

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

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

MEETING  
STATE OF CALIFORNIA  
CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD  
REGULAR MONTHLY BUSINESS MEETING

Veterans War Memorial Building  
401 Van Ness, Room 404  
San Francisco, California

Tuesday, February 27, 1996  
9:30 a.m.

Janet H. Nicol  
Certified Shorthand Reporter  
License Number 9764

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

ii

1 APPEARANCES

2 BOARD MEMBERS PRESENT:

3 Daniel G. Pennington, Chairman  
Robert C. Frazee, Vice Chairman

4 Wesley Chesbro  
Sam Egigian

5 Janet Gotch  
Paul Relis

6

7 STAFF PRESENT:

8 Garth Adams  
Ralph Chandler, Executive Director

9 Mary Coyle  
Mark De Bie

10 Don Dier  
Daniel Gorfain

11 Marlene Kelly, Committee Secretary  
Clint Whitney

12 Patty Zwarts

13

PUBLIC SPEAKERS:

14

Eric Anderson, Cold Creek Compost, Inc.

15 Marc Aprea, BFI  
David Assman, County of San Francisco

16 Gini Barrett, Alliance of Motion Pictures and TV Producers  
Mayor Carl Boyer, Santa Clarita

17 Mayor Willie Brown, City of San Francisco  
Michael Byrne, Oxford Tire

18 Orland Castano, Oxford Tire  
Theresa Chapman, Student

19 Denise Delmatier, Norcal  
Marcia deVaughn, San Francisco

20 Evan Edgar, CRRC  
Kathy Fletcher, BKK

21 Ben Gale, County of San Francisco  
Michael Gersick, Modesto Energy Project

22 Manual Grace, Walt Disney Company  
Terry Gray, Psomas and Associates

23 Yvonne Hunter, League of California Cities  
Ken Kazarian, Elsmere Corporation

24

(continued)

25

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

iii

1 APPEARANCES  
(continued)

2

3 PUBLIC SPEAKERS:  
(continued)

4 Kim Kiernan, NALE

Jeff Kolin, City of Santa Clarita

5 George Larson, Lakin Tire

Terry Leveille, SCTARSA

6 Sharon Maves, County of San Francisco

Jack Michael, Los Angeles County

7 Congressman Howard McKeon

Karen Pearson, Sierra Club

8 Lynne Plarnbeck, Newhall County Water District

Kurt Ramey, Westrends Consulting

9 Karen Strandoo, County of San Francisco

Eric Sunswheat, Humus Third

10 Bob Swift, Sonoma County

Ken Wells, Sonoma County

11 Joan Willson, NALE

12

13

14

15

16

17

18

19

20

21

22

23

24

25

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

iv

	<u>INDEX</u>	
		<u>PAGE</u>
1		
2		
3	Proceedings	1
4	Roll Call	1
5	Agenda Item No. 11, Local Presentation	5
6	Agenda Item No. 12, Committee Reports	37
7	Agenda Item No. 13, Executive Director Report	44
8	Agenda Item No. 14, Consent Agenda	49
9	Agenda Item No. 16, Federal Legislation	50
10	Agenda Item No. 15, State Legislation	109
11	Agenda Item No. 128, Westrends Consultants	146
12	Agenda Item No. 129, Loan Program Objectives	151
13	Agenda Item No. 137, Trinity County	159
14	Agenda Item No. 130, Inventory	163
15	Agenda Item No. 136, Oxford Tire	167
16	Agenda Item No. 139, Sonoma County	205
17	Agenda Item No. 141, Open Discussion	239
18	Adjournment	245
19	Reporter's Certificate	246

20

21

22

23

24

25

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

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

1

1 PROCEEDINGS

2 BOARD CHAIRMAN PENNINGTON: Good morning. Welcome

3 to the February meeting of the California Integrated Waste

4 Management Board.

5 -Would the secretary please call the roll. Sorry,

6 Marlene.

7 BOARD SECRETARY KELLY: Board Member Chesbro.

8 BOARD MEMBER CHESBRO: Here.

9 BOARD SECRETARY KELLY: Egigian.

10 BOARD MEMBER EGIGIAN: Here.

11 BOARD SECRETARY KELLY: Frazee.

12 BOARD VICE CHAIRMAN FRAZEE: Here.

13 BOARD SECRETARY KELLY: Gotch.

14 BOARD MEMBER GOTCH: Here.

15 BOARD SECRETARY KELLY: Relis.

16 BOARD MEMBER RELIS: Here. -

17 BOARD SECRETARY KELLY: Chairman Pennington.

18 BOARD CHAIRMAN PENNINGTON: Here.

19 We have a quorum.

20 I think we have to speak directly into these

21 microphones for them to work.

22 We have a quorum.

23 Do we have any members who wish to make any

24 ex partes?

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

25 Ms. Gotch.

2

1 BOARD MEMBER GOTCH: Mr. Chair, I received written  
2 correspondence from Paul Yoder and Doug Landon of SWANA,  
3 regarding support of AB 2009, Cortese.  
4 Written correspondence from Carl Boyer, the mayor  
5 of Santa Clarita, regarding an agenda scheduling matter.  
6 Written correspondence from Ron Deaton, chief  
7 legislative analyst, City of LA, regarding support of AB  
8 2108, Mazzoni.  
9 Written correspondence from the League of  
10 California Cities regarding support for AB 2009, Cortese.  
11 Written correspondence from the Sierra Club, Santa  
12 Clarita Valley, dated February 17th, '96, regarding support  
13 for HR 924, McKeon.  
14 And this morning I had a conversation, brief  
15 conversation, with Gino Barrett, senior vice president of  
16 the Alliance of Motion Picture and Television Producers  
17 regarding support for HR 924 and 5 393.  
18 Thank you.

19 BOARD CHAIRMAN PENNINGTON: Mr. Chesbro.

20 BOARD MEMBER CHESBRO: Well, Yvonne Hunter and I  
21 talked about the coffee in the machine here in the building  
22 wasn't very good, so I went across the street and got some.  
23 I have a number of written correspondences, very

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

24 briefly.

25 Rick Best from Californians Against Waste,

3

1 regarding Item No. 5, legislation.

2 Jeff Kolin, City of Santa Clarita, Item No. 6.

3 Lynne Plambeck of Landfill Alternatives to Save

4 Environmental Resources regarding Item 6.

5 Kathy Fletcher, BFI, regarding Item 6.

6 Assemblyman Knight, regarding Item 6.

7 Maribel Mann, NRDC, regarding Item 30, LEA

8 evaluations.

9 And Michael Byrne of Michael Byrne and Associates,

10 regarding Item No. 36, Oxford Tire.

11 BOARD CHAIRMAN PENNINGTON: Thank you.

12 Mr. Relis.

13 BOARD MEMBER RELIS: Mr. Chair, apart from the

14 same letters that were referenced earlier, which I believe

15 we all have, I had a meeting yesterday with representatives

16 of the City of Santa Clarita concerning HR 924 and SB 393,

17 Senate Bill 393.

18 I had a conversation yesterday with Kathy Fletcher

19 concerning the same.

