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BOARD MEETING

STATE OF CALIFORNIA

INTEGRATED WASTE MANAGEMENT BOARD

JOE SERNA, JR., CALEPA BUILDING

1001 I STREET

2ND FLOOR

CENTRAL VALLEY AUDITORIUM

SACRAMENTO, CALIFORNIA

TUESDAY, JANUARY 18, 2005

9:30 A.M.

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

BOARD MEMBERS

Ms. Rosario Marin

Ms. Linda Moulton-Patterson

Ms. Rosalie Mul

Mr. Michael Paparian

Ms. Cheryl Peace

Mr. Carl Washington

STAFF

Mr. Mark Leary, Executive Director

Ms. Julie Nauman, Chief Deputy Director

Ms. Marie Carter, Chief Counsel

Mr. Ashraf Batavia, Staff

Mr. Fernando Berton, Supervisor, Organics Materials Management

Ms. Bonnie Cornwall, Branch Manager, Grants & Certification Section I

Ms. Toni Jiminez, Executive Assistant

Mr. Jim Lee, Deputy Director

Mr. Howard Levenson, Deputy Director

Mr. Chris Peck, Supervisor, Media/Outreach Services

Mr. Scott Walker, Branch Manager, Remediation, Closure, & Technical Services Branch

Ms. Shirley Willd-Wagner, Branch Manager, Electronic Waste Recycling Branch

ALSO PRESENT

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Ms. Yvette Agredano, California Chapter of SWANA

Mr. Arthur Boone, Northern California Recycling Association

Mr. Evan Edgar, CRRC

Mr. Chuck Helget, Allied Waste

Ms. Yvonne Hunter, League of California Cities

Mr. George Larsen, Lakin Tire West, King West Recycling Authority

Ms. Kay Martin, Bioenergy Producers Association

Mr. Scott Smithline, Californians Against Waste

Mr. Michael Theroux, Theroux Environmental

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Jacinto; Sacramento County: Folsom, Galt, Sacramento; San Benito County: San Benito County Integrated Waste Management Regional Agency; San Bernardino County: Adelanto, Apple Valley, Chino, Highland, Loma Linda, Needles, Ontario, Rancho Cucamonga, Redlands, San Bernardino-Unincorporated, Upland, Victorville; San Diego County: Chula Vista, La Mesa, Lemon Grove, Oceanside, San Diego, San Diego-Unincorporated, Santee; San Francisco County: San Francisco; San Joaquin County: Escalon, Tracy; San Mateo County: Brisbane, Daly City, Foster City, Half Moon Bay, Pacifica, Portola Valley, Redwood City, San Carlos, San Mateo, San Mateo-Unincorporated, South San Francisco; Shasta County: Redding; Solano County: Fairfield, Solano-Unincorporated, Vallejo; Sonoma County: Sonoma County Waste Management Agency; Tulare County: Tulare-Unincorporated; Ventura County: Fillmore, Ojai, Port Hueneme, Santa Paula; Yuba/Sutter County: Yuba/Sutter Regional Waste Management Authority
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PROCEEDINGS

CHAIRPERSON MARIN: Good morning. We're going to have the California Integrated Waste Management Board meeting for January. And we are ready to start. And this is the first one in the year. So happy new year to all of you.

Would you please call the roll?

EXECUTIVE ASSISTANT JIMINEZ: Moulton-Patterson?

BOARD MEMBER MOULTON-PATTERSON: Here.

EXECUTIVE ASSISTANT JIMENEZ: Peace?

BOARD MEMBER PEACE: Here.

EXECUTIVE ASSISTANT JIMINEZ: Mulé?

BOARD MEMBER MULÉ: Here.

EXECUTIVE ASSISTANT JIMINEZ: Paparian?

BOARD MEMBER PAPARIAN: Here.

EXECUTIVE ASSISTANT JIMENEZ: Washington?

BOARD MEMBER WASHINGTON: Here.

EXECUTIVE ASSISTANT JIMINEZ: Marin?

CHAIRPERSON MARIN: Here.

Thank you.

Obviously, everybody is here. I would now ask Board Member Cheryl Peace to lead us in the Pledge of Allegiance.

BOARD MEMBER PEACE: Please stand.

(Thereupon the Pledge of Allegiance was

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1 recited in unison.)
2 CHAIRPERSON MARIN: Thank you, Ms. Peace.
3 I think everybody here has heard this
4 announcement over and over again, but I must remind you to
5 turn off your cell phones or put them on the meeting mode.
6 Also, for those of you who wish to speak before
7 the Board, make sure you fill out a speaker form request
8 that's in the back of the room and give it to Ms. Jiminez.
9 She will hand them over to me.
10 We also have -- actually, before we start the
11 proceedings today, I want to say that our family at the
12 Integrated Waste Management Board is grieving over the
13 loss of our friend and colleague, See Chuan Lee, who
14 passed away most unexpectedly in December. A native of
15 Malaysia, See Chuan was respected by all. And he always
16 had a kind word to everybody and for everybody. During
17 his 15 years with the Board, he became a U.S. citizen and
18 distinguished himself as an engineer most recently in our
19 Remediation, Closure, and Technical Services Branch. He
20 will be sorely missed by all of his friends and
21 co-workers. I would like all of you to join me in a
22 moment of silence for See Chuan Lee.
23 Thank you very much.
24 With that, are there any ex partes? I always
25 forget about that.

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Ms. Moulton-Patterson.

BOARD MEMBER MOULTON-PATTERSON: I'm up to date.

CHAIRPERSON MARIN: Ms. Cheryl Peace.

BOARD MEMBER PEACE: I'm up to date.

BOARD MEMBER MULÉ: Up to date. Thank you.

CHAIRPERSON MARIN: Mr. Paparian.

BOARD MEMBER PAPARIAN: Yeah. I'm not quite sure on this one if it's in the system or not. I got a letter from Walter McClerk from the Kelly Moore Paint Company being very supportive of our product stewardship efforts on paint dialogue. Hopefully some of the others like the tire industry will actually become as enthusiastic about product stewardship as the Kelly Moore Paint Company.

CHAIRPERSON MARIN: Thank you.

Mr. Washington.

BOARD MEMBER WASHINGTON: I'm up to date.

CHAIRPERSON MARIN: Thank you, sir.

For some opening remarks from our members -- and actually before I start with Ms. Moulton-Patterson, I should tell you she ought to be congratulated. She was just chosen as the outstanding alumni of Cal State Long Beach. She received her Masters Degree in Public Policy from Cal State Long Beach and will be formally recognized coming on May of this year. So congratulations --

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BOARD MEMBER MOULTON-PATTERSON: Thank you.

CHAIRPERSON MARIN: -- to you, Linda. You deserve it. We're very proud. Make sure when you receive the award, you mention the California Integrated Waste Management Board.

BOARD MEMBER MOULTON-PATTERSON: I certainly will. Thank you.

(Applause)

CHAIRPERSON MARIN: And do you have anything to share with us today?

BOARD MEMBER MOULTON-PATTERSON: Yes, I do. Thank you.

I had the honor of presenting two WRAP of the Year Awards last month and this month. And it was just a real pleasure. I know several members joined me, Ms. Mulé, at Ricoh Electronic in Santa Ana, my home area. And it was great. They're an international company that is totally committed to zero waste. I mean, what they do is amazing. We learned some things we could be doing. And it's just terrific. They've diverted 8 million pounds and they have saved $2.5 million. So this is a real poster child to our businesses to show that it's not only the right thing to do and good for the environment, but it's very good for the bottom line. And they really live and breathe the zero waste. So this was an honor.

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1 And then on January 11th, I had the honor of
2 presenting the WRAP of the Year Award to the Nomad Cafe in
3 Oakland. And we went from an international huge company
4 to a very, very small neighborhood coffee house in
5 Oakland, both outstanding. And I just think it's so neat
6 to see our WRAP of the Year Program is working. And, you
7 know, you don't have to be an international company to be
8 recognized.
9 Every item served or used at the Nomad Cafe can
10 be recycled or reused. They've diverted 12 tons, and
11 they're independently owned. You know, they're in
12 competition with the Starbucks of the world and all of
13 that, and they do just a terrific job. There's just a
14 real warm feeling when you go in there. And, again, they
15 really live the zero waste ethic.
16 So this was really a great honor for me to
17 present both these very different WRAP of the Year Awards.
18 And our staff does a terrific job, just terrific, on the
19 WRAP of the Year Awards. And I want to thank them all.
20 CHAIRPERSON MARIN: Wonderful. Thank you so very
21 much, Linda.
22 Ms. Cheryl Peace.
23 BOARD MEMBER PEACE: Okay. Last week, I toured
24 Hewlett-Packard's electronic recycling facility in
25 Roseville. That was quiet interesting. You know, good

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for them.

Also, last week, I submitted changes to the manifest section of SB 876. That went to Leg. Council last week. I want to thank Marie Carter and Wendy Breckon for all their help in that regard. And, hopefully, we can get through the Legislature and untie our hands a little bit in terms of the manifest so we can simplify it a bit.

And, also, Sunday night I watched "Extreme Home Makeover," and I saw Carl Washington perform a marriage service. I just want to say it was really interesting. I was crying. And it was just really wonderful to see.

CHAIRPERSON MARIN: And how much of that was recycled?

BOARD MEMBER PEACE: I don't know.

Carl, do you know how much of that house was recycled, the one they tore down?

BOARD MEMBER WASHINGTON: Quite a bit. I don't remember. I'll have to get that so I can report it, how much was recycled.

CHAIRPERSON MARIN: Ms. Mulé.

BOARD MEMBER MULÉ: Thank you, Madam Chair.

As Board Member Moulton-Patterson mentioned, I joined her at Ricoh Electronics for the WRAP of the Year Award. And I just want to say as soon as you walk into this facility, they have this huge sign that says, "We are

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a zero waste facility," and they have successfully implemented a zero waste policy. And they follow every single piece of paper. Everything they do, it's a cradle to grave operation. Very impressive.

And then, Board Chair Marin, you and I were at Lockheed a couple weeks ago to present them with their award. And, again, just so impressive everything these folks are doing to reduce waste and to properly manage it is just truly impressive. Lockheed, especially, just amazing some of the things they're doing. And, again, this isn't just one person. I mean, this truly is all the employees taking part and making it happen. And I think that's the success of any program is that all the employees are involved, and there is a commitment from the top management personnel.

Also I was at the Waste Tire Plan Workshop.

Last week, I was at the San Joaquin County Manufacturers Distribution Council talking about some of our programs and where we're at with RMDZ and other programs. And then I also met with the Stockton -- the Cogeneration Ash Council and toured Air Products Cogeneration Facility. And I strongly encourage those Board members that have not been there, strongly encourage you to go there. They're using ground tires as part of their feedstock for energy. And I just, again, learned a

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lot, and I just think it's a worthwhile tour for all of us to go on and learn more about how tires can be used beneficially.

And last, but not least, I was at the SWANA Executive Seminar where Chairwoman Marin gave a fabulous presentation on the Board and some of the programs and initiatives we're working on. And she really stood up to some tough questions that she was asked by some of the industry folks. So thank you, Board Member Marin.

That's it. Thank you.

CHAIRPERSON MARIN: Thank you.

And the next is Mr. Paparian.

BOARD MEMBER PAPARIAN: Thank you, Madam Chair.

I also attended the Five-Year Plan Workshop, which was very interesting. I think a lot came out of that.

Also, recently I presented the CalEPA BEST Team -- that's the Business Environmental Services Team -- with some recognition and certificates for some of the good work they've been doing throughout the agency and actually as a roll model for state government. And I'm continuing to work with them and others in CalEPA on promoting stronger state agency procurement practices and recycling and other practices, so that not only is CalEPA doing the best that it can, but we're showing leadership

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elsewhere in state government.

I know I think Mark is going to talk a little bit about the e-waste thing. That's very exciting new program, huge program for us. I think the E-Waste staff knows how much I love them and love to taught the good work they do. But I also wanted to -- I think the Public Information Office in the last few weeks has really stepped up. Chris Peck has helped put together a website, erecycle.org, in conjunction with the Earth Communications Office, which is headed up by Ruben Eronin. And I know John Myers has taken a real leadership role in ensuring that this all comes together. I think they've done a great job. I think we'll see a little bit more about that in a new minutes.

But it's just fantastic what they've been able to do in putting this together, providing a public education platform, a way for retailers to link into the program, a way for people who want to recycle their old products to link into the program and figure out where to go as well.

And I think the sponsors so far are Panasonic, IBM, California League of Cities, maybe some others are coming on board. So I want to single you folks out for the good work you're doing.

CHAIRPERSON MARIN: Thank you, Mr. Paparian.

Mr. Washington.

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1 BOARD MEMBER WASHINGTON: Thank you.
2 I wanted to report that I also attended the --
3 you know, it was the Five-Year Tire Plan. I want to
4 commend Ms. Peace, our Chair of the Special Waste
5 Committee, as well as our Special Waste staff for doing a
6 great job. I went back and looked at this thing again,
7 and you guys really have done an excellent job in putting
8 together a plan for our tires in the state of California.
9 And I want to commend you for doing such a great job.
10 And that's all I have to report, Madam Chair.
11 CHAIRPERSON MARIN: Thank you, Mr. Washington.
12 And just to close some of the things that I have
13 been involved with, I also attended that wonderful
14 Five-Year Plan. I tell you, it's amazing because all of
15 us were there. And I think that that should send a huge
16 signal to everybody how committed this Board is to that
17 particular plan. And at one point when they were
18 reviewing the budget, it was best that the three members
19 that were not Committee members, we excused ourselves and
20 left, so that otherwise people would perceive that to be a
21 Board meeting, because all of us were there. So I think
22 that more than anything else that shows that this Board is
23 very serious in its commitment to ensure that our tire
24 program is done and does the best that it can for the
25 purposes for which it was intended. So that was really

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1 good.
2 I just share with you that I did go to Lockheed
3 Martin. And what was amazing about that is the philosophy
4 this particular company has towards recycling is so
5 embedded in everything they do. They have one particular
6 program I was most impressed with that they actually sell
7 some of their products. What would be considered waste,
8 they actually find people that will buy them. But they
9 also use our program, our CalMAX Program. And the
10 gentleman that is in charge of that program just sings
11 praises to that, because it was amazing some of the things
12 nobody would ever think that they would be prime raw
13 material for something else. They were able to find --
14 what do you call it? A match. And he was very happy.
15 And that program made a lot of money for Lockheed. And,
16 otherwise, it would have gone to waste. But, actually, it
17 became a profit center.
18 And they use those moneys to help the community.
19 They give -- this is what really warmed my heart, because
20 it didn't just go back into the general fund of the
21 company. It went actually to a number of local programs.
22 And some of the programs they support are programs for
23 people with disabilities. And so it was just amazing the
24 whole philosophy of that. But we got to see more action
25 from that particular company. And it's a huge company in

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1 the Palmdale area, right. So that was very good.
2 I attended a Latino Leaders Reception that was
3 held for appointees and elected officials on January the
4 10th. And I also attended a California Contract Cities
5 Association dinner that was put together by Consolidated
6 and Republic Services. And that was really amazing. I've
7 got to tell you, I met with quite a few counsel members
8 and mayors. They all really like us. It's amazing. They
9 have very good things to say of how our staff works with
10 the local government. And they also let me know at one
11 point in time they heard somebody from this Board saying
12 that they were going to get the cities. And they took me
13 to task on that. But I told them that we really work hand
14 in hand with the cities and with our friends in the
15 environmental community and certainly our friends in the
16 industry. So that was very, very nice.
17 They send you regards, Ms. Moulton-Patterson.
18 They remember when you used to attend those meetings, and
19 they send you their regards.
20 We also had a meeting on January the 11th with
21 the Deputy of CalEPA -- I'm sorry -- U.S. EPA here in our
22 offices. She came down with a lot of people from her
23 staff, met with our staff as well. And we're looking at
24 how we can work together on issues that they're dealing
25 with related to the border challenges that we face. We

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had a very incredible meeting. Both agencies -- we have CalEPA, U.S. EPA, and the Board trying to come up with solutions to the challenges. When it comes to the border -- when it comes to the environment when it comes -- to the environment and health, there are no borders. And so we are facing some very serious challenges like other states, Arizona, Texas, to name a couple, that are facing the same challenges. So I appreciate the work of our entire staff that is dealing with that and certainly at EPA and CalEPA and at U.S. EPA.

I then went to a budget meeting held at the Capitol last week. I saw -- if not all of you know, the budget that we submitted was untouched by the Budget Office at the Governor's area. So what we submitted is what we got back. So that's very good news for all of us.

And then, lastly, last Friday, I did speak at SWANA, the Annual Senior Executive Seminar. I want to thank two people especially that helped put together a wonderful presentation that really made me shine. And I always tell people, you know, it's not me. It's the work that you put together that really reflects on me.

But John Myers, thank you so very much. I know you worked very hard on that speech.

And my right hand -- where's -- my left hand, Kyle Pogue. They worked very, very hard.

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And I should tell you, this because when you get three people -- after you speak, three people come to you and tell you that they were inspired by what you had to say, talking about trash it's pretty amazing, you know. I was very touched by that. And I'm greatful to the great staff.

Mark Leary, you need to do something about these guys and everybody else behind them, because I know a lot of different people put together that speech. They were the ones that put it all together. But every single office was mentioned. And I know we got figures from Patty's shop and Jim's shop and Pat and Howard, everybody. So thank you very, very much.

Any one of you here in the dais can use that speech at any time, and you're welcome to have that. It's not from me.

And last, but not least, I will be in Washington, D.C. this week. And as I do that, on Friday I'm going to be visiting a waste to energy facility that is in the middle of a community -- heavily populated community. So I'm going to go visit that. And that will be on my own dime, just for the record.

Okay. So with that, we had a very full month and a great starting new year. So I'm really looking forward to the challenges posed by 2005 already.

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1 With that, Mr. Leary, you have a few things to
2 share with us.
3 EXECUTIVE DIRECTOR LEARY: I do, Madam Chair.
4 Thank you very much. And good morning, Members. Thank
5 you particularly for all your positive comments about
6 staff. I can see I'll be spending the next couple of days
7 fending off promotion requests during these austere times.
8 But I do appreciate the acknowledgement.
9 I have a number of items I'd like to start off
10 the new year. They are generally brief, but I have quite
11 a few of them.
12 First of all, I want to update you on the
13 progress of cleaning off the Aggregate Recycling Systems
14 site, La Montaa in Huntington Beach -- Huntington Park.
15 I said it wrong. Although we've been slow to some extent
16 by the holidays and weather, we've been able to remove the
17 processed material pile much faster that expected. As of
18 last week, our contractor removed 35 percent of the
19 material, having loaded a total of 2,041 trucks. The
20 processed material is being used for a large end use
21 project in Long Beach, which is actually closer and less
22 costly than the inert disposal sites. So far, the results
23 of our continuous air quality monitoring have remained
24 below regulatory limits, and we haven't heard any concerns
25 from the community. If we get a good stretch of weather,

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it's possible we will essentially be completed by the end of February.

Elsewhere, the weather has caused other problems. As you know, the Governor has declared a state of emergency in several Southern California counties. In Ventura County, waste had to be diverted from the Toland Road Landfill to other landfills in the area due the heavy rains.

