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8  
9 STATE OF CALIFORNIA

10 CALIFORNIA DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY

11 In the matter of:

12 RUBBER RECOVERY, INC.

13 TPID NO: 1620515

14 RESPONDENT.

11 } ADMINISTRATIVE DECISION  
12 } PURSUANT TO STIPULATION FOR  
13 } WASTE TIRE HAULER  
14 } ADMINISTRATIVE PENALTIES

15 } AGENCY No: 2011-011125-ADC

16 } OAH No: 2011-090587  
17 }  
18 }

19 INTRODUCTION

20 The California Department of Resources Recycling and Recovery (CALRECYCLE) has  
21 authority to regulate and conduct enforcement actions regarding Waste Tire Haulers and  
22 Waste Tire Facilities within the State of California under Public Resources Code (PRC)  
23 sections 42850 et seq. and 42962 et seq., and attendant regulations contained in 14 California  
24 Code of Regulations (CCR).

25 This Administrative Decision Pursuant to Stipulation For Waste Tire Hauler  
26 Administrative Penalties is based on the Stipulation for Issuance of Administrative Decision for  
27 Waste Tire Hauler Administrative Penalties (Stipulation) signed by ROBERT H. DAVIS, AS  
28 PRESIDENT OF RUBBER RECOVERY (RESPONDENT) on March 9, 2012.

1 The Administrative Complaint For Waste Tire Hauler Administrative Penalties  
2 (Administrative Complaint) was issued to RESPONDENT on July 21, 2011. RESPONDENT  
3 requested a hearing on August 8, 2011. A hearing was scheduled for March 13, 2012, in Los  
4 Angeles California.

5 Pursuant to the Stipulation, and good cause appearing therefore, the following  
6 Stipulated Factual Findings and Legal Conclusions are made, and the following Order is  
7 issued:

8 **STIPULATED FACTUAL FINDINGS**

9 1. RESPONDENT has been registered to haul waste and used tires in California by  
10 CALRECYCLE since 2007. A copy of California's waste tire hauler laws and regulations were  
11 provided to RESPONDENT each year along with its renewed Waste and Used Tire Hauler  
12 Registration.

13 2. PRC sections 42808, 42823, 42824 and 42834, prohibit a person from storing,  
14 stockpiling, accumulating, or discarding more than 499 waste tires at a site without first  
15 obtaining either a Minor Waste Tire Facility Permit or a Major Waste Tire Facility Permit.

16 3. During the time period from June 9, 2010, through February 28, 2011,  
17 RESPONDENT was never in possession of either a Major or a Minor Waste Tire Facility  
18 Permit for the site, located at 10672-B Calabash Avenue, Fontana, California (the site) and  
19 operated by RESPONDENT.

20 4. During an inspection of the site on June 9, 2010, by Vance Tracy, Integrated  
21 Waste Management Specialist for CALRECYCLE, and documented in Waste Tire Survey and  
22 Inspection Report (Inspection Report) number I1-1134626, Mr. Tracy observed 6,505 waste  
23 tires onsite, thereby creating an unpermitted major Waste Tire Facility (WTF). Mr. Tracy found  
24 that RESPONDENT had hauled the waste tires to the unpermitted WTF, in violation of PRC  
25 section 42951(b). Mr. Tracy advised RESPONDENT that RESPONDENT was in violation of  
26 PRC section 42951(b) and provided RESPONDENT with copies of California's waste tire  
27 hauler laws and regulations.



1 unpermitted WTF in violation of PRC section 42824. For that same inspection RESPONDENT  
 2 contends that 35,875 waste tires were not onsite at the time, but that 28,000 pounds of  
 3 industrial feedstock was onsite.