20 And just recently a communication with Denise

21 Delmatier concerning AB 2009.

22 BOARD CHAIRMAN PENNINGTON: Okay. Thank you.

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

23 Mr. Egigian.

24 BOARD MEMBER EGIGIAN: Mr. Chairman, I also

25 received the same letters that have been described here.

4

1 I talked with many people this morning, but had

2 nothing to do with the Board meeting and any of the items

3 that are being brought. It was more or less sorry to hear

4 what happened, we're your friends, call on us, whatever.

5 That concludes my report, Mr. Chairman.

6 BOARD CHAIRMAN PENNINGTON: Thank you,

7 Mr. Egigian.

8 Mr. Frazee.

9 BOARD VICE CHAIRMAN FRAZEE: Yes, Mr. Chairman,

10 all of mine are recorded in the record with the exception of

11 the letter just received this morning I think all Board

12 members have from Californians Against Waste regarding the

13 state legislation before us in Item 5 today.

14 BOARD CHAIRMAN PENNINGTON: Thank you.

15 BOARD MEMBER RELIS: Mr. Chair, in addition in the

16 meeting in Santa Clarita there was a representative from

17 Walt Disney, so I'll add that.

18 BOARD CHAIRMAN PENNINGTON: Okay. Thank you.

19 I've had pretty much the same conversations with

20 Denise and Kathy and Yvonne.

21 And the only other that I have is Judy Mccarthy

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

22 from the City of San Diego, who I saw last evening. She is  
23 in support of Item No. 5.

24 Quickly I have a few announcements to make.

25 Item 40 has been pulled from the agenda and will

5

1 be covered under the Executive Director's report.

2 After the opening remarks by the Honorable Mayor

3 Brown we will take public testimony from Congressman McKeon

4 on the federal bill HR 924.

5 After hearing his testimony we will return to our

6 local presentation and hear from other public testimony

7 taken up on HR 924 under agenda Item No. 6.

8 Now it's my pleasure to introduce the mayor.

9 MAYOR BROWN: Mr. Chairman and members of the

10 Board, I'm delighted to welcome you to my City of San

11 Francisco and I hope that you will, with some regularity,

12 schedule your monthly meetings and your meetings to take

13 advantage of the location of our city and the many kinds of

14 things that we have to offer.

15 I hope that our official family has made your trip

16 and your stay as comfortable as it is humanly possible. Our

17 persons who assist in putting on the public hearings will be

18 happy to accommodate you in every fashion.

19 My own office is on the third floor of this

20 building on the other side and if for whatever reasons you

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

21 need telephones or anything of that nature or private space  
22 for small conferences not covered by the Brown Act, you're  
23 free to use that space. My space does not accommodate Brown  
24 Act activities other than those that have my name on them.  
25 I am frankly delighted to be the mayor of this

6

1 great city and frankly to welcome you.

2 You know the legislation that created your Board  
3 actually occurred during the time that I headed the  
4 California State Assembly.

5 When Mr. Sher put this legislation together in a  
6 negotiated session with then-Governor Deukmejian and one of  
7 your previous Board members, Michael Frost, I believe was  
8 the chair of this body, I had the great opportunity to fully  
9 participate in every aspect of those deliberations.

10 And I also had an opportunity since then to ward  
11 off all of your critics and to keep people from interfering  
12 with what I believe to be your mission, what I believe to be  
13 the Legislature's desire and goal and the people's needs of  
14 this state.

15 You were created as an independent body. You  
16 should remain an independent body free of influence unduly  
17 from your appointed authorities, whether it be the  
18 Legislature or the Governor.

19 You clearly have a responsibility to do a

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

20 full-time job and you should be compensated at a full-time  
21 level, the business of managing solid waste and the business  
22 of reducing the amount of refuse that goes into landfills  
23 and the goals and your ability to achieve those goals by the  
24 deadlines required, the kind of attention and the kind of  
25 expertise and dedication that you have shown to date.

7

1 19

2 20

3 21

4 22

5 23

6 24

7 25

8 You met your goal, I'm advised by the Legislative  
9 Analyst's report, for the 25 percent by 1995 and that you  
10 are on track to reach the 50 percent or better by the  
11 year 2000, when you were in fact required to do that.  
12 And I'm frankly delighted with your efforts with  
13 performance to date.

14 I'm happy to have had an opportunity to appoint two  
15 members of your board, Kathy Neal first and then Janet  
16 Gotch subsequently

17 And I'm also ecstatic to see a colleague of mine whom I  
18 shared a committee or two while I served as Speaker and

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

who ee, occupying a position on your Board. That represents,  
had I think, that in a bit of institutional history that is  
an in fact necessary for the kinds of things that you do.  
occa The kinds of opinions you express with reference to  
sion legislation has proven to be extraordinarily important  
to during the time that I served in that body. We had great  
help respect for your deliberations and how you reacted.  
me And so when you take on things like the measure that's  
beco before the Congress that a Congressman will speak to you  
me about, the measure that is before the State Senate, the  
Spea measures that are before the State Assembly, don't take  
ker, those lightly. Your opinions and your expressions of  
Bob views

Fraz

8

1 on those issues are extraordinarily important to the members  
2 of both houses of the Legislature.

3 I had an occasion, obviously, to carry some of the  
4 legislation that you have the responsibility to administer  
5 and I must say that I've not had any criticism of your  
6 appropriately interpreting what we intended to do as a  
7 legislative body.

8 I welcome you to San Francisco. I look forward to  
9 being supportive of your continued existence at the level  
10 you are now. And I look forward to frankly having you  
11 continue to do the work that you do.

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

12 In my own City and County of San Francisco we have  
13 people that will be coming before you today that manage our  
14 program here. They are at the staff level, I suspect, all  
15 delighted to be able to get a day out of the office to come  
16 spend it over here legitimately.

17 And I think in the course of that time if there  
18 are any questions that you have about the programs and  
19 policies in San Francisco, please feel free to so ask them  
20 and they will try to answer.

21 Finally, on a very personal note, when Senator  
22 Kopp put together the effort to produce monies for the  
23 Conservation Corps and the disbursement of that money it's  
24 been important to my own city. Years ago when the recycling  
25 process first came into being and then a man who worked for

9

1 Governor Brown and who was a Superior Court judge in the  
2 city, Tony Klein, came to me with the idea of some funding  
3 going to Conversation Corps in various locales. San  
4 Francisco was one of the first to avail itself of that.  
5 The Conversation Corps does a magnificent job and  
6 so the distribution of monies secured through the Kopp  
7 efforts I'm pleased to tell you that with San Francisco  
8 being the recipient of approximately \$50,000 and that  
9 process being approved and disbursed within the next few  
10 days it comes at a very needed time.

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

11 The most recent storms and other acts of God as  
12 they're so-called, disruptive activities that took place,  
13 the Conservation Corps has played a major role in an effort  
14 to help us correct all that in our parks, our playgrounds  
15 and particularly in Golden Gate Park. And the funding that  
16 comes as a result of that will be of great assistance.  
17 So welcome to San Francisco. Continue your  
18 sterling performance as a part of the governmental delivery  
19 system on a very principal basis in the city.  
20 Thank you for the opportunity to appear before  
21 you.