On January 10th, the operator of the Simi Valley Landfill and Recycling Center requested an emergency waiver from our Local Enforcement Agency to temporarily exceed the permitted peak tonnage limits in order to handle the waste from Toland Road site. The LEA granted the waiver allowing a temporary increase from 3,000 tons per day to 9,250 tons per day from January 10th to January 16th. No other changes were requested. Our staff have reviewed the emergency waiver and found it to be consistent with state standards.

I'll take a little pause in my presentation here to turn it over to Howard for a quick update on what's going on at the Mariposa landfill.

DEPUTY DIRECTOR LEVENSON: Thank you, Mark. And good morning, Board members. Howard Levenson with the Permitting and Enforcement Division.

As you know, about a week ago due to the heavy

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1 rains, there was a break at the Mariposa Landfill, and
2 there was a flow of leachate from the landfill and some
3 trash down below the site, a considerable distance. The
4 LEA was at the site immediately and was coordinating with
5 our staff and with the Regional Water Board. They had
6 litter crews out there within a half day or day, and they
7 picked up most of the trash from the downstream flow.
8 They've also begun to pump out leachate that was
9 accumulating, and they've stopped most of the flow.
10 But the most important thing about this break was
11 it was just a surface break. It's not a deep seated
12 stability failure. We had Wes Minderman and Scott Walker
13 were down there on Friday to assist the LEA in looking at
14 the site. The LEA and the operator are planning to do
15 additional improvements to prevent future erosion control,
16 things like hay bails and changes in cover. They're going
17 to have to do some improvements on some of the access
18 roads as soon as it's dry enough to get heavy equipment in
19 there. So they're in a little bit of a holding pattern.
20 They've stopped the major problem, but there certainly are
21 some long-term repairs to undertake. That's, I think, it
22 in a nutshell. If you'd like more information, Scott's
23 here to answer any questions.
24 EXECUTIVE DIRECTOR LEARY: Thank you, Howard.
25 Why don't we hold questions to the end if there

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are any.

Couple other items, at the Board's October meeting, you approved a sale of exiting loans in the Recycling Market Development Loan portfolio. I'm pleased report the bulk loan sale closed on December 15th. We received the first of two payments, $9 million, which is now available for new loans.

In addition, Capital Crossing Bank reimbursed the Board approximately $40,000 for outside legal costs.

The $10 million balance of the loan sale proceeds is due on December 15th, 2005. Staff is in the process of sending out a Notice of Funding Availability to 244 recycling manufacturers located in the 40 recycling market development zones.

On a related note, as is my obligation, I'd like to publicly announce that the new RMDZ loan interest rate is 5.25 percent. This equals the current national prime rate of interest. The rate was to be charged on all new RMDZ loans for the six-month period ending June 30th, 2005. It represents a 1 percent increase from the current RMDZ interest rate of 4.25 percent.

Another related effort that the Board staff is particularly engaged in, as part of the Board's effort to advance environmentally-preferable purchasing, staff is actively participating with the Department of General

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1 Services led California strategic source initiative. This
2 major effort which aims to consolidate state purchases to
3 save money is moving forward very rapidly and will impact
4 state procurement for years to come. Staff is providing
5 comments for the Department's consideration and contract
6 documents and procurement specifications and is seeking
7 expertise from other agencies to the extent feasible given
8 time constraints. Staff is striving to encourage a
9 cooperative long-term working relationship with the
10 Department's Procurement Office in order to facilitate
11 progress on environmentally-preferable purchasing. And if
12 I may note a couple of staff, Bill Orr and Kathy Frevert
13 from the Waste Prevention and Market Development are
14 leading our efforts over there. I think Kathy has pretty
15 much moved in over at the Department of General Services
16 and is working side by side with them, which is exactly
17 how we wanted to see it happen.
18 A quick update on the suggestion box. As I
19 acknowledged in an e-mail late Friday afternoon, we've
20 continued to make progress on the suggestions made by
21 staff. What hasn't happened, and which I will take full
22 responsibility for, is updating the suggestion box
23 website. In the spirit of New Years resolutions, I commit
24 to staff particularly to keep that suggestion box updated,
25 and I'll do it myself if I have to.

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1 Building from your comments, Chair Marin, on the
2 budget update, just so everyone knows, we were treated
3 quite fairly in the budget process, such that the Board's
4 operating budget is now $190 million, about 435 full-time
5 positions. The increase in the budget from last year is
6 largely the result of the implementation of the E-Waste
7 Program, which we'll be talking about here in a minute.
8 We moved into third place among the CalEPA BDOs, moving
9 ahead of the Department of Toxics after the Water Board
10 and the Air Board in terms of total expenditure authority.
11 And then, finally, I'd like to thank Board Member
12 Paparian from his lead-in on the E-Waste Program. With
13 the New Year came the official kickoff of one of the
14 Board's newest and largest programs. I think the timing
15 is right to provide you with a quick expanded update on
16 the E-Waste Recycling Program.
17 As I'm sure you're aware of, the oft delayed fee
18 collection portion of the Electronic Waste Recycling Act
19 began January 1, 2005. And so far, all involved parties
20 have survived. Retailers are currently collecting the
21 e-waste recycling fee of $6, $8, or $10 on covered
22 devices, including most televisions and computer monitors
23 and laptop computers. Staff on the E-Team has informally
24 visited many retailers in Sacramento and Bay Area. Most
25 appear to be charging the fee without issue. Maybe some

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of you or some in the audience today have already contributed to our fund when they've purchased a new TV or computer monitor. Or perhaps you've seen a point of purchase ads in retail outlets, ads that were developed by the Earth Communications Office, our contractor for the e-waste public awareness campaign, and which are available on our website. We'll show you a copy of those ads when we showcase the erecycle.org website in a few minutes.

So at this point, I'd like to turn it over to our E-Team program leader, Shirley Willd-Wagner, to provide you with an update on the status of program implementation.

(Thereupon an overhead presentation was presented as follows.)

BRANCH MANAGER WILLD-WAGNER: Good morning, Madam Chair and Board members. Shirley Willd-Wagner, heading up the E-Team.

Thanks again to Board Member Paparian, we do feel loved as the E-Team. I think everybody on the team really knows we're supported, and that's a really good feeling to be part of a team and to feel we're supported from all levels.

We did survive. An update here on how we survived January 1st. We did have some people staffing in the telephones both here and at the Board of Equalization,

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and, really, things went very smoothly the first weekend. Some of our staff was out in the field the following weekend. We saw many our point of purchase ads displayed --

--o0o--

BRANCH MANAGER WILLD-WAGNER: -- and talked to most of the retailers and they were collecting the fee.

Phase 1 of the SB 2050 effort is to collect the fee. So I thought I'd give you a little update on what the Board of Equalization has done to that effort. There's about 942 retailers registered as of this morning. And how that resulted from, a mailing of about 275,000 postcards in early November to potential retailers. They also at the same time, BOE has concurrently launched their e-waste website and 1-800 number. The website includes a really nice frequently asked questions document, as well as the actual retailer registration forms are online, and of course, links to the Waste Board and the Department of Toxics.

Their 800 phone number has collected and they've responded to approximately 2300 telephone calls since November. The Board of Equalization has been hosting conference calls with some of the affected stakeholders. CRA is the California Retailers Association, and ELA is the Equipment Leasing Association. Both of those groups

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1 have been really active in seeking all of our assistance
2 in answering questions. And so the BOE has hosted four of
3 those phone calls. Usually, those agencies -- ELA and CRA
4 submit questions in advance. BOE responds to them. We
5 have a chance to respond also and we discuss it on the
6 telephone call. Many of their members actually attend
7 those calls and also members of DTSC and CIWMB attend.
8 BOE inserted an informational piece into the
9 sales and use tax returns in December. And I believe this
10 prompted some new registrations soon after. And then as
11 we've noticed, there have been some of these retailers
12 that we notice were not registered. So BOE has been
13 identifying those and following up with some of those
14 large retailers with phone calls just to encourage them to
15 register. The registration probably doesn't actually have
16 to happen until they make their first payment, so we're
17 not too worried about that. But we are following up on
18 anybody that we see out in the field also that might not
19 be collecting the fee. We've had a couple of those, so we
20 set up a process now where our staff will contact BOE and
21 be able to follow up on those.
22 We've also started regular meetings every other
23 week rotating places either at our shop or their shop.
24 And CIWMB, BOE, and DTSC have get to sit down around a
25 room. I think that's really helped our relationship in

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1 understanding each other's problems. And there's
2 certainly different issues each agency has. So the
3 meetings have helped us get past those and at least have a
4 forum where we know we can discuss face to face what's
5 going on.
6 --o0o--
7 BRANCH MANAGER WILLD-WAGNER: The payment system,
8 this is our largest responsibility as the Board. And, of
9 course, there's two parts to this. The first is to
10 approve the collectors and recyclers to participate and
11 eventually get the funds called for under the Act. And
12 Part 2 is having some funds to give to the recyclers and
13 collectors.
14 On the second part there I'll talk about first
15 for just a second, this, of course, includes some
16 significant assistance from the administration division
17 and the budget shop, specifically Tom Estes, Elsie
18 Brenneman, and Helen Carriker that have really played that
19 role in being able to follow up with the Department of
20 Finance and the executive staff with Mark and Julie have
21 been able to meet with CalEPA administration and
22 Department of Finance to try to achieve a loan. A loan is
23 in the works, and we do believe it will be in place in
24 order to accomplish Part 1, being able to pay the
25 recyclers who, in turn, turn around and pay the

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collectors.

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BRANCH MANAGER WILLD-WAGNER: Now a little bit more information on the approval of the collectors and recyclers. This is really what has taken up the majority of my staff's time in the last two or three months. I'm positive many of those effected communities know Claudia Moore phone number by heart. They can probable recognize Jeff Hunts' from across a football field from all the time we've spent with them. As of this morning, we have 10 recyclers approved and 79 collectors. All of these are listed on our website. So that's a good public outreach mechanism also.

Many of the applications have come in the last three weeks since January 1st, or at least since the holidays. Some of these that have actually applied are not quite approved yet, but we're working really hard on this and getting close.

To approve our collector recycling involves coordination with DTSC. If they're a collector, they need to notify DTSC and be in compliance with management standards. The recyclers, as you may know, those that actually process the material have to have an inspection by DTSC and be found in conformance with all laws, regulations, and ordinances. The relationship with the

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1 DTSC is going great. They've been able to keep up on the
2 inspections, and everything seems to be on target that
3 way.
4 That leads into here our database deployment.
5 And I even put on the slide here it's an amazing -- you
6 all know we have an amazing information technology staff.
7 You've all said really nice things about the staff today.
8 And, boy, this IT staff is just incredible. They rolled
9 out an interim database for us to use for a new months
10 when we were first starting off on the approval of
11 collectors and recyclers. Now we have the full deployment
12 of a permanent system. Really specifically like to thank
13 the programers Amarjot Biring, Mercy Caputi, and
14 Supervisors Paige Lettington and Doug Ralston the Manager
15 have really put this forward as a full time priority. And
16 it's an excellent system.
17 One of the new things they were able to add,
18 which may be a model for the future here. DTSC staff
19 actually has a direct portal into our database so they can
20 go in now and directly say this collector has notified and
21 is okay for you to approve. And this recycler has now
22 been inspected and has met all of our requirements. So
23 that gives us an electronic communication directly. We
24 don't have to go look in a red binder anymore or seek
25 things out. We can look right to our database as well as

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they can, and they can see all of our reports. I think that's been an exciting development.

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BRANCH MANAGER WILLD-WAGNER: Stakeholder interaction continues. We've had literally hundreds of calls in working with them, working with the retailers, collectors, recyclers, consumers and local government. That continues. Stakeholders are certainly key to the success of this program.

Workshops were held in November with DTSC. Actually, DTSC staff organized these, and our staff went along. And those were held throughout the state; Sacramento, Bay Area, Los Angeles, San Diego. Gathered up a lot of not only technical assistance so that the stakeholders could fill out our forms and DTSC's forms more accurately, but also got new information out in the program, interest in the program.

We continue the e-mailbox where stakeholders can submit questions and we respond, and the listserve where stakeholders actually -- they subscribe to our listserve and we send out regular updates.

All of our forms are available now online, the registration forms to become a collector or recycler and also to be a registered manufacturer, and the payment forms and supporting documentation.

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1 And I wanted to speak just for a minute about
2 these payments forms. We've kicked off. We've had
3 January 1st. But we haven't made that first payment to a
4 recycler or collector. That will be the second big test,
5 I guess, of the system. We do require some pretty
6 comprehensive documentation to support the payment
7 request. We want to make sure we're seriously
8 communicating this to the stakeholders and that we take
9 our commitments seriously.
10 This is hazardous waste. E-waste is hazardous
11 waste. We need to protect against any -- you know, do the
12 best we can to protect against fraud and mismanagement
13 against the hazardous waste. We feel it's our
14 responsibility to understand how the material moves
15 through the system from perhaps multiple collectors, to a
16 recycler, to cancellation of the material, and its
17 ultimate destination. Where does it actually end up?
18 That was the impetus for this bill in the first place.
19 And we're requiring the documentation to determine what
20 that ultimate destination is.
21 All of this did have stakeholder input with our
22 various workshops. So there shouldn't be any big
23 surprises. But I also know revisions will certainly be
24 necessary as we move into the permanent regulation phase.
25 There's a big difference between looking at a process in

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theory and actually filling out the paperwork and getting the documentation. We look to work closely with the stakeholders on that.

--o0o--

BRANCH MANAGER WILLD-WAGNER: Some good news also on the new resources. We're kicking off something on Thursday doing a training with the Office of Local Assistance staff. And this, again, is another exciting new avenue I think for the Board. Pat Schiavo, Cara Morgan, and Phil Morales have been helpful in getting some resources where we can actually use the Local Assistance staff who have the relationship with the local government to be our eyes and ears out in the field.

We'll be doing a training, as I said, on Thursday. We expect the OLA staff to be able interact with our local governments, find out how they're dealing with E-waste, who they're working with, collectors and haulers wise, where their contracts are, just kind of how everything is going. And then bring feedback back to us on the E-Team if there's some areas we need to follow up. We've got approval and moving forward to hire three new IWMS positions. So these will be the first on-paper positions that are fully dedicated actually to the e-waste efforts, so that's kind of exciting.

And I want to new introduce a couple people I've

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mention Chris Peck is going to roll through some of the erecycle.org of website and show you what's been happening there.

Chris.

--o0o--

SUPERVISOR PECK: Thank you, Shirley.

I just want to take a couple of minutes to walk you through some of the features of the new erecycle.org website, which is a site we decided some months ago to create so that the retailers primarily had a memorable URL or domain name to refer consumers to. This is intended to be a primary portal for consumers to find information out about the fee, electronics recycling in general, and specifically to locate opportunities where they can recycle electronic devices covered under the program. So it's primarily intended to be a consumer-friendly website, which I do believe we have achieved. Because it's a .org site, we've actually stepped outside of the constraints of the State agency website, which you can easily see.

A couple of the features you'll notice, the IBM and Panasonic logos across the top. These are our two first early adopters into our sponsors program. They actually are providing some financial support for us to operate this campaign.

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1 SUPERVISOR PECK: We also have a long list of
2 partners who are joining us. You'll see on the sponsors
3 and partners page our partners include the Department of
4 Toxic Substances Control; the Board of Equalization, they
5 have linked to our website; the Bureau of Electronic and
6 Appliance Repair; local government.
7 I would say we sent a letter actually over the
8 signatures of Chair Marin and B.B. Blevins, the Director
9 of the Department of Toxic Substances Control I think
10 early last week. It was broadcast electronically to all
11 of our local jurisdiction contacts. The DPLA staff did
12 that for us. Within about five minutes of that going out,
13 we had an e-mail back from Yvonne Hunter, the League of
14 California Cities, sort of -- I can hear her clapping her
15 hands. It was great.
16 So we actually have added -- within the space of
17 about 24 hours, I think we added the League of California
18 Cities as a partner. Both the Earth Communications
19 Office, who actually is our contractor working with us on
20 this, but they're primarily an environmental messaging
21 organization. And CAW Foundation has joined us.
22 The concept of partners here. We expect to add a
23 long list of retailers primarily to our partners list.
24 The concept of partners are people who are helping us
25 reach out to the public to broadcast and spread the domain

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name erecycle.org so consumers know where to go to get information.

--o0o--

SUPERVISOR PECK: The consumers page on this has got some basis questions about e-waste in general, what we're doing in California, and very importantly, a link to this page which brings up -- actually, this is a mirror of our own electronic product management directory on the Board's website. They don't actually have to leave this site to do it. This website actually is hosted on the Board's web server, so it can easily update the EPMD directory, and that information comes up here. So people can access information about where to go.

There's basic information for retailers and manufacturers in terms of their obligation under the law, where they can go to find information. For example, for the retailers, what do I tell consumers? We have a point of purchase announcement. We actually put up just the message here, "California's e-recycle fee, a small price to pay to protect our environment," before we even had the camera-ready art done. I see that's not coming up, but I can give you a good idea of what --

--o0o--

SUPERVISOR PECK: For some reason that's not working today. That's a disappointment.

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--o0o--

SUPERVISOR PECK: Let's go to --

--o0o--

SUPERVISOR PECK: The banner ads are coming up. We have created a series of banner ads for people to use on their websites that link people back to our website.

"You can't just hit delete. E-recycle your old computer."

"Is your old TV ready for reruns? E-recycle it."

"Protect our environment. E-recycle TVs and computers."

And "E-recycling, California does it again."

These are just some of slogans we have come up with some different pages and formats for people to use to link to to put banners on their website. That probably is enough information for now.

Just for in the future, in the next week to ten days, we'll be rolling out our television and radio public service campaign. We have announcements. The English announcements feature the voice of Jeff Goldblum. And the Spanish language announcements feature the voice of Esai Morales. So we're excited about that, and we'll let you know more as we get ready to do that what those things exactly look like and when we're ready to do that.

DEPUTY DIRECTOR LEARY: Madam Chair, if there

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aren't any questions about the e-waste program, I have a couple of closing comments. But I don't want to interrupt the flow of information here.

CHAIRPERSON MARIN: Are there any questions or comments? I have a couple myself, but I'll defer to my Board members first.

Rosalie.

BOARD MEMBER MULÉ: I just want to thank everyone who is involved in this entire program. I know you were under a lot of pressure and deadlines to get this done, and I just want to commend all of you.

Chris, I love the website.

John, you all did a great job on that.

And I just want to thank everybody for all the hard work you've done. Again, you've managed to work under a lot of pressure, through a lot of changes. And so far, it's been very successful. And I just want to say thank you. Great job. Thank you.

CHAIRPERSON MARIN: Thank you.

I have a question, shirley. We have 10 recyclers and 79 collectors. What's our goal? Are we looking -- what are we aiming at?