4 10. On March 30, 2011, Ms. Blair conducted an audit of the CTL's submitted by  
 5 RESPONDENT to CALRECYCLE for dates between September 1, 2010, and February 28,  
 6 2011. Based on the audit results, CALRECYCLE contends that on at least 133 separate  
 7 occasions RESPONDENT transported more than 500 waste tires to the site, in violation of  
 8 PRC section 42951(b). Said shipments are listed in the following table:

Comprehensive Trip Log	Load Date	Hauler TPID	Hauler Name	Delivery PTE	Facility TPID	Facility Name
4089363-B	09/01/2010	1620515	Rubber Recovery, Inc.	1469	1620515	Rubber Recovery, Inc.
4132203-B	09/01/2010	1620515	Rubber Recovery, Inc.	1015	1620515	Rubber Recovery, Inc.
4089644-B	09/02/2010	1620515	Rubber Recovery, Inc.	1517	1620515	Rubber Recovery, Inc.
4089643-B	09/03/2010	1620515	Rubber Recovery, Inc.	1707	1620515	Rubber Recovery, Inc.
3731198-B	09/03/2010	1620515	Rubber Recovery, Inc.	841	1620515	Rubber Recovery, Inc.
3716710-B	09/07/2010	1620515	Rubber Recovery, Inc.	1705	1620515	Rubber Recovery, Inc.
4132207-B	09/08/2010	1620515	Rubber Recovery, Inc.	800	1620515	Rubber Recovery, Inc.
4089642-B	09/09/2010	1620515	Rubber Recovery, Inc.	1834	1620515	Rubber Recovery, Inc.
4132210-B	09/09/2010	1620515	Rubber Recovery, Inc.	500	1620515	Rubber Recovery, Inc.
4089641-B	09/10/2010	1620515	Rubber Recovery, Inc.	1564	1620515	Rubber Recovery, Inc.
4089638-B	09/10/2010	1620515	Rubber Recovery, Inc.	1521	1620515	Rubber Recovery, Inc.
4089632-B	09/13/2010	1620515	Rubber Recovery, Inc.	1592	1620515	Rubber Recovery, Inc.
4089631-B	09/14/2010	1620515	Rubber Recovery, Inc.	1547	1620515	Rubber Recovery, Inc.
4089630-B	09/15/2010	1620515	Rubber Recovery, Inc.	1672	1620515	Rubber Recovery, Inc.
4089627-B	09/17/2010	1620515	Rubber Recovery, Inc.	1585	1620515	Rubber Recovery, Inc.
4089330-B	09/21/2010	1620515	Rubber Recovery, Inc.	613	1620515	Rubber Recovery, Inc.
4089637-B	09/22/2010	1620515	Rubber Recovery, Inc.	1830	1620515	Rubber Recovery, Inc.
4089628-B	09/24/2010	1620515	Rubber Recovery, Inc.	1602	1620515	Rubber Recovery, Inc.

