ELLIOT BLOCK SBN 116999
Chief Counsel
HEATHER L. HUNT SBN 225861
Staff Counsel III
Attorneys for Complainant
DEPARTMENT OF RESOURCES RECYCLING & RECOVERY
1001 I Street, 24th Floor
P. O. Box 4025
Sacramento, CA 95812-4025
Telephone: (916) 341- 6068
Facsimile: (916) 319-7677

STATE OF CALIFORNIA

CALIFORNIA DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY

In the matter of: RUBBER RECOVERY, INC. TPID NO: 1620515 RESPONDENT.	STIPULATION FOR ISSUANCE OF ADMINISTRATIVE DECISION FOR WASTE TIRE HAULER ADMINISTRATIVE PENALTIES, PUBLIC RESOURCES CODE SECTION 42950, ET SEQ AGENCY No: 2011-011125-ADC

INTRODUCTION

The parties to this STIPULATION FOR ISSUANCE OF ADMINISTRATIVE DECISION FOR WASTE TIRE HAULER ADMINISTRATIVE PENALTIES (Stipulation) are the Department of Resources, Recycling and Recovery (CALRECYCLE) and RUBBER RECOVERY, INC. (RESPONDENT), The California Integrated Waste Management Board (CIWMB) is now the Department of Resources Recycling and Recovery (CALRECYCLE). CALRECYCLE succeeded to CIWMB's authority on January 1, 2010, pursuant to PRC section 40401(a)(1). The ADMINISTRATIVE COMPLAINT FOR WASTE TIRE HAULER ADMINISTRATIVE

PENALTIES (Administrative Complaint) was served on RESPONDENT on July 21, 2011. RESPONDENT requested a hearing on August 8, 2011. A hearing was scheduled for March 13, 2012, in Los Angeles California.

In order to avoid the costs and uncertainties of litigation, CALRECYCLE and RESPONDENT hereby stipulate to the following Factual Findings, Conclusions of Law, and Order:

STIPULATED FACTUAL FINDINGS

1. The Administrative Complaint was executed by Heather L. Hunt, Staff Counsel III, CALRECYCLE, acting in her official capacity.

2. CALRECYCLE has authority to regulate and conduct enforcement actions regarding Waste and Used Tire Haulers (hauler) within the State of California under PRC section 42950 et seq. and attendant regulations contained in Title 14 of the California Code of Regulations (CCR).

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

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

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

6. During an inspection of the site on June 9, 2010, by Vance Tracy, Integrated Waste Management Specialist for CALRECYCLE, and documented in Waste Tire Survey and Inspection Report (Inspection Report) number I1-1134626, Mr. Tracy observed 6,505 waste tires onsite, thereby creating an unpermitted major Waste Tire Facility (WTF). Mr. Tracy found

that RESPONDENT had hauled the waste tires to the unpermitted WTF, in violation of PRC section 42951(b). Mr. Tracy advised RESPONDENT that RESPONDENT was in violation of PRC section 42951(b) and provided RESPONDENT with copies of California's waste tire hauler laws and regulations.

7. On July 12, 2010, Cathy Blair, Integrated Waste Management Specialist for CALRECYCLE, sent correspondence to RESPONDENT regarding "Contracting And/Or Arranging The Transportation Of Used Or Waste Tires With A Person Not Holding A Valid Tire Hauler Registration." In said correspondence Ms. Blair advised RESPONDENT that CALRECYCLE had found that RESPONDENT had allowed 20 tons of waste tires to be picked up from the site by an unregistered hauler, in violation of PRC section 42953. Ms. Blair's correspondence further advised RESPONDENT that its continued used of an unregistered hauler might result in further enforcement action by CALRECYCLE.

8. During an inspection on March 22, 2011, of the site by CALRECYCLE staff members Cathy Blair, Frank Simpson, Vance Tracy, Harley Thompson, Michael Payan and Marta Kravech, and documented in inspection report number I1-1175823, Ms. Blair observed a trailer chassis with a shipping container full of tire shreds in the parking lot onsite; attached to the trailer Ms. Blair discovered a bill of lading for Visa Transportation, Inc., to deliver the tire shreds on behalf of RESPONDENT, in violation of PRC section 42953. Visa Transportation is not a registered or exempted hauler.