BRANCH MANAGER WILLD-WAGNER: I wouldn't say our goal is a number. Our goal is more some adequate coverage and business relationships throughout the state so

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1 everybody has an opportunity that's, as the statute says,
2 cost-free and convenient. We're fine with a low number.
3 Maybe, you know, twice that much, maybe 20 to 25 recyclers
4 eventually. Might take a year to get there.
5 What I'm more concerned about is having recyclers
6 spread throughout the state. And right now, we don't have
7 real good coverage yet. I'm hoping with our three new
8 staff we'll be able to look a little bit at where our
9 coverage is. Recyclers are not spread throughout the
10 state. The collectors I'm not even sure. With over 100
11 applications, we're not sure yet.
12 The goal isn't really a number. I think
13 eventually we'll have, as I said, between 20 and 25. The
14 goal is more adequate coverage.
15 CHAIRPERSON MARIN: The reason why I ask for that
16 is if there's any way the Board members, anything that we
17 can do, maybe through the relationships all of us have
18 with some people in the industry, maybe a phone call
19 directly to the people that we know that maybe in one
20 particular county we don't have the coverage we desire.
21 You know, maybe somebody in that area knows somebody
22 there. If we can use the Board as well, I'm sure that we
23 would love to help in any which way we can.
24 I think that the whole question for me is
25 convenience. You know, if it is not convenient for the

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consumer, they're not going to be dragging those computers 20 miles down the road to deposit it where it should be. So I think that our goal has got to be to make it as convenient as possible to the end consumer, because that's really what this is all about. And I think that if I can or if I should, I will call people and say, "Please become a recycler" or "Please join us in this effort." I'm sure every Board member will do that.

BRANCH MANAGER WILLD-WAGNER: I appreciate that, Madam Chair.

I think, again, in that effort, it might be more important to do the collectors. The recyclers are the ones that are actually processing and crushing the glass and processing the hazardous waste. But for the collection convenience, that's where I think we could perhaps do that. So thank you.

CHAIRPERSON MARIN: I'll be willing to call collectors as well and say, "Please join us." This is a great effort and all of us will join you as well.

Okay. Mike, Mr. Paparian.

BOARD MEMBER PAPARIAN: I also want to reiterate the fantastic work the staff has done on this. It's just a handful of staff have put together what's the equivalent of a $70 million start-up. It's a $70 million program that just a few people put together over about a six-month

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1 period. And they can't rest now. You know, they had to
2 build up -- I know they put a lot of extra time and extra
3 effort to get this thing ready for January 1st. And
4 they're still going full speed ahead trying to make sure
5 the implementation, the checks go out when it comes up.
6 And I think it's a real testament to the willingness of
7 the staff to step up to the challenge and meet the
8 challenge and get the job done.
9 CHAIRPERSON MARIN: Thank you, Mr. Paparian.
10 I'm sure our staff realizes that we really
11 appreciate them. But I think in another way, they relish
12 the challenge, you know. It's like they're ready for the
13 task, and we just need to give them the direction and let
14 them run free. When we do that and don't interfere, I
15 think they do much, much better. But our regards to every
16 single member. I know there's a handful of people that
17 take the lead. But behind them, there's a number of
18 people that make their work much easier. And, you know,
19 kudos to all of you.
20 Thank you, Shirley.
21 EXECUTIVE DIRECTOR LEARY: Madam Chair, thank you
22 for those very positive comments. I just wanted to add
23 two thoughts.
24 One, I think the other opportunity the e-waste
25 program has allowed is a closer working relationship with

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1 the Department of Toxic Substances Control. And I know
2 Shirley touched on that. But that relationship has
3 flourished. And we are truly are partners interacting on
4 this e-waste program.
5 Speaking of relishing changes, I want to
6 highlight within part of my budget update a little less
7 prominent of a challenge and maybe not quite so featured
8 in resources. But the budget does include enhanced
9 resources for the education and environment initiative
10 that the Board has championed. And it has been a
11 challenge in effecting the budget only in the sense I
12 think that folks who build our budget aren't necessarily
13 used to seeing education initiatives coming from the
14 Integrated Waste Management Board. But through the
15 persistence of Bonnie Bruce, Joanne Vorhies, and Board
16 Member Linda Moulton-Patterson, we've affected some
17 changes.
18 And, ultimately, if we're successful in
19 implementing 1548, it will be more about societal change
20 than anybody else we do if we're ultimately successful.
21 Because that will be about affecting our children's
22 thinking in the next generation. So I wanted to touch on
23 that and not lose site about the big flourish around
24 e-waste, there's also a smaller effort but with huge
25 significance around effecting the education of our kids.

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Thank you.

CHAIRPERSON MARIN: I will only correct you, Mr. Leary, not if we are successful. Because I know between Linda and Bonnie and Joanne we will be successful. It's not if, but rather when.

EXECUTIVE DIRECTOR LEARY: I stand corrected.

And with that, I close my Executive Director's report.

CHAIRPERSON MARIN: Thank you, Mr. Leary.

Okay. Public comment. At this point in time, anybody that is willing to address the Board on issues that are not on the agenda -- that are not on the agenda is welcome to talk to us. Do we have any brave people?

Not right now. Okay. Great.

That leads us to the consent agenda. And let me just -- you know, the great things about Committee is all of the work, when done properly through the Committee work, makes the Board work a lot faster.

So on the consent agenda we have Item Number 2, 3, 4, 7, 9, 12, 13, 14, 15, 16, 17, 18, 19, 20, actually through 32. We've had a very significant Sustainability and Market Development Committee. And all of the items we were able to place on consent.

So with that, that's the presentation of the consent agenda. Does anybody wish to remove any items

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from the consent agenda?

With that, is there a motion?

BOARD MEMBER MULÉ: Madam Chair, I'd like to move approval of the consent agenda.

BOARD MEMBER PAPARIAN: Second.

CHAIRPERSON MARIN: Moved by Ms. Mulé and seconded by Mr. Paparian.

Call the roll, please.

EXECUTIVE ASSISTANT JIMINEZ: Moulton-Patterson?

BOARD MEMBER MOULTON-PATTERSON: Aye.

EXECUTIVE ASSISTANT JIMENEZ: Peace?

BOARD MEMBER PEACE: Aye.

EXECUTIVE ASSISTANT JIMENEZ: Mulé?

BOARD MEMBER MULÉ: Aye.

EXECUTIVE ASSISTANT JIMENEZ: Paparian?

BOARD MEMBER PAPARIAN: Aye.

EXECUTIVE ASSISTANT JIMENEZ: Washington?

BOARD MEMBER WASHINGTON: Aye.

EXECUTIVE ASSISTANT JIMINEZ: Marin?

CHAIRPERSON MARIN: Aye.

Let me just go over the next items. Item Number 1 was pulled.

Item Number 5 was a public hearing.

We're going to be dealing with Item 6.

Item 8 was in Committee only.

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1 There will be a presentation on Items 10 and 11.
2 So with that, we go into Committee reports.
3 And, Rosalie, you're first on the line,
4 Permitting and Enforcement.
5 BOARD MEMBER MULÉ: Thank you, Madam Chair.
6 In our Committee, we heard three solid waste
7 facilities permit applications and had the one pulled at
8 the request of the applicant. We did hold a public
9 hearing on proposed regulations for long-term gas
10 violations. We received several letters from stakeholders
11 with comments on the proposed regulations. Staff is
12 following up with those stakeholders and considering the
13 stakeholder recommendations. And we look forward to
14 hearing from staff on the outcome of that meeting.
15 Thank you. That concludes my report, Madam
16 Chair.
17 CHAIRPERSON MARIN: Okay. Anything further,
18 Howard?
19 DEPUTY DIRECTOR LEVENSON: No, ma'am. That's all
20 that happened at the Committee meeting.
21 CHAIRPERSON MARIN: Perfect. Just want to make
22 sure.
23 Ms. Cheryl Peace, Special Waste.
24 BOARD MEMBER PEACE: Okay. We heard three items
25 in the Special Waste Committee last week.

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1 Item 7, Modified Grant Processes for Used Oil
2 Block Grant Program to Enhance Program Efficiency. This
3 included the elimination of the advance payment option for
4 individual grantees receiving the Block Grants over
5 $20,000 and strictly enforcing compliance with the annual
6 report requirements. These were good changes. There was
7 no opposition. This was placed on consent.
8 Item Number 8 was heard in Committee only. We
9 had a report by Phil Stolarski from Caltrans on the
10 research they are doing for us with grant money received
11 from the Tire Fund. By the end of the year, Caltrans will
12 have results from the research they are doing on the
13 recyclability of rack. Also by the end of the year, the
14 report evaluating comparing the wet, dry, and terminal
15 blend RAC processes will be complete. And by the end of
16 this month, hopefully, we should have the RAC performance
17 review report finalized.
18 I'm so pleased because local transportation and
19 public works departments look to Caltrans for research
20 findings and specifications to justify laying RAC in their
21 jurisdictions. And this is research they can't afford to
22 do on their own.
23 So that brings us to Item Number 6, the scoring
24 Criteria and Evaluation Process for the HHW, Household
25 Hazardous Waste Grant Program, for the Fiscal Year 05-06

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1 Grant Cycle. Now, we had a rather surprising amount of
2 opposition for a change that would have made having a
3 green procurement policy as an eligibility requirement
4 instead of a scoring criteria. If the Board members will
5 indulge me, Madam Chair, I would like to say a few things.
6 In Item Number 6 and the Item Number 6 I received
7 and read through, I thought staff made some very good
8 arguments for the change.
9 One, it would evaluate the importance of adopting
10 policies related to environmentally-preferable practices.
11 This is a good thing. This could help push our zero waste
12 agenda.
13 Two, staff time would be more efficiently used
14 and the criteria applied more consistently. This, too, is
15 a good thing.
16 Three, staff could utilize the additional points
17 to increase the weight of sections related to cost
18 effectiveness, budget, and work plan. This also made a
19 lot of sense to me. Plus the fact that staff said 96
20 percent of the applicants from last year would still have
21 qualified under the new eligibility requirement and the
22 fact that this program is over subscribed. We would not
23 have any trouble getting all of our money out the door.
24 So all of this sounded very reasonable to me,
25 except I was going to suggest that we start this change

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with the next cycle, 06-07, giving the potential grantees a year's notice of the change and also reminding the applicants of the upcoming change at the annual Household Hazardous Waste Conference and at the bimonthly Household Hazardous Waste meeting. Plenty of notice, one would think.

On the Tuesday before the Committee meeting, we received a letter from Yvonne Hunter -- hi, Yvonne -- of the League of Cities. Now, I love hearing from Yvonne. She always has very good points to make. She is reasonable, and she is very good at crafting compromises. So I read her letter with much thought and consideration.

One, she's under the impression the Board has no statutory authority to use procurement policies to determine eligibility for Household Hazardous Waste Grants. I checked with our Legal staff on two different occasions, and they determined that the Board does have the authority to do this. And heaven knows our Legal staff is very conservative. So when they say we have the authority to do it, I have no reason to doubt it.

Two, Yvonne's letter also stated it would be helpful to publicize this new policy to all potential grantees, giving them time to adopt the procurement policies so they would be prepared for future grant cycles. Great minds think alike. I totally agreed with

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1 that recommendation. That is why I was going to suggest
2 postponing the implementation for a year.
3 Three, the letter suggested that the Board should
4 have a more general discussion of this issue as it relates
5 to other grant application criteria. I would agree. But
6 we had this discussion just last July, Agenda Item Number
7 22, Consideration of Whether the Recycled Content
8 Purchasing Policy Should Continue to be a Scoring Criteria
9 for Board Grant Programs or Become an Eligibility
10 Requirement. Staff did an excellent writeup outlining the
11 history along with the pros and the cons. And from what I
12 recall, there wasn't much discussion. We did agree that
13 if we made the changes, we should give everyone plenty of
14 advance warning. In fact, I suggested adopting the
15 policy -- adopting the eligibility requirement and giving
16 the three years' notice to allow time for potential
17 grantees to adopt an RCP.
18 I also asked, did divisions have to be the same?
19 Legal said no. Each individual division could bring their
20 grant proposals forward to Committee to request this type
21 of change. No one brought up what effect this could have
22 towards furthering the Board's zero waste goal by
23 encouraging and promoting the importance of adopting
24 policies related to environmentally-preferable practices
25 and procurement procedures which ultimately would help

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1 markets for materials. Not one of us actually discussed
2 what could be gained or lost by trying something new in
3 just even one of the Board's grants programs.
4 So again no action taken by the Board, which
5 meant keeping the RCP part of the general scoring
6 criteria. However, I believe staff thought the Board was
7 open to the idea of RCP as an eligibility requirement on a
8 grant-by-grant basis.
9 And with regard to having stakeholder workshops
10 on this issue, we heard the pros, we heard the cons. I
11 think we'd be better served to have the workshop at a
12 scheduled Board meeting. So on Wednesday, the day of the
13 Committee meeting, we had a chance, not necessarily to
14 make the change effective that day, but to make a
15 commitment to the future. To tell local governments now
16 that if they wanted to continue to get our dollars in the
17 future for the very important programs that they do, they
18 have to carry on their day-to-day business practices in a
19 way that helps the state waste less, conserve more, and
20 get to zero waste.
21 We just heard Mr. Leary's report the state is
22 moving towards environmentally-preferable practices. We
23 should be encouraging local governments to do the same in
24 every way we can. We have complained that the law has
25 tied our hands in many ways, that we haven't had the

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1 flexibility to make as many changes as we would have liked
2 to the regional waste management infrastructure. But
3 where we have plenty of authority is how we grant dollars
4 and structure our contracts and our loans. And I contend
5 that if an entity is not operating in a way that can help
6 this Board achieve its mission of zero waste, we should
7 not be rewarding them with the limited resources that we
8 have.
9 Last Wednesday, I was ready for a good
10 discussion. But on Wednesday morning, right before the
11 Committee meeting, I was given a revised agenda item
12 recommending that the RCP EPP be treated as an eligibility
13 requirement for this cycle as a pilot project. An
14 applicant would be able to pass without a policy in place
15 as long as they exhibited sustainable purchasing
16 practices, demonstrated use of EPP, and that resulted in
17 resource conservation and efficiency, and demonstrated
18 intent to improve their purchasing and green practices in
19 the coming year.
20 I know Committee Members Linda Moulton-Patterson
21 and Carl Washington did have some concerns. Board Member
22 Rosalie Mulé expressed her concern over our statutory
23 authority and our stakeholder input. Mike Paparian
24 thought we should send a strong message that we're
25 seriously considering making this an eligibility

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1 requirement.
2 I wanted to move the item as originally written,
3 to make RCP an eligibility requirement, but to put the
4 applicants on notice the would not be this cycle but
5 actually go into effect for fiscal year 06-07. There was
6 not a consensus among us Board members, and we agreed to
7 move the item to the full Board, or that at least is what
8 I thought we did.
9 Then on Friday, we received another revised item
10 proposing to score the Household Hazardous Waste
11 applications in the traditional way with the RCP as part
12 of the general scoring criteria. So I guess I'm confused
13 as to why and how this happened, when I thought we moved
14 the item that was presented in Committee, the pilot
15 project item, to the full Board for further discussion.
16 So, what I would like to do, Madam Chair, is
17 after Mr. Lee's Deputy Director's report is to have staff
18 present Item Number 6 and to open up discussion on RCP as
19 an eligibility requirement versus a scoring criteria as it
20 applies to the Household Hazardous Waste Grants.
21 CHAIRPERSON MARIN: Thank you, Ms. Peace.
22 I think that's exactly what we're going to do.
23 And the reason why it's coming to the Board is so that we
24 can have the entire discussion here. This is a very
25 significant situation that the entire Board needs to have

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1 the time to have discussion, and I welcome that. I
2 listened very attentively to everything that you say, as
3 everybody else has. And I think this is what the Board --
4 this is we should be spending our time and energy and
5 effort in discussing the policies and the what ifs and how
6 best to go ahead with a policy change. I think this is
7 the perfect time to do that.
8 So with that, Mr. Lee, you're going to make a
9 small presentation on Item 6.
10 DEPUTY DIRECTOR LEE: Yes, Madam Chair. And good
11 morning, Board members.
12 CHAIRPERSON MARIN: Or a long presentation.
13 Whatever it is.
14 DEPUTY DIRECTOR LEE: I'll have some assistance
15 from my staff on this.
16 I would like to respond to my Committee Chair,
17 Ms. Peace, on this. There was some -- we did go through
18 several sets of revisions trying to be responsive to
19 concerns we were hearing among our executive staff,
20 concerns we understood from stakeholders, and in an
21 attempt to craft an item that would pass muster with the
22 Board as a whole.
23 First of all I'd like to say staff does share the
24 position that's been brought to the floor by our Committee
25 Chair, Ms. Peace. We think for the Board as a whole

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1 having the RCP as an eligibility item makes a lot of
2 sense. But I think the revisions that I've made,
3 particularly the last ones, are perhaps taking a little
4 more parochial view. You know, basically, my staff and I
5 can implement the program as an eligibility requirement.
6 We can implement it as a scoring criteria. You know, we
7 await the Board's direction as to how they would like to
8 proceed.
9 So I guess the bottom line is, you know, we
10 brought forth an item originally that we thought was best.
11 The item we have now we feel, again, in light of the
12 concerns that have been raised at the Committee meeting
13 and by the stakeholders, this is an alternate way to
14 proceed. That does not, of course, preclude the Board
15 from, you know, giving us the direction as to what to --
16 exactly the way you'd like to see it implemented as part
17 of this item or across all of the Board's programs.
18 So with that as kind of a brief overview, what
19 I'd like to do is call on my staff Ashraf Batavia and
20 Bonnie Cornwall to give a very brief synopsis of this
21 other salient points, which there are many with regards to
22 this grant program, for the Board's consideration. And
23 then as, Madam Chair, you mentioned, to have the Board
24 perhaps entertain a policy discussion on the RCP issue.
25 (Thereupon an overhead presentation was

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presented as follows.)

MR. BATAVIA: Good morning, Madam Chair and Board members. I'm Ashraf Batavia, Grant Manager with the Used Oil and Household Waste Grant Program.

Today, I'll be presenting the agenda item for the Consideration of the Scoring Criteria and the Evaluation Process for our Household Hazardous Waste Grant 14th Cycle for Fiscal Year 2005-2006.

--o0o--

MR. BATAVIA: Board staff recommends allocating $4.5 million from the IWMA account for this grant. $4.5 million is equal to the amount of funding provided last year, which was an increase from previous cycles due to the continued high demand for grant funds. Staff proposes that a single jurisdiction can request up to $200,000, and regional applicants covering more than one city or county can request up to $300,000. In addition, this grant cycle we are setting aside $200,000 for recycled paint certification project.

From here, I will request Ms. Bonnie Cornwall to discuss in detail the recycled paint certification project.

--o0o--

BRANCH MANAGER CORNWALL: Thank you.

I want to present what's a key and new element of

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this particular grant cycle, which is setting aside funding to establish a system relative to the content performance standards and the specifications for recycled paint. This project becomes very important, particularly in light of some of the things Mr. Leary talked about in terms of setting procurement standards here at the state level. And there have been concerns expressed by several of the departments relative to the quality and reliability of recycled paint.

--o0o--

BRANCH MANAGER CORNWALL: This particular project builds on the proven track record that we have with the product stewardship initiative. The Board has worked closely with this initiative on several projects, one related to carpets, another related to e-waste. And ongoing right now is a national paint dialogue where the Board partners with other state agencies, other local governments, industry, and industry association relative to developing a national system for recycled paint. Leftover paint constitutes the largest element of household hazardous waste at over 40 percent. So it's clearly an area where we need to look at new strategies and programs.

