

California Environmental Protection Agency
CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD
8800 Cal Center Drive
Sacramento, CA 95826
(916) 255-2200

Tuesday, April 7, 1998
9:30 a.m.
meeting of the

POLICY, RESEARCH AND TECHNICAL ASSISTANCE
COMMITTEE

Steven R. Jones, Chair
Daniel G. Pennington, Member

AGENDA

Note:

- *Agenda items may be taken out of order.*
- *If written comments are submitted, please provide 15 two-sided copies in advance of the Committee meeting and include on the first page of the document the date, the name of the committee meeting, the agenda item number, and the name of the person submitting the document.*
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Some of the items listed below may be removed from the agenda prior to the Committee meeting. To verify whether an item will be heard, please call Jeannine Bakulich, Committee Secretary, at (916) 255-2162.

- 1. CONSIDERATION OF FINDINGS OF THE SHIPPING AND DISTRIBUTION PARTNERSHIP 1-1
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- 4. OPEN DISCUSSION
- 5. ADJOURNMENT

Notice: The Board or the Committee may hold a closed session to discuss the following: confidential tax returns, trade secrets, or other confidential or proprietary information of which public disclosure is prohibited by law; the appointment or employment of a public employee; or litigation under authority of Government Code Sections 11126 (a)(1), (c)(3), (15), and (e), respectively.

For further information or copies of agenda items, please contact:

INTEGRATED WASTE MANAGEMENT BOARD
 8800 Cal Center Drive
 Sacramento, CA 95826

Request Line: (916) 255-2563/FAX (916) 255-2602
 Patti Bertram, Administrative Assistant (916) 255-2156

California Integrated Waste Management Board

Policy, Research & Technical Assistance Committee

April 7, 1998

AGENDA ITEM \

ITEM:

CONSIDERATION OF FINDINGS OF THE SHIPPING AND DISTRIBUTION PARTNERSHIP

I. SUMMARY

The goal of the Shipping & Distribution Partnership was to identify approaches for improving shipping and distribution efficiency that will result in less packaging going to landfills. An open meeting of all interested stakeholders was held, in the format of a workshop, to determine how the California Integrated Waste Management Board (CIWMB) should expand staff activities in this direction.

Based on responses from workshop participants, there is support for CIWMB to carry out its informational role by educating businesses about shipping and distribution efficiency through:

- developing and maintaining a web site; and
- collecting and disseminating informational materials.

II. PREVIOUS BOARD ACTION

At its March 1997 meeting, CIWMB considered several activities under the "Getting to 50 Percent Initiative," including three options aimed at reducing the amount of packaging disposed in landfills by the year 2000. It approved the "Shipping & Distribution Partnership" option, which focuses on shipping and distribution efficiency as an effective means of achieving this goal by using a voluntary partnership approach.

The Shipping & Distribution Partnership option directed staff to facilitate an open meeting of all interested stakeholders to:

- Identify effective approaches for improving shipping and distribution efficiency which will result in less packaging going to landfills;
- Identify methods for educating those who utilize shipping and distribution systems; and
- Identify next steps, including suggestions for how CIWMB can facilitate an ongoing process with stakeholders.

Staff was directed to report back to the Policy, Research and Technical Assistance Committee after this open meeting with findings and recommendations.

III. OPTIONS FOR THE COMMITTEE

1. Educate businesses about shipping and distribution efficiency.
 - a. Develop and maintain a web site of shipping and distribution information.
 - b. Create educational materials.
2. Educate businesses about potential shipping and distribution efficiency through an active partnership among interested stakeholders.
 - a. Set up a speakers bureau and seek speaking opportunities
 - b. Assistance in developing regional informational forums
 - c. Develop working groups to address specific issues
 - d. Form a task force to guide partnership activities
3. Develop an assistance center for efficient shipping and distribution.
4. Pursue one of the above options with changes.

IV. STAFF RECOMMENDATION

Based on responses from stakeholders, staff recommends Option 1.

1. Direct staff to educate businesses about shipping and distribution efficiency by:
 - a. developing and maintaining a web site of shipping and distribution information, containing basic information with links to experts (in accordance with CIWMB's *External Links Policy*) that site visitors can contact for more information; and
 - b. collecting and disseminating informational (non-advertising) materials, such as "Taking Packaging for Granted, Can You Afford To?" written as a result of the workshop (see Attachment 1), that demonstrate resource efficiency and improvements in recyclability and recycled content, developed by professionals in shipping and distribution businesses, other related organizations, and staff.

V. REPORT

Background:

As part of CIWMB's Waste Prevention & Market Development Division existing activities, staff encourages waste reduction by businesses and individuals, and promotes use of the diverted materials by manufacturers of recycled products and purchase of these products by businesses and consumers. Programs include providing local government and businesses with assistance and resources to use in reaching the diversion mandates of the Integrated Waste Management Act.

The goal of the Shipping & Distribution Partnership was to identify approaches for improving shipping and distribution efficiency, which will result in less packaging going to landfills. An open meeting of all interested stakeholders was conducted to determine how staff should expand CIWMB activities in this direction.

Workshop Agenda and Participation:

The open meeting, in the format of a workshop titled "Saving Money and Improving Efficiency of Packaging in Distribution Systems," was held in October 1997 at San Jose State University.

Over 70 people attended the workshop. Participants included product manufacturers, packaging manufacturers, retailers, distributors, hauling/shipping businesses, garbage/recycling companies, environmental groups, consultants, educational institutions, local governments, and the media. The group most represented that day was the packaging industry (packaging manufacturers, suppliers, consultants, and related trade organizations).

The workshop agenda consisted of the following:

- *Case Studies.* Various speakers presented case studies on saving money and improving packaging and distribution efficiency, which attendees can consider or use as a building block for their own activities.
- *Panel Discussion.* A panel of experts offered advice for a hypothetical problem - a new, small manufacturer with a new product who needs help determining the best way to package, ship, and distribute his product. The discussion attested to the complexity of choosing the right system to package and distribute a product. The panel represented the diversity of stakeholders in shipping and distribution systems: product manufacturers, packaging manufacturers (both paper and plastic), retailers, transporters, and recycling/garbage haulers.
- *Industry Sessions.*
 - "Packaging, Shipping, and Logistics: What makes sense for you?" With the numerous options available to package and distribute products, this industry session focused on the various issues when considering efficient packaging and distribution.
 - "Perishables and Non-Perishables." This session discussed various issues related to perishable and non-perishable products.
- *Stakeholders Panel: Summary and Next Steps.* Attendees were encouraged to comment on the follow-up documents that would be sent to them after the workshop.

Workshop Follow-up:

After the open meeting, staff distributed two documents to participants for review and comment.

- *Taking Packaging for Granted, Can You Afford It?* - The intent of this document is to inform manufacturers, retailers, and other stakeholders about the benefits of efficient shipping and distribution and to encourage them to take a closer look at how they can make improvements. It incorporates themes and case studies from the workshop.

- *Options for a Collaborative Partnership Approach* – Reviewers were asked to indicate their interest in participating in three options:
 - 1) Educate business about shipping and distribution efficiency;
 - 2) Educate businesses about potential shipping and distribution efficiency through an active partnership among interested stakeholders; or
 - 3) Develop an assistance center for efficient shipping and distribution.

Findings:

- **Based on participant surveys, the workshop was a success.** Many attendees indicated that the workshop was helpful and worthwhile. Most agreed that there is room for improvement in efficiency of packaging and distribution systems. They favored the open format of the workshop and found benefit in bringing together all the different stakeholders.

Furthermore, the workshop helped draw attention to the role of packaging professionals and the Packaging Program at San Jose State University. Staff firmly believe that when companies seek the expertise of packaging professionals, they will use more efficient packaging, shipping and distribution systems that will result in less packaging going to landfills. Additionally, by working with academia, we had the opportunity to emphasize the need for packaging professionals to consider waste generation during packaging design. As future packaging professionals are educated about the environmental impacts of their work, and as companies increase their use of packaging professionals, the effects can be long-term and widespread.
- **Response rate to workshop follow-up documents was low.** Despite interest at the workshop, only 14 people responded out of the 70 workshop attendees. Furthermore, staff received only three responses from retailers and product manufacturers even after extending the review period and making additional follow up phone calls or sending e-mail messages to workshop attendees in this group. Staff considers retailers and product manufacturers to be the target audience because of their potential to drive the market when they request more efficient products and practices.
- **Of those who responded, commitment was low.** Very few were willing to take a lead role in possible activities, and these individuals were not of the target audience. A number of respondents showed varied amounts of interest in the three options, but indicated limited involvement. Others, mainly packaging manufacturers, believe that a “collaborative partnership” with CIWMB is not needed since “competition is already making these changes.”
- **There is support for Option 1.** There is support for CIWMB to carry out its informational role by educating businesses about shipping and distribution efficiency. Components of this activity are described further in the “Staff Recommendation” section of this agenda item.

VI. ATTACHMENTS

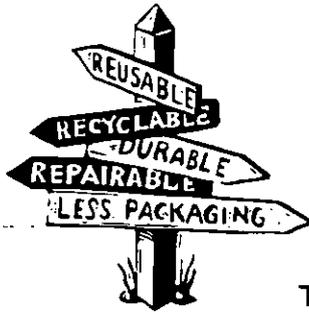
1. *Taking Packaging for Granted, Can You Afford To?*
2. Resolution #98-104

VII. APPROVALS

Prepared By:	<u>Marylou Taylor</u> <i>MTJ</i>	Phone:	<u>255-2452</u>
	and: <u>Kathy Frevert</u> <i>KF</i>	Phone:	<u>255-2493</u>
Reviewed By:	<u>Tom Estes</u> <i>TE</i>	Phone:	<u>255-2445</u>
Reviewed By:	<u>William R. Orr</u> <i>WO</i>	Phone:	<u>255-2490</u>
Reviewed By:	<u>Caren Trgovcich</u> <i>CT</i>	Phone:	<u>255-2320</u>
Legal Review:	<u>N/A</u>	Date/Time:	<u> </u>

April 7, 1998

Attachment 1



Taking Packaging for Granted—Can You Afford To?

The potential for greater efficiency in shipping and distribution is too compelling to ignore. Ask yourself this simple question, "When was the last time our company took a really close look at our product, its packaging and logistics, and how these elements work for or against each other?" Often a few changes in a product or its packaging can result in a series of improvements that ease handling, reduce storage, use less material, and save money.

Progressive companies are already gaining a competitive edge by using more efficient methods to ship and distribute merchandise. While saving money, these companies are helping the environment as well.

Even though significant amounts of packaging materials are successfully reused and recycled, containers and packaging comprised 29.7 percent of waste disposed in the U.S.¹ (1996). This amount is more than durable goods, nondurable goods, yard trimmings, food waste or any other product category, according to the U.S. EPA. Furthermore, the average growth rate for containers and packaging through 2010 is projected to be 1.8 percent annually, more than any other product category.²

Packaging serves a critical and essential role in the movement of goods, but at the same time, packaging materials can be used, reused, and recycled more efficiently. In an effort to help businesses operate more efficiently and help California reach the

mandated goal to cut waste in half by the year 2000, all groups need to examine packaging and its role in the shipment and distribution of goods.

Now is the time for California companies to reap the benefits of improved efficiency. Can you afford not to take a closer look at your present methods?

Focus on Efficiency, the Common Ground

The Integrated Waste Management Board (IWMB) is the State agency responsible for management of the 45 million tons of solid waste generated in California each year. The IWMB's mandate is to work in partnership with industry, local government,

A team at James River Corporation reevaluated a box that had not been looked at in 30 years. Cutting two inches off the flap provided savings of \$360,000 at one plant.

and the public to achieve a 50 percent reduction in waste disposed by the year 2000, while ensuring environmentally safe landfill disposal capacity. Even with significant reuse and recycling, packaging wastes comprise about one-third of material entering landfills.