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4089626-B	09/27/2010	1620515	Rubber Recovery, Inc.	1698	1620515	Rubber Recovery, Inc.
4132231-B	09/28/2010	1620515	Rubber Recovery, Inc.	500	1620515	Rubber Recovery, Inc.
3716709-B	09/29/2010	1620515	Rubber Recovery, Inc.	2010	1620515	Rubber Recovery, Inc.
4089629-B	09/29/2010	1620515	Rubber Recovery, Inc.	1626	1620515	Rubber Recovery, Inc.
4089625-B	09/30/2010	1620515	Rubber Recovery, Inc.	1693	1620515	Rubber Recovery, Inc.
4089624-B	09/30/2010	1620515	Rubber Recovery, Inc.	1581	1620515	Rubber Recovery, Inc.
4089365-B	10/01/2010	1620515	Rubber Recovery, Inc.	1709	1620515	Rubber Recovery, Inc.
4089364-B	10/01/2010	1620515	Rubber Recovery, Inc.	1637	1620515	Rubber Recovery, Inc.
4089366-B	10/04/2010	1620515	Rubber Recovery, Inc.	1570	1620515	Rubber Recovery, Inc.
4089623-B	10/05/2010	1620515	Rubber Recovery, Inc.	1567	1620515	Rubber Recovery, Inc.
4089619-B	10/07/2010	1620515	Rubber Recovery, Inc.	1647	1620515	Rubber Recovery, Inc.
4089620-B	10/07/2010	1620515	Rubber Recovery, Inc.	1610	1620515	Rubber Recovery, Inc.
4089622-B	10/08/2010	1620515	Rubber Recovery, Inc.	1736	1620515	Rubber Recovery, Inc.
4132245-B	10/08/2010	1620515	Rubber Recovery, Inc.	800	1620515	Rubber Recovery, Inc.
4089613-B	10/11/2010	1620515	Rubber Recovery, Inc.	1196	1620515	Rubber Recovery, Inc.
4132247-B	10/11/2010	1620515	Rubber Recovery, Inc.	500	1620515	Rubber Recovery, Inc.
4089617-B	10/13/2010	1620515	Rubber Recovery, Inc.	1650	1620515	Rubber Recovery, Inc.
4089612-B	10/13/2010	1620515	Rubber Recovery, Inc.	1504	1620515	Rubber Recovery, Inc.
4132252-B	10/15/2010	1620515	Rubber Recovery, Inc.	500	1620515	Rubber Recovery, Inc.
4089621-B	10/18/2010	1620515	Rubber Recovery, Inc.	1595	1620515	Rubber Recovery, Inc.
4132259-B	10/20/2010	1620515	Rubber Recovery, Inc.	500	1620515	Rubber Recovery, Inc.
4132260-B	10/22/2010	1620515	Rubber Recovery, Inc.	800	1620515	Rubber Recovery, Inc.
4089610-B	10/25/2010	1620515	Rubber Recovery, Inc.	1534	1620515	Rubber Recovery, Inc.
4089609-B	10/25/2010	1620515	Rubber Recovery, Inc.	1503	1620515	Rubber Recovery, Inc.
4089607-B	10/26/2010	1620515	Rubber Recovery, Inc.	1514	1620515	Rubber Recovery, Inc.
4089615-B	10/26/2010	1620515	Rubber Recovery, Inc.	1513	1620515	Rubber Recovery, Inc.
4089611-B	10/26/2010	1620515	Rubber Recovery, Inc.	1506	1620515	Rubber Recovery, Inc.

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4089606-B	10/27/2010	1620515	Rubber Recovery, Inc.	1602	1620515	Rubber Recovery, Inc.
4132199-B	10/28/2010	1620515	Rubber Recovery, Inc.	1670	1620515	Rubber Recovery, Inc.
4135356-B	10/28/2010	1620515	Rubber Recovery, Inc.	1341	1620515	Rubber Recovery, Inc.
4132198-B	10/29/2010	1620515	Rubber Recovery, Inc.	1552	1620515	Rubber Recovery, Inc.
4132197-B	11/01/2010	1620515	Rubber Recovery, Inc.	1588	1620515	Rubber Recovery, Inc.
4132196-B	11/02/2010	1620515	Rubber Recovery, Inc.	1687	1620515	Rubber Recovery, Inc.
4132192-B	11/02/2010	1620515	Rubber Recovery, Inc.	1329	1620515	Rubber Recovery, Inc.
4132191-B	11/03/2010	1620515	Rubber Recovery, Inc.	1626	1620515	Rubber Recovery, Inc.
4132275-B	11/03/2010	1620515	Rubber Recovery, Inc.	500	1620515	Rubber Recovery, Inc.
4132193-B	11/04/2010	1620515	Rubber Recovery, Inc.	1575	1620515	Rubber Recovery, Inc.
4132195-B	11/04/2010	1620515	Rubber Recovery, Inc.	1530	1620515	Rubber Recovery, Inc.
4132194-B	11/05/2010	1620515	Rubber Recovery, Inc.	1850	1620515	Rubber Recovery, Inc.
4132187-B	11/08/2010	1620515	Rubber Recovery, Inc.	1732	1620515	Rubber Recovery, Inc.
4132190-B	11/08/2010	1620515	Rubber Recovery, Inc.	1574	1620515	Rubber Recovery, Inc.
4132189-B	11/10/2010	1620515	Rubber Recovery, Inc.	1736	1620515	Rubber Recovery, Inc.
4132185-B	11/11/2010	1620515	Rubber Recovery, Inc.	1448	1620515	Rubber Recovery, Inc.
4132184-B	11/12/2010	1620515	Rubber Recovery, Inc.	1209	1620515	Rubber Recovery, Inc.
4089993-B	11/12/2010	1620515	Rubber Recovery, Inc.	500	1620515	Rubber Recovery, Inc.
4132183-B	11/15/2010	1620515	Rubber Recovery, Inc.	1059	1620515	Rubber Recovery, Inc.
4132182-B	11/16/2010	1620515	Rubber Recovery, Inc.	1666	1620515	Rubber Recovery, Inc.
4132181-B	11/17/2010	1620515	Rubber Recovery, Inc.	1756	1620515	Rubber Recovery, Inc.
4132176-B	11/18/2010	1620515	Rubber Recovery, Inc.	1994	1620515	Rubber Recovery, Inc.
4089982-B	11/18/2010	1620515	Rubber Recovery, Inc.	1211	1620515	Rubber Recovery, Inc.
4132177-B	11/19/2010	1620515	Rubber Recovery, Inc.	1643	1620515	Rubber Recovery, Inc.
4132179-B	11/23/2010	1620515	Rubber Recovery, Inc.	1731	1620515	Rubber Recovery, Inc.
4132180-B	11/24/2010	1620515	Rubber Recovery, Inc.	1669	1620515	Rubber Recovery, Inc.
4132178-B	11/29/2010	1620515	Rubber Recovery, Inc.	1837	1620515	Rubber Recovery, Inc.