This particular project that the Board would propose for funding through this grant cycle is one of

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eleven projects that have been developed through a consensus process at the national paint dialogue. Each project really needed to find a home or funding source to move forward with the project. And this is the one that the California team -- and this represents a joint effort between three divisions: The State Buy Recycled folks; market Development; and Special Waste, who are working closely together to further this project. So we ask that we set aside funding in this grant cycle for projects to come forward to develop this certification system for recycled paint.

--o0o--

MR. BATAVIA: For this grant cycle, our jurisdictions, regardless of having previous awarded grants, are eligible to apply. The discretionary program criteria for this cycle includes: New or expended HHW programs for the building of permanent infrastructure; or HHW facility expansion to accommodate electronic waste, universal waste, and universal waste electronic devices; or pilot u-waste programs.

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MR. BATAVIA: Staff also requests an exemption from the permits license checklist requirement and geographic distribution of funds for this grant cycle based on the following considerations. This grant program

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is available exclusively to public entities who have been exempted from this requirement in other instances and the grantees are contractually obliged as set forth in the grant agreement boilerplate to comply with all applicable laws, ordinances, and regulations. Staff also recommends against splitting the awards proportionately according to the state's north and south population due to the uneven distribution of eligible applicants.

BRANCH MANAGER CORNWALL: Based on discussion at Committee meeting, we're putting forward an alternative which was discussed at the end of Committee so we know how to move forward and score these applications.

Upon hearing there was discussion at the Committee meeting as whether we would provide RCP as eligibility a year forward, we decided we needed to get your concurrence on the criteria we would score this time. And that if the Board made the determination on how to address RCP eligibility in the future, that would be added to the application and to the Notice of Funding Availability to advise grantees, should that be the manner in which you decided to proceed. But we do need to have clarity on exactly what criteria we will score the grants in order to put the application out and let folks know on what basis they'll be evaluated.

So we're proposing to use the same system that we

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used, and you have the revised criteria there for this year. We propose to have the recycled content portion at 10 points, which is what we've used in the last cycle and which ensured compliance at a very high level, as we indicated in the presentation. So you'll see how the scoring sheet has been adjusted and where points have been subtracted to insert RCP as a general scoring criteria.

With that, we ask the Board to approve Option 1 with specific revisions as presented at the Committee meeting and to adopt --

--o0o--

BRANCH MANAGER CORNWALL: -- Resolution 2005-28.

If there are questions, we'd be glad to take them at this point.

CHAIRPERSON MARIN: I do have one person that would like to address the Board, if it is okay. We should allow her to come and speak and then ask the questions that we may have.

Yvonne, would you come up and address the Board.

MS. HUNTER: Madam Chair and Board members, good morning. Happy new year. I think this is the first time I've been here this morning.

Ms. Peace, thank you very much for your comments. And I think it covered quite accurately my comments, the chain of events. And I'd like the share with you your

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1 questioning about what was posted as the revised agenda
2 item and did it reflect what the Committee did or didn't
3 do. And, frankly, I was confused about that as well and,
4 in fact, had asked staff about that when they called me.
5 So I share your chagrin at that.
6 I'm speaking on Behalf of the League, CSAC, and
7 I'm supposed to call it the Environment Services Joint
8 Powers Authority, for the most part. I'd say 95 percent
9 of my comments. We did send a joint letter that was a
10 follow up to my e-mail. And it, in essence, is almost the
11 same as what had been in the e-mail with a few additions.
12 A comment about whether or not the Board has the
13 statutory authority to require this. I'm not an attorney,
14 so I hesitate arguing with attorneys. And, in particular,
15 I haven't had a chance to talk directly to the staff
16 counsel. But as has been described to me, Board
17 counsel -- and I apologize if I misconstrue this -- but
18 Board counsel said the Board does have the authority to
19 impose reasonable conditions or criteria if the program is
20 oversubscribed. And if, indeed, that is what was proposed
21 or stated, how do you know in advance that it's going to
22 be oversubscribed? Now, we can probably anticipate that.
23 And if you remember last fall, we had a vigorous
24 and very productive discussion about this -- I think was
25 the Used Oil Grants. No, I'm sorry. Illegal dumping.

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1 Which grant was it that dealt with purchasing of high
2 efficient cars and whether or not that should fall in the
3 general services criteria. And in that discussion, there
4 was a separate section of the grant document and the
5 Board's regulations on what the Board would do and how it
6 would -- additional criteria it would impose if the
7 program was oversubscribed. As far as I can tell, there
8 is no discussion of that in the Household Hazardous Waste
9 Program.
10 BOARD MEMBER PEACE: Can I interrupt for a minute
11 and ask Legal -- I don't remember you saying that we had
12 the authority to do it only if the program was
13 oversubscribed. I don't think that was what we said. I
14 think we said we had the legal authority to do it, period.
15 CHIEF COUNSEL CARTER: Marie Carter, Chief
16 Counsel.
17 I did not mean to imply if it was such an
18 implication that the Board is limited only to cases in
19 which a grant is oversubscribed. In terms of this
20 particular grant, we do have some legislative history and
21 guidance that would give us the authority to do it
22 regardless of whether a grant is oversubscribed.
23 MS. HUNTER: As I said, I'm not an attorney, so I
24 don't want to argue at this point. But I'll follow up,
25 because I would be interested in seeing the statutory

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1 authority that says specifically that in order to be
2 eligible, a local agency has to have adopted procurement
3 policies. Because I know that would be something that all
4 of us in local government would have jumped on and
5 discussed. And if the Board had that authority
6 previously, how come it hasn't been implemented
7 previously?
8 But let's just assume for the sake of argument
9 that you do have that authority. I would strongly suggest
10 along the lines of what Ms. Peace has proposed, that there
11 be more lead time to educate potential grant recipients on
12 whatever the new policy is going to be and the form and.
13 Frankly, I, took a close look at the form and actually got
14 an e-mail -- couple of e-mails from one household
15 hazardous waste manager who I think very highly of. And
16 this individual had not applied -- this was new to this
17 person, because her agency had not applied for the grants
18 for a while.
19 She raised some really interesting questions that
20 I think through the Board's usual very good stakeholder
21 process might be resolved. What happens if, for example,
22 you're part of a regional agency and you're applying for a
23 grant? Does everybody have to have the policy? What
24 happens if one of them doesn't? I'm looking at the
25 checklist here. It says, "check the recycled content or

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1 other environmentally-preferable products you have
2 purchased." Well, what if it's one department as opposed
3 to the whole agency? And, okay, you've purchased it. You
4 purchased one quart of recycled oil, and it sits in your
5 shed. Does that apply?
6 So I would also suggest that there are a few
7 things that probably go beyond environmental or recycled
8 content products. Energy efficiency, which is very
9 important, but that's really not within the jurisdiction
10 of the Board. So I think it would be worthwhile perhaps
11 to have a small group of stakeholders, have a good
12 discussion with staff, and then certainly have a full
13 blown discussion.
14 We would also -- we, the League, CSAC, and RCRC,
15 think that if this is going to be ultimately a good
16 criteria, it ought to apply to every grantee, whether it's
17 a public agency, whether it's a nonprofit, whether it's a
18 private for profit, perhaps even as an eligibility
19 criteria or if you ever -- we resolve that, or a
20 consideration if you're having a Board grant -- I'm
21 sorry -- contract. If the goal is to encourage that type
22 of practice, it ought to be applied to everybody.
23 Regardless of what the legal decision is, I think this is
24 best approached as well legislatively.
25 And, finally, it may be worthwhile considering if

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1 this document and this forum is fine-tuned to have it have
2 one document apply across the board, across all of the
3 Board departments and divisions for grants so that a
4 public agency fills it out once. You don't have different
5 standards if you're applying for an E-Waste Program or a
6 Used Tire Program or a HHW. And I think that's very
7 important. We are more than happy to work with you on
8 this and thank you very much for indulging me.
9 CHAIRPERSON MARIN: Thank you, Yvonne. I really
10 appreciate that.
11 Jim, you want to address that?
12 DEPUTY DIRECTOR LEE: Yes, Madam Chair, if I
13 could.
14 A couple of comments with regards to Ms. Hunter's
15 point she was raising. She noted she was somewhat
16 chagrined about the revisions staff made in the second
17 revisions we made in the item. And I took the pains to
18 call Ms. Hunter personally to discuss the changes we were
19 making in this item, which is, as you recall, the main
20 concern she was bringing forth was eligibility versus
21 scoring criteria. And the whole intent of the revisions
22 is basically to go back to the conventional way, the
23 status quo, way this item is normally heard. That is as a
24 scoring criteria, not as an eligibility requirement.
25 Second, she talks about having spoken with one of

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the potential stakeholders who expressed surprise about this being a consideration. The RCP requirement has been a part of the last at least four years of grant cycles, albeit as a scoring criteria. So it should not be coming as a surprise to anyone that the Board has this particular issue. So I want to make sure the Board -- to clarify those two points.

CHAIRPERSON MARIN: Thank you, Mr. Lee.

I think that the person she contacted had not applied for a grant, so she was raising those questions because she had not applied for a grant. So it was in a vacuum, if you will, if I understand that correctly.

But before we -- are there questions for Yvonne or for Mr. Lee on this one? Because we have one more speaker.

Let me ask George Larsen to come forth on behalf of the Lakin Tire West and King West Recycling something.

MR. LARSEN: Authority. I'm sorry, I ran out of space there. I appreciate it, Madam Chair and Members.

I think this Board reflects the needs of my client Kings Waste Recycling Authority, but because the criteria for RCP is in all grants -- I also write some grants for Lakin, so I think there's some cross over. And I appreciate Ms. Peace's comments because it reflect some confusion. And I can assure you that from the other side

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of the dais as I prepare a grant applications, sometimes there's some confusion over here. So I think it's a worthwhile exercise to kind of hash this all out in public.

I agree that the requirement for the purchase of postconsumer and recycled materials is important. In fact, I believe it's critical. And, in fact, I believe that no applicant should be eligible to apply for a grant unless they can demonstrate that. And I think that's where it should end. I think it should be an eligibility requirement going in, not a scoring criteria for the qualifications to perform on what is the legislative intent, the program intent. And the goal of this program is to get household hazardous waste out of the waste stream.

If I have to spend 20 percent or 30 percent of my grant writing time to justify this portion for points, which I've already justified in six other grants from previous grant application periods, that tends to me to become a little less important as a points criteria. But the continued requirement to demonstrate that you're doing it is just as critical every grant cycle.

So that's why I feel it should be some method that for each grant cycle and application after you're initially certified, you should just have to certify maybe

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1 subject to penalties and perjury if you get audited and
2 find out that you're not complying.
3 Because many grant applicants have changed the
4 focus -- I mean, they started out with nothing ten years
5 ago. Your program and through the graciousness of this
6 Board allowed Kings Waste Recycling Authority to build a
7 permanent household hazardous waste facility, paid
8 50 percent of it. We've run hispanic outreach programs.
9 We've run agricultural outreach programs. We have used
10 oil and HHW collection events on a regular basis. We feel
11 like we've had a very successful program. We get audited,
12 and our audits come out as successful.
13 So I think there's a misappropriation, if you
14 will, of points. If anything, that should be worth --
15 it's not worth 50 percent of the need. It's not worth
16 100 percent or equal to the goals and objectives. If
17 anything, it's a 2 percenter. But it's 100 percenter to
18 have to demonstrate before you can even be qualified.
19 So I would like to see that considered that this
20 become just a criteria to be able to apply in the first
21 place. You and your staff determine how that can be
22 demonstrated, and take it off the points list. I
23 appreciate your opportunity to comment.
24 CHAIRPERSON MARIN: Thank you, Mr. Larsen.
25 Board Member Paparian.

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1 BOARD MEMBER PAPARIAN: Thank you, Madam Chair.
2 First of all, I want to compliment the staff for
3 bringing something forward even though it was a
4 recognition it might be a little bit controversial. I
5 think we need these kinds of items periodically. I think
6 the staff did this in full knowledge that in a Board
7 discussion last June or July we told them they could come
8 back with this sort of item in the future. And that's
9 exactly what they did. And I think they did it again
10 knowing it might be controversial, and I think it's good
11 to bring controversial items to us.
12 BOARD MEMBER PEACE: I do, too. I think staff
13 should be presenting to us what they think is best, not
14 what they think we want to hear.
15 BOARD MEMBER PAPARIAN: Let me just say a couple
16 things.
17 I think we have several choices here. One is to
18 keep doing things like we've done in the past. One is in
19 some way to announce we're going to do this as an
20 eligibility criteria next year. And one is to suggest
21 that we'll have some sort of process in the coming months
22 to explore this.
23 Let me say that if we decide that we are going to
24 do this next year -- and this is what I was trying to get
25 across to the Committee -- I don't think we should lock in

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1 the specific eligibility criteria list that was shown at
2 the Committee and say that is what we will do next year.
3 I think that would be locking in a future Board and
4 preventing them from evaluating whatever comments they
5 might receive over the next year. Although I'm open to
6 suggesting that we will do it as an eligibility
7 requirement in the future, I think that we need to
8 explore -- particularly in light of I agree with what
9 Yvonne said, that you could scam your way through the
10 list. And I think we want to make sure that someone
11 doesn't scam their way through by buying one recycled
12 pencil and one ream of paper.
13 BOARD MEMBER PEACE: They can scam through it
14 whether it's a criteria or eligibility requirement. They
15 can scam through it either way.
16 BOARD MEMBER PAPARIAN: It's something we should
17 look at no matter what. But, again, I'm open to that, if
18 that's the decision the Board wants to go in, if we allow
19 ourselves make adjustments during that time period and not
20 fully lock in that next Board.
21 And then the last thing I just want to mention
22 just sort of as almost a legal issue today. We shouldn't
23 be debating the broad range of criteria for all grants
24 today. I think that would need to be another agenda item.
25 This was agendized as the HHW item. I think what we could

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1 do is suggest a process where we would evaluate that, but
2 I don't think technically there's been enough notice to
3 people this would be a broad policy discussion today.
4 CHAIRPERSON MARIN: I think that for some people
5 if it's good for the geese, it's good for the gander. If
6 this is something really good, if this is going to be a
7 criteria that is going to be utilized, then it should be
8 utilized for all of them, not that we're going to adopt
9 that policy right now. I think there needs to be
10 discussion on more than that.
11 I appreciate your comments, Mr. Paparian.
12 Ms. Mulé.
13 BOARD MEMBER MULÉ: Thank you, Madam Chair.
14 I, too, want to thank staff for bringing this to
15 your attention, because this is one of those issues that
16 we kind of put on the back burner. And then all of a
17 sudden when it came before us, when I had my briefing with
18 Special Waste staff, I raised the concern of how can we
19 change this from a scoring criteria to an eligibility
20 criteria and not allow for adequate notice to the
21 potential applicants?
22 And with that, the discussion then went to League
23 of Cities. And I think that if you've read the letter
24 from League of Cities, CSAC, and the Rural Counties
25 ESJPA, I think what they're suggesting is really the way

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to go. This Board has a reputation of stakeholder input and public participation in the process. And I'm not saying that we just rubber stamp and adopt everything that they're suggesting. But again, there's some really sound recommendations in this letter. And I support them 100 percent. And that's the way I would like to see us go.

In addition, in my discussions with Julie, I understand that we've had a Grants Oversight Committee. So what I'd like to do with your suggestion of having a future agenda item to look at the broader scope of eligibility criteria and scoring criteria across the Board with all grants to the extent possible, I'd suggest, Madam Chair, that we reconvene the Grants Oversight Committee and take a look at these.

What I think it's going to do is provide some consistency across the board with our grants process and allow staff to do the work that they need to be doing, rather than readjusting eligibility and scoring criteria every grant cycle. And most importantly, though, I think it's important that we provide adequate notice to the potential applicants if we are going to make any changes.

Thank you, Madam Chair.

CHAIRPERSON MARIN: Thank you Ms. Mulé.

I agree with you. And even though I appreciate

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1 what Ms. Peace was saying, that this wouldn't actually
2 take effect until 2006-2007, that, in fact, we're making
3 the decision today that there may not have been enough
4 duly notice notice, if you will. So I appreciate that.
5 So this is what is really neat about this process
6 and the fact we're discussing it here very openly and
7 public with the input of people. And I think what is
8 clearer to me is that people really like the process that
9 we utilize and that everything is really open and all of
10 the stakeholders come in and hash it out.
11 I feel that when it was presented to the
12 Committee, the stakeholders, or a number of them, did not
13 feel they had hatched out all of this beforehand. So
14 that's why it seems a little bit premature. But this
15 Board is great at responding to all of their concerns, so
16 most likely we're moving towards that direction.
17 Ms. Moulton-Patterson.
18 BOARD MEMBER MOULTON-PATTERSON: Thank you.
19 Your comment makes me veer a little bit on what I
20 was originally going to say. But this is exactly why we
21 need a public Board, so these things can be flushed out in
22 public. And I, you know, certainly have to disagree with
23 the Governor in the case that this Board should not be
24 eliminated. Maybe some changes should be made, and it's
25 certainly not going to effect me personally. But this is

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exactly why we need a public Board.

What I was going to say is I totally agree with Rosalie on what she's saying. And I think that's what I suggested in Committee, that whether we do it with a Grant Oversight Committee or whatever, but we need to go out and revisit everything so all of our stakeholders know what's happening. So thank you for saying it more articulately than I did.

CHAIRPERSON MARIN: Okay. Mr. Lee, where does that lead us?

DEPUTY DIRECTOR LEE: Just one final comment, if the Board will indulge me.

Ms. Peace had made the comment that I was bringing forward, you know, when I thought the Board wanted to hear. I'd like to make sure the Board understands that I will be a strong advocate for what I think is right.

The reason the issue was brought forward in the first place reflects the fact that, as I said in my opening remarks, I was trying to bring forward something that I thought was in the Board's best interest. But from my perspective, I thought in the Committee meeting in reviewing the stakeholder input, I can see both sides of the argument. I think the way the material still remains -- it was presented at the Board has the option.