22 BOARD CHAIRMAN PENNINGTON: Thank you very much.

23 (Applause.)

24 BOARD CHAIRMAN PENNINGTON: Mr. Chesbro.

25 BOARD MEMBER CHESBRO: Mr. Chairman, the mayor has

10

1 been characteristically modest and humble in his description  
2 in his contribution to the many many programs that we  
3 oversee at this Board. Not only would there be no AB 939  
4 without Willie Brown, there would also be no oil recycling  
5 program, no tire recycling program, there would be no  
6 recycling market development program. All of those very  
7 important pieces of the overall integrated waste management  
8 approach that California has taken have been dependent on  
9 Willie Brown's leadership.

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

10 So I wanted to take this opportunity to personally  
11 thank him on behalf of the legislative appointees and the  
12 rest of the Board for your contribution to our work.

13 MAYOR BROWN: Thank you.

14 BOARD CHAIRMAN PENNINGTON: Ms. Gotch? I didn't  
15 want to put you on the spot there.

16 Mr. Mayor, it's very nice to be in your city. I  
17 always enjoy coming to San Francisco, even though I was born  
18 in Oakland and have always overlooked the city. It's a  
19 wonderful place to be and it's nice to get out of Sacramento  
20 once in a while. And like your staff it's great to have a  
21 day off from the grind.

22 But thank you very much. And your staff has been  
23 excellent to us. And we enjoy being here, so we'll be back.

24 MAYOR BROWN: Thank you.

25 BOARD CHAIRMAN PENNINGTON: Thank you, sir.

11

1	9
2	10
3	11
4	12
5	13
6	14
7	15
8	16

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

17 Am I to understand that I would go now and then the rest of  
18 the representatives will go later?

19 BOARD CHAIRMAN PENNINGTON: Your staff has said that you  
20 needed to address us so you could catch a plane and so  
21 we're trying to accommodate you.

22 Go ahead.

23 CONGRESSMAN McKEON: How much later will they will  
24 be on?

25 BOARD CHAIRMAN PENNINGTON: Probably half an hour,  
Okay. 45 minutes.

Next CONGRESSMAN McKEON: Why don't I, if it's all  
we right with you, wait and go with them. I can get a later  
have plane.

Congre BOARD CHAIRMAN PENNINGTON: That's fine.

ssman CONGRESSMAN McKEON: Thank you very much.

McKeon BOARD CHAIRMAN PENNINGTON: Okay. Next we have Ms. Gotch  
. who will introduce our next guest.

CONGRE BOARD MEMBER GOTCH: Thank you, Mr. Chair.

SSMAN Last fall when I was looking through The San Francisco

McKEON Examiner I came upon an article of our next presenter and I

: I circulated that article to the Board and I think you've all  
have had a chance to read that.

copies Theresa Marie Chapman is a fifth grader at Notre

.

12

1 Dame des Victoires, an elementary school in San Francisco.

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

2 Theresa entered and won an environmental essay contest  
3 sponsored by The Examiner. Her essay was chosen from 80  
4 entries of children from the ages of 10 to 12 years old.  
5 As the essay contest winner, Theresa attended the  
6 International Children's Conference on the Environment in  
7 Eastbourne, England.  
8 Given the Board's public education efforts,  
9 especially our efforts to reach young people, it's with  
10 great pleasure I introduce our very special San Franciscan  
11 who is making a big difference, Theresa Marie Chapman.  
12 (Applause.)

13 MS. CHAPMAN: The Children's Conference on the  
14 Environment took place in Eastbourne, England, on October  
15 23rd through October 25th. It lasted three days.  
16 For each day we focused on one topic. The first  
17 day's topic was waste and recycling, the second day's topic  
18 was wildlife endangered, and the third day's topic was  
19 sustainable development.  
20 Each day children presented projects which would  
21 improve and preserve the environment of their countries.  
22 The projects presented on the first day were  
23 groups gathering together to save and restore a polluted  
24 island, beach, stream or waterfall.  
25 The second day's projects were presented by people

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

13

1 who wanted to save endangered animals whose existences were  
2 threatened by pollution, deforestation, overpopulation and  
3 hunters.

4 The third day's presentations were made by people  
5 who wanted to save the world's resources and not waste  
6 things like trees, and by people who wanted to get their  
7 message out.

8 Each day every child went to a workshop. The  
9 workshops were giving us a chance to take a deeper look at  
10 nature. The purpose of the workshops was to get the  
11 children more involved with the earth's environment. There  
12 were workshops on sealife, amphibian and reptile life,  
13 mammal life, plant life and there were activities involved  
14 with picking up litter and playing environmental games.  
15 Each day they would have a question and answer  
16 session with a professor. The children would ask questions  
17 about that day's topic and the professor would answer them.  
18 I think this was a very good experience for me and  
19 all the children who attended the conference. Now we  
20 understand the environment better and the need to preserve  
21 it and take care of it.

22 The International Children's Conference on the  
23 Environment was sponsored by British Airways and was  
24 organized in partnership with the United Nations

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

25 Environmental Program.

14

1 I think one way to get children involved with the  
2 environment is to organize environmental games and  
3 activities such as beach, ballpark cleanups. I think  
4 representatives should go to schools and talk to students  
5 about the environment or ask their opinions on environmental  
6 issues.

7 BOARD CHAIRMAN PENNINGTON: Thank you very much.

8 (Applause.)

9 BOARD MEMBER GOTCH: Mr. Chair, I have a little  
10 parting gift for Theresa. I don't know how many students  
11 you have in your classroom, but we have shoelaces made out  
12 of recycled soda bottles and a reusable shopping bag from  
13 the Waste Board that I'd like to give you.

14 BOARD CHAIRMAN PENNINGTON: Thank you, Theresa.

15 That was very nice.

16 Okay. Next we have Marcia deVaughn, program  
17 manager, San Francisco Solid Waste Management Program, the  
18 San Francisco Shop Smart program.

19 MS. deVAUGHN: Mr. Chairman, members of the Board,  
20 Marcia deVaughri, director of the City's Solid Waste  
21 Management Program, which is located in the office of the  
22 chief administrative officer. The City's chief  
23 administrative officer, William Lee, is here with us this

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

24 morning and will be accompanying you on tomorrow morning's  
25 portion of the tour.

15

1 We appreciate the opportunity to address the Board  
2 this morning and thank you for selecting San Francisco as  
3 one of your meeting sites.  
4 This morning's local presentation will include a  
5 presentation by our Local Enforcement Agency, a brief  
6 overview of the unique history of San Francisco's solid  
7 waste structure and its relationship to our upcoming request  
8 for base-year restricted waste credit, highlights of the  
9 solid waste management program's hazardous waste management  
10 recycling programs, background on what you'll see on  
11 tomorrow morning's tour, and finally a presentation on a  
12 major source reduction campaign which San Francisco  
13 recycling program staff coordinated with the other eight  
14 counties in the Bay Area.