To seek common ground, the IWMB explored expanding its current activities to form partnerships with interested organizations. It began by cosponsoring a workshop in October 1997 with San Jose State University's Packaging Program and

¹ *Characterization of Municipal Solid Waste in the U.S.: 1996 Update*, U.S. EPA., p. 54.

² *Ibid.*, p 129. Refers to growth of municipal solid waste generated by weight.

Departments of Materials Engineering and Environmental Studies. Seventy-five diverse stakeholders, from product and packaging manufacturers, shippers and retailers to recycling and garbage companies, participated in discussions.

Participants presented case studies and shared ideas for improving efficiency. In one session, they considered a hypothetical product and package and offered suggestions. One packaging professional mentioned that if the box was reconfigured to open on the side with a smaller surface area, there could be 20 percent material savings. This one idea could save a product manufacturer, as well as its customers, a significant amount of money. As demonstrated at the workshop, the marketplace can find integrated economic and environmental solutions.

The goals of business are profit, market share, safety, and customer satisfaction. The IWMB's goal is to cut trash in half. No matter what your reason for efficient use of packaging, this is an area where your company, suppliers, customers, and the environment can benefit. The key question is "How do we inform and involve stakeholders in the packaging and product supply, use, and recovery chain?"

A goal of the IWMB is to help companies learn about the opportunities for savings inherent in systems that ship and distribute goods more efficiently. One means of achieving this goal is to encourage partnerships among diverse stakeholders through education and access to new ideas.

Let's Build Partnerships

Partnerships work. They work because most companies are limited in what they can do alone. A change to a single link in the supply chain affects others up and down the packaging chain—sometimes positively,



other times negatively. To assure the links work together and operate efficiently, the knowledge of each participant is required. Pulling together the right people, with the right know-how, makes partnerships work.

An excellent example of an industry partnership comes from the electronic industry's Reduction, Reuse, and Recycling of Protective Packaging (R3P2) Project. Companies in this highly competitive field came together and, over the course of two years, developed the *Handbook for Environmentally Responsible Packaging*. More importantly, participating companies now have numerous examples of improved packaging and logistics. They are saving millions, in dollars and tons of material, as resources are used more effectively.

In another example, a single manufacturer spearheaded a collaborative effort to improve its market share. The James River Corporation, which manufactures tissues and paper towel products, set up a team with its suppliers, shippers, a few consultants, and a major retailer. For two years the team met to identify and modify several products, along with packaging and logistics. They found ways to cut costs and increase market share. Some changes were relatively simple. The team reevaluated a box that had not been looked at for 30 years. Cutting two inches off the flap provided savings of \$360,000 at one plant. Once again, the manufacturer cut costs and increased sales, while benefiting the environment.

Partnerships also occur within companies. Most companies naturally pay strict attention to developing and manufacturing their products. Unfortunately, packaging is sometimes an afterthought. It is designed after the product, when it is too late to make significant changes in the product's composition, shape, strength and other qualities. An approach called the *total product/package development process* is an integrated collaborative process. Various departments and outside experts work simultaneously to develop a product, its

packaging, and distribution. This speeds up the development cycle so a new product is in the marketplace sooner. It also reduces costs, which can lead to greater market share. As materials are used more efficiently, the environment benefits too.

Most California companies are not taking full advantage of innovations in packaging and logistics, even very simple ones that do not require significant investments of time and resources. How can more companies take better advantage of packaging and logistic efficiencies?

Businesses Need to Take the Lead

Industry and business, mainly manufacturers and retailers, are the primary beneficiaries of improved shipping and distribution systems. They have natural leading roles in finding solutions through partnerships with packaging professionals and logistics experts.

The IWMB is offering its services to help educate and share information. We are planning a web site that links to a wide variety of packaging organizations, packaging professionals, and logistics experts. In addition, we specialize in environmental assistance pertaining to nonhazardous solid waste—in particular, waste prevention, reuse, recycling, and buying items with recycled content. Visit our web site at:

<http://www.ciwmb.ca.gov>

If you do not have access to the Internet, contact the IWMB's Business Resource Efficiency Program for assistance at:

(916) 255-INFO

What Can You Do?

Start by reevaluating your packaging and shipping and distribution systems. Experts agree you will find ways to improve and pay your company dividends in return!



Learn more—fax back this form today!

Send us your name and address and you will receive additional information.
Complete the section below and fax it to Business Resource Efficiency at (916) 255-4580.

Name _____

Title _____

Organization _____

Telephone _____ Fax _____

E-Mail _____

Street _____

City, State, Zip Code: _____

Check if you want the following items:

- Saving Money and Improving Efficiency of Packaging in Distribution Systems*, proceedings from the workshop held in October 1997
 - Workshop notes
 - Workshop case studies
 - List of participants
- Information about the San Jose State University's Packaging Program
- Information about the Institute of Packaging Professionals (IOPP)
- Information about the International Safe Transit Association (ISTA)
- Introduction to the *Total Product/Package Development Process*

Use Less Packaging and Reduce Waste, IWMB, 8/94, 1 p., Pub. #500-94-038

Preferred Packaging Procurement Guidelines, IWMB, 4/94, 11 pp., Pub. #500-94-023

IWMB Business Assistance

Business Waste Reduction Assistance Programs, IWMB, 9/97, 2 pp., Pub. #442-95-017.

Business Waste Reduction Publications Order Form, IWMB, 9/97, Pub. #441-97-037.

Waste Reduction Awards Program (WRAP) Questions and Answers, IWMB.

CA Recycling Business Assistance Team (R-Team), IWMB brochure, 5/95, Pub. #400-94-007

California Materials Exchange (CALMAX): Materials Exchange for Business Reuse and Recycling, IWMB brochure, 3/97, Pub. #441-97-014

General Business Waste Reduction

Reduce, Reuse, Recycle—It's Good Business, A Guide for California Businesses, IWMB, 4/94, 57 pp., Pub. #500-94-004 (Includes a waste assessment worksheet section)

Also, please indicate if you need assistance (identify topic):

1-9

CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD

Resolution 98-104

CONSIDERATION OF FINDINGS OF THE SHIPPING AND DISTRIBUTION PARTNERSHIP

WHEREAS, the California Integrated Waste Management Board (Board), at its March 1997 meeting, considered several activities under the "Getting to 50 Percent Initiative," including three options aimed at reducing the amount of packaging disposed in landfills by the year 2000;

WHEREAS, the Board approved the "Shipping & Distribution Partnership" option, which focuses on shipping and distribution efficiency as an effective means of achieving this goal by using a voluntary partnership approach;

WHEREAS, the Board directed staff to facilitate an open meeting of all interested stakeholders to identify effective approaches for improving shipping and distribution, methods for educating those who utilize shipping and distribution systems, and next steps;

WHEREAS, based on responses from stakeholders, there is support for the Board to carry out its informational role by educating businesses about shipping and distribution efficiency; and

WHEREAS, Board staff was directed to report back to the Policy, Research and Technical Assistance Committee after this open meeting with findings and recommendations.

NOW, THEREFORE, BE IT RESOLVED, that in accordance with the recommendations of the Board staff and the Policy, Research and Technical Assistance Committee, the Board hereby directs staff to educate businesses about shipping and distribution efficiency by:

- c. developing and maintaining a web site of shipping and distribution information, containing basic information with links to experts (in accordance with CIWMB's *External Links Policy*) that site visitors can contact for more information; and
- d. collecting and disseminating informational (non-advertising) materials, such as "Taking Packaging for Granted, Can You Afford To?" written as a result of the workshop (see Attachment 1), that demonstrate resource efficiency and improvements in recyclability and recycled content, developed by professionals in shipping and distribution businesses, other related organizations, and staff.

CERTIFICATION

The undersigned Executive Director, or his designee, of the California Integrated Waste Management Board does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the California Integrated Waste Management Board held on April 29, 1998.

Dated:

Ralph E. Chandler
Executive Director

California Integrated Waste Management Board

Policy, Research & Technical Assistance Committee

April 7, 1998

AGENDA ITEM 2

ITEM:

CONSIDERATION OF REALLOCATION OF UNUSED FISCAL YEAR 1997/98 WASTE TIRE MANAGEMENT PROGRAM FUNDS

I. SUMMARY

The California Integrated Waste Management Board (Board) receives an annual appropriation from the California Tire Recycling Management Fund (Tire Fund) to administer the Tire Recycling Act and related legislation. Individual programs are associated with either permitting and enforcement or market development activities.

The Board adopted the Fiscal Year (FY) 1997/98 Tire Fund allocations on April 24, 1997. For FY 1997/98, the Board had a discretionary allocation of \$7,353,000 to allocate within its Tire Programs. Attachment 2 shows the detailed FY 1997/98 Tire Fund Allocation. Briefly the allocations were made as follows:

ESTIMATED FY 1997/98 DISCRETIONARY ALLOCATION	\$7,353,000*
*Includes \$500,000 for Local Assistance	

Permitting and Enforcement Total.....	\$3,494,000
Market Development Total.....	3,195,000
Prudent Reserve	664,000

Since April 24, 1997, the Board has directed the dollars in Prudent Reserve to the Modesto Energy Limited Partnership (MELP) project. Currently, there are unspent funds in Market Development under the RMDZ Loan Program of \$1 million. In addition, there are unused funds in both Market Development and Permitting and Enforcement contracts, IAAs, and grant programs. The exact dollar amounts of these unused funds are unknown at this time.

Table 1 below provides probable unencumbered Tire Fund dollars available for reallocation. Table 1 also shows what programs have projected a need for additional dollars and the additional amount needed. Table 1 shows only those activities that are in the final stages prior to being brought before Committee and Board for consideration. It is anticipated that other program areas will be fully encumbered and not have or need additional dollars. If the situation changes, staff will seek Committee and Board direction for any additional 1997/98 funding needs or use of additional 1997/98 reallocation dollars available.

**TABLE 1
 PROGRAM ACTIVITIES—FY 1997/98 REALLOCATION DOLLARS AND NEEDS**

Program	Division	1997/98 Funds Allocated	Probable Amount Available for Reallocation	Reallocation Needs
Attorney General Services	Legal Office	\$ 40,000	\$ ~ 15,000	\$ 0.0
Office of Administrative Hearings	Legal Office	50,000	~ 25,000	0.0
Waste Tire Stabilization & Abatement Contract IWM-C7050 June 1998	P&E	<u>675,000*</u>	0.0	825,000**
Environmental Services Contract IWM-C7065 June 1998	P&E	<u>150,000</u>	0.0	100,000***
Waste Tire Enforcement Grant Program May 1998	P&E	<u>400,000</u>	0.0	12,014
Local Government Cleanup Matching Grant Program May 1998	P&E	~ <u>200,000</u>	~ 50,000	0.0
Molded Rubber Products Matching Grant Program April 1998	WP&MD	<u>300,000</u>	0.0	5,887
RMDZ Loan Program	WP&MD	1,000,000	1,000,000	0.0
Playground Cover Matching Grant Program	WP&MD	300,000	0.0	70,843
CCC/LCC Grant Program June 1998	WP&MD	<u>200,000</u>	38,000	0.0
Department of Justice RAC Parking Lot	WP&MD	0.0	0.0	****
TOTALS		~\$3,315,000	~\$1,128,000	~\$1,013,744
UNENCUMBERED BALANCE				~\$61,744

*The 1997/98 Waste Tire Stabilization and Remediation allocation for FY 1997/98 was for an amount not to exceed \$2.5 million. A legal settlement of \$500,000 reduced the amount to \$2 million. On February 25, 1998, the Board approved augmentation of the 1996/97 remediation contract for \$1,325,000, leaving \$675,000 available for the FY 1997/98 waste tire stabilization and remediation contract.

**An additional \$1 million is being requested from the FY 1998/99 allocation. These additional funds (\$825,000 from FY 1997/98 reallocation and \$1 million from 1998/99 allocation) would fully fund the Waste Tire Stabilization and Remediation contract.