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1 And, again, overall that is my responsibility to kind of
2 lay out the options for the Board. So as I mentioned
3 earlier, I can live it with either way. I put forward
4 what I thought was best in the original iteration. But,
5 you know, the main goal I have at this particular juncture
6 is to get this grant program on the street. And I can
7 administer it either way the Board wishes to go on this.
8 CHAIRPERSON MARIN: Thank you, Mr. Lee.
9 BOARD MEMBER PEACE: I'd like to ask, how do
10 we -- I want to make sure this moves forward where we get
11 this result. So, staff, what you think is the best next
12 step to take? Because, you know, we probably do need to
13 have some discussion. Because Yvonne made a good point
14 when its comes to the rurals. Does everyone applying for
15 one grant, you know, as a group, do all of them need to
16 have policy? There are some things that need to be worked
17 out. So what is the best way to do this? Should we go
18 ahead and have a workshop or Should we have it at a Board
19 meeting?
20 CHAIRPERSON MARIN: I think the first question is
21 the timing issue for this particular current cycle. That
22 is the first question that I was actually going to ask
23 Mr. Lee. What time frames do we have? Because if we have
24 this money that needs to be doled out right away and the
25 expectations for the local jurisdictions is that they

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1 ought to be receiving this money rather quickly, then the
2 desire of this Board would most likely be let's go ahead
3 and do the way we've always done it, while enabling us the
4 time for the next session to start working on it right now
5 so that we begin to bring in all the stakeholders for the
6 next grant cycle with whatever those revisions might be.
7 But I need to know first the timing limitation that we may
8 have, if there's any right now.
9 DEPUTY DIRECTOR LEE: Madam Chair, again, I
10 understand the Committee wishing to debate this RCP issue.
11 But I would encourage the Committee to make the
12 determination with regards to this grant and allow that to
13 proceed while we do the policy discussion, you know, at a
14 later time so it can be considered across all Board
15 programs. You know, basically, as I said, the program we
16 expect to be significantly oversubscribed. There's a lot
17 of interest, you know, in the particular program. I would
18 hate to see this one delayed, you know, pending whatever
19 the Board's ultimate determination is on this RCP issue.
20 CHAIRPERSON MARIN: Okay. Ms. Peace and then
21 Mr. Paparian.
22 Mr. Paparian, she's succeeding to you.
23 BOARD MEMBER PAPARIAN: As I'm sort of
24 understanding the direction, I get a sense of the Board
25 wanting to go with what the most recent version of the

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1 resolution was. But at the same time, setting up a
2 process to take a look at this across the board. And
3 whether it's the Grants Committee -- I'm not sure who's on
4 the Grants Committee -- or a Committee or the Board as a
5 whole, I think ultimately it's going to need to come to
6 the Board as a whole, Because I think it's that level of
7 policy. But I think we need to take a look at some of the
8 issues that have been brought up. The value of it as an
9 eligibility requirement versus a scoring criteria, as well
10 as how you assure that the scoring criteria truly get at
11 what you're trying to get at, which is a recycled content
12 effective policy.
13 So I hope I'm not just stating the obvious. But
14 I think we seem to be going towards going with this
15 resolution, the most recent one, but then at the same time
16 assuring that in the next few months we set up something
17 to come back to the Board for a much more detailed and
18 broad discussion of the issues.
19 CHAIRPERSON MARIN: Yeah. I believe that is to
20 be the case. That's what I'm hearing from the people.
21 But, Ms. Peace, you want to say a few things.
22 BOARD MEMBER PEACE: I just want to ask staff if
23 the original version of what they brought forward to make
24 this particular grant program to have it be an eligibility
25 requirement is still what they think is best, after all

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1 the discussion we've had today? Is that still the
2 direction you think we should go with this oversubscribed
3 grant program?
4 DEPUTY DIRECTOR LEE: I wouldn't have had it
5 written that way if I didn't feel that was the situation.
6 But, again, I want the Board to understand the
7 most important thing in this particular grant is to get it
8 on the street. I can live with it either way. Like I
9 say, as I mentioned several times before, we were trying
10 to do what we thought was in the Board's best interest.
11 But I can certainly appreciate there's the disparate
12 opinions and recommendations about this issue among the
13 Board. So it is not -- you know, I think we spent the
14 majority of the time discussing this RCP issue. From my
15 perspective, it's not the most important, you know, thing
16 with regards to this particular grant program.
17 BOARD MEMBER PEACE: We do need to get the money
18 out on the street for this.
19 So with that, I would like to move Resolution
20 Number 2005-28 revised, with the change that the RCP will
21 be an eligibility requirement starting with the fiscal
22 year 06-07 grant cycle.
23 CHAIRPERSON MARIN: Is that where it is?
24 BOARD MEMBER PEACE: No. The revision two before
25 us right now is just to leave it as it is as a scoring

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criteria. The way staff originally presented it to us was to have it as an eligibility requirement. That is what they are still saying is what they think is in the best interest of this program.

So I would like move Resolution 2005-28, revision two. It would keep it as a scoring criteria for this year with the change I would like to make is to make the RCP an eligibility requirement starting with the fiscal year 06-07 grant cycle so in the Household Hazard Waste Conference this year and their bimonthly meeting they can make everyone aware of the fact this will be happening next cycle.

CHAIRPERSON MARIN: Is there a second to this?

Is there another motion?

BOARD MEMBER MULÉ: Madam Chair, I'd like to have a substitute motion to adopt Resolution 2005-28 revised as it is in our agenda packet.

CHAIRPERSON MARIN: Is there a second?

BOARD MEMBER MOULTON-PATTERSON: Second.

CHAIRPERSON MARIN: Moved by Ms. Mulé, seconded by Ms. Moulton-Patterson.

Any further discussion?

BOARD MEMBER MULÉ: I would just like to add that, again, we would have workshops in the future to discuss the eligibility versus scoring criteria.

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BOARD MEMBER MOULTON-PATTERSON: As the seconder, I was going to mention that, too.

CHAIRPERSON MARIN: Moved and seconded.

Mr. Washington.

BOARD MEMBER WASHINGTON: Madam Chair, I want wanted to make sure -- Ms. Peace, what you were doing, you want to move it with the particular criteria given it the 05-06, that it will be a part of the 05-06 criteria.

BOARD MEMBER PEACE: Actually, moving it as it's written, but with the change that it would be changed for the next cycle, not this cycle. But for the next cycle. It would become an eligibility requirement for next cycle. Not this year.

CHAIRPERSON MARIN: Okay. What's on the table right now --

BOARD MEMBER PEACE: The way staff had originally said -- the way they presented it to us originally. The way they thought was -- what they thought was best for this grant program.

CHAIRPERSON MARIN: Okay. Call the roll please.

EXECUTIVE ASSISTANT JIMINEZ: Moulton-Patterson?

BOARD MEMBER MOULTON-PATTERSON: Aye.

EXECUTIVE ASSISTANT JIMENEZ: Peace?

BOARD MEMBER PEACE: Well, I guess we need to get the money out the door, don't we? Aye.

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1 EXECUTIVE ASSISTANT JIMENEZ: Mulé.
2 BOARD MEMBER MULÉ: Aye.
3 EXECUTIVE ASSISTANT JIMENEZ: Paparian?
4 BOARD MEMBER PAPARIAN: Aye.
5 EXECUTIVE ASSISTANT JIMENEZ: Washington?
6 BOARD MEMBER WASHINGTON: Aye.
7 EXECUTIVE ASSISTANT JIMINEZ: Marin?
8 CHAIRPERSON MARIN: Aye.
9 BOARD MEMBER PAPARIAN: Can we be clear now --
10 absolutely clear what we're doing from here. You know,
11 again, I think we have a sense the Board wants to get this
12 back for further discussion. I think at the HHW
13 conferences and elsewhere, we ought to inform the
14 participants there's a high likelihood of a change and
15 solicit their input and reaction to that, as well as any
16 other, you know, appropriate venues where grant recipients
17 are gathered.
18 CHAIRPERSON MARIN: I think that is very, very
19 clear to all, not just our staff, but the stakeholders as
20 well that we're going to move together on this and with
21 the eventual goal of revising the criteria.
22 Mr. Lee, I want you to know from all of the Board
23 members, and I certainly want to say this to all of our
24 executive staff, I know personally that I have talked with
25 each and every one of you and have always asked you to

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1 give me your best shot, to give me your best
2 recommendation. I may disagree with you, but I believe
3 when you put forth your recommendation individually and
4 collectively as executive staff that you are doing that.
5 And I will never question your professionalism and your
6 desire to submit to this Board your very best
7 recommendation. And that is for the entire exec staff.
8 So with that, we will go to Item Number 7 And
9 that was --
10 DEPUTY DIRECTOR WOHL: We're on to 10.
11 CHAIRPERSON MARIN: That's right. Discussion of
12 California's Compost and Mulch Producing Infrastructure.
13 And before we do that -- I'm sorry --
14 Mr. Paparian, you're going to make a presentation.
15 BOARD MEMBER PAPARIAN: Just as a brief report on
16 the Sustainability and Market Development Committee. We
17 had 24 items at the Committee. Twenty-two of them we have
18 already dealt with on consent, but we did discuss each and
19 every one of those at the Committee. We had no items on
20 fiscal consent. Those were all full consent.
21 So we have two items left over for some further
22 discussion, the compost report and the conversion
23 technology report. The conversion technology report I
24 know is an informational item today. It's going to come
25 back again to the Board before going to the Legislature,

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1 but I'm sure staff will give that you in a minute.
2 CHAIRPERSON MARIN: Perfect.
3 Patty.
4 DEPUTY DIRECTOR WOHL: Patty Wohl, Waste
5 Prevention and Market Development Division. Good morning,
6 Madam Chair and Board members.
7 Agenda item 10 is a Discussion of the California
8 Compost and Mulch Producing infrastructure. It was heard
9 at Committee and is being repeated because it provides
10 important information about the health of the compost and
11 mulch infrastructure, which is critical to successful
12 diversion of organic materials, a priority for the Board.
13 Issued raised in this item also have implications
14 for multiple programs at the Board, and there's a long
15 history behind these issues. For example, the alternative
16 daily cover, or ADC, issue has been worked on at the Board
17 for over a decade involving multi-divisional task forces
18 on developing all aspects, including technical use
19 guidelines, diversion credit and reporting, and market
20 development concerns. The last such task force was
21 conducted in 2002, and staff will discuss aspects of this
22 in the presentation.
23 With that, I'd like to turn the presentation over
24 to Steven Storelli.
25 (Thereupon an overhead presentation was

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presented as follows.)

MR. STORELLI: Good morning, Chair Paparian, members of the Board.

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MR. STORELLI: The item will present the results of a Board-funded study to assess California's compost and mulch producing infrastructure. California has developed a robust infrastructure to process organic materials into usable products. However, unlike landfills and transfer stations, compost and mulch facilities are not required to report process or production data to the Board. This study was funded by the Board in 2002 to address this data gap.

Specifically, the study updated information from an earlier 2001 study and provided information about organic feedstock and markets, provided aggregate data on the industry to better understand market dynamics, and provided quantitative measurements of Board performance plans.

The study has been widely cited by the industry and used by jurisdictions in their efforts to divert organic materials. Matt Cotton of Integrated Waste Management Consulting was the principle investigator for both the 2001 and 2003 studies.

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MR. STORELLI: Specific objectives of the study are to provide the Board and California's organic industry with information and data on the number of compost and mulch producers, feedstock sources, diversion volume, products, and markets for organic materials. The study also documents green waste ADC use and solicits responses to then-current challenges facing the organics industry.

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MR. STORELLI: A comprehensive approach was developed that included the following key elements: A Project Steering Committee of industry representatives from various sectors; an independent contractor with strong ties to the compost and mulch producing community; a promotional campaign, advertising the survey and promoting its value to composters and processors; site visits to facilities reluctant to take part in the survey; Board ADC green waste data.

This survey also addressed a number of topical questions on then-current challenges to the composting industry. These included questions on sudden oak death syndrome, South Coast Air Quality Management District's PR 1133, and the persistent herbicide Clopyralid.

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MR. STORELLI: The organics industry faced a number of new challenges in 2003, including tougher

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emission regulations in Southern California, which is PR 1133; the possible quarantine of organic materials in twelve north and central coast counties due to sudden oak death syndrome; and the prospect of persistent herbicide Clopyralid remaining in compost products.

Questions about how these challenges affected composters and processors were added to the survey to try to understand the impact these obstacles might have on the industry.

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MR. STORELLI: The number of facilities participating in 2003 was largely the same as in 2001. In 2003, 101 composters and 69 processors participated for a total of 170 facilities. In 2001, 169 participated. In 2003, 32 facilities refused to participate, 16 composters and 16 processors, as compared to 11 facilities in 2001. In 2003, we included Board data on landfilled green waste ADC use from 58 landfills.

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MR. STORELLI: Total feedstock processed represents the approximate amount of material diverted from landfills statewide. In 2001, California's organics industry diverted over six million tons of material. In 2003, total diversion increased 62 percent to about 10 million tons. The 10 million tons includes an estimate

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for the 32 facilities that declined to participate in the 2003 survey.

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MR. STORELLI: California Composters and processors receive a wide array of feedstocks across California. Seventy-nine percent of facilities surveyed processed green material, the main focus of this project. Fifty-four percent, process wood; 23 percent manure; 22 percent ag byproducts. The remainder, 10 percent food scraps; 9, biosolids; and 7 percent, other materials.

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MR. STORELLI: The major sources of feedstock are 13 percent from municipal sources, 21 percent from self-haul, and 48 percent from commercial. Not surprising, in 2003 the largest portion of feedstocks came from the commercial segment.

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MR. STORELLI: This slide shows the total product volume by product type. The four products with the greatest volume are ADC with 8.5 million cubic yards; boiler fuel, which is used by the biomass to energy facilities at 3.8 million cubic yards; compost 3 million cubic yards; and mulch, at 2.3 million cubic yards. Not surprising, composters produced most of the compost, while processors produced the bulk of the ADC, and landfill

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processors account for a significant portion of ADC production.

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MR. STORELLI: Comparing 2003 product volumes with 2001, overall, total statewide production was up 23 percent from 15 million cubic yards in 2001, to 18.4 million cubic yards in 2003.

Of note is the reduction in compost production from 4.2 million cubic yards in 2001 to 3.0 million cubic yards in 2003, 28 percent reduction the. Reasons for the decrease are thought to be: One, a number of compost facilities closed between study periods. Two, 16 composters did not participate in the survey. Three, ADC may impact some composter's ability to obtain material. And the fourth, the spring of 2003 was wet, and some composters reported a bad year.

Mulch production increased 24 percent to 2.3 million cubic yards. Boiler fuel increased 12 percent to 3.9 million cubic yards. And green waste ADC production was up substantially to 8.5 million cubic yards.

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MR. STORELLI: Here are the markets are for the products. The market is dominated by ADC at 47 percent. Biomass fuels is a distant second at 20; landscape, 11 percent; agriculture, 10; nursery uses, 2 percent; uses in

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the other categories, 6 percent; beneficial reuse at landfills, 2. Caltrans has 1 percent of the market, and municipal uses are at 1 percent.

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MR. STORELLI: The organics industry faced a number of new challenges in 2003, including the prospect of the persistent herbicide Clopyralid remaining in compost products.

This figure shows responses to the question, how have concerns about persistent herbicides affected sales of your product? Sixty-seven percent of those composters responding to the question indicated that Clopyralid had no impact on sales. Twenty-eight percent did not know whether or not Clopyralid had an impact on sales. These results indicate that the majority of producers either did not notice an impact nor could not trace slow sales directly to Clopyralid issue. More recent sampling data indicates that the presence of Clopyralid is declining in California compost.

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MR. STORELLI: The South Coast Air Quality Management District developed PR 1133, which deals with controlling emissions from composting facilities. The part of the rule that addresses green waste composting is still under development, pending in part more research.

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The survey asked whether or not producers thought PR 1133 would increase their production costs. Forty-three percent of the facilities answered that PR 1133 would increase production costs.

Other facilities responded that PR 1133 would increase their production costs; 33 percent of the composters and 17 percent of the processors responded that they would increase their gate fee. Thirty-three percent of both composters and processors responded they would close their facility. And 17 percent of the composters but no processors responded that they would increase the price of their end product.

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MR. STORELLI: The use of green waste as ADC has been controversial since first practiced in California in the late 1980s and early 1990s. Some composters believe that the price advantage offered by ADC has taken feedstock that otherwise would be available for composting, and that it represents a competitive disadvantage.

Other composters, to complicate the issue, use green waste ADC as a market for materials that are otherwise difficult to market, such as overs or for feedstock that is too contaminated to clean up economically.

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This figure shows on a statewide basis how composters and processors responded to the question, do you think the ability to use green waste as ADC has had an affect on your business? Fifty-seven percent composters and 44 percent of the processors felt that ADC had no impact, versus 43 percent of the composters and 56 percent of the processors felt that ADC had had an impact. The aggregate results were almost evenly split, 51 percent ADC no impact, versus 49 percent felt they were impacted.

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MR. STORELLI: On a regional basis, the results were much different than statewide. In the Bay Area region, 70 percent of the composters believe that the use of ADC has impacted their businesses. The situation is reversed in the central coast region with 70 percent of composters responding that ADC has not affected their businesses. In general, the Bay Area region uses more ADC than does the central coast region, which might explain the pressure felt by the Bay Area composters.

In the central valley, 60 percent of the composters felt that ADC has not affected their business, perhaps due to the relatively small amount of green waste used as ADC in that region.

In the southern region, which is by far the largest regional user of ADC, 58 percent of composters

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reported that ADC has affected their business. And no facilities in the northern region reported that ADC has affected their business. But landfills in the northern region do not use much ADC.

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MR. STORELLI: Processors also showed a varied response by region. Processors in the Bay Area and central coast regions are somewhat evenly matched. Forty percent of processors in the Bay Area region reported an impact and 50 percent of processors in the central coast region reported an impact.

No processors in the central valley reported that ADC has impacted their businesses. This is also true of the northern region, but no processor in that region responded to the question.

The southern region shows a different trend, with 77 percent of the processors responding that ADC has affected their business. These results also show that the issue of ADC impact is regional.

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MR. STORELLI: Respondents were also asked to identify how ADC has impacted their businesses and were given three choices. ADC costs less than composting and feedstock has been directed elsewhere, ranked number one among processors and composters. This makes sense, given

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that the current volume of green waste being diverted to ADC is about 2 million tons. We have lost our ability to get feedstock, which is somewhat similar to the first category, ranked second. And landfill tip fee is lower, ranked third.

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MR. STORELLI: As we have seen with ADC, California's broad geography and significant regional differences make making meaningful generalizations about the compost and processing industries difficult.

The number of operating facilities has remained constant, though the amount of material being processed has increased. Agriculture is still the largest single market for compost. This represents a significant achievement, as many observers doubted conventional agriculture would accept urban compost.

Caltrans continues to be an untapped market for recovered organic products. Few facilities identified Caltrans as a significant market. Caltrans is 1 percent or less of the total market.

The use of green waste as ADC continues to increase and may be having an affect on the viability of the compost market in some regions.

And, lastly, compost production decreased in 2003 to 3.0 million cubic yards from the 4.2 million in 2001.

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MR. STORELLI: The study recommended four areas for further study. ADC use at 8.4 million cubic yards represented 47 percent of the total statewide production. The study recommends that the Board study the effect that green waste ADC use is having on the compost industry.

Agriculture is the largest single market for compost. However, statewide compost production is down 1.2 million cubic yards, or 28 percent, from 2001 to 2003. This study recommends that more work needs to be done to understand which segments of the agricultural industry are buying compost and why, and why certain crops use more compost than others.

Caltrans purchased about 1 percent of the compost and mulch produced in the state. The study recommends that the Board continue to work with Caltrans to increase markets. The survey did not ask for financial or employment data. The study suggests that the Board include this information in subsequent surveys. This would enable to Board to assess the contribution the organics industry makes to California's economy.

