, I think we'll have the vehicle for it.

13 CHAIRPERSON PEACE: And you can work with the
14 Rubber Pavement Association, because they already put out
15 a pamphlet on taking care of your tires.

16 WASTE TIRE DIVISION SUPERVISOR DELMAGE: We'll be
17 working with all the appropriate organizations to get this
18 message out. And we have some good ideas we'll be
19 bringing back to the Board as these move along.

20 CHAIRPERSON PEACE: Okay.

21 COMMITTEE MEMBER WASHINGTON: Mitch, where did
22 the WRAP and all those folks fit under? Where are they in
23 this process here, the WRAP Award?

24 WASTE TIRE DIVISION SUPERVISOR DELMAGE: That is
25 in Market Development -- or under the Market Development

1 support others.

2 COMMITTEE MEMBER WASHINGTON: Okay.

3 CHAIRPERSON PEACE: What's the largest chunk of
4 money? Is it sustainable building?

5 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Excuse
6 me?

7 CHAIRPERSON PEACE: In terms of the amount for
8 the WRAP Awards and the CalMAX and the Recycled Product
9 Trade Show, does the biggest chunk of that money go to
10 sustainable buildings?

11 WASTE TIRE DIVISION SUPERVISOR DELMAGE: I don't
12 believe it will be. It will be divided up -- maybe we
13 have someone from Markets. It will be --

14 CHAIRPERSON PEACE: Jerry, maybe you can explain
15 what that \$400,000 goes to, sustainable buildings.

16 BRANCH MANAGER ORR: I'll go ahead and take a
17 stab at that one. Bill Orr, Recycling Technologies
18 Branch.

19 Basically, the money that is contemplated for
20 that goes to grants or for use of products in sustainable
21 building applications. We actually this year, for
22 example, have a contest that will be run through Cal Expo
23 as a design competition to develop sustainable building
24 products using rubber from tires, and that's one of the
25 things we're doing.

1 Also I believe next month we'll be bringing
2 forward the grant criteria for a NOFA for tire-derived
3 products. So basically that's the kind of thing that it's
4 used for.

5 In addition to that, we've also been studying the
6 emissions from tires and developing additional data on
7 tires to promote the use of tires in building
8 applications. So those are the kinds of things that we're
9 doing. In addition, one of the years that's highlighted
10 in the five years has a spike of funding, and that's
11 specifically in anticipation of the State West Side
12 Project, which is sort of the companion building project
13 that's being proposed along Capitol Mall and areas along
14 those lines, and as you may recall, the Board actually
15 funded using rubberized asphalt on a number of the streets
16 around the Capitol and were contemplating doing something
17 similar to that for that future project that would be in
18 the 2006-07 fiscal year.

19 CHAIRPERSON PEACE: Thank you.

20 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Thank
21 you.

22 CHAIRPERSON PEACE: Does anybody else have any
23 other comments?

24 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Any
25 closing comments anyone would like to make?

1 CHAIRPERSON PEACE: I just wanted to thank
2 everyone for being here. You know, we really appreciate
3 your ideas, your remarks, your recommendations. And we'll
4 be considering everything we heard today. And this is
5 just the third workshop. The fourth will be held on
6 March 3rd in the Coastal Hearing Room.

7 And Linda.

8 COMMITTEE MEMBER MOULTON-PATTERSON: Well, I just
9 wanted to add on that I think overall staff did a great
10 job capturing a lot of input from the Board members and
11 the stakeholders, and I really appreciate all your
12 efforts. I think you really did capture it. And I
13 understand there's still one more meeting, but I just want
14 to thank you.

15 WASTE TIRE DIVISION SUPERVISOR DELMAGE: Well,
16 thank you.

17 CHAIRPERSON PEACE: You've done a lot of work.
18 Thank you.

19 COMMITTEE MEMBER WASHINGTON: Again, I attach
20 myself to both the Chair's and Ms. Moulton-Patterson's
21 comments. It's great to see stakeholders and everyone
22 coming together really working together to make this
23 Five-Year Plan work. And with the SWAT Program and all
24 those other things you guys have got going, pretty good.
25 Thank you.

1 COMMITTEE MEMBER MOULTON-PATTERSON: Just one
2 more thing.

3 I'm sorry, Ms. Peace.

4 But I know a lot of the stakeholders that are
5 involved have financial stake at stake here, shall we say.
6 But I want to thank the community members that have come
7 and addressed the areas of public health and safety. It's
8 really appreciated, the amount of time that you put in
9 there. And we've listened very carefully to your
10 comments. So thank you.

11 COMMITTEE MEMBER WASHINGTON: Good job.

12 WASTE TIRE DIVISION SUPERVISOR DELMAGE: And the
13 next meeting will be Thursday, March 3rd, 9:30 to 4:30 in
14 this very room. Thank you, all.

15 (Thereupon the California Integrated Waste
16 Management Board, Special Waste Committee,
17 Development of the Five-Year Plan for
18 the Waste Tire Program Workshop
19 Adjourned at 3:30 p.m.)

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1 CERTIFICATE OF REPORTER

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

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

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

13 IN WITNESS WHEREOF, I have hereunto set my hand
14 this 18th day January, 2005.

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TIFFANY C. KRAFT, CSR, RPR

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