***The Environmental Services contract is funded for an amount not to exceed \$250,000. It is currently funded for \$150,000. By adding the \$100,000, the contract will be fully funded.

****Funds for this project were not originally allocated in FY 1997/98. Therefore, staff have included no recommendation. Department of General Services is requesting a \$276,500 grant from the Board for the Department of Justice parking lot expansion project at 4949 Broadway, Sacramento. A copy of the March 4, 1998, Department of General Services letter regarding the Department of Justice parking lot using rubberized asphalt concrete (RAC) is included as Attachment 3.

Dollar amounts shaded indicate programs with qualifying applicants not yet brought before the Board for consideration. The anticipated month for Committee and Board consideration is shown under the program column for those items.

II. PREVIOUS BOARD OR COMMITTEE ACTION

The Board has adopted Tire Program funding allocations each year since Fiscal Year 1993/94. The Board adopted a funding allocation for Fiscal Year 1997/98 on April 24, 1997. The status of pending activities is shown in Section V (Table 2: Fiscal Year 1997/98 Program Activities—Full Encumbrance Projected).

III. OPTIONS FOR THE COMMITTEE

Committee members may decide to:

1. Provide direction for the reallocation of unused portions of the Fiscal Year 1997/98 Tire Program funds to specific activities; or
2. Allow unused funds to revert to the California Tire Recycling Management Fund.

IV. STAFF RECOMMENDATION

Staff recommends the Committee provide direction for the reallocation of unused portions of the Fiscal Year 1997/98 Tire Program funds to specific activities.

V. ANALYSIS

Background:

The Tire Recycling Management Act (Act) was established by Assembly Bill 1843 (Statutes 1989, c. 974). The Act initiated a tire recycling program to promote and develop markets for waste tires. The Act allows the Board to award grants and loans to businesses and public entities. The Act also addresses ongoing storage of tires in stockpiles and cleanup of illegal piles. The Board is charged with responsibility for tire pile stabilization and remediation where public health and safety and the environment may be at risk.

Additionally, in 1993, SB 744 (Stats. 1993, c. 511) enacted the Waste Tire Hauler Registration Program to ensure that waste tires are legally transported to authorized sites.

Tire Program implementation began in 1990 and revenue for the tire fund is currently generated by a fee of \$0.25 paid by consumers at the time of retail purchase. The fee collection provisions sunset June 30, 1999. Monies remitted to the fund are appropriated to the Board annually in the Budget Act. All of the Board's tire programs are supported by the Tire Fund.

Fiscal Year 1997/98 Tire Fund Allocation

As referenced previously, on April 24, 1997, the Board adopted the Fiscal Year 1997/98 Waste Tire Management Program Funding Allocation totaling \$7,353,000. The detailed allocation is shown in Attachment 2.

A short description of the status of each of these funding allocations is also given. If additional status information becomes available, revisions will be provided prior to the Committee and/or Board meetings with copies available at the meetings.

Key Issues:

Staff is seeking Committee direction on the redistribution of unencumbered FY 1997/98 tire fund allocations as follows:

Office of Administrative Hearings.....	\$ ~ 25,000
Attorney General Services	~ 15,000
Local Gov't Cleanup Grants	~ 50,000
CCC/LCC Grant Program.....	38,000
RMDZ Loan Program.....	1,000,000

Options for Committee and Board consideration:

- At Committee and Board direction,
 1. Reallocate an additional \$70,843 to the Playground Cover Grant Program to fully fund all qualifying applicants;
 2. Reallocate an additional \$5,887 to the Molded Rubber Products Matching Grant Program to fully fund all qualifying applicants;
 3. Reallocate approximately \$12,000 to the LEA Enforcement Matching Grants Program to fully fund all qualifying applicants;
 4. Reallocate an additional \$100,000 to the Environmental Services Contract;
 5. Reallocate funds to support RAC parking lot project for the Department of Justice; and
 6. Reallocate to various Stabilization and Remediation projects, including the Waste Tire Stabilization and Abatement Contract , any remaining unallocated dollars; or
- At Committee and Board direction, reallocate to specific program activities other dollar amounts as directed.

Fiscal Impacts:

Funds not reallocated will revert to the California Tire Recycling Management Fund.

Findings:

AVAILABLE FOR REALLOCATION

A brief description of program activities with probable unencumbered funds is provided as follows:

RMDZ Loan Program; \$1,000,000

No qualified applicant has to date submitted an application for a loan for a tire recycling business. Therefore, these funds are available for reallocation.

Attorney General Services; \$15,000

To date, Legal Office estimates that Attorney General Services costs for FY 1997/98 are approximately \$25,000, leaving about \$15,000 for reallocation.

Office of Administrative Hearings; \$25,000

The Legal Office estimates that for Administrative Hearing costs for FY 1997/98 are approximately \$25,000, leaving \$25,000 available for reallocation.

April 7, 1998

Local Conservation Corps/California Conservation Corps (LCC/CCC) Grant Program: \$38,000

Waste Prevention and Market Development has received approximately \$162,000 in grant requests. The applicants will be brought before the Board for award consideration in June 1998. Approximately \$38,000 is available for reallocation.

Local Government Cleanup Matching Grants Program: \$50,000

Permitting and Enforcement has received approximately \$90,000 in applications out of the \$200,000 originally allocated for 1997/98. The Board approved in March revisions to the grant criteria that would ease the qualifying requirements. It is expected that these revisions will allow for approximately \$150,000 of grant applications to be considered for approval by the Board in May. In addition, the Board will be considering options in April for assisting cleanup of a large tire pile in Inyo County. The Board may decide at that time to approve the remaining \$50,000 from the matching grant program toward that cleanup.

REALLOCATION NEEDS

A brief description of program activities with reallocation needs is provided as follows.

Waste Tire Stabilization and Abatement (WTSA) Contract IWM-C7050; \$825,000

The 1997/98 Stabilization RFQ is for an amount not to exceed \$2.5 million and currently funded at \$675,000. Reallocation of \$825,000 will bring the total funded amount to \$1.5 million.

The FY 1998/99 WTSA allocation request is for \$1 million. At the Board's option, the FY 1998/99 \$1 million will go either into the 1997/98 WTSA contract, bringing it up to \$2.5 million, or go out for bid for a new \$1 million contract for FY 1998/99. These additional funds would allow the Board to continue cleanup of 11 million tires at illegal waste tire sites currently identified under the waste tire stabilization and abatement program.

Environmental Services Contract IWM-C7065; \$100,000

The Board approved FY 1997/98 funding in an amount not to exceed \$250,000 for the Environmental Services Contract. This contract is currently funded at \$150,000. The additional \$100,000 would fully fund the contract. These additional funds would allow continued research into the spontaneous combustion of tire shred fills to assist in the development of the monofill regulations. This research would require actual monitoring of existing and proposed tire monofills for both temperature and gas.

The Environmental Services Contractor would also develop and review engineering work plans for tire remediation projects and conduct pilot and field studies to demonstrate and promote civil engineering application of waste tires.

It is anticipated that the FY 1997/98 contract will be awarded in June 1998.

Waste Tire Enforcement Grant Program; \$12,000

Applicants submitted \$412,000 in grant requests. The Board approved a FY 1997/98 allocation of \$400,000 for this program. Additional funds would allow full funding of qualified applicants. The Waste Tire Enforcement Grant applicants will be brought before Committee and Board for consideration in May 1998.

Molded Rubber Products Matching Grant Program; \$5,887

Applicants submitted \$529,992 in grant requests. The Board approved a FY 1997/98 allocation of \$300,000 for this program. Additional funds would allow full funding of qualified applicants. The Molded Rubber Products Matching Grant item will be brought before Committee and Board for consideration in April 1998.

Playground Cover Matching Grant Program; \$70,843

Applicants submitted \$640,000 in grant requests. The Board approved a FY 1997/98 allocation of \$300,000 for this program. Additional funds would allow full funding of qualified applicants. The Playground Cover Matching Grant Program item was considered by the Administration Committee on March 3, 1998. The Committee forwarded the item to the March 25, 1998, Board Meeting and recommended the item for consent.

Department of Justice Parking Lot IAA; \$276,500

The Department of General Services has submitted a request for funding from the Board's Tire Management Fund to expand the parking lot at the Department of Justice's Sacramento office and to use rubberized asphalt-concrete paving. Funding requested comes to \$276,500, which includes site preparation, paving, landscaping, engineering, architectural and management costs. A copy of the March 4, 1998, Department of General Services letter regarding Department of Justice parking lot using rubberized asphalt concrete (RAC) is included as Attachment 3.

VI. FUNDING INFORMATION

Amount Proposed to Fund Item: ~\$1,090,000

Fund Source:

	Used Oil Recycling Fund
X	Tire Recycling Management Fund
	Recycling Market Development Revolving Loan Account
	Integrated Waste Management Account
	Other (Specify)

Proposed From Line Item:

X	Consulting & Professional Services
	Training
	Data processing
	Other (Specify)

Redirection:

If Redirection of Funds: ~\$1,090,000

Fund Source: Tire Recycling Management Fund

Line Item: Consulting & Professional Services

VII. ATTACHMENTS

1. Resolution 98-73, Adoption of the Reallocation of Unused Fiscal Year 1997/98 Waste Tire Management Program Funds.
2. Fiscal Year 1997/98 Tire Fund Allocation
3. Copy of the March 4, 1998, Department of General Services letter regarding Department of Justice parking lot using rubberized asphalt concrete (RAC).

VIII. APPROVALS

Prepared By: Charlotte Sabel *CS* Phone: 255-2578

Reviewed By: Martha Gildart *JM* Phone: 255-2619

Reviewed By: Caren Trgovcich *CT* Phone: 255-2320

Reviewed By: Scott Walker *SW* Phone: 255-1198

Reviewed By: Tom Unsell *TU* Phone: 255-2298

Reviewed By: Dorothy Rice *DR* Phone: 255-2431

Reviewed By: Rick Beard Phone: 255-2290

Reviewed By: Karin Fish *KF* Phone: 255-2259

Legal Review: Liz Clayton Date/Time: 3/30/98 11am

CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD

Resolution 98-73

ADOPTION OF REALLOCATION OF UNUSED FISCAL YEAR 1997/98 WASTE TIRE MANAGEMENT PROGRAM FUNDS

WHEREAS, the State of California is faced with an inventory of at least 30 million waste tires in stockpiles or illegally disposed which may pose a threat to the public health and safety and the environment; and

WHEREAS, approximately another 30 million waste tires are generated annually and about 12 million are not recycled; and

WHEREAS, the Tire Recycling Act (Public Resources Code [PRC] 42871(a) requires the California Integrated Waste Management Board (hereinafter referred to as the "Board") to maintain a tire recycling program which promotes and develops alternatives to the landfill disposal and stockpiling of waste tires; and

WHEREAS, the Board receives an annual appropriation from the California Tire Recycling Management Fund to administer the Tire Recycling Act and related legislation; and

WHEREAS, it is the intent of the Legislature for the Board to permit waste tire stockpiles, register waste tire haulers, enforce the Board's regulations, provide financial assistance for recycling, and promote markets for the reduction of landfill disposal of waste tires; and

WHEREAS, to further the legislative objective to "recycle and reclaim used tires and used tire components to the greatest extent possible in order to recover valuable natural resources," the Board adopted the Market Development Plan which includes a goal of a diversion rate of 75 percent of the waste tires generated by 2000; and

WHEREAS, the Tire Program may include the awarding of grants and loans to businesses, enterprises, and public entities involved in research aimed at developing technologies or improving current activities and applications that result in reduced landfill disposal of waste tires; and

WHEREAS, the Board approved \$7,353,000 from the California Tire Recycling Management Fund for FY 1997/98 programs; and

WHEREAS, the Policy Research, and Technical Assistance Committee, on April 7, 1998, considered this issue; and