15 I will begin by introducing the director of the  
16 Department of Public Health's Bureau of Environmental Health  
17 Manager, Bureau of Environmental Health Management, Mr. Ben  
18 Gale.

19 BOARD CHAIRMAN PENNINGTON: Thank you.

20 MR. GALE: Good morning, Mr. Chair, members of the  
21 Board. My name is Ben Gale, director of the Bureau of  
22 Environmental Health Services. And I'm here today to give

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

23 you some insight and a quick presentation on the Local  
24 Enforcement Agency's activities.

25 I know Theresa is a hard act to follow and quite

16

1 frankly I was thinking of one of the best things of course  
2 any speaker can do is to introduce a joke or to have some  
3 kind of little skit, cliché or something to get the  
4 audience's attention. And I thought for days on what I  
5 could possibly do or what opportunities were out there for  
6 me to avail myself.

7 And this morning as I was getting ready for work I  
8 was stumbling around in the kitchen and all of sudden I  
9 looked down and I noticed that the recycling bin was full  
10 and it was an opportunity to take it down to the garage and  
11 get it ready for tomorrow's pickup. And immediately I said  
12 this is it. This is going to be the opener. This is what I  
13 can include in my presentation. And I worked for another  
14 hour, hour and a half, drove to work and lo and behold I  
15 couldn't come up with anything clever. I couldn't come up  
16 with a joke.

17 Realistically I did pause though and I said, you  
18 know, individually we all do make a difference.

19 But what has to happen is that there has to be  
20 vision -- this microphone, better if you talk directly into  
21 it, rather than the side. Must be too early in the morning

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

22 for this thing. It just can't seem to stay with us. One  
23 hand on it and one hand on the notes.  
24 So the view of it before me was that individually  
25 we really cannot make a difference, although we think we

17

1 can. We have to have that total picture, that guidance. We  
2 have to have that overall mission and goal, which I think  
3 this Board provides to us.

4 Leaving that for the side, I'd also like to say  
5 thank you for coming to San Francisco and also make a  
6 comment.

7 My boss, Dr. Sandra Hernandez, is the department  
8 head for the Department of Public Health, and she sends her  
9 regards and says welcome to San Francisco also.

10 About four years ago San Francisco did not have an  
11 LEA and it was through the efforts of your Board and staff  
12 members of your Board that we were approached and identified  
13 that we had about six different transfer stations and  
14 activities in San Francisco that quite frankly were not  
15 under the permit.

16 It was at that time that we decided that we would  
17 become an LEA. And again through the efforts of staff  
18 members and hard work on the part of the environmental  
19 health people within the Bureau of Environmental Health we  
20 were able to meet that challenge and attain certification as

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

21 an LEA.

22 Now, since that time we have had the opportunity  
23 of permitting or at least dealing with the issues that are  
24 out there, the six that I was talking about.  
25 Through the cooperation of your staff and the work

18

1 of environmental health people we were able to put one  
2 operation on permit and it's currently transferring 2,222  
3 tons of refuse per day and recycling 125 tons of refuse per  
4 day in compliance with State Minimum Standards.

5 The second facility, a recycling center, is  
6 processing over 200 tons of material a day and is diverting  
7 over 75 percent of material from landfill disposal.

8 The next facility upgraded its operations so that  
9 it can process almost 500 tons of material a day and  
10 recovers for recycling almost 50 percent of this material.

11 And in addition we anticipate that with the coming  
12 deadline of AB 59 this facility will also be under permit.

13 The other three facilities, one which is on the  
14 military base, quite frankly just simply went out of  
15 operation because it was no longer needed, which in itself  
16 is progress.

17 The other two, based on their inability  
18 essentially to meet the minimum standards in compliance  
19 simply either went out of business or chose to relocate in

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

20 jurisdictions where they felt that perhaps opportunities  
21 were greater for them.

22 As I stated, we anticipate by October that we will  
23 have all of our permitted facilities in San Francisco in  
24 compliance and in operation.

25 Tomorrow you will have an opportunity, and I won't

19

1 spend too much time, because you have obviously a full day  
2 of doing some on-site visits for some facilities, but I  
3 think it's important to note that you're going to be seeing  
4 some sites that have innovative approaches in dealing with  
5 waste diversion and recycling issues in a congested urban  
6 environment, and San Francisco is a congested urban  
7 environment.

8 Our issues are unique, our problems are unique and  
9 sometimes our solutions are unique also.

10 The in-vessel composter for campus food and yard  
11 trimmings at San Francisco State is one.

12 The yard trimming drop-off chipping and composting  
13 garden at St. Mary's Urban Youth Farm is a second.

14 Third one is the downtown recycling project in a  
15 large, multiuse building at 101 Market.

16 And certainly last, but not least, the Norcal  
17 Recycling and Waste Transfer Facility.

18 The LEA takes pride in having evaluated these

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

19 operations to ensure that they operate in conformance with  
20 applicable local and state laws and regulations and we are  
21 confident that these projects not only help the City meet  
22 its waste diversion goals, but that public health and safety  
23 and the environment are all well protected.

24 Most recently, I'd also like to give recognition  
25 to San Francisco staff. I have behind me in the audience

20

1 Mr. Henry Louie and Mr. Tim Hong, both of which have worked  
2 hard and diligently in getting us to the level of competence  
3 that we are at.

4 And just to highlight, I think the level of  
5 competence and also to present, I think, a thank you to your  
6 people and to your staff members particularly that a recent  
7 and thorough review of the LEA's enforcement action resulted  
8 in the following comment, and I quote, "As usual the quality  
9 of the work which comes from your office is exceptional,"  
10 unquote.

11 And a second comment most recently with a work  
12 plan that was created and submitted, the Board staff stated  
13 that the office needs to become, and I quote, "On fulfilling  
14 the work plan stipulations and progressing well beyond those  
15 boundaries we are confident that you will pursue emerging  
16 issues with equal resolve," end of quote.

17 While this office has experienced success in

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

18 fulfilling its certification process, this success would not  
19 be possible without the encouragement and assistance of  
20 Board members.

21 I'd like to highlight at least four members that  
22 have assisted in that. Particular staff is Russ Kanz,  
23 Permits North; Reinhard Hohiwein, Enforcement; Albert  
24 Johnson, Closure and Remediation, North; and last but not  
25 least, Mr. Marc Arico, Enforcement Assistance Grant Program.

21

1 Those individuals and certainly others deserve the support  
2 and congratulations that have been presented to us over the  
3 years and we look forward to more.

4 Thank you again. I appreciate the opportunity to  
5 address the Board this morning.

6 BOARD CHAIRMAN PENNINGTON: Thank you, Mr. Gale.

7 (Applause.)

8 MS. deVAUGHN: San Francisco is densely populated  
9 and developed over a 49-square-mile landfill area with a  
10 resident population of approximately 750,000, which during  
11 weekdays swells to about 1.3 million.

12 The City's solid waste structure is as unique as  
13 its diverse population and picturesque landscape.  
14 Our current system has historical links dating to  
15 the 1920s when groups of scavengers were vying for  
16 collection business all over the city.