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4132175-B	11/29/2010	1620515	Rubber Recovery, Inc.	1705	1620515	Rubber Recovery, Inc.
4089968-B	11/29/2010	1620515	Rubber Recovery, Inc.	698	1620515	Rubber Recovery, Inc.
4089967-B	11/30/2010	1620515	Rubber Recovery, Inc.	800	1620515	Rubber Recovery, Inc.
4132173-B	12/01/2010	1620515	Rubber Recovery, Inc.	1990	1620515	Rubber Recovery, Inc.
4132172-B	12/01/2010	1620515	Rubber Recovery, Inc.	1662	1620515	Rubber Recovery, Inc.
4089962-B	12/01/2010	1620515	Rubber Recovery, Inc.	500	1620515	Rubber Recovery, Inc.
4132171-B	12/02/2010	1620515	Rubber Recovery, Inc.	1849	1620515	Rubber Recovery, Inc.
4089959-B	12/02/2010	1620515	Rubber Recovery, Inc.	500	1620515	Rubber Recovery, Inc.
4132170-B	12/03/2010	1620515	Rubber Recovery, Inc.	1675	1620515	Rubber Recovery, Inc.
4132169-B	12/03/2010	1620515	Rubber Recovery, Inc.	1597	1620515	Rubber Recovery, Inc.
4132168-B	12/07/2010	1620515	Rubber Recovery, Inc.	1642	1620515	Rubber Recovery, Inc.
4132167-B	12/08/2010	1620515	Rubber Recovery, Inc.	1487	1620515	Rubber Recovery, Inc.
4089955-B	12/09/2010	1620515	Rubber Recovery, Inc.	500	1620515	Rubber Recovery, Inc.
4132166-B	12/10/2010	1620515	Rubber Recovery, Inc.	1832	1620515	Rubber Recovery, Inc.
4132174-B	12/13/2010	1620515	Rubber Recovery, Inc.	1821	1620515	Rubber Recovery, Inc.
4132165-B	12/14/2010	1620515	Rubber Recovery, Inc.	1244	1620515	Rubber Recovery, Inc.
4132162-B	12/15/2010	1620515	Rubber Recovery, Inc.	1637	1620515	Rubber Recovery, Inc.
4132155-B	12/16/2010	1620515	Rubber Recovery, Inc.	1451	1620515	Rubber Recovery, Inc.
4132161-B	12/17/2010	1620515	Rubber Recovery, Inc.	1280	1620515	Rubber Recovery, Inc.
4132160-B	12/20/2010	1620515	Rubber Recovery, Inc.	2007	1620515	Rubber Recovery, Inc.
4132159-B	12/21/2010	1620515	Rubber Recovery, Inc.	1625	1620515	Rubber Recovery, Inc.
4132158-B	12/23/2010	1620515	Rubber Recovery, Inc.	1773	1620515	Rubber Recovery, Inc.
4089899-B	12/27/2010	1620515	Rubber Recovery, Inc.	500	1620515	Rubber Recovery, Inc.
4132157-B	01/04/2011	1620515	Rubber Recovery, Inc.	1620	1620515	Rubber Recovery, Inc.
4132154-B	01/05/2011	1620515	Rubber Recovery, Inc.	1805	1620515	Rubber Recovery, Inc.
4132164-B	01/06/2011	1620515	Rubber Recovery, Inc.	2076	1620515	Rubber Recovery, Inc.
4132153-B	01/07/2011	1620515	Rubber Recovery, Inc.	1331	1620515	Rubber Recovery, Inc.