NOW, THEREFORE, BE IT RESOLVED that the Board hereby adopts the reallocation of unused FY 1997/98 Tire Program Funds as listed in the below table, entitled "Reallocation of Fiscal Year 1997/98 Tire Fund"; and

TABLE 1
PROGRAM ACTIVITIES—FY 1997/98 REALLOCATION DOLLARS AND NEEDS

Program	Division	1997/98 Funds Allocated	Probable Amount Available for Reallocation	Reallocation Needs
Attorney General Services	Legal Office	\$ 40,000	\$ ~ 15,000	\$ 0.0
Office of Administrative Hearings	Legal Office	50,000	~ 25,000	0.0
Waste Tire Stabilization & Abatement Contract IWM-C7050 June 1998	P&E	<u>675,000</u>	0.0	825,000
Environmental Services Contract IWM-C7065 June 1998	P&E	<u>150,000</u>	0.0	100,000
Waste Tire Enforcement Grant Program May 1998	P&E	<u>400,000</u>	0.0	12,014
Local Government Cleanup Matching Grant Program May 1998	P&E	~ <u>200,000</u>	~ 50,000	0.0
Molded Rubber Products Matching Grant Program April 1998	WP&MD	<u>300,000</u>	0.0	+5,887
RMDZ Loan Program	WP&MD	1,000,000	1,000,000	0.0
Playground Cover Matching Grant Program	WP&MD	300,000	0.0	+70, 843
CCC/LCC Grant Program June 1998	WP&MD	<u>200,000</u>	38,000	0.0
Department of Justice Rubberized Asphalt Concrete (RAC) Parking Lot Expansion	WP&MD	0.0	0.0	
TOTALS		~\$3,315,000	~\$1,128,000	~\$1,013,744

BE IT FURTHER RESOLVED that the Board hereby directs staff to develop and implement the approved programs; and

BE IT FURTHER RESOLVED that any funds from this program that are repaid to the Board by grant, loan, or contract recipients, will be repaid to the California Tire Recycling Management Fund; and

CERTIFICATION

The undersigned Executive Director, or his designee, of the California Integrated Waste Management Board does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the California Integrated Waste Management Board held on April 29, 1998.

Dated:

Ralph E. Chandler
Executive Director

REVISED PAGE 2-12

Fiscal Year 1997/98 California Tire Recycling Management Fund Allocation

<u>Permitting and Enforcement</u>	
LEA grant program	\$ 400,000
California Highway Patrol	\$ 100,000
Attorney General services	\$ 40,000
Environmental services (includes monofilling)	\$ 150,000
Stabilization and remediation	\$2,500,000
Local government cleanup matching grants	\$ 200,000
Waste tire hauler manifest database	\$ 50,000
Student Assistants	\$ 54,000
TOTAL (P&E)	\$3,494,000
<u>Market Development</u>	
Grant program - playground cover	\$ 300,000
RAC Technical Assistance Center (RFP)	\$ 500,000
Grant program - molded rubber products	\$ 300,000
Third Biennial Tire Recycling Conference	\$ 50,000
CCC/LCC grant program	\$ 200,000
DGS/State procurement of mats, threshold ramps	\$ 50,000
RMDZ Loan Program	\$1,000,000
Levee construction and repair/soundwall construction**	\$ 609,000
TDF and crumb rubber educational video/support material	\$ 150,000
End use processing facility evaluation***	\$ 200,000
Student Assistants	\$ 36,000
TOTAL (WP&MD)	\$3,195,000
<u>Prudent Reserve</u>	\$ 664,000
TOTAL	\$7,353,000*

* Includes \$500,000 for Local Assistance

** This line item was originally allocated at \$409,000. It was increased at the September 1997 Board meeting.

*** These funds were reallocated to the Levee Construction line item at the September 1997 Board meeting.



REAL ESTATE SERVICES DIVISION

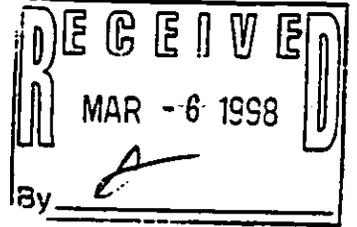
400 R Street, Suite 5100 • Sacramento, California 95814-6280

Policy, Research & Technical Assistance Committee

April 7, 1998

Attachment 3

Agenda Item 2



March 4, 1998

Mr. Daniel G. Pennington, Chairman
The California Integrated Waste Management Board
8800 Cal Center Drive
Sacramento, CA 95826

Dear Mr. Pennington:

In the fall of 1997, the Department of Justice, a tenant agency of Department of General Services (DGS), at 4949 Broadway, Sacramento, made inquiries to your agency regarding the possible use of rubberized asphalt concrete (RAC) in the much needed expansion of their parking lot. In a letter to Wayne R. Smith, Special Assistant to the Attorney General, dated November 10, 1997, Lewis Beach Hastings, Advisor to the Chairman of Integrated Waste Management Board (IWMB), indicated that your staff found that this project "...fits in with the Board's goal of expanding the use of RAC and with the Board's interest in the state taking a leadership role in the use of recycled products."

In the effort of DGS to be a leader in the state's commitment to look for more ways to make use of recycled materials, we learned of your Waste Prevention and Market Development Division's efforts to promote the use of RAC. The DGS is in a unique position to make use of it and to educate others about its use in our Real Estate Services Division's construction, retrofit, and remodeling projects statewide.

We learned through Marie LaVergne, former Deputy Director at IWMB, that there may be unallocated or redirected funds for public projects that involve the use of RAC. We believe that the parking lot expansion project at 4949 Broadway is ideal. Therefore by this letter, the Department of General Services requests that the IWMB provide a grant in the amount of \$276,500.00 to expand the parking lot at the subject facility.

The estimated costs for the project are shown in Attachment A (which also includes a schematic drawing of the site). The need for additional parking is explained in Attachment B.

Given that many public visitors, other state departments, and local jurisdictions visit this facility annually, there is a broad opportunity for expanding awareness of the use of RAC and educating people about the huge problem that used tire disposal poses for our state. This might best be done by use of a professionally designed lobby information display.

The greatest historical drawback to the use of RAC has been eliminated by virtue of the fact that it has been discovered that less RAC material can be used in the final paving phase as compared to the use of traditional asphalt. Hence, the costs are now comparable. If found to be as satisfactory a pavement medium as we have come to expect, DGS might be in a position to specify its use in state capital outlay projects, and to recommend its use in privately-owned leased build-to-suit facilities. We would envision using the Broadway location as a demonstration facility where we could send our Project Directors and contractors to make their own inspection and evaluation of RAC use.

In summary, DGS believes a careful consideration of this demonstration project will show that there are significant gains to be made in the state's recycling effort if this grant is awarded. With this in mind, we respectfully request your positive consideration of this grant proposal.

If you have any questions, please contact Zachary Miller, Regional Portfolio Manager, at (916) 445-4797.

Sincerely,


EUGENE A. SPINDLER II, Deputy Director
Real Estate Services Division

EAS:ZM:md

Attachments

cc: Ms. Caren Trgovcich, Deputy Director, Waste Prevention and Market Development
Division, The California Integrated Waste Management Board
Mike Courtney, Assistant Deputy Director, Real Estate Services Division, Department
of General Services
Marie LaVergne, Budget Specialist, Office of the Attorney General, Department of
Justice

ATTACHMENT A

DEPARTMENT OF GENERAL SERVICES
DIVISION OF REAL ESTATE SERVICES
PROFESSIONAL SERVICES BRANCH
ESTIMATE SUMMARY

Project: Parking Lot Expansion
Client: Department of Justice
Location: Sacramento
Proj Mgr: N. Hosseinzadeh

Conceptual Estimate No. 6926
CCCI: 3691 Date: 4-Mar-98
W.O. JSD 9701.00
By: MSW
Plan Date: February 1998

Description

This project consists of clearing, grading and paving to expand a parking lot. A portion of an existing lot will be overlaid. The new lot will have 2" rubberized asphalt concrete paving over 8" aggregate base. Striping, handicap pavement markings and signage, storm drainage, fencing and parking lot lighting are included. This will serve as a demonstration project for the use of rubberized asphalt as a means of recycling worn tires.

SITE DEVELOPMENT

Demolition	\$	1,000
Site Preparation		18,000
Earthwork		11,000
Paving, Curb, Gutter & Walks		104,000
Drainage		21,000
Gate		1,000
Landscaping-Allowance		5,000
Electrical		45,000

TOTAL SITE DEVELOPMENT COST

\$ 206,000

TOTAL ESTIMATED CURRENT COSTS

\$ 206,000

Adjust CCC Index from 3691 to 3802

6,000

TOTAL ESTIMATED CURRENT COSTS ON 1 JULY 1999

\$ 212,000

Escalation to Midpoint Based on 1.5 Months @ 0.25%

1,000

TOTAL ESTIMATED CONTRACTS

\$ 213,000

Contingency @ 7%

15,000

TOTAL ESTIMATED CONSTRUCTION COST

\$ 228,000

TOTAL ESTIMATED CONSTRUCTION COST		\$ 228,000
ARCHITECTURAL & ENGINEERING SERVICES (BASIC)	\$ 15,000	
PROJECT COSTS (NON-BASIC)		
Const. Supervision & Inspection	\$ 5,300	
Const Sup & Insp Travel Time	3,000	
Guarantee Inspection	2,000	
Schedule, Cost & Contract Management	6,200	
Advertising & Printing	4,500	
	<hr/>	
TOTAL PROJECT COSTS	\$ 21,000	
	<hr/>	
ARCHITECTURAL, ENGINEERING & PROJECT COSTS		\$ 36,000
SPECIAL PROJECT COSTS		
Materials Testing	1,000	
As-Built Drawings	700	
Small & Min. Assess. - Contr	600	
Handicapped Checking	400	
Calif. Code of Reg. Check	1,100	
Project Management	8,700	
	<hr/>	
TOTAL SPECIAL PROJECT COSTS		\$ 12,500
		<hr/>
TOTAL ESTIMATED PROJECT COST		\$ 276,500

Notes:

1. The construction costs in this estimate are indexed from the CCC Index as of the date of estimate preparation to the CCC Index that is projected for 1 July 1999. The estimate is then escalated to the mid-point of the construction period assuming a construction start date 1 July 1999. When an actual start date is established, escalation to the index for that date will be an added cost.
2. This project may have items retained by the Agency which are not included in this cost estimate.
3. This estimate is based upon conceptual drawings.
4. The construction duration for this project is 65 working days per DSA/OCS.