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

17 An initiative ordinance was passed by voters and  
18 became effective in 1932 which established a system of  
19 routes with licenses and permits to collect. The original  
20 license and permit holders subsequently consolidated into  
21 two companies known today as Sunset Scavenger and Golden  
22 Gate Disposal.

23 The City has not had its own landfill since the  
24 early 1930s and relied on the willingness of neighboring  
25 jurisdictions located in close proximity to the city to

22

1 accept our exported waste.

2 By the 1960s San Francisco faced a garbage crisis  
3 and the City began consideration of alternatives to landfill  
4 disposal such as waste-to-energy, as well as increasingly  
5 distant landfill sites as the neighboring landfills reached  
6 capacity.

7 The corresponding higher transportation cost  
8 became an increasingly important factor in solid waste  
9 decision making.

10 By the 1970s the City began to adopt an integrated  
11 waste management approach to lessen its dependence on  
12 landfill. This commitment to waste diversion called for a  
13 close working relationship between the City and its waste  
14 haulers.

15 In order to achieve the common goal of decreasing

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

16 landfill disposal the haulers, now Norcal Companies, have  
17 worked jointly with the City on conceiving and implementing  
18 many of the diversion programs created over the last two  
19 decades.

20 Although time won't permit a thorough discussion  
21 of the restricted waste issue, I wanted to highlight San  
22 Francisco's ability to receive credit for restricted waste  
23 as a major concern. We will soon submit a request for  
24 credit and feel that our unique history is a very relevant  
25 factor in addition to the documentation which will be

23

1 submitted.

2 We look forward to working with Board staff and  
3 Board members on this issue.

4 I will turn the remainder of the presentation over  
5 to the manager of our Hazardous Waste Management Program,  
6 Karen Strandoo, and the manager of the San Francisco  
7 Recycling Program, Sharon Maves.

8 MS. STRANDOO: Mr. Chairman, members of the Board,  
9 my name is Karen Strandoo and I'm the newest member to the  
10 program having joined in November.

11 And I'm delighted to tell you today about a couple  
12 of our newest hazardous waste programs.

13 I brought along a map of San Francisco just to  
14 highlight a couple of our programs which have been funded by

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

15 the Board by grants we received from the Board.

16 Firstly, we have been lucky to receive money to

17 fund collection sites for used oil in San Francisco. And

18 the red dots on the map will show you how we managed to

19 garner support of 60 collection sites in San Francisco to

20 date. Actually I should say approximately 60, because in a

21 couple of weeks time we have four more coming on board.

22 And to date we estimate that we have managed to

23 increase oil recycling in San Francisco by about 73,000

24 gallons. And a lot of that has been collected by Sanitary

25 Fill Company at their household hazardous waste collection

24

1 facility, which we are jointly running with them. And they

2 collected in 1995 about 23,000 gallons.

3 And this year with continuing funding from the

4 Board we are going to be doing a lot more outreach and

5 hopefully increasing that figure for oil recycling.

6 This year we have received a grant from the Board

7 to establish used oil, used latex paint collection sites in

8 San Francisco. We have done this for a couple of reasons.

9 Firstly, we wanted to bring collection sites to

10 San Francisco residents that were easy to use so that they

11 didn't have to drive out to the southeast part of the city

12 to use the collection at the household hazardous waste

13 center.

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

14 And we also want to increase the recycling of used  
15 latex paint.

16 So we've managed to collect support of about seven  
17 collection sites in San Francisco currently. They're  
18 hardware stores and community recyclers that we need to  
19 collect latex paint and will be recycling back beginning in  
20 June.

21 In addition to that, from funding received from  
22 the Board we have managed to establish a mobile collection  
23 site whereby we can help residents that can't get out to the  
24 facility and pick up their hazardous waste for them in a  
25 door-to-door collection. And that will be proceeding this

25

1 year.

2 So that's a couple of the programs that we're  
3 running.

4 With the household hazardous waste collection  
5 center we are also increasing participation there this year  
6 and we will be doing our outreach efforts in San Francisco.  
7 And we are increasing participation up to about 12 and a  
8 half thousand residents currently.

9 And our big aim this year is to encourage people  
10 to use alternatives and to recycle their hazardous waste and  
11 not to dispose of it.

12 Thank you.

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

13 BOARD CHAIRMAN PENNINGTON: Thank you.

14 (Applause.)

15 MS. MAVES: Good morning, Board members, and

16 welcome to almost sunny San Francisco. You'd think it was

17 in here.

18 I want to, as always, get rid of the numbers early

19 on and tell you about some of the programs that we have

20 going in the recycling area.

21 As recently as a couple years ago we thought we

22 were between 35 and 40 percent recycling. Now that we look

23 closer at the numbers, the restricted waste and other

24 calculations, it looks like we're stabilizing at about 28

25 percent. So we need to get ourselves back up to that 37

26

1 percent and beyond that to the 50. We have our work cut out

2 for us, even though we're very proud of what we have already

3 accomplished.

4 In San Francisco our waste stream is about 30

5 percent residential and 70 percent commercial. Much of our

6 efforts to date has been the residential sector. We have an

7 extensive curbside program that is operated by Norcal

8 Company, Sunset Scavenger and Golden Gate Disposal. That is

9 now available to not only single-family homes, multifamily

10 homes, but now also the public housing projects, marinas and

11 all residential units throughout the city.

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

12 We are very proud of the number of materials that  
13 that program collects and Norcal's excellent job marketing  
14 those materials.

15 But now we need to focus on the other 70 percent  
16 and that will be through outreach, through grant programs,  
17 working hard with the city departments, going beyond paper  
18 to other kinds of materials and working with, for example,  
19 as we will become familiar hopefully over the next couple  
20 days, our hotels and restaurants.

21 What's going to be particularly tricky for us is  
22 organics. That's where we really show our urban character  
23 in that in most jurisdictions that you deal with we will be  
24 mostly talking about yard waste. Here in San Francisco we  
25 have very small yards, but we eat a lot. So we're mostly

27

1 going to be dealing with tons and tons of food waste.

2 We've been very successful in the last year

3 working with our food bank and our other nonprofit

4 organizations that redistribute edible food to the 200 or

5 more service organizations that then make that food

6 available to shelters and other food service operations.

7 We'll then be looking tomorrow you'll see some

8 on-site composting operations, in-vessel composting, for

9 example. We're very pleased that we're able to do a project

10 with San Francisco State University because not only do they

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

11 have a good test site for the material that's going into it,  
12 they'll be putting landscaping material into it, as well as  
13 all of their cafeteria and food service waste, but also  
14 because being a university they will be able to help us with  
15 some of the testing, and we will be able to really get a  
16 good sense of what quality this product is.

17 We also of course have home composting program and  
18 the organics in general total about one-third of our waste  
19 stream here in San Francisco. Again that's primarily food.  
20 The other challenge for us is that whereas a lot  
21 of jurisdictions you work with when you talk about wood  
22 waste it's from new construction, here in San Francisco it's  
23 primarily from remodeling and it's much more difficult to  
24 separate that material and get it off to markets in good  
25 form.