9. During the same inspection on March 22, 2011, Ms. Blair asked to review RESPONDENT'S Comprehensive Trip Log receipts (CTLs) documenting loads of waste tires to or from the site. Ms. Blair was advised to return the following day to review the CTLs.

10. During the follow-up inspection on March 23, 2011, by Cathy Blair, Frank Simpson, Vance Tracy, Harley Thompson, Michael Payan and Marta Kravech, and also documented in Inspection Report number I1-1175823, Ms. Blair reviewed CTLs presented by RESPONDENT. The CTLs documented 133 separate occasions between September 1, 2010, and February 8, 2011, that RESPONDENT hauled tires to the unpermitted WTF created by RESPONDENT on the site, in violation of PRC section 42951(b).

DISPUTED FACTS

11. During the inspection of the site on March 22, 2011, and documented in Inspection Report number I1-1175823, CALRECYCLE contends that Ms. Blair observed that RESPONDENT had accumulated 35,875 waste tires on site, and thereby created an unpermitted WTF in violation of PRC section 42824. For that same inspection RESPONDENT contends that 35,875 waste tires were not onsite at the time, but that 28,000 pounds of industrial feedstock was onsite.

12. On March 30, 2011, Ms. Blair conducted an audit of the CTL's submitted by RESPONDENT to CALRECYCLE for dates between September 1, 2010, and February 28, 2011. Based on the audit results, CALRECYCLE contends that on at least 133 separate occasions RESPONDENT transported more than 500 waste tires to the site, in violation of 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.
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.
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.
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.
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.

13. 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

14. 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.

15. 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

16. 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.

STIPULATED ORDER

17. RESPONDENT and CALRECYCLE stipulate to the following terms and conditions in full and complete resolution of this matter:

(a) Pursuant to the terms and conditions of this 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 this 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 60th 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 10th day of each month; the first payment shall be due on the 10th of the month following the month in which the twelve thousand dollars ($12,000.00) was paid.

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

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

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

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

(b) The abeyance period shall be for a period of up to five years, but may be shortened based on RESPONDENT'S compliance with the terms of this Stipulation. If, after one year, RESPONDENT has complied with the terms of this Stipulation that would result in a full default, RESPONDENT'S abeyance period shall be shortened to a total of four years. If, after two years, RESPONDENT has complied with the terms of this Stipulation that would result in a full default, RESPONDENT'S abeyance period shall be shortened to a total of three years. If, after three years, RESPONDENT has complied with the terms of this Stipulation that would result in a full default, the abeyance period shall end and the said penalty shall be deemed terminated in accordance with paragraph 17(a)(ii) above. If RESPONDENT, at any time, fails to comply with any of the terms of this Stipulation that would result in a full default, the abeyance period shall remain in effect for the full five-year period.

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

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

(e) RESPONDENT shall not contract with an unregistered waste tire hauler to haul waste or used tires, and RESPONDENT shall not haul or arrange or contract for the hauling of used or waste tires to a location that is not a permitted WTF, unless the WTF is exempted or excluded from the permitting requirement, or otherwise authorized by the Department. Failure

to comply with this term shall constitute a full default and the full remaining amount of one hundred thirty four thousand ($134,000.00) shall become immediately due and payable;