EXISTING OFFICE

EXIST FENCED PARKING

RELOCATED FENCE

2" ASPHALT CONCRETE C
8" AGGREGATE BASE

12' WIDE SLIDING GATE
EXIT ONLY

12' WIDE DRIVEWAY CONNECT
TO 49TH STREET

CONCRETE

9 SP @ 9' = 81'

12'

34 SP @ 9' =

9 SP @ 9' = 81'

34 SP @ 9' =

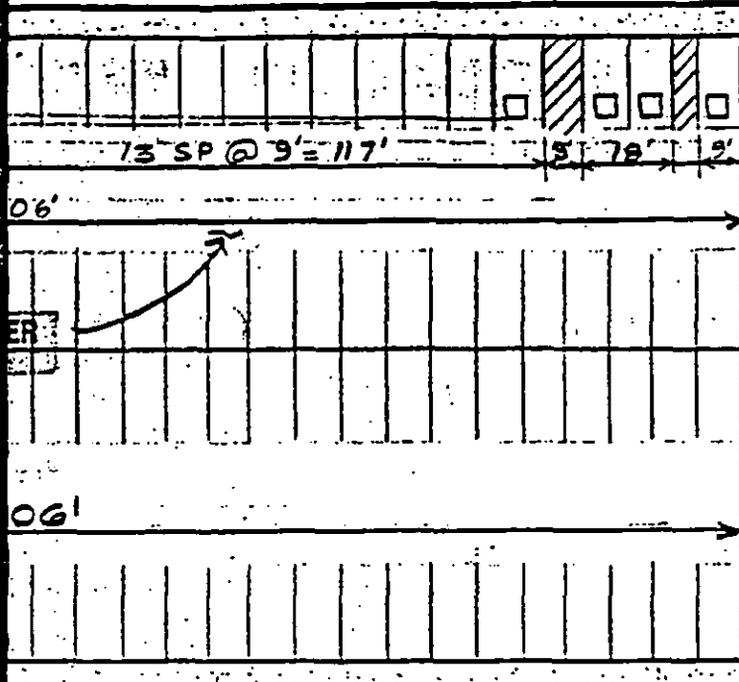
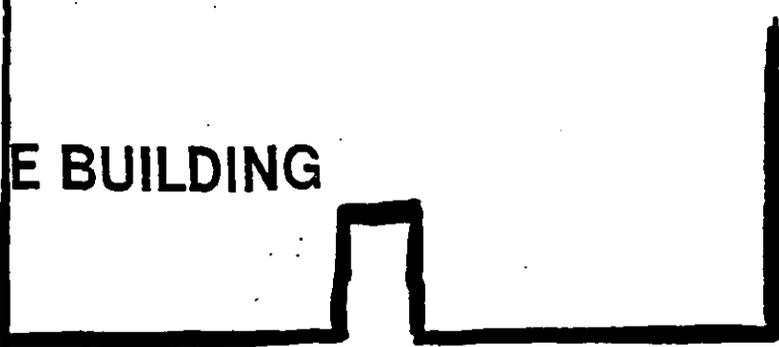
49

PARKING EXPANSION FOR DEPARTMENT OF JUSTICE 4949 BROADWAY

	Sheet Title	PLOT PLAN
B.P. No.	Project	PARKING LOT EXPANSION
PMB W.O. No.	Department	JUSTICE
PSB W.O. No.	Location	SACRAMENTO

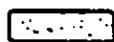
2-17

E BUILDING



EXIST. PARKING

LEGEND:

-  2" AC OVER 8" AB
-  4" CONCRETE SIDEWALK

PARKING SUMMARY

REGULAR:	122
H.C. ACCESS:	5
<hr/>	
NEW SPACES:	127
EXIST.	19
<hr/>	
TOTAL:	146

SIDEWALK

ST. FENCE

H STREET



PLOT PLAN

SCALE: 1"=40'-0"

Real Estate Services Division

2-18

27 FEB 9

ATTACHMENT B

DATE: February, 1998

**SUBJECT: PARKING AT THE DEPARTMENT OF JUSTICE FACILITY
AT 4949 BROADWAY, SACRAMENTO**

Issue

There is a critical parking shortage for the visitors and students who come to the facility daily for routine business meetings, to be fingerprinted, to attend classes at the Advanced Training Center and the California Criminalistics Institute, or to tour the facility. There is also insufficient parking for DOJ employees.

The Department of General Services agrees that parking at the Broadway facility is inadequate.

Area Development

When the facility was first occupied in 1982, it was virtually surrounded by undeveloped property from V Street to Broadway on 49th and 50th Streets, and on Broadway from 50th Street to approximately one block from Stockton Boulevard. DOJ's only neighbors were an elementary school on 49th Street and the Employment Development Department (EDD) on the east side at 50th and Broadway.

Since the late 1980s, the following construction has occurred:

- A Sacramento County facility at the corner of 49th and Broadway.
- U.C. Davis Med Center administration offices and the Sacramento Urban League Training Center at 4900 Broadway. Street parking was substantially reduced when this building became occupied.
- Department of Motor Vehicles (DMV) field office on Broadway at 49th Street. "No Parking" signs were installed shortly after the office opened which ban parking for approximately 100 feet on both sides of 49th Street off of Broadway.
- Sacramento County District Attorney's Crime Lab on Broadway between 49th and 50th Streets. There is a parking lot on-site with adequate employee parking.
- The U.C. Davis Medical Center is in the midst of a major capital outlay program. Currently under construction on 49th Street are a cogeneration power plant, a medical facility, a parking garage, a Ronald McDonald Family House, and an Employee Child Care/Visitor Child Play Center. The east side of 50th Street from the intersection at Second Avenue to the EDD building is a holding site for construction materials and equipment as well as overflow parking 2-19

for construction workers not parking on the street. Parking has been banned on one side of 49th Street, from V Street to Second Avenue, due to construction work on the parking garage. It is anticipated that the Med Center will petition the city for a permanent parking ban on both sides of 49th Street when the child care/visitor centers are completed. If this occurs, street parking for approximately 100 vehicles will be eliminated.

Public Visitor/Student Parking

The 67 existing spaces designated for public/student parking are inadequate for the average 225 public/student visits to the facility each business day.

- Approximately 13,000 members of the public come to the Broadway facility each year to be fingerprinted. (This is an average of 50 visits per business day.)
- The DOJ Advanced Training Center (ATC) contracts with the Commission on Peace Officer Standards and Training (POST) to provide POST-certified training courses to local law enforcement agency personnel throughout the state. Last year, 24 courses were scheduled in ATC's classrooms at the Broadway facility. Courses range in length from four days to two weeks each. Class sizes range from 18 students (plus three instructors) for the four-day class offered six times during the year, 50 students (plus 10 instructors) for an eight-day course offered twice, to 24 students for the two-week Narcotic Investigation course offered once each month (total of 288 students and 420 instructors). Each course requires more than one instructor and many classes are held simultaneously. The number of students/instructors often exceeds the total number of visitor/student spaces available. This has caused problems such as illegal parking, street parking being reduced for DOJ employees, and classes delayed while students search for parking. Beginning in July, the POST contract will be increased to include three additional classes with 10 presentations per year (total of 240 students and 60 instructors).

The ATC also conducts the POST-required on-site training academies for new agent personnel assigned to the Bureau of Narcotic Enforcement and Bureau of Investigation. The average class size is 25 with 100 instructors. Students are encouraged to car pool. There are three academies scheduled for FY 98/99 with 30 students anticipated per academy.

The ATC is instituting a new statewide program this year to provide drug awareness training to other state agencies' law enforcement personnel. This will place an additional strain on the limited parking.

- The California Criminalistics Institute (CCI) offers specialized forensic science training to local law enforcement agencies. Last year, 59 classes were presented and attended by approximately 800 students at an average of four days per class. This presents the same parking issues as stated above for the ATC.
- There are many business meetings conducted daily at the Broadway facility. Complaints from visitors about the lack of parking are numerous.

- Local law enforcement personnel come to the facility daily to deliver evidence for forensic analysis, to obtain rap sheets and other investigative lead information.
- Many tours of the facility are also conducted each year. Large groups are usually transported by bus; however, small groups arrive in private vehicles.

Employee Parking

EDD provides free parking for clients and employees in their lot. For several years DOJ employees used the EDD lot when the DOJ employee lot was full and street parking was not available. However, in October, 1996, EDD served notice that effective in late November, 1996, DOJ parking in their lot would no longer be permitted. Through subsequent negotiations by the then Deputy Director of the Division of Law Enforcement with EDD management, EDD agreed to enter into an interagency agreement to rent 76 parking spaces to DOJ effective December 1, 1996. These spaces have been assigned on a state service seniority basis and there is currently a waiting list of 120 DOJ employees.

The net day shift population is estimated to be 1,350, after factoring in absences for illness, vacation and business travel.

To relieve the space shortage, the north employee lot was restriped to provide more spaces, and additional spaces have been designated for car pools. There are currently 922 parking spaces contained in three lots on the north, south and west sides of the building. Of these, 235 are designated for car pool vehicles, handicap parking, assigned to state vehicles and management level employees, and visitor parking. There are 687 spaces remaining for the net day shift employee population of 940¹, or .7 space per employee.

Most of the employees rely on private vehicles for transportation to/from the Broadway facility because public transportation is inadequate and the surrounding neighborhood is considered to be a high crime area. DOJ offers discounted Regional Transit passes subsidized by the department, but sales only average 25 passes per month.

DOJ has made efforts to ease the situation by allowing alternate work week schedules such as 4/10/40 and 9/9/80, and by permitting employees to change to earlier work hours for a better chance of finding a parking space.

Recommendation

¹The net population was determined by reducing the estimated number of day shift employees (1350) by those with reserved spaces, car pools, estimated number using public transportation, handicap space usage, EDD reserved spaces, and estimated street parking.

There are lawn areas on the east and west sides of the facility. It is recommended that the west lawn adjacent to the existing south lot be paved in order to provide an additional 150-200 parking spaces.

California Integrated Waste Management Board

Policy, Research & Technical Assistance Committee

April 7, 1998

AGENDA ITEM 3

ITEM:

CONSIDERATION OF THE FISCAL YEAR 1998/99 WASTE TIRE MANAGEMENT PROGRAM FUNDING ALLOCATION

I. SUMMARY

The California Integrated Waste Management Board (Board) receives an annual appropriation from the California Tire Recycling Management Fund (Tire Fund) to administer the Tire Recycling Act and related legislation. Individual programs are administered by the Permitting and Enforcement Division and the Waste Prevention and Market Development Division.

The general program activities currently carried out by each Division with current year funding are shown below. Attachment 2 (Fiscal Year 1997/98 California Tire Recycling Management Fund Allocation) shows a more detailed fiscal year 1997/98 Tire Fund Allocation as adopted by the Board on April 24, 1997.

FY 1997/98: Permitting and Enforcement Programs--\$3,594,000

- Waste Tire Facility Permit Program
- Waste Tire Hauler Registration and Manifest Program
- Waste Tire Stabilization and Remediation Program
- Waste Tire Enforcement

FY 1997/98: Waste Prevention and Market Development Programs--\$3,095,000

- Playground Cover Grant Program
- Molded Rubber Products Grant Program
- Third Biennial Tire Recycling Conference
- CCC/LCC Grant Program
- RMDZ Loan Program
- Crumb Rubber and TDF Educational Video/Support Material
- Levee/Soundwall Construction and Repair
- RAC Technical Assistance Center

Revenue from the Tire Fund is appropriated each year to the Board in the Annual Budget Act. For Fiscal Year (FY) 1998/99, the Board has a discretionary allocation of \$4,872,000. On-going committed expenditures and services (e.g. Board of Equalization and Verbatim Transcripts) total

\$1,926,000. The balance for discretionary allocation by the Board for fiscal year 1998/99 is \$2,946,000. Program requests total approximately \$2,276,000 for Permitting and Enforcement activities and approximately \$670,000 for Waste Prevention and Market Development activities.

II. PREVIOUS BOARD/COMMITTEE ACTION

The Board has adopted Tire Program funding allocations each year since Fiscal Year 1992/93. The Board adopted a funding allocation for Fiscal Year 1997/98 on April 24, 1997.

III. OPTIONS FOR THE COMMITTEE

Committee members may decide to:

1. Forward a recommendation to the Board to adopt the Committee's direction to staff to develop and implement program and funding options for the Fiscal Year 1998/99 Waste Tire Management Program as contained in Table 2; or
2. Direct staff to revise the program and funding options in Table 2 for specific Permitting and Enforcement and Waste Prevention and Market Development program options and forward the item to the Board.

IV. STAFF RECOMMENDATION

Staff recommends Option 1, forward a recommendation to the Board to adopt the Committee's direction to staff to develop and implement program and funding option for Fiscal Year 1998/99 Waste Tire Management Program as contained in Table 2.

V. ANALYSIS

Background:

California is faced with the challenge of diverting or safely managing approximately 30 million reusable and waste tires generated annually and an estimated 30 million stockpiled tires. Annual generation is expected to increase as the state's population increases.