28

1	10
2	11
3	12
4	13
5	14
6	15
7	16
8	17
9	18

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

19 Another branch of our office is working on special  
20 projects. We sponsor several seasonal programs such as  
21 phone book recycling, Christmas tree recycling, the usual,  
22 but we're also trying to get beyond those to other kind of  
23 recycling. Our grant program is helping other  
24 organizations look into computer recycling, get started on  
25 recycling and reuse of medical equipment. We're able to  
use that grant program, particularly to provide seed money  
for projects that really are source reduction reuse  
projects, projects that otherwise couldn't be expected to  
be economically self-sustaining, but are nonetheless  
extremely valuable to us in San Francisco.

And as you all know, a year ago you designated the entire  
City of San Francisco, including its three military bases  
that are in the midst of converting to civilian uses, a  
recycling market development zone. We're very pleased to  
win that designation and have been moving ahead, talking  
with several businesses who are interested in locating in  
San Francisco.

We do not have a lot of manufacturers to start with, but  
we certainly have some that are interested in converting  
the feedstock and even more so that are interested in  
locating in San Francisco and taking care of — taking  
advantage of our great location relative to the Pacific  
Rim.

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

29

1 And finally one of the groups that helps makes all  
2 of this tick is our public outreach program. We have an  
3 extensive public outreach program, residential sector,  
4 commercial sector, all of our other efforts.  
5 And the school education program that does exactly  
6 what Theresa has suggested this morning, which is going to  
7 each of our 200 schools in San Francisco, both public and  
8 private, and worked directly with the students of all ages.  
9 We take them on field trips such on the one you'll be going  
10 on tomorrow, by providing a bus, and by providing a tour for  
11 them. And we also give classroom presentations,  
12 environmental activities.  
13 And we encourage Theresa, if she's still here, to  
14 work with us on that and perhaps being one of our  
15 ambassadors in the schools as well.  
16 A lot of this is possible only because we seek out  
17 partnerships with other agencies such as yourself, the  
18 Department of Conservation. Local businesses in San  
19 Francisco have been very supportive. Some of our  
20 restaurants and hotels and others have joined in on our  
21 programs. The Steel Recycling Institute, the American  
22 Plastics Council and other trade associations have been very  
23 helpful with their funding.  
24 And I also want to keep these from spilling on the

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

25 floor.

30

1 Now, if any of you are baseball fans, even the

2 Giants have gone to bat for recycling. If any of you are

3 Giants fans and would like this in your office, then you can

4 fight over it. I'll leave it up front.

5 One other partnership that I wanted to quickly

6 mention is that, putting aside my hat now with the City, is

7 that I am on the board of directors of the National

8 Recycling Coalition and there are certainly many

9 opportunities for the State Board to work with national

10 organizations and all furthering the cause of greater

11 recycling and resource conservation.

12 If you have any questions about some of those

13 potential partnerships, please feel free to ask me about

14 them over the next two days.

15 I do want to go over a little more of the details

16 for the tour tomorrow and to give you each a packet of

17 information that talks a little more and shows examples of

18 some of the public outreach efforts of our programs.

19 On one side you will see miscellaneous brochures

20 from our recycling and our hazardous waste programs and

21 particularly on this side you might be interested in looking

22 at some of the materials that are pertinent to hotels, our

23 brochure called "No Room for Waste," in case you want to

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

24 think about it as you're falling asleep tonight in your  
25 hotel room.

31

1 And something else I to wanted to mention, in the  
2 back also are some of the materials from the hazardous waste  
3 program.

4 Finally about the tour tomorrow, despite the  
5 lighting in this room it's really not sunny out there. It's  
6 not predicted to be sunny tomorrow either. The first two  
7 locations on the tour are outdoors. I suggest you bring  
8 galoshes and umbrellas. We don't have an indoor backup plan  
9 because we'd really like you to see these sites.

10 The first one will be the composter at San  
11 Francisco State University as the first in-vessel composter  
12 of its kind on the West Coast. The company that built it  
13 has been out here training the university staff how to use  
14 it in the last couple weeks. They put the first loads of  
15 material in it. Unfortunately we won't get to see the  
16 product yet because it needs to be in there for- 28 days  
17 before it's finished. If you'd like to come back in a month  
18 or perhaps we can send you baggies of compost to make sure  
19 that you need to see what it looks like at the other end.

20 The third location, 1 Market Plaza, is an  
21 extraordinary example of what a business can do in San  
22 Francisco if it sets its mind to recycling. In a building

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

23 that has over 5,000 employees they have achieved 80 percent  
24 recycling. It's a phenomenal example in San Francisco.  
25 They took their old compactor for garbage and

32

1 turned it into a compactor for recyclables.

2 We are planning to pick you up tomorrow at your

3 hotel at the Holiday Inn on Van Ness at 8:15 -- 8:30 in the  
4 morning. Our first stop is 9:00.

5 We have enough spaces in the van for the Board

6 members themselves and just a couple other people so if

7 you'd like to come on the tour we can make some suggestions

8 about other kinds of transportation.

9 We have maps here if you'll be on your own. And

10 we also have an agenda here of the times and locations. I

11 can leave both of those up front for members of the staff

12 and the public to pick up.

13 And if there are no other presentations then I

14 believe we're open for -- oh, there is. Excuse me. My own

15 staff. Oh, goodness.

16 I'd like to next introduce David Assman, who is

17 our public outreach coordinator, our outreach coordinator

18 extraordinaire, who has done an exceptional job with the

19 Shop Smart campaign.

20 This started as one of those harebrained ideas

21 that we had standing around the coffee machine maybe a year

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

22 ago thinking why don't we try this in San Francisco. So we  
23 were all ready to go, and stop me if I'm stealing your story  
24 here, we were all set to go in San Francisco, Safeway was on  
25 board with us, Lucky was on board with us, ready to launch

33

1 the campaign. We're at that point where the graphics went  
2 to the printer when they did. And you may remember that two  
3 of our supermarket chains had a labor strike. Thus ended  
4 our campaign.

5 In the meantime the other cities and counties in  
6 the Bay Area had heard about this idea, were very curious to  
7 see how this was going to work in San Francisco and decided  
8 why not try it on a regional level. So this thing quickly  
9 grew from a one-city effort to a several-hundred-city effort  
10 and David is responsible for coordinating the entire thing.

11 MR. ASSMAN: Thank you, Sharon.

12 Mr. Chair, members of the Board I'd like to give  
13 you a brief outline of this campaign which was really  
14 unprecedented in terms of a effort in the Bay Area. We had  
15 95 cities and counties participating in this program. We  
16 had 225 supermarkets. We had participation and support from  
17 the Steel Recycling Institute, Pacific Bell. We had more  
18 than 500 volunteers and staff working on this program. The  
19 number of supermarkets, as I mentioned, is 225. We had  
20 Safeway, 142 Safeways participating, and a whole range of

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

21 other stores in the region.