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4132163-B	01/10/2011	1620515	Rubber Recovery, Inc.	1731	1620515	Rubber Recovery, Inc.
4089897-B	01/10/2011	1620515	Rubber Recovery, Inc.	500	1620515	Rubber Recovery, Inc.
4132149-B	01/11/2011	1620515	Rubber Recovery, Inc.	1664	1620515	Rubber Recovery, Inc.
4132145-B	01/12/2011	1620515	Rubber Recovery, Inc.	1674	1620515	Rubber Recovery, Inc.
4089895-B	01/12/2011	1620515	Rubber Recovery, Inc.	800	1620515	Rubber Recovery, Inc.
4089893-B	01/13/2011	1620515	Rubber Recovery, Inc.	500	1620515	Rubber Recovery, Inc.
4132142-B	01/14/2011	1620515	Rubber Recovery, Inc.	1580	1620515	Rubber Recovery, Inc.
4089891-B	01/14/2011	1620515	Rubber Recovery, Inc.	500	1620515	Rubber Recovery, Inc.
4132148-B	01/17/2011	1620515	Rubber Recovery, Inc.	1845	1620515	Rubber Recovery, Inc.
4089889-B	01/17/2011	1620515	Rubber Recovery, Inc.	500	1620515	Rubber Recovery, Inc.
4132144-B	01/19/2011	1620515	Rubber Recovery, Inc.	1614	1620515	Rubber Recovery, Inc.
4132147-B	01/20/2011	1620515	Rubber Recovery, Inc.	1632	1620515	Rubber Recovery, Inc.
4132146-B	01/21/2011	1620515	Rubber Recovery, Inc.	1854	1620515	Rubber Recovery, Inc.
4132150-B	01/24/2011	1620515	Rubber Recovery, Inc.	2031	1620515	Rubber Recovery, Inc.
4132151-B	01/25/2011	1620515	Rubber Recovery, Inc.	1556	1620515	Rubber Recovery, Inc.
4132152-B	01/27/2011	1620515	Rubber Recovery, Inc.	1804	1620515	Rubber Recovery, Inc.
4132134-B	01/28/2011	1620515	Rubber Recovery, Inc.	1565	1620515	Rubber Recovery, Inc.
4132143-B	02/01/2011	1620515	Rubber Recovery, Inc.	1394	1620515	Rubber Recovery, Inc.
4132132-B	02/02/2011	1620515	Rubber Recovery, Inc.	1361	1620515	Rubber Recovery, Inc.
4132133-B	02/02/2011	1620515	Rubber Recovery, Inc.	1177	1620515	Rubber Recovery, Inc.
4089882-B	02/02/2011	1620515	Rubber Recovery, Inc.	500	1620515	Rubber Recovery, Inc.
4132141-B	02/03/2011	1620515	Rubber Recovery, Inc.	1775	1620515	Rubber Recovery, Inc.
4132140-B	02/08/2011	1620515	Rubber Recovery, Inc.	1755	1620515	Rubber Recovery, Inc.
4132131-B	02/09/2011	1620515	Rubber Recovery, Inc.	1495	1620515	Rubber Recovery, Inc.
4132139-B	02/11/2011	1620515	Rubber Recovery, Inc.	1541	1620515	Rubber Recovery, Inc.
4132138-B	02/14/2011	1620515	Rubber Recovery, Inc.	1686	1620515	Rubber Recovery, Inc.
4132136-B	02/15/2011	1620515	Rubber Recovery, Inc.	1600	1620515	Rubber Recovery, Inc.