The Tire Recycling Management Act (Act) was established by Assembly Bill 1843 (Statutes 1989, c. 974). The Act initiated a tire recycling program to promote and develop markets for waste tires. The Act allows the Board to award grants and loans to businesses and public entities. The Act also addresses ongoing storage of tires in stockpiles and cleanup of illegal piles. The Board is charged with responsibility for tire pile stabilization and remediation where public health and safety and the environment may be at risk.

Additionally, in 1993, SB 744 (Stats. 1993, c. 511) enacted the Waste Tire Hauler Registration Program to ensure that waste tires are legally transported to authorized sites.

Tire Program implementation began in 1990 and revenue for the tire fund is currently generated by a fee of \$0.25 paid by consumers at the time of retail purchase. The fee

April 7, 1998

collection provisions sunset June 30, 1999. Monies remitted to the fund are appropriated to the Board annually in the Budget Act. All of the Board's tire programs are supported by the Tire Fund.

Waste Tire Program Efforts

Recycling Rate. California's tire recycling rate had risen from 34 percent in 1990 to 60 percent in 1995, a 26 percent increase in 5 years. In 1990 the Board estimated that 9.2 million tires were diverted from landfill disposal and stockpiling, compared to an estimated 17.6 million tires diverted from the annual waste stream in 1995.

Even with this significant increase in California's tire recycling rate, considerable need remains. The annual generation of waste tires continues to increase as California's population increases. Approximately 12 million tires generated annually are not being recycled, and about 30 million waste tires are still stockpiled, legally and illegally, in the state. An unknown number of waste tires has been imported for use in California markets. Although 60 percent of the annual generation of waste tires is being recycled, the high visibility of the tire problem overshadows the many waste tire program accomplishments.

Market Development Plan. To further the legislative objective of reducing landfill disposal of waste tires, the Board adopted a diversion goal in its 1996 Market Development Plan of 225,000 tons of waste tires (22.5 million tires) per year from the annual flow by the year 2000. Reaching this goal would increase the waste tire recycling rate to 75 percent. The Market Development Plan's focus is primarily annual waste tire generation; however, legacy stockpiles may also be addressed.

Strategies for diverting tires to facilitate meeting the 75 percent tire recycling goal were developed in the research paper, *Market Status Report: Waste Tires*. The two primary strategies are outlined below:

- **Promote Crumb Rubber Markets.** Increase the use of recycled crumb rubber by promoting and developing crumb rubber markets through the Board's Tire Grant and RMDZ Loan Programs. The primary crumb rubber markets targeted are (1) crumb rubber product applications and (2) rubberized asphalt concrete projects.
- **Promote Supplemental Fuel Markets.** Increase waste tire diversion by developing alternative uses, including fuel supplement at cement kilns, pyrolysis, and coal-fired cogeneration.

The continued ability of Modesto Energy Limited Partnership (MELP) to operate as a tires-to-energy facility will impact this 75 percent tire recycling goal greatly. Currently, MELP is combusting legacy tires, with few from the annual flow. Using legacy tires as fuel has the effect of reducing California's annual tire recycling rate. The future of MELP as a tires-to-energy facility is unclear at this time. Alternate waste tire diversion programs/activities may grow more critical in order for California to reach its 75 percent waste tire recycling rate.

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Tire Recycling Contracts. The Board has directed staff to develop demonstration, testing, and analysis contracts as part of its tire program. A representation of these contracts is shown here:

- Caltrans: Demonstration of various rubberized asphalt mix designs in a single project.
- Air Resources Board: Emissions testing at cement manufacturing and biomass combustion facilities.
- Emissions testing at coal-fired cogeneration facilities using tires as a fuel supplement.
- Analysis of data on the effects of waste tires on the environment.

Tire Recycling Grants. Public Resources Code section 42872 authorizes the Board to develop and implement a grant program aimed at promoting alternatives to landfill disposal and stockpiling of whole waste tires. These grants are awarded competitively and have been awarded for various business development, innovative research, and local government program since fiscal year 1992/93.

Tire Recycling Loans. The Board has offered loan funds through two programs: the Recycling Market Development Zone (RMDZ) Loan Program and the Tire Recycling Loan Program. The loan programs differed in several areas, including eligibility, funding available, and application period.

Tire Recycling businesses in an RMDZ are eligible to apply through either the RMDZ Loan Program or the Tire Recycling Loan Program. The RMDZ Loan Program has received ten applications for tire-related projects since the RMDZ Loan Program began. Eight applicants were crumb rubber facilities; one, a retreader; and one, a rubber mat manufacturer. Four loans were approved: two were funded and two were withdrawn by the applicants after approval.

The 1997/98 allocation included \$1 million for funding tire-recycling loans. To date, no qualified business has submitted an application. Therefore, the \$1 million is available for reallocation to other 1997/98 Board approved waste tire activities and is addressed in a separate action before the Committee.

Technical Assistance and Education. Activities have included developing, promoting, and facilitating the biennial Tire Recycling Conferences (April 1993, May 1995, August/September 1998). The Board has also conducted Workshops for the promotion of rubberized asphalt concrete (RAC) and crumb rubber containing products. The Board also has entered into an interagency agreement with Los Angeles County for a RAC Technical Assistance Center that will provide training and assistance to local governments for rubberized asphalt concrete (RAC).

Waste Tire Enforcement. Based on Public Resources Code Section 42811, the Board is the sole authority in the enforcement of the Waste Tire Standards. This statute does not prevent Local Enforcement Agencies (LEAs) from enforcing more stringent local ordinances regarding the storage, stockpiling, processing, or disposing of waste tires.

During the 1997 calendar year, 74 inspections were conducted. The following enforcement actions, with Legal Office assistance, were taken during the 1997 calendar year:

- 53 Clean Up & Abatement Orders
- 23 Administrative Complaints
- 7 Criminal Complaints
- 1 Inspection Warrant
- 1 Injunction to gain property access for remediation efforts

Waste Tire Stabilization and Abatement (WTSA). On August 31, 1994, the Board approved implementation of the Waste Tire Stabilization and Abatement Program. Public Resources Code (PRC) section 42846 authorizes the Board to expend money from the California Tire Recycling Management Fund to perform any cleanup, abatement, or remedial work required to prevent substantial pollution, nuisance, or injury to the public health or safety at waste tire sites where responsible parties failed to take appropriate action as ordered by the Board.

At its February 25-26, 1998, Board meeting, the Board approved a \$650,000 augmentation to the 1996/97 Waste Tire Stabilization and Abatement contract that will terminate on June 30, 1999. The total amount of the contract was up to \$2,250,000 and was funded at \$1,599,251. This \$650,000 augmentation fully funds the 1996/97 WTSA contract with SUKUT.

The Board also approved an additional 30 percent allowable augmentation of \$675,000 bringing a total augmentation of \$1,325,000 to the 1996/97 WTSA contract. The total \$1,325,000 augmentation was taken from the \$2,500,000 tire fund allocated for stabilization and remediation for fiscal year 1997/98.

A balance of \$675,000 remains to be encumbered by the proposed 1997/98 WTSA contract. Permitting and Enforcement has asked for an augmentation of \$825,000 from reallocation dollars for the 1997/98 WTSA contract. These additional funds would allow the Board to continue cleanup of 11 million tires at illegal waste tire sites currently identified under the waste tire stabilization and abatement program.

Waste Tire Hauler Registration. Public Resources Code (PRC) sections 42950-42967 enacted the waste tire hauler registration and manifest program. The program

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42967 enacted the waste tire hauler registration and manifest program. The program went into effect January 1, 1995. Effective January 1, 1997, AB 2108 (Stats. 1996, c. 19) authorized any traffic officer and any peace officer to enforce the waste tire hauler registration program as authorized representatives of the Board.

During the 1997 calendar year, the following number of vehicles and companies were registered by the Board as waste tire haulers:

- 537 Waste Tire Hauler Companies
- 5,772 Waste Tire Hauler Vehicle Registrations Issued

Waste Tire Facility Permitting. Public Resources Code sections 42810-42843 mandates the permitting of minor and major waste tire facilities. Currently, the regulations are undergoing revisions based on Board experience with the program during the past few years.

During the 1997 calendar year, permit activities conducted are shown as follows:

- 3 Minor Waste Tire Facility Permits issued;
- 4 Major Waste Tire Facility Permits issued; and
- 12 Exclusions were issued.

Fiscal Year 1997/98 Program Status

Information on the status of Tire Program activities adopted by the Board on April 24, 1997, is shown in Attachment 3 entitled "Program Implementation Status for Allocations Adopted by the Board for Fiscal Year 1997/98."

Fiscal Impacts:

The estimates for fiscal year 1998/99 assume current levels of non-discretionary funding. For fiscal year 1998/99 the sum of the expected discretionary funds available for meeting all statutory responsibilities in the areas of market development, permitting and enforcement, and stockpile stabilization and abatement is \$2,946,000.

Key Issues:

Table 1 below shows the estimated dollars for the Tire Recycling Management Fund for fiscal year 1998/99 and the actual revenues, normal operating expenditures, and balance for discretionary allocation by the Board. The layout of Table I matches the layout of the Governor's Budget.

Table 1
California Tire Recycling Management Fund FY 1998/99

	Proposed FY 1998/99
Prior Year Balance Forward	\$2,928,000
Revenues:	
Revenues (including SMIF & loan interest)	\$4,831,000
Transfer to Farm Fund	<u>(250,000)</u>
Total Resources	\$7,509,000
Proposed/Estimated Expenditures	
CIVMB-State Operations	\$4,372,000
CIVMB-Local Assistance	<u>500,000</u>
Proposed Total Expenditures	\$4,872,000*
Committed Expenditures	
Salaries & Wages	\$838,000
Mandatory Service Contracts	627,000
OE&E (less contracts)	461,000
Subtotal	\$1,926,000
Balance for Discretionary Allocation by the Board	\$2,946,000**
Loan Repayments	(250,000)***
Total Expenditures	\$4,622,000
FUND BALANCE	\$2,887,000

*Includes \$1.1M increased authority

**Includes \$500,000 for local assistance

***Principal Loan Repayment is shown as an off-set to expenditures; interest is shown as revenue.

Table 2 below shows the proposed fiscal year 1998/99 Tire Fund Allocation options presented for Committee and Board consideration.

**Table 2
 Options for the FY 1998/99 Tire Fund Allocation**

ESTIMATED FY 1998/99 DISCRETIONARY ALLOCATION.....	\$2,946,000*
<u>Permitting and Enforcement</u>	
Stabilization and Abatement Contract.....	\$1,000,000
Environmental Services Contract.....	100,000
Local Gov't Cleanup Matching Grants.....	100,000
Waste Tire Enforcement Grants.....	611,000
Office of Emergency Service and CDF for Specialized Fire-fighting Equipment IAA.....	175,000
Tire Fire Chemical Analysis Contract**.....	290,000
P&E TOTAL REQUEST.....	\$2,276,000
<u>Waste Prevention and Market Development</u>	
Tire Products Promotion & Processing Matching Grants.....	\$ 400,000
Local Gov't Amnesty/Public Education Event Matching Grants.....	250,000
Market Outreach.....	20,000
WP&MD Total Request.....	\$ 670,000
TOTAL REQUESTED.....	\$2,946,000

*Includes \$500,000 for Local Assistance
 **Joint effort with Waste Prevention and Market Development

Findings:

WASTE PREVENTION & MARKET DEVELOPMENT

Rubberized Asphalt Concrete Technology Center (RACTC)

The original proposal by Los Angeles County to create and operate a RACTC totaled \$1.5 million for a three-year period. This proposal and funding level was based on the purchase of equipment for the center to do research and development for Rubberized Asphalt Concrete (RAC). The Board approved an alternative scope-of-work for this project which entailed more direct consultation and support for local governments, rather than research and development.

The Board chose to fund this project in phases, to be approved each fiscal year, based on the satisfactory performance of the RACTC. To date, the Board has authorized the expenditure of \$500,000 for fiscal year 1996/97 and fiscal year 1997/98 (\$1 million total) to fund the operation of the RACTC through June 30, 2000. At this time, staff does not

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recommend allocating additional funds to this project, as the current scope-of-work and funding level should be adequate to satisfy the Board's objectives for this project.