22 The program itself focused on seven messages and

23 five of those were waste prevention messages: bring your

24 own reusable bag, concentrates and economy sizes use less

25 packaging, reusable products save resources, items with less

34

1 packaging save resources, and compost your fruit, vegetable

2 and plant trimmings.

3 Now, we put this message out in supermarkets in

4 these 225 supermarkets through a variety of materials.

5 Those included the seven-foot display that you see sitting

6 over here on the left. We had two of those in every

7 supermarket. We had two posters in every supermarket. We

8 had between 150 and 200 shelf tags in each supermarket.

9 Safeway printed these seven messages on eight million

10 shopping bags. They printed it on cash register coupons and

11 were sent out in a coupon books to four million households

12 in Northern California.

13 The campaign was run from January 7 through 31st

14 and we had pretty phenomenal coverage in the media. We had

15 stories in over 40 newspapers, 26 newsletters, in-depth

16 interviews on nine radio stations, news stories-on five

17 television stations and public service announcements on 30

18 television stations and 19 radio stations.

19 We backed up the media campaign with an

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

20 advertising campaign to include 1500 radio spots on 60  
21 stations, 780 television spots and the display ads in more  
22 than 30 newspapers.

23 This campaign was supported by the Waste Board,  
24 among others, through the Waste Education Partnership. We  
25 raised about \$100,000 through funds from individual cities

35

1 and counties. The Department of Conservation supplied  
2 \$55,000. Safeway supplied about \$50,000 worth of  
3 advertising to us and we received funds from the Steel  
4 Recycling Institute.

5 Now, these kinds of campaigns are all well and  
6 good, but what kind of impact did the campaign have? That's  
7 what really matters.

8 And I'm pleased to report that we got our first  
9 results back from exit polling and we did exit polling in 18  
10 different supermarkets in the region. We surveyed more than  
11 300 people and both before and after the campaign.

12 We found pleasantly enough that 59 percent of  
13 shoppers remembered this campaign. And that meant that we  
14 reached over a million shoppers with this Shop Smart effort.

15 We also found that 16 percent remembered the  
16 television commercials. That is a reach of over a million  
17 people.

18 And 13 percent remembered the radio commercials,

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

19 which is a reach of almost a million people.

20 Now, what did shoppers remember from this

21 campaign? Well, there were a number of messages that really

22 came across and two of them were, two of the highest were

23 reduce waste, and 34 percent on average remembered the

24 reduce waste message at the end of this campaign, and 20

25 percent remembered the buy less packaging message.

36

1 Now, what is ultimately the most important thing

2 is what consumers did as a result of seeing these messages.

3 Well, we found that 29 percent decided to buy in

4 bulk as a result of these messages. 20 percent decided to

5 buy reusable products. 18 percent looked at buying products

6 with minimal packaging and also 18 percent looked at buying

7 products with recycled packaging.

8 So we had a very tangible effect on hundreds of

9 thousands of people in the Bay Area.

10 And this was an unprecedented effort with a lot of

11 people participating. It was the first time 95 cities and

12 counties had worked together on any kind of campaign. And

13 I'm pleased to say that this campaign was very successful.

14 And we'd like to thank the Board for their support

15 through the Waste Education Partnership on this campaign.

16 And we're meeting on March 5th, the cities and counties, to

17 decide whether we want to make this an annual campaign.

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

18 I'm going to leave you with very small packets  
19 with the seven messages, along with the brochures that we  
20 put together. And by the way we did it not just in English  
21 but also in Chinese and Spanish as well.

22 Thank you very much.

23 (Applause.)

24 BOARD CHAIRMAN PENNINGTON: Okay. I think that  
25 completes the report from the City of San Francisco.

37

1 Now we move on to the Board's committee reports  
2 starting with Ms. Gotch, chair of the Legislation and Public  
3 Education Committee.

4 BOARD MEMBER GOTCH: Thank you, Mr. Chairman.

5 The Legislation and Public Education Committee met  
6 on February 8th to consider four state legislative measures.

7 The committee actually only heard three of the  
8 four state bills. We did not hear Senator Rosenthal's SB  
9 1385 as the author had requested the bill be pulled from the  
10 calendar pending some additional comments or amendments.

11 On today's Board agenda we will consider five  
12 bills, three state measures, two federal measures. If the  
13 Board will remember, two federal bills were scheduled to be  
14 heard last month, however because of the request from the  
15 author, as well as a number of individuals and organizations  
16 that wanted to testify on this measure, we postponed

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

17 consideration of these bills from January to February.

18 The State measures are AB 362, Setencich, which is  
19 on the consent calendar today. The committee of two  
20 attendees took a deferred to the Water Board position on  
21 this bill.

22 AB 2009, Cortese, which repeals the prevent and  
23 substantially impair provisions in current law, the  
24 committee is forwarding this bill to the Board without a  
25 recommendation.

38

1 And AB 2108, Mazzoni, which changes the point of  
2 collection of the tire fee. This bill is also before the  
3 Board today without a recommendation.

4 The two federal measure are HR 924, McKeon, and  
5 S 393, Boxer. These bills are identical and prohibit the  
6 transfer of land in the Angeles National Forest for the  
7 purpose of the Elsrnere Canyon Landfill project.

8 Additionally, I would like to let the Board know  
9 that various sources have confirmed that the federal flow  
10 control legislation, which we have previously discussed, is  
11 not set for any action this year.

12 And that concludes my report.

13 BOARD CHAIRMAN PENNINGTON: Thank you, Ms. Gotch.

14 Next we have Local Assistance and Planning,

15 Mr. Wesley Chesbro is chair.

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

16 BOARD MEMBER CHESBRO: Yes. Mr. Chairman, members  
17 of the Board, the Local Assistance and Planning Committee  
18 received updates from the Diversion and Planning and Local  
19 Assistance Division and the Waste Prevention and Market  
20 Development Division of those programs that are overseen by  
21 the committee's jurisdiction.  
22 The committee considered 30 planning documents  
23 which represented approximately 21 jurisdictions. All of  
24 the plans are on consent calendar. With the approval of  
25 this month's plans, the Board will have approved 343 SRREs,

39

1 15

2 16

3 17

4 18

5 19

6 20

7 21

8 22

9 23

10 24

11 25

12 conditionally approved 50 and disapproved six. And that  
13 represents at this point an approximately 98 percent  
14 approval rate, either conditionally or fully approved.

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

Committee proceeding with that new phase of looking at  
tee implementation of AB 939  
also Staff were directed to develop options for dealing with  
received those jurisdictions that are late and report back to  
update committee in March and presumably to the Board in the near  
on future about what steps we should be taking to deal with  
those jurisdictions.  
jurisdiction The January-February 1996 issue of the CalMAX catalog  
features East Bay Excavating Company Incorporated as the  
match of the catalog. It's located in Hayward. It has  
s that received asphalt concrete, various other types-of materials  
have that are used as aggregate base material and asphalt.  
not Waste Prevention staff will be conducting a session on  
submit conducting waste assessment in a series of nine workshops  
ted around the state entitled "Providing Effective Waste  
SRRES Prevention Assistance to Businesses."  
or These workshops are being conducted by the Local Government  
NDFES Commission as part of the Board's Waste Prevention  
and Education Partnership, which another component of which we  
are just heard described in the previous presentation.  
now

40

1 And these workshops are aimed at, targeted at  
2 local government representatives that assist them in their  
3 local programs for educating the private sector in waste

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

4 prevention.