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MR. STORELLI: What does the study mean for the Waste Board? The study surfaced four main issues. The first issue is the dominance of ADC use. ADC was about 47

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1 percent of the total product in 2003. Green waste ADC use
2 increased 21 percent from 2001 to 2003, seen here as the
3 green bars. This is the amount operators report as ADC
4 but may not necessarily be the amount used as ADC. The
5 increase may or may not continue in future years and may
6 have an adverse impact on compost producers in some parts
7 of the state.
8 --o0o--
9 MR. STORELLI: The second issue is that compost
10 production decreased from 4.2 million cubic yards in 2001
11 to 3.0 million cubic yards in 2003, a 28 percent
12 reduction. Staff does not believe that this reduction is
13 indicative of the current state of compost production, but
14 that it should be monitored in future years.
15 Third, when combining the results of this study
16 with the recently released Waste Characterization Study,
17 about 45 percent of the organic materials collected in
18 2003 was diverted, significantly up from the 33 percent in
19 2001.
20 --o0o--
21 MR. STORELLI: And the fourth issue, does green
22 waste ADC impact compost markets? Over the last several
23 years, some compost producers have claimed that allowing
24 local jurisdictions to gain AB 939 diversion credit for
25 the collection and use of green material as ADC negatively

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1 impacts composters' ability to obtain green waste material
2 feedstock at competitive prices and increase the volume of
3 their composting operations.
4 In contrast, other producers have indicated that
5 ADC use contributes positively to their business by
6 providing a market. However, both of these claims have
7 not been backed by publicly-available verifiable data and
8 analysis.
9 To address this issue, at its November 2001
10 meeting, the Board directed staff to convey a work group
11 to solicit input on methods and problems that may effect
12 the Board's ability to assess the impacts of ADC use on
13 the compost industry. In January of 2002, staff convened
14 public work groups in Diamond Bar and in Sacramento.
15 At its February 2002 Board meeting, staff
16 presented the results of the work group feedback. Staff
17 concluded based on input from industry participants and
18 research economics that an ADC analysis would not
19 conclusively demonstrate or refute whether ADC use impacts
20 compost markets.
21 In February 2002, the Board directed staff to
22 prepare a contract concept to be included in the 2001-2002
23 fiscal year contract concepts. The contract concept
24 entitled, "Assessing the Impact of ADC Use on the Organics
25 Recycling Industry," was not selected for funding.

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To conclude, because of the expense, complexity, and uncertainty connected with assessing the market impacts of ADC, the Board may want to focus resources to increase the market for organic materials. Specifically, efforts to get Caltrans to buy more materials or research showing how compost can benefit California agriculture or working with local governments may be a better use of Board funds.

This concludes my presentation. Thank you.

CHAIRPERSON MARIN: Excellent. Thank you so very much.

I know you're not Howard Levenson. I know that. The name plate is still there.

I have one very, very small quick question. With our friends, our brothers from Caltrans, right now it's at 1 percent of the overall market that we have. What could be the potential that Caltrans -- I mean, if an increase for them of 100 percent would make it 2 percent of our total of what's available. Do you have any idea what would we be aiming at if we go and talk to the people at Caltrans? They'll say, "Oh, sure. We'll increase it 100 percent." But it will only be 2 percent of the total.

Do we have any goals? Well, has there been any thought about that just to say increase it? To increase it by a thousand percent? Is there something like that?

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1 Has anybody put any thoughts into that?
2 BRANCH MANAGER FRIEDMAN: This is Judy Friedman,
3 Waste Prevention Market Development Division, if I can
4 respond to that.
5 In August, we came to the Committee with the
6 market development action plan, and we talked about the
7 potential for Caltrans use. And I believe at the time --
8 I'm trying to remember the exact figures, but that if we
9 were to -- Caltrans were to take the total potential, we
10 could increase diversion by 3 percent. So it's a
11 significant amount. I don't remember the exact tonnage
12 amount off the top of my head. But it was a significant
13 increase in overall statewide diversion.
14 BOARD MEMBER PAPARIAN: That's diversion overall,
15 all waste.
16 BRANCH MANAGER FRIEDMAN: Correct.
17 BOARD MEMBER PAPARIAN: So it would be a lot more
18 in terms of the organics and compost.
19 BRANCH MANAGER FRIEDMAN: Absolutely.
20 CHAIRPERSON MARIN: Wow. That's a lot.
21 BRANCH MANAGER FRIEDMAN: It is a lot.
22 CHAIRPERSON MARIN: Okay. Well, now that we have
23 a very nice working relationship with our friends from
24 Caltrans, that may be something we should be talking to
25 them about.

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1 Ms. Peace, you want to say a few words, and then
2 Mr. Paparian.
3 BOARD MEMBER PEACE: I just had a question. They
4 said the ag use is the largest market for compost, but,
5 still, that's a very small percentage. So if we could get
6 agriculture to use more compost, kind of the same
7 question -- if we get Caltrans to and the agriculture too,
8 how much more diversion can we get if we encourage
9 agriculture to use more compost?
10 BRANCH MANAGER FRIEDMAN: This is Judy Friedman
11 again.
12 Again, you're right. It's even potentially a
13 potential. We haven't calculated what that is. So we
14 have to try to do some estimating what that is. You know,
15 agriculture is sort of an infinite potential for use. It
16 really depends on the agricultural practices. I think
17 that Steve touched upon some of the recommendations to
18 look at --
19 BOARD MEMBER PEACE: There's no study to show why
20 agriculture isn't using compost more or what the reasons
21 are?
22 BRANCH MANAGER FRIEDMAN: Well, I think a lot of
23 that has to do with the individual practices of different
24 agricultural sectors. And we've done various
25 demonstration projects and different kinds of research to

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show the benefits of using compost and mulch, and we want to continue doing that. We've only done some limited research and have been very successful research. But this kind of research usually involves a lot of time and different materials and different agricultural practices, and it's very varied. And we'd need to really work with the different agricultural sectors to look at that.

And also remember what we're looking at is changing agricultural practices, not so much emphasis on, let's say, the chemical usages that they have, but more using compost and mulch in their agricultural practices. But I think it's sort of almost has an infinite potential depending on the practice.

BOARD MEMBER PEACE: Could I ask another question?

The ADC use, that just really, really jumped. Why is that?

BRANCH MANAGER FRIEDMAN: I'll try again. I don't know that we really know the answer to that why, other than it's, you know -- for those uses, it's displacing use of other materials, such as soil. And so where soil isn't available, ADC green waste is being used particularly in Southern California.

I don't know whether anybody from the Permitting and Enforcement Division would want to talk about kind of

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the practices.

But that is a common use, is to use alternative daily cover in its various forms. Now, green waste as ADC is only one option. There are other options, but it depends on the availability. And looks like Scott Walker has just come up to the podium.

BOARD MEMBER PEACE: So is green waste ADC has jumped way up, have you seen a decrease in the use of other things?

BRANCH MANAGER WALKER: Actually, green waste ADC reported has remained fairly consistent percentage of the tonnage disposed, around 8.3 percent since 2001. It jumped up back in the late '90s.

The current reporting on green waste ADC also, we believe, doesn't reflect a lot of other beneficial use at landfills of green waste, which it can be used for mulch on intermediate cover slopes. Until the disposal reporting regulations are revised, the reporting is going to be somewhat uncertain on that area.

Now, green waste ADC essentially, like Judy said, some landfill sites are dirt poor. So they either have to haul it in or they have to use alternative daily cover materials. Now, tarps are still the most common ADC used and the best as far as capacity savings. But there are a lot of landfills that do require to bring in dirt. And

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1 green waste is one of those materials that is readily
2 available. And so they use that. And at the same time,
3 though, they do get -- there is a diversion credit, so
4 that is an additional incentive.
5 BOARD MEMBER PEACE: How much diversion credit do
6 jurisdictions get for ADC?
7 BRANCH MANAGER WALKER: It's essentially all the
8 ADC that's beneficial used. So if the jurisdiction
9 sends -- it's not a fraction of the amount used as ADC.
10 In other words, all the material that a jurisdiction sends
11 for ADC, if it's used in accordance with the standards,
12 then it's all diversion. It is counted.
13 So the Board in the early '90s had a attempted
14 to, in a disposal reporting regulation, had a compromise
15 to adopt a partial credit, but that was rejected by the
16 Office of Administrative Law. Then the Board went and was
17 going to give full credit, and then the Board got sued by
18 the National Resources Defense Council against that, and
19 so there was no credit. Then, in '96, there was
20 legislation which established AB 1647 that ADC and
21 beneficial use is diversion credit, not fraction, but
22 complete. So it is essentially allowed for a full credit.
23 BOARD MEMBER PEACE: So a jurisdiction can get to
24 their 50 percent with this ADC use?
25 BRANCH MANAGER WALKER: Well, the question is

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1 going to be the amount of green waste they could send. So
2 it's going to vary depending upon the amount of green
3 waste they generate as far as how much that ADC covers as
4 far as their overall mandate.
5 BOARD MEMBER PEACE: So we still have -- of the
6 green waste that we have, most of it is still being
7 landfilled, whether you call it ADC or not. Most of it is
8 still being landfilled or burned as boiler fuel.
9 BRANCH MANAGER WALKER: When we did the
10 regulations in '97 and early '98 on the ADC, the estimated
11 total feedstock was between 11 and 14 million tons. So
12 ADC was projected at -- essentially green waste ADC at
13 about 2 million tons at that time based on the tons. So
14 11 of 14 million tons and 2 million tons is ADC. And
15 other portions are, you know, boiler fuel is a common
16 market for that material.
17 BOARD MEMBER PEACE: So if we tried to increase
18 the ag use, the Caltrans use, is that going to be hard? I
19 mean, because is the cost still cheaper to send it as ADC
20 than to send it somewhere else to be processed?
21 BRANCH MANAGER WALKER: Rather than get into
22 areas of my expertise and P&E, I would definitely defer to
23 Judy and all on that. But, you know, I know the Board has
24 struggled and done many efforts to try to get increased
25 use in ag and Caltrans for green waste and mulch and

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1 continues that struggle.
2 But, yes, it is a large area of potential
3 increase. And ADC, you know, essentially because it is
4 diversion credit, it is discounted for the tipping fees
5 typically. And at the local level, it may be more of a
6 discount than our tipping fee. And so it does have a
7 little bit of a price advantage there, you know. Then
8 again, there are some in local jurisdictions that have
9 imposed a local fee on it to try to change that and put
10 more incentive away from ADC. I know in the Bay Area and
11 Alameda County and also in San Jose they've done that and
12 had some success.
13 CHAIRPERSON MARIN: We do have three speakers.
14 It will be my intention to finish this particular item and
15 then we will break for lunch. We will come back for the
16 last remaining presentation, if that's okay. And then we
17 will have a closed session. So if everybody agreeable to
18 that. Okay, Mr. Presenters, it's you and then lunch.
19 Evan Edgar, Scott Smithline, and Arthur Boone.
20 Evan Edgar with CRRC goes first.
21 MR. EDGAR: Good morning, Chair and Board
22 members. My name is Evan Edgar, California Refuse Removal
23 Council, representing about twelve compost facilities in
24 the Bay Area.
25 And ADC is eating their lunch. And I think the

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1 record shows it where 47 percent of the use is ADC, 28
2 percent of the compost market is down, and 1 percent is
3 Caltrans. Those are wake-up signals for ADC.
4 For the last three years, we've been fighting the
5 organic Titanic. That means by taking on Clopyralid, by
6 sponsoring a bill to ban Clopyralid for different turf
7 uses. We took on sudden oak death. We dealt with PR 1133
8 CCA wood waste. So we've been under siege.
9 Meanwhile, ADC has been quietly sneaking up in
10 the market share. And why is that? A lot of good
11 questions there.
12 I have 15 years of ADC use and policy discussion
13 and twelve years as compost market development standards
14 and specifications. So I've been close to the ADC. And I
15 hate to have it come back under these terms, because we
16 thought we had it handled, but the study shows it's not
17 handled. ADC was supposed to be an outlet.
18 In Committee we talked about it being an outlet
19 with regards to it being compost overs. It has a
20 functional use with regards to having ADC, but ADC went
21 from outlet to Wal-Mart. What I mean by that is pricing
22 and volume. Like any Wal-Mart it comes into any town, it
23 can take out boutique markets. So you have pricing and
24 volume with one pass through a grinder creating a really
25 easy specification which took about six years to get.

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1 There were no ADC specification. There were no
2 performance standards. But the compost industry worked
3 with solid waste industry to get some specifications for
4 ADC use. It's one pass through a grinder to hit a
5 specification. And there are perceptions that there are
6 no specifications for the compost industry, but there are.
7 Instead of having one pass through the grinder, the
8 compost industry, we have to have many turns, five turns
9 in 15-day period. We have to screen it a couple times.
10 We have to handle it. We manage it. And each time we add
11 value it to. And the compost is a value market, and ADC
12 is a volume market. There are supposed to be a balanced
13 use. In other words, in 1996 when it got credit and there
14 was supposed to be a statute in place to look at the
15 impacts of ADC on compost industry, that has never been
16 done. So we support the recommendations in the study to
17 have that done.
18 There's a lot of good questions that Cheryl Peace
19 had with regards to Caltrans. I've been working with
20 Caltrans for ten years. I'm the co-founder and Chair of
21 the California Compost Quality Council. We merged with
22 the U.S. Composting Council. In San Antonio next week
23 we're adopting standards for U.S. Composting Council with
24 Kevin Taylor and the rest of the group at the Waste Board
25 and trying our best to get Caltrans to adopt a spec. And

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there are specifications out there, but they're not any specification that Caltrans can use, as you know, with RAC and other programs. They're not diligent in regards to adopting specs that are good specs and supported by industry and by the end users. In Texas, they adopted a spec, as in Florida. And in Texas, I think it was over a million tons of compost being use in Texas because they have a spec.

What's more important about the Caltrans spec, it's not just Caltrans. It's local government. Once you have a green book specification by Caltrans, that will trickle down to local government where you can buy locally, use locally with the local compost. Thus, a key aspect of having the specifications bigger than Caltrans is all local government to use on our highways.

With regard to ADC types, there's ten different types of ADC. You have tarps and foams, sludges and compost, fluff and ashes, C&D and tires. There's a lot of specifications there. And some landfills are dirt poor, but there's ten different types of ADC, a lot of pro and con. Some use up no volume at landfills. And other people use a lot of volume of landfills using different types of ADCs. So I wouldn't worry about the landfill industry not having enough soil in order to fill to cover the trash. There's ten different types of ADCs, ten

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1 different types of specs. I think it would be okay.
2 I think compost industry is what we're talking
3 about here today on the heals of sudden oak death,
4 Clopyralid, CCA wood waste. I think all four
5 recommendations of the study are valid.
6 Number one, there is an impact of ADC on compost
7 facilities, especially in the Bay Area where I represent
8 many of the compost facilities.
9 Number two, agriculture. Continue working with
10 ag. We worked with ag for ten years. And there was a
11 study done by Waste Management, Inc., back in 1992 whereby
12 that market is good for 10 million tons of compost can
13 move into the agriculture marketplace. And in many cases
14 we had breakthroughs of Waste Board funding some good
15 studies in the late '90 with Bob Estonia of Pepper Valley
16 for watershed protection. And we had a lot of
17 breakthroughs. But the barrier is pricing. In order move
18 those tons to the central valley, it takes a lot of money
19 to make compost and transport the compost when you have
20 one pass at the local landfill. It's really tough to beat
21 that type of Wal-Mart pricing and that's what people in
22 local government are gravitating toward because, like any
23 Wal-Mart, with value and pricing that wins against any
24 boutique and any market as long term and sustainable.
25 Number three, Caltrans specs. We would love to

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1 have them have a spec. We've been making a lot of headway
2 recently. Please continue the good work with Caltrans.
3 And the last one is the studies with regards to
4 getting compost indicators on value to the marketplace.
5 We did a study when we went up against Dow Chemical on the
6 Clopyralid bill that if compost was a crop, it would be
7 the 20th largest agricultural commodity in California.
8 But with it down 28 percent, it would probably drop down
9 to 25th.
10 So I think there's some good studies. I think
11 the resources, the bang for the buck, is diversion of
12 green waste after C&D. I think it's very valuable to
13 bring ADC back. I hate to have it come back because it's
14 very painful for a lot of people to talk about it, but
15 it's worth discussion again. Thank you.
16 CHAIRPERSON MARIN: Thank you, Mr. Edgar.
17 DEPUTY DIRECTOR WOHL: Madam Chair, if you'd give
18 me a minute to comment.
19 I do have the numbers now for Caltrans, which I
20 think are very telling. For 2001-2002, it was 91,000
21 cubic yards. For 2002-2003, it was 15,000 cubic yards.
22 And the Council that Evan Edgar referred to actually did
23 an estimate that Caltrans has a potential market for
24 compost of 3.3 million cubic yards at a minimum up, to 6.7
25 million cubic yards. So you can see that is dramatic what

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they could be doing.

And we do have a contract concept in place for that idea of the specifications. And we're going to be revisiting that in the near future with the executive staff. And just to say that part of -- you know, if we could fix this spec probably with Caltrans, we actually think it would help the local jurisdictions, because they look to that same specification. So whether we can get that match -- I mean, I think if we can fix one problem, it may lead to the other. So we're kind of encouraged by that idea.

CHAIRPERSON MARIN: Excellent.

Ms. Peace.

BOARD MEMBER PEACE: I had a question. If Caltrans isn't using the mulch, what are they using? What would this be taking the place of?

BRANCH MANAGER FRIEDMAN: This is Judy Friedman again. It's not that they aren't using it, but they're not necessarily using California produced compost and mulch. They're purchasing from, in many cases, out-of-state sources. So they are using some. And then I don't know to what extent other materials they're using, but I do know they purchase from out-of-state sources.

CHAIRPERSON MARIN: Well, I think we're going to be talking to our friends and our brothers and sisters at

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1 Caltrans again.
2 Thank you, Judy.
3 Okay. The next one would be Scott Smithline from
4 Californians Against Waste.
5 MR. SMITHLINE: Madam Chair, Board members, good
6 morning. Scott Smithline, Californians Against Waste.
7 CAW commented at the Committee level on this
8 issue, and we are encouraged by the Committee's response.
9 Again, we think this is a very important issue. I'd like
10 to appreciate myself with the comments of Mr. Edgar before
11 me. So I'm just going to make a couple of brief points.
12 The 18 million cubic yards of product produced
13 organics, 16 percent was compost. By any standards, this
14 is not a success of the Board's policy to make composting
15 a priority in the state of California. I think as I said
16 in Committee, this is the opportunity for the full Board
17 to take another look. I think you have the legislative
18 authority under AB 1647 to reassess your ADC regs. And I
19 think you not only have the authority, but I think you
20 really have the mandate according to that legislation.
21 And I'd just like to quickly repeat our
22 suggestions and where we think you should go with this and
23 highlight the fact we think this is an important use of
24 the Board resources and staff resources and this be a high
25 priority for you.

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1 The report identifies certain studies that they
2 suggest you follow through with. We think those are good
3 ideas, and we think specifically you should consider
4 policies that identify the incentives that are driving
5 this current trend and really find the incentives that can
6 reverse them. If that's the ADC situation, then that's
7 the ADC situation. But we need to find out what are the
8 incentives that are causing us to only be obtaining 16
9 percent compost in the state of California. Again, review
10 those other areas that are outlined in the study. And
11 then just to have the staff report back so we have some
12 mechanism that is begun, have the staff report back to us,
13 back to you in a public way so we can have our input and
14 have your input and move this thing forward. Thank you.
15 CHAIRPERSON MARIN: Thank you.
16 Ms. Peace.
17 BOARD MEMBER PEACE: I just have another
18 question. If we could get agriculture to use more, we
19 could get Caltrans to use more, I'm just wondering how the
20 PR 1133 effects that. Because from what I read in the
21 report, it said that some of their composters felt that
22 that ruling could force their closure. So if that ruling
23 is going to be forcing closure of the compost facilities,
24 how can we be then trying to increase the usage in ag and
25 at Caltrans?