Redwood Rubber Proposal to Devulcanize Tire Rubber

This unsolicited proposal for a market development grant entails the construction and development of a pilot scale (400 lbs/hr) system capable of ultrasonically devulcanizing tire-derived crumb rubber. The proposed ultrasonic devulcanization process has been demonstrated at a laboratory scale. The proposed pilot scale system would also be used to demonstrate the feasibility of building a larger commercial scale (3-5 tons/hr) system. The proposal asks for \$300,00 to fund the project (pilot scale system), with a match of \$200,000 from the proponent.

Staff does not recommend a separate grant funding for this item; however, the Board may direct that it be considered under the Tire Products Promotion & Processing Grants.

RMDZ Loan Program

Tire funds have been previously used for "tire" loans. Funds would provide additional revenue to the RMDZ Loan Program for tire recycling applicants in this program. All repayment of principal and interest under this program would be repaid to the California Tire Recycling Management Fund. Staff does not recommend a separate allocation since none of the funds were used in fiscal year 1997/98 and statute does not preclude the use of the RMDZ subaccount funds for this purpose.

Market Outreach Program

The outreach program would involve staff attending tire conferences and workshops, visiting tire reproducers and recycled content product manufacturers, and developing information and brochures. The point of this outreach effort is to build partnerships with industry so that we may be better informed about market barriers and opportunities. This information can be used to:

- Facilitate contacts between potential suppliers and end-users of waste tire manufacturing feedstock to increase waste tire diversion;
- Generate applications for tire grants;
- Generate loan applications for the RMDZ Loan Program;
- Provide up-to-date information materials;
- Enhance staff knowledge and expertise in order to provide technical assistance to Zone/Loan and Grant Program Staff; and/or
- Update the commodity website for tires with timely information regarding market factors affecting tire recycling.

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Tire Products Promotion & Processing Matching Grants

This grant program is aimed at promoting new and existing processes and technologies that will result in the increased use of tires in new products. The grants will be used for scale-up validation (e.g., pilot scale to commercial), process enhancement, process development and product procurement. The maximum grant award will be \$80,000 and will require a 50/50 minimum match.

Local Government Amnesty/Public Education Event Matching Grants

This grant program is targeted at local governments to develop public education programs on the requirements for proper tire disposal and on ways to properly care for tires. These local government programs may also include an Amnesty event to deal with nuisance and small tire pile clean-ups. The maximum grant award will be \$15,000 with a 50/50 match requirement.

PERMITTING & ENFORCEMENT

Local Government Cleanup Matching Grants

The Local Government cleanup grant program would continue the local government cleanup efforts of smaller legacy and abandoned tire sites of 500+ waste tires. Requests for exemption will be available for sites with several smaller individual piles of less than 500 waste tires but total 500+ waste tires. Continuing this program could result in the further cleanup of an additional 35,000 to 50,000 waste tires throughout the State of California.

Staff has received feedback that the need and interest exist throughout California. By allowing more flexibility on the qualifying requirements, staff expects considerable Local Government interest during fiscal year 1998/99.

Waste Tire Stabilization and Abatement Contract

Since the inception of the Waste Tire Stabilization and Abatement Program, the Board has approved 24 sites for stabilization and/or abatement. Eighteen sites have been remediated or in the process of being remediated. A total of approximately 7 million waste tires were removed during these remediations. Staff estimates that there are still 11 million tires at illegal waste tires sites that have been identified for remediation under the waste tire stabilization and abatement program.

This contract would continue the Board's remediation and abatement program. Conservatively, cleanup of the currently identified illegal waste tire sites would cost between \$10 million and \$13 million.

Environmental Services Contract

Environmental Services are an important part of an effective cleanup program, providing technical assistance with field investigations, estimating tire pile sizes, conducting title

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searches, preparing site surveys to determine property boundaries, and overseeing cleanup.

Staff would like to continue researching the spontaneous combustion of tire shred fills to assist in the development of the tire monofill regulations. This undertaking would require actual monitoring of existing and proposed tire monofills for temperature and gas.

Waste Tire Enforcement Grants (WTEG)

The waste tire enforcement grants are a competitive, non-matching grant available to cities and counties. Participating cities and counties have two options:

1. Conduct waste tire facility inspections of sites accepting or storing more than 500 waste tires at one location. Follow up with appropriate compliance actions to ensure that the operators are following all tire facility regulations.
2. Conduct surveillance (surveys) of tire dealers and auto dismantlers who accept or store waste tires on site.

The WTEG has received additional demand each year as more parties are becoming aware of the program and are interested in participating. Last year, the program was allocated \$400,000 and received applicant requests for \$412,000. Feedback indicates that interest in the program is increasing every year.

Office of Emergency Services (OES) and California Department of Forestry (CDF)

This interagency agreement will establish a tire fire protocol for OES and CDF, designate response level and personnel, update a fire training manual, and purchase statewide equipment necessary to suppress and prevent exposure to on-site personnel, surrounding communities, and the environment in the event of a tire fire.

The IAA will incorporate tire fire protocol, chemical and exposure information from the *Tire Fire Chemical Analysis Contract* or use the latest data available to update CDF's Fire Marshall manual "Rings of Fire."

Tentatively, CDF and Board staff have identified a single resource vehicle that will be capable of responding anywhere within the state in twelve hours. The vehicle will not be used for initial response, but will be able to assist in suppression and remediation efforts. The vehicle will be outfitted with the appropriate equipment to reduce exposure, investigate, and monitor the fire. Additionally, the vehicle will be set up for various incidences including wildland fires and other disaster events to fully utilize the equipment. Some reimbursement funds may be available to the Board when the vehicle is used by non-CDF agency. CDF and OES will maintain and store the equipment. Board staff may also use the equipment for landfill fire investigations and suppression efforts.

Tire Fire Chemical Analysis Contract

The chemical analysis contract request is the result of the Board's Panoche Tire Fire Remediation in Fresno. Laboratory analyses of the ash and pyrolytic oil indicated there were additional toxic compounds and significantly higher concentrations of heavy metals

than have been reported in the literature. This contract would include additional studies to fully characterize the risks from a tire fire based on controlled laboratory conditions and field experiments.

As a research project, this contract would be a joint effort between the Permitting & Enforcement and Waste Prevention & Market Development divisions. The phases in this contract would include:

- Full laboratory analysis in the laboratory of a tire under combustion and pyrolysis at varying temperatures to determine the resulting gas, pyrolytic oil, and ash composition;
- Analysis of metal contamination from a tire fire and rationale why heavy metals (e.g. zinc and lead) are not transported into the soils by the pyrolytic oil. Additionally, examine if using large amounts of water to suppress the tire fire increases the mobility of heavy metals and causes more environmental damage than allowing the fire to burn;
- Perform multiple test burns during varying weather conditions. Perform air emission tests and pyrolytic oil analysis during the test burns. Cleanup and removal of test sites;
- Evaluation of laboratory and test burn data. Determine associated health risks with a certain level of confidence;
- Peer Review and publishing resulting data in technical journal; and
- Supplemental training to environmental agencies and fire departments indicating the health risk through technical seminars.

VI. FUNDING INFORMATION

Amount Proposed to Fund Item: \$2,946,000

Fund Source:

	Used Oil Recycling Fund
X	Tire Recycling Management Fund
	Recycling Market Development Revolving Loan Account
	Integrated Waste Management Account
	Other (Specify)

Proposed From Line Item:

X	Consulting & Professional Services
	Training
	Data processing
	Other (Specify)

Redirection:

If Redirection of Funds: \$

Fund Source:

Line Item:

VII. ATTACHMENTS

1. Resolution 98-74, Adoption of Fiscal Year 1998/99 Waste Tire Management Program Funding Allocation
2. Fiscal Year 1997/98 Tire Fund Allocation
3. Fiscal Year 1997/98 Tire Program Activity Status

VIII. APPROVALS

Prepared By: Charlotte Sabehi *C. Sabehi* Phone: 255-2578

Reviewed By: Martha Gildart Phone: 255-2619

Reviewed By: Caren Trgovcich *CT* Phone: 255-2320

Reviewed By: Scott Walker *SDW* Phone: 255-1198

Reviewed By: Tom Unsell *T. Unsell* Phone: 255-2298

Reviewed By: Dorothy Rice *D. Rice* Phone: 255-2431

Reviewed By: Rick Beard Phone: 255-2290

Reviewed By: Karin Fisch *K. Fisch* Phone: 255-2259

Legal Review: *[Signature]* Date/Time: 3/31/98

CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD

Resolution 98-74

ADOPTION OF FISCAL YEAR 1998/99 WASTE TIRE MANAGEMENT PROGRAM FUNDING ALLOCATION

WHEREAS, the State of California is faced with an inventory of at least 30 million tires in stockpiles or illegally disposed which may pose a threat to the public health and safety and the environment; and

WHEREAS, approximately another 30 million waste tires are generated annually and about 12 million are not recycled; and

WHEREAS, the Tire Recycling Act (Public Resources Code [PRC] 42871(a) requires the California Integrated Waste Management Board (hereinafter referred to as the "Board") to maintain a tire recycling program which promotes and develops alternatives to the landfill disposal and stockpiling of waste tires; and

WHEREAS, the Board receives an annual appropriation from the California Tire Recycling Management Fund to administer the Tire Recycling Act and related legislation; and

WHEREAS, it is the intent of the Legislature for the Board to permit waste tire stockpiles, register waste tire haulers, enforce the Board's regulations, provide financial assistance for recycling, and promote markets for the reduction of the landfill disposal of waste tires; and

WHEREAS, to further the legislative objective to "recycle and reclaim used tires and used tire components to the greatest extent possible in order to recover valuable natural resources," the Board adopted the Market Development Plan which includes a goal of a diversion rate of 75 percent of the waste tires generated by 2000; and

WHEREAS, the Tire Program may include the awarding of grant and loans to businesses, enterprises, and public entities involved in research aimed at developing technologies or improving current activities and applications that result in reduced landfill disposal of waste tires; and

WHEREAS, the Board approved \$7,353,000 from the California Tire Recycling Management Fund for FY 1997/98 programs; and

WHEREAS, the Board intends to adopt a funding allocation annually; and

WHEREAS, the Policy, Research, and Technical Assistance Committee, on April 7, 1998, considered this issue; and

NOW, THEREFORE, BE IT RESOLVED that the Board hereby adopts the California Tire Recycling Management Fund allocation for Fiscal Year 1998/99 as listed below; and

Options for the FY 1998/99 Tire Fund Allocation

ESTIMATED FY 1998/99 DISCRETIONARY ALLOCATION.....	\$2,946,000*
<u>Permitting and Enforcement</u>	
Stabilization and Abatement Contract.....	\$1,000,000
Environmental Services Contract.....	100,000
Local Gov't Cleanup Matching Grants.....	100,000
Waste Tire Enforcement Grants.....	611,000
Office of Emergency Service and CDF for Specialized Fire-fighting Equipment IAA.....	175,000
Tire Fire Chemical Analysis Contract**.....	290,000
P&E TOTAL REQUEST.....	\$2,276,000
<u>Waste Prevention and Market Development</u>	
Tire Products Promotion & Processing Matching Grants.....	\$ 400,000
Local Gov't Amnesty/Public Education Event Matching Grants.....	250,000
Market Outreach.....	20,000
WP&MD Total Request.....	\$ 670,000
TOTAL REQUESTED.....	\$2,946,000

*Includes \$500,000 for Local Assistance

**Joint effort with Waste Prevention and Market Development

BE IT FURTHER RESOLVED that the Board hereby directs staff to develop and implement the approved programs; and

BE IT FURTHER RESOLVED that any funds from this program that are repaid to the Board by grant, loan, or contract recipients, will be repaid to the California Tire Recycling Management Fund.