4132135-B	02/16/2011	1620515	Rubber Recovery, Inc.	1440	1620515	Rubber Recovery, Inc.
4089878-B	02/17/2011	1620515	Rubber Recovery, Inc.	500	1620515	Rubber Recovery, Inc.
4132130-B	02/18/2011	1620515	Rubber Recovery, Inc.	1686	1620515	Rubber Recovery, Inc.
4132118-B	02/21/2011	1620515	Rubber Recovery, Inc.	1338	1620515	Rubber Recovery, Inc.
4132137-B	02/22/2011	1620515	Rubber Recovery, Inc.	1549	1620515	Rubber Recovery, Inc.
4132103-B	02/24/2011	1620515	Rubber Recovery, Inc.	1700	1620515	Rubber Recovery, Inc.
4132101-B	02/25/2011	1620515	Rubber Recovery, Inc.	1523	1620515	Rubber Recovery, Inc.

11. RESPONDENT contends that, of the loads of waste and used tires hauled, and listed in the table above, only eleven loads contained 500 or more waste tires. RESPONDENT contends that only loads manifested in CTL receipts numbered 3731198-B, 4089613-B, 4089610-B, 4089609-B, 4089607-B, 4089611-B, 4135356-B, 4132142-B, 4132144-B, 4132133-B, and 413218-B contained 500 or more waste tires.

**STIPULATED CONCLUSIONS OF LAW**

12. On at least 11 separate occasions, RESPONDENT violated PRC 42951 (b) by transporting waste tires to a facility that was not permitted, excluded, exempted, or otherwise authorized by the (Department), by statute, or by regulation, to accept waste and used tires, or to a facility that lawfully accepts waste or used tires for reuse or disposal.

13. On at least one (1) occasion RESPONDENT violated PRC section 42953 by giving, contracting, or arranging with a person who did not hold a valid waste and used tire hauler registration from the (Department) or who was otherwise exempt from requiring such a registration, to transport waste or used tires.

**DISPUTED CONCLUSIONS OF LAW**

14. On at least 133 separate total occasions, RESPONDENT violated PRC 42951 (b) by transporting waste tires to a facility that was not permitted, excluded, exempted, or otherwise authorized by the (Department), by statute, or by regulation, to accept waste and used tires, or to a facility that lawfully accepts waste or used tires for reuse or disposal.

ORDER

15. CALRECYCLE approves of, and adopts the terms of the Stipulation, and hereby orders RESPONDENT to comply with the following terms, in accordance with the Stipulation:

(a) Pursuant to the terms and conditions of the Stipulation, and subject to the limitations hereunder, RESPONDENT stipulates to an administrative penalty against RESPONDENT and in favor of CALRECYCLE in the sum of one hundred thirty four thousand dollars (\$134,000.00) for the violations set forth in the Stipulation. Payment of the penalty shall be satisfied in the following manner:

i) RESPONDENT shall pay thirty thousand dollars (\$30,000.00) to CALRECYCLE in accordance with the following:

1. RESPONDENT shall pay to CALRECYCLE the sum of twelve thousand dollars (\$12,000.00) on or before the 60<sup>th</sup> day after the corresponding Administrative Decision is issued, and
2. RESPONDENT shall make monthly payments to CALRECYCLE of five hundred dollars (\$500.00) until the total amount of said payments together with the twelve thousand dollars (\$12,000.00) set forth in subparagraph (a)(i)(1) equals thirty thousand dollars (\$30,000.00).
3. All payments shall be made to CALRECYCLE, Attn: Esther Gallegos, at P. O. Box 4025, Sacramento, CA 95812-4025, or to such other person and/or place as CALRECYCLE or its agent may from time to time designate in writing.
4. Payments shall be made to CALRECYCLE on or before the 10<sup>th</sup> day of each month; the first payment shall be due on the 10<sup>th</sup> of the month following the month in which the twelve thousand dollars (\$12,000.00) was paid.