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1 BRANCH MANAGER FRIEDMAN: This is Judy Friedman.
2 As you know, we've been working very extensively
3 over the last three years with South Coast Air Quality
4 Management District on the development of that rule
5 initially to raise alarm about the rule. And it's
6 actually a series of rules.
7 But what we were able to do is -- the rules were
8 adopted for co-compost and processors. But where the rule
9 for the green waste composting was deferred, and in part
10 due to the fact we're doing research. We've been able to
11 use Board dollars to invest in some research which has
12 actually helped in our arguments to South Coast District
13 about the impact, the AB 939, and diversion impact if the
14 rules were to take effect and to shut down those
15 facilities. So right now they haven't started up on that
16 final rule, which will be looking at green waste
17 composting.
18 We are engaged in an emissions study right now to
19 develop and look at best management practices which would
20 be a much less expensive option that could be adopted in
21 their rule so that the green waste composting facility
22 operators wouldn't have to adopt the very costly measures
23 that the South Coast District wanted to promulgate but, in
24 fact, would be able to achieve reductions through other
25 means. So we're still in a holding pattern there, in

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1 essence. We're still working on our research. We don't
2 have the results of that research yet. And then from
3 there, we would continue to work with South Coast on the
4 development of that final rule.
5 BOARD MEMBER PEACE: Because this holding pattern
6 you're talking about, is that why it's getting harder and
7 harder to cite compost facilities in a lot of parts of the
8 state?
9 BRANCH MANAGER FRIEDMAN: I think that's a lot of
10 reasons to do with that. In particular, that is some
11 concern, the emission issues, but also just odors and
12 nuisance issues that citizens are not -- you know, there's
13 urban encroachment. So many areas urban areas are growing
14 and growing and growing. So a composting facility that
15 once was somewhere out in the rural areas which might not
16 cause a problem impact suddenly is surrounded with housing
17 developments.
18 So, you know, saying that specifically this or
19 specifically that is difficult. But, in essence, we are
20 looking at making sure that there are other alternatives
21 for green waste composting operators in the South Coast
22 area so they don't have to -- they really wouldn't be able
23 to employ those very expensive technology options that
24 the -- requirements that South Coast District wants to
25 promulgate. They just wouldn't have the capital resources

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for that.

CHAIRPERSON MARIN: Okay. We actually have two more speakers. One more was added. So let me listen to Arthur R. Boone from the Northern California Recycling Association, and the last one will be Chuck Helget from Allied Waste.

MR. BOONE: Thank you. Arthur Boone from the Northern California Recycling Association.

A friend of mine was growing hay out in the Tassajara Road section east of San Ramon. He was getting 15 bails an acre. He applied a mulch to the product, and he started getting 45 bails an acre. And the reason he did is because the mulch holds the water.

We love California, but the soils in California aren't really very good. They're very sandy. And what a mulch does is it basically enables the water, the moisture that comes on the soil to stay up near the roots longer than it would if it just washed on through.

And that's why I think if you look at those numbers a little bit differently, mulch is a lot cheaper for farmers than compost is. That's why you see the mulch numbers are up and the compost numbers are down. There's no instance anywhere I've heard a story -- and I've been tracking this for 15 years. There's no stories of anybody taking mulch to the dump. We have a bottomless pit. We

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1 figured out if we took all the sewage sludge in California
2 and put it on cotton land, we would get to every cotton
3 field once every 20 years.
4 Ten million tons of organic materials separated
5 is a great achievement. We used to have 10 million tons
6 of organic material go to the dump 20 years ago. It went
7 in with everything else. Now we have it separated, but
8 we're taking a lot of it to landfills to be used as daily
9 cover. I understand the competition with soils. If you
10 need to buy soils, it's cheaper to charge somebody. But,
11 basically, the landfills are the 800-pound gorillas is
12 this business. And I think if you put a map up there of
13 where all the landfills are who use a lot of compost and
14 ask where are the compost facilities within 50 miles of
15 these landfills, you're not going to find them. Because
16 the landfills are eating their shorts. And they're going
17 to continue to eat their shorts until we do something
18 about the misuse of ADC in this state in a very serious
19 way that you all have been talking about for a long time
20 but haven't really done.
21 Thank you.
22 CHAIRPERSON MARIN: Thank you for your comments,
23 sir.
24 Ms. Peace.
25 BOARD MEMBER PEACE: I would just like to ask a

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1 question. You said putting mulch on your crops increases
2 crop production. How about compost? Is there a
3 difference between using compost?
4 MR. BOONE: It does the same thing, but the main
5 value of organic materials in California soil is by
6 allowing the water to be retained nearer to the roots.
7 Otherwise, the water rushes through the soil. And that's
8 why you need -- and as agriculture increasingly fighting
9 with all the people, the 800,000 people a year who move to
10 California, for water, the farmers are trying to find ways
11 to basically use less water. And the addition of organics
12 materials in the soil is the perfect system for that.
13 And, therefore, I think from my point of view,
14 market development is really not an issue. I think the
15 farmers are there. I don't understand all the details of
16 it. But there's been enough stories. There's been enough
17 people who've worried their way through Clopyralid and all
18 these other kinds of things.
19 I don't think agriculture is the problem today.
20 I think the problem is the fact that we only have 45
21 percent of all the organics are currently being separated
22 from the regular trash. When I go to my local transfer
23 station, I don't know how that is. Because I worked at
24 the public disposal site and sanitary fill in
25 San Francisco for two and a half years. I didn't see a

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lot of organic materials coming in there. Those figures have been bothering me a little bit, but I don't see everything.

But the farmers want the stuff, but they want us to pay for it. They don't want to pay for it. But the issue of use I don't think is a problem. I think that's passed us now.

BOARD MEMBER PEACE: When we say we need to try to get ag industry to use more compost, is that something that we should even be trying to do? Or is just using mulch beneficial enough, and you wouldn't consider using the compost because that's more expensive.

MR. BOONE: The fancy composters -- this I my understanding. And I would be corrected by your own staff. The fancy composters were worried at one point in time that unfinished material, mulch-type material, organic material but not broken down material, would be taking up nitrogen from the soil and be bad for the fruits and vegetables. That turned out not to be a big problem particularly with things like hay and other kinds of crops that basically all they want is the water retention of all the organic material. They don't care about the nutrients. It's the water retention that's critical.

That's the problem in California. We have the same amount of water we had when we had 300,000 people

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here. And so we have to find ways -- if we're going to keep our agriculture base, we have to find ways to help them get the water and hold it and use less of it, because the rest of us want to drink and take showers and stuff like that.

I'm not an expert. Evan knows a lot more about the details. You should talk to him.

SUPERVISOR BERTON: Madam Chair, this is Fernando Berton. One thing I'd like to say, we are working with the Association of Compost Producers whose mantra is building healthy soils, to get that message out to all potential users, whether it's agriculture, Caltrans, local governments, or whatever. And, you know, we do have those studies that we've done in the past and, you know, we also want to work with the ADC cooperative extensions, the Farm Bureaus, et cetera. And, you know, one idea is to -- if we know of farmers who have used these materials in the past successfully, have them talk to other farmers. It's a very common thing in used oil recycling and buying re-refined used oil. It's the same sort of tool. That's part of our plan.

CHAIRPERSON MARIN: Excellent, Fernando. I really appreciate that.

And last, but in the least, Mr. Helget with Allied Waste.

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1 MR. HELGET: Madam Chair, members of the
2 Committee. I apologize for putting in a speaker slip on
3 this, but Mr. Edgar's slogans annoyed me to the point I
4 felt like I had to defend our industry a bit.
5 Over half of the composters in your survey
6 indicated that there was no problems associated with the
7 ADC. Now, I would also add that that was a fairly loaded
8 question if you look at the question that was posed to the
9 composters in the survey of simply does ADC effect your
10 business. It wasn't really clear about how it might
11 effect the business. And also the survey was conducted
12 again by someone who has been an advocate for the
13 composting industry for a long time.
14 Now the survey at best is anecdotal. I don't
15 know that anybody would look at that and consider the
16 survey and the materials that were done a scientific
17 analysis from which then you could conclude that ADC is
18 destroying the compost industry. I would even argue in
19 the anecdotal information that's provided in that report
20 that conclusion is far overstated.
21 First of all, ADC provides a very viable market
22 for green waste. We have been asked by the Board over the
23 past five years, and I've stood up here three or four
24 times every year defending ADC. You've asked us to
25 increase our processing of green waste. Local governments

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1 have asked us to do it. You've asked us to install
2 standards, and we've done that at significant costs,
3 adding grinders, adding strains, and all sorts of things
4 at landfills. And we've done all those things.
5 And, yes, we have increased the use of ADC,
6 because it's a very viable use for green materials,
7 particularly for composting overs and materials that can't
8 go to composting. And, by the way, we do have a
9 composting facility at our Newby Island facility. So I'm
10 not just speaking from the perspective of simply landfills
11 we do compost as well.
12 But those materials that go into composting and
13 have increased in the past few years, they have increased
14 for very good reasons. You have asked us to help local
15 jurisdictions increase their diversion. ADC, by law, is a
16 valid use, a valid diversion, and it can be used as a
17 valid -- I'm having a hard time saying this. ADC by law
18 is diversion. When you use it, you get full diversion
19 credit, and that's in statute. And we've done that.
20 I think you look at the surveys and look at any
21 other analysis, there's been a huge increase in the
22 processing of green materials, whether it be for ADC,
23 whether it be for composting or boiler fuel. And the
24 market is sorting itself out.
25 But to draw from that a conclusion that one

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1 particular part of this survey ADC is the great cause for
2 the demise of the composting industry I think is a real
3 stretch. I think composters are a very brave breed of
4 people, indeed. They go out, and it's a difficult
5 business to set up in the first place. You have
6 incredible obstacles in permitting because of the odors
7 and things that are emitted from a composting operation.
8 And it's a difficult business to start and a difficult
9 business to stay in.
10 So I guess I would just conclude very quickly and
11 just simply say that we support staff's recommendations.
12 We think markets are the place to focus your resources,
13 your energy, if you can figure out ways. Caltrans -- and
14 Board Member Peace, you've worked with them on RAC. It's
15 not something that you get Caltrans to do in two months.
16 You can convince them to change their operations. That's
17 a large, large operation, and it's going to take a lot of
18 time and energy. And we'll do what we can to help. But I
19 would urge the Board to focus your resources on markets
20 rather than on beating up ADC.
21 CHAIRPERSON MARIN: Thank you, Mr. Helget.
22 I want to know, is that a fair characterization
23 of this study, is anecdotal, not scientific?
24 MR. STORELLI: Steve Storelli.
25 Yes. I tend to agree with that.

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1 CHAIRPERSON MARIN: Okay. That's a good point.
2 I really appreciate that.
3 And, oftentimes, when I'm making my decisions, I
4 always say that we need to go with what science tells us.
5 And so if what we have is just -- not just, but what we
6 have for whatever reason is not a scientific, then we have
7 to pause and take note of that.
8 Okay. Unless anybody wants to say anything --
9 you do. Mr. Paparian, you are here. I am so sorry. Go
10 ahead.
11 BOARD MEMBER PAPARIAN: Just quickly, Madam
12 Chair.
13 I think the use in agriculture I think is
14 something that we could perhaps help with. I had a very
15 interesting presentation I heard in Merced a couple months
16 ago from an expert in the area of soils who told me
17 something very logical, which was that, you know, farmers
18 are looking for nutrients for their soils, and they're
19 going to buy the cheapest nutrient that gets the job done.
20 There are vendors out there selling synthetic nutrients
21 for their soils who are very good at getting their message
22 across and that, in this person's -- it was this person's
23 belief that compost is a better product and cheaper in
24 many applications, but the farmers simply don't know that
25 it's available to do the job they need it to do.

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1 I think, as you suggested earlier, Madam Chair, I
2 think perhaps we can help with some of the leadership in
3 the Farm Bureau and Soil Conservation Service and other
4 entities that might be able to partner with us in getting
5 the message across.
6 And the last thing I wanted to mention. In the
7 Committee, we did give the staff some direction on this,
8 and that was to pursue some of the recommendations in the
9 report and come back. And we would work with the staff as
10 to whether that should be a stand-alone workshop or part
11 of the Sustainability Committee. So I think the Committee
12 was especially anxious that this not go away, but that we
13 pursue some of the recommendations and work with the
14 affected industry and stakeholders in developing some
15 further steps.
16 CHAIRPERSON MARIN: Great. That is the case. If
17 it's okay with everybody, should we be back by 1:30. I
18 know there were a couple of people that have lunch
19 commitments. Then we will resume at 1:30. Thank you very
20 much.
21 (Thereupon a lunch recess was taken.)
22 CHAIRPERSON MARIN: Our official time keeper says
23 it's time to reconvene the Board meeting, and we will go
24 straight to Item Number 11. And I know we have a couple
25 of speakers before we'll talk about that. But we're going

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to have a nice presentation.

Patty.

DEPUTY DIRECTOR WOHL: Good afternoon, Madam Chair, Board members. Agenda Item 11 is Discussion of the Draft Conversion Technology Report to the Legislature.

And, again, this item was also heard at Committee. But the Chair thought because of its broad policy implications that we wanted to also bring it to the Board.

So with that, we're going make sure that we cover the comments that the stakeholders made so you have kind of a perspective of that, since not all of them were aware that we were coming to the Board.

And, again, it is just a discussion item. We'll be bringing it back again and be looking to receive any comments from the stakeholders through a written process. So it's just a matter of hearing the discussion again. With that, I'll turn it over to Fernando Berton.

(Thereupon an overhead presentation was presented as follows.)

SUPERVISOR BERTON: Good morning, Board members.

As you may recall, Assembly Bill 2770 required the Board to research and evaluate new and emerging non-combustion, thermal, chemical, and biological technologies and submit a report to the Legislature.

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SUPERVISOR BERTON: As Patty indicated, the draft report was the subject of a discussion item at the January Sustainability and Market Development Committee and will be discussed today.

I do know there are people listening via the internet as well, the last I checked, about 19. So I'll be prompting them with the Power Point.

As we move on to the next slide, in order to accomplish this task of evaluating the emerging technologies, we broke up the research into two components. The technology evaluation component was conducted by U.C. Riverside and U.C. Davis. The purpose of the research was to define and describe each convention technology, evaluate it, evaluate the technical performance, and identify the cleanest and least polluting technology.

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SUPERVISOR BERTON: As the next slide indicates, the second part of the research was the Life Cycle and Market Impact. That was conducted by RTI International and their team of subcontractors, which included the National Renewal Energy Laboratory and Hilton Farnkopf & Hobson. The purpose of the Life Cycle and Market Impact Study was to describe and evaluate the life cycle,

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environmental, and public health impacts of each conversion technology and compare them to existing solid waste management practices, and also to look at and describe the impacts that these technologies would have on the existing recycling and composting markets.

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SUPERVISOR BERTON: Both contractor reports as well as other resources were used to prepare this first draft of the conversion technology report to the Legislature. At a minimum, the report includes definitions of conversion technologies evaluated, the description of those life cycle and public health impacts, to the extent that those could be determined, the description of the technical performance of the different technologies, also looking at feedstock, emissions, residues, et cetera. There is an attempt to identify the cleanest and least polluting technology. And the report also includes a description of the market impacts that recycling and composting has from these technologies.

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SUPERVISOR BERTON: Staff also held a workshop on October 1st of 2004 to seek impact as to the content of the legislative report. And we tried to capture those comments in this iteration of the report.

Quickly I want to discuss some of the key

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1 findings from the Life Cycle and Market Impact Study and
2 then move on to some of the draft recommendations in the
3 report.
4 As you can see, one of the key findings in the
5 Life Cycle analysis is the fact that conversion
6 technologies result in large energy savings, mostly
7 because they produce energy. These technologies also show
8 the lowest NOx production and carbon emissions which is
9 important from a greenhouse gas perspective. In addition,
10 conversion technologies decrease the amount of material
11 being landfilled, which is the primary goal of AB 939, and
12 zero emission. Unfortunately, the lack of data didn't
13 allow for the good assessment to the impacts of dioxins
14 and purans and other hazardous air pollutants. Lack of
15 data is a result of no operating facility in California.
16 We need to and we are continuing to try to acquire data
17 from other facilities in Japan and Europe.
18 --o0o--
19 SUPERVISOR BERTON: In terms of the Market Impact
20 assessment, there's a net positive impact on recycling
21 glass, metal, and plastics. This is primarily due to the
22 pre-processing feedstock.
23 An important thing that came out of the Market
24 Impact assessment is that the impact of the China market
25 is actually a more dominant force than potential

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conversion technology development. A good portion of our recyclables over the last four years has been going to China.

Also, source-separated recyclables are not likely to flow to conversion technologies because these recyclables will get money, while conversion technologies charge a tipping fee.

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SUPERVISOR BERTON: Staff also held a workshop on April 15th, 2004, to discuss the preliminary findings of the Life Cycle Market Impact Study. During that workshop, a number of stakeholders spoke. The true market impact could not be assessed unless we issued diversion credits to explore it. The contractor conducting the Market Impact did some additional analysis on the impact diversion credit could have on recycling and composting markets. And we determined that, in a nutshell, there would be no negative impact on existing recycling and compost markets if diversion programs were maintained. However, if diversion programs were discontinued, there would be a negative impact on recycling and compost markets.

One thing to remember, the Board does have an existing policy on diversion credit for conversion technologies. And the policy would require that local

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1 governments maintain their existing diversion programs.
2 --o0o--
3 SUPERVISOR BERTON: Now I'd like to discuss some
4 of the recommendations that are in the report.
5 Based on the contractors' reports and stakeholder
6 feedback, staff has included some recommendations in the
7 report. These include revising definitions, such as
8 gasification, combustion, thermal chemical conversion,
9 biochemical conversion; deleting the definition for
10 transformation; also important is the collection of
11 emissions data. So we would recommend in the report to
12 establish a research agenda with CalEPA departments and
13 offices. During the break I just spoke with Dave Siegal
14 with the Office of Environmental Health Hazard Assessment,
15 and we committed to talk to each other sometime this week
16 to discuss our next steps on the public health impact
17 assessment. And one thing we need to talk about is what
18 kind of data do they need in order to do a full public
19 health assessment. So even without the research agenda,
20 we're still talking to each other.
21 --o0o--
22 SUPERVISOR BERTON: From a market impact
23 perspective, researching the impact of China markets is a
24 recommendation in the report. As I stated, the demand for
25 recycling -- many of the recycling materials collected are

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sent to China. And because a good deal of the plastic being sent is Number 1 and Number 2 plastic, we think it would be important to include the Department of Conservation Division of Recycling as part on this.

Also, if diversion credit was to be given, biochemical technologies should be considered.

One thing I'd like to add in here is anaerobic digestion. The staff recommendation talks about potentially providing diversion credit for biochemical technologies, such as anaerobic digestion. And the wording in the report could be interpreted as anaerobic digestion receiving only a 10 percent credit. It's an unintended consequence of poor word choice on my part. And the next iteration would be more clear on that issue. We state in the past that anaerobic digestion would be considered a composting technology, so full credit could be granted for that. So I wanted to point that out to you.