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

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

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

18. Partial Default: Unless specified otherwise in the subsections above, failure to comply with any of the above terms shall constitute a partial default of this Stipulation and the abeyance amount determined by CALRECYCLE shall become immediately due and payable. CALRECYCLE shall base any abeyance amount due on the penalty amounts set forth in PRC sections 42850, 42850.1, 42962, and 14 CCR sections 18429, 18464, and 18465. Multiple partial default penalties may be assessed within the abeyance period unless or until the full abeyance amount of one hundred four thousand dollars ($104,000.00) is exhausted. CALRECYCLE shall issue a Notice of Default, by U.S. Mail, to RESPONDENT stating the paragraphs and provisions of this Stipulation of which RESPONDENT is in default and the abeyance amount owed. RESPONDENT shall have thirty (30) days to remit payment of the abeyance amount. If RESPONDENT disputes the allegations in the Notice of Default, RESPONDENT may provide evidence refuting the allegations within the thirty (30) day period. If, after reviewing the evidence provided by RESPONDENT, CALRECYCLE determines the

allegations in the Notice of Default are accurate and valid, CALRECYCLE shall issue a Determination of Default, in the form of letter, ordering RESPONDENT to pay the partial default amount within thirty (30) days of the issuance of the Default Decision.

19. Full Default: If RESPONDENT defaults under any term of this Stipulation that is specified as resulting in a full default, CALRECYCLE shall send a Notice of Default to RESPONDENT; said Notice of Default shall state the paragraphs or provisions of this Stipulation of which RESPONDENT is in default and the abeyance amount owed. RESPONDENT shall have thirty (30) days from the date of the issuance of the Notice of Default to provide evidence refuting CALRECYCLE'S claim of default. After a review of the evidence provided by RESPONDENT, CALRECYCLE shall make a determination regarding the default and, if appropriate, shall issue a Supplemental Decision regarding any remaining penalties due. RESPONDENT may appeal CALRECYCLE'S determination and subsequent Supplemental Decision within thirty (30) days of the issuance of the Supplemental Decision to CALRECYCLE; any such appeal shall be heard by CALRECYCLE'S Deputy Director, or an agent designated by the Director.

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

21. No covenant, promise, term, condition, breach or default of or under this Stipulation shall be deemed to have been waived except as expressly so stated in writing by CALRECYCLE. A waiver by CALRECYCLE of any breach or default by RESPONDENT under this Stipulation shall not be deemed a waiver of any preceding or subsequent breach or default by RESPONDENT.

22. RESPONDENT has freely and voluntarily entered into this Stipulation and has been afforded the opportunity to consult with counsel prior to entering into this Stipulation. It is

expressly understood and agreed that no representations or promises of any kind, other than as contained herein, have been made by any party to induce any other party to enter into this Stipulation, and that said Stipulation may not be altered, amended, modified or otherwise changed except by a writing executed by each of the parties hereto. Each party hereto agrees to execute and deliver any and all documents and to take any and all actions necessary or appropriate to consummate this Stipulation and to carry out its terms and provisions.

23. Except as expressly provided herein, RESPONDENT waives the right in the entitled matter to a hearing, any and all appeals and any and all rights that may be afforded pursuant to the Public Resources Code, the Administrative Procedure Act, or any other provision of law regarding the express provisions of this Stipulation.

24. This Stipulation shall be binding and inure to the benefit of the successors, heirs and assigns of the respective parties hereto.

25. This Stipulation and the corresponding Administrative Decision to be issued constitute the entire understanding of the parties concerning the settlement of this proceeding. There are no restrictions, promises, warranties, covenants, undertakings, or representations other than those expressly set forth herein or contained in separate written documents delivered or to be delivered pursuant hereto, and each party expressly acknowledges that it has not relied upon any restrictions, promises, warranties, covenants, undertakings, or representations other than those expressly contained herein.

26. For purposes of this Stipulation, facsimile signatures will be treated as originals until the applicable page(s) bearing non-facsimile signatures have been received by CALRECYCLE.

27. The effective date of this Stipulation is the date of issuance of the Administrative Decision.

Dated: 3/27/12

MARK DE BIE
Deputy Director
DEPARTMENT OF RESOURCES, RECYCLING AND RECOVERY (CALRECYCLE)

Dated: 3-9-12

HEATHER L. HUNT
Staff Counsel III
DEPARTMENT OF RESOURCES, RECYCLING AND RECOVERY (CALRECYCLE)

Dated: 9 March 12

ROBERT H. DAVIS
President
RUBBER RECOVERY, INC.