1                   5. If any payment by RESPONDENT hereunder is not mailed by  
2                   RESPONDENT to said addressee by the due date, or a date  
3                   later issued by CALRECYCLE, and if RESPONDENT fails to  
4                   cure the missed payment(s) within 20 days of said missed  
5                   payment, RESPONDENT shall be found in partial default of the  
6                   Stipulation.

7                   ii) If RESPONDENT fails to make consecutive monthly payments for a three-  
8                   month period, CALRECYCLE shall collect the amount owed from the  
9                   hauler bond currently issued to RESPONDENT.

10                  iii) One hundred four thousand dollars (\$ 104,000.00 dollars) of this  
11                  administrative penalty shall be suspended and stayed for an abeyance  
12                  period described below in paragraph 17(b). The stayed penalty shall be  
13                  deemed terminated and shall not be paid by RESPONDENT to  
14                  CALRECYCLE following the abeyance period absent a default as  
15                  described below.

16                  iv) If RESPONDENT defaults on any of the terms set forth in the Stipulation  
17                  during the abeyance period, the stay shall be lifted and RESPONDENT  
18                  shall immediately owe CALRECYCLE either all or part of the stipulated  
19                  administrative penalty of one hundred thirty four thousand dollars  
20                  (\$134,000.00) less any of that amount already paid to CALRECYCLE, as  
21                  set forth in paragraphs 18 and 19 below.

22                  (b) The abeyance period shall be for a period of up to five years, but may be  
23                  shortened based on RESPONDENT'S compliance with the terms of this Stipulation. If, after  
24                  one year, RESPONDENT has complied with the terms of the Stipulation that would result in a  
25                  full default, RESPONDENT'S abeyance period shall be shortened to a total of four years. If,  
26                  after two years, RESPONDENT has complied with the terms of this Stipulation that would  
27                  result in a full default, RESPONDENT'S abeyance period shall be shortened to a total of three  
28                  years. If, after three years, RESPONDENT has complied with the terms of the Stipulation that

1 would result in a full default, the abeyance period shall end and the said penalty shall be  
2 deemed terminated in accordance with paragraph 17(a)(ii) above. If RESPONDENT, at any  
3 time, fails to comply with any of the terms of the Stipulation that would result in a full default,  
4 the abeyance period shall remain in effect for the full five-year period.

5 (c) Robert H. Davis, President of RESPONDENT'S corporation, shall serve as the  
6 environmental compliance officer. As such, Mr. Davis shall serve as the main contact for  
7 CALRECYCLE in matters regarding the compliance of RESPONDENT with waste tire laws,  
8 waste tire hauler laws and their attendant regulations. Additionally, Mr. Davis shall be  
9 responsible for ensuring that RESPONDENT complies with all waste tire laws, waste tire  
10 hauler laws, their attendant regulations, and the terms of the Stipulation. Should Mr. Davis  
11 cease serving in this capacity, RESPONDENT shall notify CALRECYCLE of such and  
12 RESPONDENT shall provide CALRECYCLE with the name and contact information for its new  
13 environmental compliance officer.

14 (d) RESPONDENT shall comply with Waste Tire Laws set forth in PRC section  
15 42800 et seq., and attendant regulations set forth in Title 14 of the CCR, and Waste Tire  
16 Hauler Laws set forth in PRC section 42950 et seq. and attendant regulations set forth in Title  
17 14 of the CCR;

18 (e) RESPONDENT shall not contract with an unregistered waste tire hauler to haul  
19 waste or used tires, and RESPONDENT shall not haul or arrange or contract for the hauling of  
20 used or waste tires to a location that is not a permitted WTF, unless the WTF is exempted or  
21 excluded from the permitting requirement, or otherwise authorized by the Department. Failure  
22 to comply with this term shall constitute a full default and the full remaining amount of one  
23 hundred thirty four thousand dollars (\$134,000.00) shall become immediately due and payable;

24 (f) RESPONDENT shall maintain a manifesting error rate of 4% or less for the  
25 abeyance period; failure to do so shall constitute a full default and the full remaining amount of  
26 one hundred thirty four thousand dollars (\$134,000.00) shall become immediately due and  
27 payable;

28

1 (g) RESPONDENT shall not, in any capacity, operate or own a new or existing major  
2 or minor WTF without first obtaining a major or a minor WTF Permit from CALRECYCLE. If  
3 RESPONDENT fails to submit a completed Major or Minor WTF Permit prior to operating or  
4 owning a new or existing Major or Minor WTF, such act shall constitute a full default and the  
5 full remaining amount of one hundred thirty four thousand dollars (\$134,000.00) shall become  
6 immediately due and payable.