CHAIRPERSON MARIN: Can I just add a quick question? Is that now a part of the draft that will be presented to the Legislature or not yet?

SUPERVISOR BERTON: The current draft talks about biochemical technologies and the potential for diversion credit. I use anaerobic digestion as an example as a biochemical technology. And in the Committee I talked

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about -- I used the term unintended consequences. And I think the wording in the report as it is now could be interpreted that anaerobic digestion would only get 10 percent credit, when really anaerobic digestion could be composting technology, because the residue that comes out at the end is a compostable residue. And what that technology Does is you're extracting the intrinsic heat value from that. So you're kind of getting the best of both worlds from that process. So the next iteration will be more clear in that respect. Okay.

--o0o--

SUPERVISOR BERTON: Now I'd like to discuss some of comments that we have thus far on the draft report. As is normally the case with comments received from stakeholders, there are disparate opinions on the subject. For example, we received comments that the definition for gasification must be revised. The definition for conversion technology should be broken up into distinct categories, such as thermal chemical or biochemical conversion. And we also received comments that actually the broader definition of conversion technology should remain.

We've heard a great deal about data gaps and the availability of data from Japan and Europe. As I stated before, the U.C. researchers have been trying to access

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this data and are still in that phase. The report does include some data from Japan and Canada, but we will continue to seek data where data is available from existing facilities. We feel this is very important and will use any remaining contract funds for that endeavor.

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SUPERVISOR BERTON: We've received comments about pre-sorting of recyclables and the need to let the market steer the course. And also have heard that the regulations and policies should require that recyclables be removed prior to conversion.

Also the issue of feedstock regulations and the theory of cessation of waste have been discussed by stakeholders and have been mentioned in some of the comment letters received. This issue basically revolves around whether conversion technology facilities could be disposal facilities or manufacturing facilities that use solid waste normally bound for landfill and are instead converted to some beneficial use or reuse.

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SUPERVISOR BERTON: The draft report has a discussion about the European hierarchy and the fact that energy recovery is part of that hierarchy. The question ponders where do conversion technologies fit within that existing hierarchy, and whether it's premature to revise

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the hierarchy, or should there be some commercial validation of facilities first. Some stakeholders have stated that commercial validation has already occurred in Europe and Japan.

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SUPERVISOR BERTON: In virtually every workshop staff has held and comments that we've received, the issue of diversion credit has been discussed. The policy adopted by the Board to allow up to 10 percent diversion credit under certain circumstances, which includes maintaining your existing diversion programs. Many stakeholders believe that full credit should be granted since the material is being diverted from landfills and converted into a beneficial product, such as electricity or alternative fuels. Other stakeholders believe that no credit should be granted.

As far as identifying the cleanest and least polluting technology, the draft report states that anaerobic digestion may be the cleanest least polluting technologies. But some stakeholders have correctly pointed out there is no data to back up that statement.

One key thing to remember is that there's no one single technology suitable for all feedstock. By that same token, I don't believe there is one single technology that is the cleanest and least polluting. So identifying

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the single one technology that is the cleanest and least polluting may be very difficult to do.

--o0o--

SUPERVISOR BERTON: We've also received general comments regarding timing of the report. Should we wait until we have some of that additional data? Or should we move forward and maybe have a supplementary report submitted to the Legislature? Also discussion about the pros and cons of each technology in sort of a summary form. Comments regarding the tone of the report and the tone of the executive summary, positive versus negative tone. And then also the connection of conversion technologies to energy production.

--o0o--

SUPERVISOR BERTON: Some other comments that were received include the Board should look at innovative strategies to return materials to production cycle. I think the question to ponder on this comment is wondering is electricity and alternative fuels considered part of that production cycle? Or are they the result of what some stakeholders call back-end solutions?

As has been stated before, no one technology can handle all feedstock. No one waste management system can handle all material. And conversion technology would be part of that waste management system. In that vain, waste

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prevention would not be lost, and we'll make sure that the report states that, because we did receive a comment that maybe we're not emphasizing waste prevention enough in the report.

The last comment that I'd like to talk about is the obligation that the Waste Board and the State has to offset virgin material exploitation. And I think the one statement I'd like to say about this is that the use of landfill bound materials could offset -- could be the alternative to oil and natural gas extraction. So that's one thing we would need to discuss. We could have a discussion about today and in future iterations of the report and in future meetings.

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SUPERVISOR BERTON: And I'd like to close by restating what the minimum requirements of the report are and then to move on to answer any questions that you may have.

You can see from the slide the report must include definitions of conversion, the technologies evaluated, the description of life cycle and public health impacts, the description of the technical performance, identifying the cleanest and least polluting technologies, and the description of the market impacts that were assessed.

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Some of the comments that I've talked about may be outside of the scope of what's on the last slide. So you might want to have a discussion about that as well.

With that, I'll finish my presentation and be happy to answer any questions.

CHAIRPERSON MARIN: Any questions to Fernando, or should we listen to some of the people that already said they would like to speak to us?

Okay. Kay Martin from Bioenergy Producers Association, and then it will be Yvette Agredano with SWANA, and then Michael Theroux.

MS. MARTIN: Good afternoon, Madam Chair, members of the Board. I'm Kay Martin, Vice President of the Bioenergy Producers Association. And I want to emphasize that today since I spent about the last 20 years working for to County of Ventura as their Director of Solid Waste Management, so I have retired from the county. I'm in this new roll. And I look forward to interacting with you in that capacity in the future.

The Bioenergy Producers Association has made detailed comments on the conversion technology report to the Legislature draft. I will not reiterate those today. I would ask that your Board consider those as you move forward with your revisions and with this process.

I simply wanted to thank your Board for taking

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the additional time to provide an extended comment period and also for extending the invitation for another workshop next month. We look forward to being active participants in that process.

We certainly belive that conversion technologies represent an unprecedented opportunity to move forward with the zero waste platform, the potential to divert up to 80 percent of materials currently going to landfill. And we believe this can be done in an environmentally-sound manner and also in a manner that protects and preserves the recycling and composting infrastructure that's currently in place.

So thank you very much. And, again, we look forward to participating in this process as we go along. Thank you.

CHAIRPERSON MARIN: Thank you.

I would like to make a couple of comments, because I believe -- and I'm trying to read this. Was it your organization that also talked about the tenor of the report, where it was -- if I recall, right? That was your organization, that it seemed to question or at least put it somewhat negatively, not as positive. I don't know whether you were here the last time during the Committee meeting, but I made a comment to that effect.

I believe that you know this is a positive

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1 challenge for California. And it should be portrayed as
2 such. You know, this is something really good. So I just
3 want you to know that we do listen and we do read your --
4 and this is everybody. Okay. We listen carefully to what
5 you have to say, everybody. But it caught my eye, and I
6 just wanted you to know that we do read your
7 correspondence, at least I know all of our Board members
8 do. But that was just one of the items.
9 I'm very encouraged by the fact that there are
10 people that may disagree with a particular finding or
11 whatever, that they bring it up to us, whether it's in
12 letter form or by providing public input. And then you
13 guys make us take that extra step. And whether it's
14 industry or the environmental community or the local
15 jurisdictions, you know, we try to make this as
16 stakeholder-friendly as we can. And I really welcome the
17 challenge of moving forward with this very exciting new
18 vision, if you will. It's very exciting for me. So thank
19 you for your comments and for challenging us
20 MS. MARTIN: Thank you. We appreciate it. Thank
21 you.
22 CHAIRPERSON MARIN: Okay. Next one, Yvette
23 Agredano from California Chapters of SWANA.
24 MS. AGREDANO: Good afternoon, Madam Chair and
25 Members. Yvette Agredano with the California Chapters of

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SWANA.

I recognize this is just the first report draft, and so we are willing to work with staff. And staff has received our comments at this point, so I'll just make a brief statement that our legislative task force in California has given to me to read today. And it is just going to cover a couple of issue areas that we would like to work with staff on and over the next couple of months before the final report does come out.

The SWANA's concerns are all related to the issue that the report's findings and subsequent recommendations do not seem to be correlated. The report's findings substantiate the position of many stakeholders, including California's SWANA members and some local governments, that: One, conversion technologies are protective of public health and safety and the environment, subject to standards of performance set by federal and state regulatory agencies; and two, the California Chapters of SWANA believe that State Solid Waste Management hierarchy established by AB 939 in 1989 should be revised to promote the follow waste management practices in order of priority.

That priority we believe should be: A, source reduction; B, recycling, composting, and other beneficial recovery uses, such as conversion technologies; and C,

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disposal by means of incineration, combustion, and landfilling.

Yet, a majority of their report's findings have been bypassed to ensure promotion of a pre-established philosophy, some of which are inconsistent with this current Board's policies, policies which have been developed in concert with stakeholders, some of which are in this room.

As a general recommendation for the Waste Board, SWANA also believes that the report should include within it an identification of the stakeholders that it refers to. We are also at this time recommending that the Board go back and direct staff to address some of these comments as well as those of other stakeholders and provide adequate time for public review, and at that time bring the matter back to the Board for consideration.

Thank you.

CHAIRPERSON MARIN: Okay. I know that one of the items that you have raised with the anaerobic digestion, that has already been -- we're addressing that with your comments; right, Fernando?

And excessive studies recommended, you know, you have a few Board members that may agree with some of that. And, yet, you know, it's so amazing while some people may think that we do a lot of studies, other people may

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1 believe that we don't do enough of that. And in some of
2 this, the challenge for us is that -- I was reading
3 another letter regarding this particular item, and they
4 know there is not sufficient data. But how are we going
5 to get the data, especially on emissions, unless we have
6 at least pilot project. But they don't want to have that
7 unless we have the data. So it's always a catch 22. But
8 we do take your comments very seriously, and we welcome
9 the challenge.
10 Okay. The next person is Michael Theroux from
11 Theroux Environmental.
12 MR. THEROUX: Madam Chair, Board members, that's
13 Michael Theroux. It's close.
14 CHAIRPERSON MARIN: You know, I was reading it in
15 Spanish.
16 MR. THEROUX: My French ancestors would cringe,
17 but I'll take it. Thank you.
18 At the Committee meeting last, we discussed
19 various routes to generate information from facilities.
20 I'll be very brief. I had established a relationship with
21 the sister city of Nagoya Japan, sister city to the city
22 of Los Angeles. I believe the sister city relationships
23 allows us an access to both government and community input
24 that is very, very helpful in these issues. It doesn't
25 get us directly to the issue of emissions data, but it

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1 certainly allows us to take a look at what the community,
2 industrial, and agency interactions are. I think that's
3 very important.
4 I've gathered up as much translated material that
5 I could and quite a bite that's still in Japanese. I
6 indicated last at the meeting that I would provide that.
7 So I'll turn that over to Fernando at the moment.
8 There's an interesting lesson I think -- one of
9 the lessons I've learned out of this is one of the reasons
10 it's so difficult to receive information from Japanese
11 industrial entities is that the government works with them
12 in a partnership. The facilities themselves are
13 public-private partnerships, and I think that's something
14 that we should pursue here. I think that the transparency
15 we're looking for can be generated in public-private
16 partnerships, literally taking part in the development of
17 the facilities themselves. Otherwise, we still find
18 ourselves in the difficult issue of confidentiality.
19 And I think in these first few facilities, in
20 particular, I would greatly encourage the Board the
21 consider ways that we can work with our National
22 Laboratories, our federal government, EPA, DOE, et cetera,
23 our institutions such as U.C. Riverside and U.C. Davis,
24 but the agencies themselves of the state to enter into
25 partnerships with the facilities so we can keep an good

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eye and environmental net around what we're doing. Thank you.

CHAIRPERSON MARIN: I thank you very, very much. And I really appreciate it. And it was a lot of fast work, because at the Committee we asked you to provide as much information to him. I really was joking when I told you he spoke Japanese. And by the look of it, there must be something different than either Japanese or English. It probably looks Greek to you.

Joking aside, no, I really appreciate that. We need all the information. We know that some of these technologies are being used and have been successfully used somewhere else. And the fact that we have more information, it only makes our job a bit easier.

MR. THEROUX: Which is a good first edge.

CHAIRPERSON MARIN: Thank you very, very much, Mr. Theroux.

Okay. Any questions, comments from our Board?

Mr. Paparian.

BOARD MEMBER PAPARIAN: Thank you, Madam Chair.

One of the things that Fernando brought up was what the legislation called for. And one of the things the legislation called for, as you recall, was an analysis of the environmental and health benefits and costs, environmental health impacts of the various technologies

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and the relative impacts of each them.

I found something new over the weekend. This was very interesting. Don't ask me why I spend time at home surfing the web, but I did.

It turns out that the British government at about the same time that we launched into this effort also launched into an effort to look at the environmental and health impacts of these various technologies. And I gave Fernando a little bit of the information and the links I found. It's a very extensive study, a lot of charts. It was peer reviewed twice by the British Royal Academy and looked at the relative environmental health impacts of conversion technologies and landfills.

And what they found was a couple of things. One was that in terms of ranking the expected health impacts of these various technologies, they found that anaerobic digestion was relatively the safest technology, followed by -- depending on the level of gas capture at a landfill, followed by either a landfill or pyrolysis and gasification. Again, the landfills depending on whether they're capturing the gas and how they're capturing the gast. And the least safe technology was traditional waste to energy incineration. That was basically the scientific side of the findings.

Then there's also a policy side of the findings.

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1 And the policy side was if you look at the study, the
2 British Minister of State for Environment and Agra
3 Environment suggests that, in his view, the risks of these
4 various technologies, in his view, were compared to other
5 environmental risk factors, whether they be smoking or
6 whatever they might be. He thinks they are relatively
7 small when you take a material that is going to be
8 processed through their much more aggressive reuse and
9 recycling systems they're expecting to implement. So just
10 to be fair, there is that policy discussion as well as the
11 scientific discussion in this report. I think it's very
12 important to this paper.
13 And, Fernando, again, just before the break I
14 showed him the information. He hasn't had any chance to
15 respond to this. But I think it's very important, because
16 I think it helps us answer the questions that the
17 Legislature asked us. What are the relative risks these
18 various technologies. They've done it. They've
19 quantified it. They've got things 10 to the minus 8th,
20 the types of quantifications that you would hope for that
21 our researchers in California hoped that British folks had
22 actually done.
23 So I think as we move forward, you know, I'm
24 hoping Fernando will be able to take a look at this and if
25 he and others agree it is as important a body of

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information as I think it is, from what I've seen, that some of this information does get incorporated into the report.

CHAIRPERSON MARIN: I'm sure Fernando will do a full evaluation of that. And to the degree that it's useful, it will be incorporated.

SUPERVISOR BERTON: Absolutely. And I think we'll have discussions with the Office of Environmental Health Hazard Assessment as well so we keep them in the loop.

CHAIRPERSON MARIN: You're welcome to do that every Sunday or the weekend when surfing the web for our own edification.

BOARD MEMBER PAPARIAN: I'll give you a monthly report on my surfing activities.

If I might, Madam Chair, just another thing that came out of the Committee. There was some discussion about the peer review I think that was going to be looked into further of the peer review that's called for in the legislation and available processes of CalEPA. And one of the things the Committee wanted was for all the participants to have the benefit of the comments provided by other participants. So we were -- we asked the staff to post on the web the written comments that we've gotten from the various parties. And hopefully that will happen

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soon.

SUPERVISOR BERTON: Yes, actually, great segue. I was going to say our goal to get -- the comments and letters we received to date, get them scanned in and posted on the CT web page as soon as we can and then send a listserve or message out to the conversion technology listserve with that link to that website to we have the benefit of looking at what all the other comments are.

CHAIRPERSON MARIN: Perfect.

Anything further, Mr. Paparian?

Okay. Ms. Peace.

BOARD MEMBER PEACE: As I was reading through the report, it says there's been considerable progress in the last ten years in terms of emissions control so the life cycle analysis shows that conversion technologies can have advantages over landfilling. There's greater energy production, fewer NOx emissions, fewer SOX emissions, fewer carbon emissions. Did I read that right?

SUPERVISOR BERTON: That's correct.

BOARD MEMBER PEACE: I guess I'm still confused. Are conversion technologies classified as disposal facilities at this point?

SUPERVISOR BERTON: What's classified in statute as a disposal facility is gasification. Gasification is the only technology as far as conversion technologies that

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are identified or defined in statute. There's no definition for pyrolysis or hydrolysis or distillation or anything. So the statute has a list. It defines gasification -- and then also in a separate statute says that solid waste disposal or disposal facility is, and it lists landfills and this and that, and includes gasification as well and transformation as a disposal facility. So of the family of technologies that we've been looking at, gasification is the only one at this point statutorily defined as a disposal facility.

BOARD MEMBER PEACE: I guess I don't understand how they only get 10 percent diversion credit for going to a conversion technology facility. If it doesn't ever go through the landfill gate and it goes to a conversion technology facility, how does that not all get counted as diversion?

SUPERVISOR BERTON: At this point, the only kind of technology that gets 10 percent diversion credit are the existing waste to energy facilities that were operating and permitted prior to 1996. Any new transformation facility would not -- a local jurisdiction that has any new transformation facility constructed in their jurisdiction would not receive diversion credit of any sort because they were not operating or permitted prior to 1996. That's how --

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BOARD MEMBER PEACE: If I'm a jurisdiction and I took all my green waste to a new conversion technology, I wouldn't get any diversion credit for that? But if I took it all to the landfill and use it as ADC, then I would?

SUPERVISOR BERTON: That's correct.

BOARD MEMBER PEACE: Okay. That makes a lot of sense.

CHAIRPERSON MARIN: Those are the challenges that we have to deal with. Those are the small, little challenges we have to deal with.

Anyways, as usual, thank you so very much great report.

Move right ahead. We have a few things that you need to add, and we'll move forward.

SUPERVISOR BERTON: Madam Chair, one last thing quickly. I do want to -- if folks are still listening online. We do have a February 15th deadline for written comments. Actually, e-mail would be preferable from a waste prevention standpoint. And, again, we've tentatively scheduled a workshop for February 28th to discuss comments received and what the next iteration of the report would be looking like. So I just want to remind folks about that. So that's it for me.

CHAIRPERSON MARIN: They have been reminded then. Thank you so very much.

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Any further items, Mr. Leary?

DEPUTY DIRECTOR LEE: Madam Chair, I think you've completed the agenda, unless you want to take another whack at public comments.

CHAIRPERSON MARIN: Anybody else needs to make any comments about anything? I'm fighting with the microphone here, and no one can see what I'm doing, but there's something here.

Okay. We'll go into closed session. And after that, we will close the meeting.

Actually, Marie, we need to go into closed session because --

CHIEF COUNSEL CARTER: Madam Chair, we've got a couple of matters, Litigation 11126(e)(2) government code controlling, and personnel matter 11126(a).

CHAIRPERSON MARIN: Okay. That's a good reason to go into closed session. Thank you so very much. God willing, we'll see you next month.

(Thereupon the California Integrated Waste Management Board, Board of Administration recessed into closed session at 2:09 p.m.)

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

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5 That I am a disinterested person herein; that the
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10 I further certify that I am not of counsel or
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13 IN WITNESS WHEREOF, I have hereunto set my hand
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