CERTIFICATION

The undersigned Executive Director, or his designee, of the California Integrated Waste Management Board does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the California Integrated Waste Management Board held on April 29, 1998.

Dated:

Ralph E. Chandler
Executive Director

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Fiscal Year 1997/98 California Tire Recycling Management Fund Allocation

<u>Permitting and Enforcement</u>	
LEA grant program	\$ 400,000
California Highway Patrol	\$ 100,000
Attorney General services	\$ 40,000
Environmental services (includes monofilling)	\$ 150,000
Stabilization and remediation	\$2,500,000
Local government cleanup matching grants	\$ 200,000
Waste tire hauler manifest database	\$ 50,000
Student Assistants	\$ 54,000
TOTAL (P&E)	\$3,494,000
<u>Market Development</u>	
Grant program - playground cover	\$ 300,000
RAC Technical Assistance Center (RFP)	\$ 500,000
Grant program - molded rubber products	\$ 300,000
Third Biennial Tire Recycling Conference	\$ 50,000
CCC/LCC grant program	\$ 200,000
DGS/State procurement of mats, threshold ramps	\$ 50,000
RMDZ Loan Program	\$1,000,000
Levee construction and repair/soundwall construction**	\$ 609,000
TDF and crumb rubber educational video/support material	\$ 150,000
End-use processing facility evaluation***	\$ 200,000
Student Assistants	\$ 36,000
TOTAL (WP&MD)	\$3,195,000
<u>Prudent Reserve</u>	\$ 664,000
TOTAL	\$7,353,000*

* Includes \$500,000 for Local Assistance

** This line item was originally allocated at \$409,000. It was increased at the September 1997 Board meeting.

*** These funds were reallocated to the Levee Construction line item at the September 1997 Board meeting.

**PROGRAM IMPLEMENTATION STATUS FOR ALLOCATIONS
ADOPTED BY THE BOARD FOR FY 1997/98**

PERMITTING AND ENFORCEMENT

Waste Tire Enforcement Grant Program

Beginning with the 1996/97 pilot year, the Board's Waste Tire Enforcement Grant Program (WTEG) has proven to be a beneficial addition to the Board's waste tire programs. The WTEG program is enabling the Board to investigate numerous waste tire facilities, tire dealers, and auto dismantlers to ensure compliance with all applicable laws and regulations.

During the 1996/97 pilot year, \$100,000 was awarded to grant applicants. As more parties are becoming aware of the program and interested in participating, the applications for grant requests have increased considerably. During the second year (1997/98), the Board allocated \$400,000 for WTEG and Board staff received \$412,000 in grant requests.

These grants are awarded to solid waste Local Enforcement Agencies and cities and counties with regulatory authority within the city/county government. The grant recipients are responsible for conducting waste tire facility inspections of those facilities that accept or store more than 500 waste tires at one location and/or conduct waste tire facility surveys. The intent is to (1) implement an effective inspection and compliance program at the local level, and (2) develop a comprehensive list of waste tire facilities that fall under Board jurisdiction.

In May 1998, the fiscal year 1997/98 WTEG applicants will be brought before the Board for consideration of award.

California Highway Patrol IAA

The Interagency Agreement has been entered into with the California Highway Patrol. A timeline has been developed, and the agreement is proceeding according to schedule.

This funding will be used for developing training and public information activities and documents for distribution to both law enforcement and peace officers as well as the general public.

Attorney General Services

In prior years the Board has used the Attorney General's office for services related to tire issues. In fiscal year 1997/98, monies were identified in the sum of \$40,000 for the Attorney General's office for tire issues. A Budget Change Proposal (BCP) has been approved for fiscal year 1998/99. This BCP redirects these funds (\$40,000) to fund a position within the Board to provide these services.

Environmental Services

Environmental Services are an important part of an effective cleanup program, providing technical assistance with field investigations, estimation of tire pile sizes, title searches, site preparation and cleanup oversight. Staff have also identified concerns related to safe handling practices at tire monofills.

Staff has determined that continued research of spontaneous combustion of tire shred fills will assist in the development of the tire monofill regulations. This continued research has prompted staff to seek an additional \$100,000 from the Waste Tire Management Fund reallocation item. It is anticipated that the contract award item will be brought before the Board for consideration in May 1998.

Waste Tire Stabilization and Abatement (WTSA)

At its February 25-26, 1998, Board meeting, the Board approved a \$650,000 augmentation to the 1996/97 Waste Tire Stabilization and Abatement contract that will terminate on June 30, 1999. The total amount of the contract was up to \$2,250,000 and was funded at \$1,599,251. This \$650,000 augmentation fully funds the 1996/97 WTSA contract with SUKUT.

The Board also approved an additional 30 percent allowable augmentation of \$675,000 bringing a total augmentation of \$1,325,000 to the 1996/97 WTSA contract. The total \$1,325,000 augmentation was taken from the \$2,500,000 tire fund allocated for stabilization and remediation for fiscal year 1997/98. In addition, a legal settlement of \$500,000 was allocated from the \$2.5 million allocated for stabilization and remediation for fiscal year 1997/98.

Permitting and Enforcement staff has asked for an augmentation of \$825,000 from the Waste Tire Management Fund reallocation item. These additional dollars and the remaining \$675,000 in the fiscal year 1997/98 WTSA contract allocation brings the total allocation for fiscal year 1997/98 to \$1.5 million. The Board approved the 1997/98 WTSA for an amount not to exceed \$2.5 million. Therefore, at the Board's option, the \$1 million allocation request for fiscal year 1998/99 will go either into the fiscal year 1997/98 WTSA contract or go out for bid for a new \$1 million contract for fiscal year 1998/99.

Permitting and Enforcement staff sent out the Request for Qualification (RFQ) packages for the fiscal year 1997/98 Waste Tire Stabilization and Remediation Contract in February 1998. It is anticipated that this contract will be presented to the Board for approval in June 1998.

Local Government Cleanup Matching Grants

This grant program continued the local government cleanup efforts of smaller legacy tire sites of 5000+ tires. Grants are awarded on a competitive basis for the removal, transportation, and disposal of waste tires. Maximum grant request is \$50,000 with a 50 percent match.

Grant requests totaling about \$90,000 have been submitted to Permitting and Enforcement staff. From the 4 applications received, the cleanup of about 90,500 waste tires is projected. With the deadline extension, staff expects at least 3 more applications totaling an additional \$60,000. It is anticipated that the grant award item will be brought before the Board for consideration in May 1998.

Waste Tire Hauler Manifest Database

This agreement continues the work on the waste tire hauler database. To ensure compliance with the waste tire hauler requirements and to track the flow of tires in the State of California, the manifest portion of the database needs to be developed. The data will match manifests by point of origin and destination site and provide a tool for the Board in targeting areas for cleanup and market development.

Permitting and Enforcement staff and Information Management Branch (IMB) staff are working collaboratively to finalize requirements in order to proceed with database development in April 1998.

WASTE PREVENTION AND MARKET DEVELOPMENT

Playground Grant Cover Program

This grant program was funded at \$300,000 and continued the efforts of the fiscal year 1996/97 playground grant program. Jurisdictions were eligible to apply for Applicants were eligible to apply for \$25,000 with a 50/50 matching requirement.

Board staff received 33 applications with requests totaling over \$600,000. Applications were reviewed and scored and brought before the Board for consideration in March 1998. The Board approved the recommended applicants. Staff is requesting an additional \$71,000 in the Waste Tire Management Fund reallocation item to fully fund all passing applicants.

RAC Technical Assistance Center

In fiscal year 1996/97 the Board allocated \$500,000 from the tire management fund to establish a statewide center for Rubberized Asphalt Concrete (RAC) technical assistance to local jurisdictions. The agreement for the RAC Technology Center (TC) provides for outreach training programs and consultation services to local governments, a staffed technical assistance center, educational and informational materials, and an Internet Web Site for disseminating RAC information and reference materials. At its April 1997 meeting, the Board allocated an additional \$500,000 from the fiscal year 1997/98 tire fund to continue the operation of the RACTC through June 2000.

Molded Rubber Products Grant Program

This grant program was funded at \$300,000 for fiscal year 1997/98. This grant program funds projects that utilize crumb rubber molded products, such as, track surfacing and roofing systems. Applicants were eligible to apply for \$50,000 with a 50/50 matching requirement.

Board staff received 12 applications with requests totaling nearly \$530,000. Applications were reviewed and scored and will be brought before the Board for consideration in April 1998. Staff is also seeking an additional \$5,887 in the April 1998 Waste Tire Management Fund reallocation item to fully fund all passing applicants.

Third Biennial Tire Recycling Conference

Previous tire recycling conferences were held in April 1993 and May 1995. These conferences were effective in promoting recycled uses of waste tires, at identifying barriers, explaining permitting and hauler registration requirements, and soliciting industry input on the Board's waste tire programs.

Respondents to a survey on the conference indicated public interest in the areas of (a) business and market development of used and waste tires, (b) technology information sharing, and (c) information on permitting and enforcement issues affecting businesses.

An interagency agreement (IAA) has been entered into with California State University, Sacramento. Currently, Board staff and the contractor are working out the strategy for the two-day conference, including topic structure, location, and exact dates. The conference is tentatively scheduled for August or September 1998.

CCC/LCC Grant Program

This grant program provides continued funding to include California Conservation Corps/Local Conservation Corps in tire recycling, tire cleanup, and public education.

Board staff received 7 applications with requests totaling nearly \$162,000. In June 1998, the fiscal year 1997/98 CCC/LCC recommended applicants will be brought before the Board for consideration of award.

DGS/State Procurement of Mats, Threshold Ramps

State Government represents a considerable market for recycled-content products. This interagency agreement would assist in the procurement of products containing recycled tires or crumb rubber by providing funds for the purchase of products to be used in demonstrations and to increase public awareness. Products targeted for distribution include rubberized door mats, fatigue mats and threshold ramps.

The interagency agreement has been entered into. Three mat purchases and two ramp purchases have been made to date. The five purchases total nearly \$8,000. The 150 mats and 40 ramps

have and are being distributed to state agencies where additional sales are being generated. A recycled tire product brochure is being developed. Where presented, the program has been very well received and is growing rapidly. Additional purchases are expected to be made in April 1998.

RMDZ Loan Program

Tire funds have been previously used for "tire" loans. For fiscal year 1997/98, no qualified applicant has submitted a loan application for a tire recycling business. For this reason, the fiscal year 1997/98 loan allocation of \$1 million is available for reallocation in the April 1998 Waste Tire Management Fund reallocation item.

End-Use Processing Facility Evaluation

At its September 1997 meeting, the Board redirected the \$200,000 originally allocated for this program into the "Levee Construction and Repair/Soundwall Construction" program.

Levee Construction and Repair/Soundwall Construction

Many California rivers are contained within levee systems designed to protect developed areas from floods. In recent years, some of those levees were breached and need repair or reconstruction. One technique is to install an impermeable membrane by injecting a grout slurry into trenches cut the length of a levy. A possible variation is the installation of a tire-based slurry. Utilization of waste tires in this type of application is likely to result in a demand for approximately 40,000 tires per linear mile of levee.

Board staff is in the process of negotiating changes to the draft agreement with California State University at Chico. It is expected that the agreement will be submitted to the Board's contracts office for processing by mid-April.

Tire Derived Fuel (TDF) and Crumb Rubber Educational Video/Support Material

One of the barriers to increased use of recycled tires is that the general public is unaware of the various waste tire recycling activities in California. An educational video will provide the public information on the benefits of energy recovery from tires and provide the necessary assurances that this and other uses of waste tires are environmentally safe and beneficial alternatives to landfill disposal.

The scope of the video includes activities of interest statewide as well as highlights of local government waste tire management efforts. Board staff is in the process of developing a Master Service Agreement (MSA) to hire a consulting firm to make the TDF and Crumb Rubber Educational Video and other support material.