7 (h) RESPONDENT shall store waste and used tires onsite in a manner complying  
8 with the terms of WTF Permit number 1620515 and the terms of the operational plan upon  
9 which said WTF Permit is based, and RESPONDENT shall notify CALRECYCLE of any  
10 changes to its operational plan within seven days of any changes made.

11 18. Partial Default: Unless specified otherwise in the subsections above, failure to  
12 comply with any of the above terms shall constitute a partial default of the Stipulation and the  
13 abeyance amount determined by CALRECYCLE shall become immediately due and payable.  
14 CALRECYCLE shall base any abeyance amount due on the penalty amounts set forth in PRC  
15 sections 42850, 42850.1, 42962, and 14 CCR sections 18429, 18464, and 18465. Multiple  
16 partial default penalties may be assessed within the abeyance period unless or until the full  
17 abeyance amount of one hundred four thousand dollars (\$104,000.00) is exhausted.  
18 CALRECYCLE shall issue a Notice of Default, by U.S. Mail, to RESPONDENT stating the  
19 paragraphs and provisions of the Stipulation of which RESPONDENT is in default and the  
20 abeyance amount owed. RESPONDENT shall have thirty (30) days to remit payment of the  
21 abeyance amount. If RESPONDENT disputes the allegations in the Notice of Default,  
22 RESPONDENT may provide evidence refuting the allegations within the thirty (30) day period.  
23 If, after reviewing the evidence provided by RESPONDENT, CALRECYCLE determines the  
24 allegations in the Notice of Default are accurate and valid, CALRECYCLE shall issue a  
25 Determination of Default, in the form of letter, ordering RESPONDENT to pay the partial  
26 default amount within thirty (30) days of the issuance of the Default Decision.

27 19. Full Default: If RESPONDENT defaults under any term of the Stipulation that is  
28 specified as resulting in a full default, CALRECYCLE shall send a Notice of Default to

1 RESPONDENT; said Notice of Default shall state the paragraphs or provisions of the  
2 Stipulation of which RESPONDENT is in default and the abeyance amount owed.  
3 RESPONDENT shall have thirty (30) days from the date of the issuance of the Notice of  
4 Default to provide evidence refuting CALRECYCLE'S claim of default. After a review of the  
5 evidence provided by RESPONDENT, CALRECYCLE shall make a determination regarding  
6 the default and, if appropriate, shall issue a Supplemental Decision regarding any remaining  
7 penalties due. RESPONDENT may appeal CALRECYCLE'S determination and subsequent  
8 Supplemental Decision within thirty (30) days of the issuance of the Supplemental Decision to  
9 CALRECYCLE; any such appeal shall be heard by CALRECYCLE'S Deputy Director, or an  
10 agent designated by the Director.

11 20. If RESPONDENT fails to remit payment of an abeyance amount due within thirty  
12 (30) days following the issuance of an uncontested Notice of Default, a Determination of  
13 Default, or Supplemental Decision, CALRECYCLE may undertake reasonable steps to acquire  
14 the amount owed, including but not limited to, liens on real property owned by RESPONDENT,  
15 civil and small claims court proceedings, and collection off of the waste and used hauler bond  
16 in effect for RESPONDENT.

17  
18 Dated this 27 day of March, 2012.

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21 \_\_\_\_\_  
22 MARK DE BIE  
23 Deputy Director  
24 DEPARTMENT OF RESOURCES,  
25 RECYCLING AND RECOVERY  
26 (CALRECYCLE)  
27  
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