5 Participants will be receiving a packet, including

6 the waste reduction training materials and guidelines for

7 planning and conducting training sessions.

8 And finally the staff of the Public Diversion and

9 Assistance Section continues to work with numerous state

10 offices and facilities in assisting them to establish new

11 recycling programs under the Project Recycle program

12 guidelines. This past month a record 102 programs, new

13 programs, were established. The sites included in addition

14 to state offices, state parks, state warehouse facilities,

15 maintenance stations, an armory, fairgrounds and several

16 community colleges.

17 So I think that staff deserves a great deal of

18 credit for the work that they've been putting out to spread

19 the word to other state agencies.

20 That concludes my report, Mr. Chairman.

21 BOARD CHAIRMAN PENNINGTON: Thank you.

22 Next is Market Development Committee, Chairman

23 Paul Relis.

24 BOARD MEMBER RELIS: Mr. Chair, we have two items

25 that have been forwarded to the Board for consideration

41

1 today.

2 The first concerns the awarding of the recycling

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

3 market development zone financial technical services

4 contract to Westrends Consultants.

5 The committee recommended approval of this

6 contract but did not place it on the consent agenda so that

7 all Board members would have the opportunity to hear about

8 the focus of the contract and meet the contractor. This is

9 a critical role because our contractor is the interface

10 between the Board and potential loan applicants.

11 The second item was consideration of the 1996

12 recycling market development zone loan program objectives,

13 which we do annually, and our lending procedures.

14 The committee recommended approval of four staff

15 recommendations with modifications. Although there was no

16 dissent regarding these recommendations this item was rather

17 complicated and has some significant implications regarding

18 the loan program, so the committee did not place it on the

19 consent agenda.

20 In addition, we had a hearing last week with the

21 loan committee that advises us on collateral and other

22 matters relating to loans and there's some additional input

23 for consideration today.

24 BOARD CHAIRMAN PENNINGTON: Okay. Thank you.

25 Next is the Permitting and Enforcement Committee,

42

1 chaired by Mr. Frazee.

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

2 BOARD VICE CHAIRMAN FRAZEE: Yes, Mr. Chairman.

3 The Permitting and Enforcement Committee met this month on  
4 February 7th. We had an update on the CEQA process for the  
5 Chester-Lake Almanor Transfer Station in Plumas County. You  
6 may recall that this was one where the Board is the lead  
7 agency.

8 Staff are prepared to circulate an initial study  
9 and preliminary negative declaration on January 31st, and  
10 the 30-day public review period began on February 7th. It's  
11 anticipated the proposed permit and supporting environmental  
12 documentation will be brought to the Board in our March  
13 meeting.

14 Staff presented an update on the status of the LEA  
15 evaluations with the first cycle almost complete. It's  
16 anticipated that final evaluation results will be brought to  
17 the Board in our April meeting.

18 Staff provided an update on financial assurances  
19 violation enforcement procedures. Item will be brought  
20 before the Board and committee in our April meeting.

21 And then on the permit activities on the regular  
22 agenda today, Item 36, Oxford Tire and Recycling permit,  
23 Stanislaus County, and Item 37, the 30-day notification of  
24 the intent to withdraw approval of the designation of the  
25 Trinity County LEA.

43

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

1 The remaining items, permit items, are on today's consent  
2 agenda.

3 Then finally due to the timing of the receipt of the  
4 permit, as you know we are constrained by a 60-day timely  
5 consideration requirement, the Item 39, the Central  
6 Composting site in Sonoma County was not heard in the  
7 committee, but was forwarded directly to the Board. As I  
8 mentioned, this is Item 39 on today's agenda.

9 That concludes my report.

10 BOARD CHAIRMAN PENNINGTON: Thank you.

11 And finally the Policy and Research and Technical  
12 Assistance Committee, chaired by Mr. Sam Egigian.

13 BOARD MEMBER EGIGIAN: Mr. Chairman, the Policy  
14 Committee did not meet this month so I have nothing to  
15 report.

16 BOARD CHAIRMAN PENNINGTON: Okay. It's a short  
17 report.

18 BOARD MEMBER EGIGIAN: That's right.

19 BOARD CHAIRMAN PENNINGTON: Finally the  
20 Administration Committee, which I chair. The Administration  
21 Committee met on February 6th and discussed one item, the  
22 program funding by the Integrated Waste Management Account,  
23 the impacts of out-of-state disposal.

24 As reported by the staff, there is not a  
25 significant issue at this time. Approximately eight percent

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

44

1 of the revenue generated from the tipping fees for the  
2 fiscal year '94-95 came from counties which export waste out  
3 of state. The major portion of these revenues is generated  
4 by two counties, San Bernardino and San Diego. Although  
5 those counties are contributing seven percent of the total  
6 revenue in the Integrated Waste Management Account, they are  
7 currently transporting less than two percent of their waste  
8 out of state.

9 To keep apprised of this item the committee  
10 directed the staff to continue to evaluate and track  
11 out-of-state disposal and bring it back to committee if it  
12 became a significant issue.

13 That concludes my report.

14 And now we will hear from the executive director,  
15 Mr. Ralph Chandler.

16 EXECUTIVE DIRECTOR CHANDLER: Thank you,  
17 Mr. Chairman. Good morning, members.

18 I have three items I'd like to briefly cover this  
19 morning.

20 The first relates to implementation of Assembly  
21 Bill AB 59, which was effective last year and requires,  
22 among many other things, that cease and desist orders be  
23 issued to all solid waste facilities without permits as of  
24 October 16th of this year.

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

25 As staff move forward to comply with the law they

45

1 have surveyed the LEAs to determine the number and type of  
2 facility operations that will potentially be impacted by  
3 this new provision.

4 The LEAs have told us that small-volume transfer  
5 stations could be impacted since some LEAs have given  
6 guidance to operators that full solid waste facilities  
7 permits would likely not be required due to the Board's  
8 tiered slotting efforts.

9 As a result Board staff are taking a couple of  
10 steps to address this situation.

11 First, we will be sending letters to all LEA5 to  
12 remind them of the October 16th deadline for permits, and to  
13 offer any assistance we can provide to bring these  
14 facilities into compliance, including help with model  
15 permits or model CEQA documents.

16 Second, staff are moving forward a committee and  
17 Board item next month that will offer options for addressing  
18 the slotting of transfer stations under the tiers.

19 These options should include accelerating the  
20 slotting of these facilities and an option for the Board to  
21 pursue emergency regulations.

22 Without this item the current schedule does not  
23 allow for the slotting of these facilities until much later

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

24 this year.

25 Next I'd like to update you on the status of the

46

1 revised solid waste facilities permit for the City of El

2 Paso de Robles Landfill. As you may recall, the Board acted

3 last month to assume the role of lead agency for the

4 preparation of the appropriate environmental documents and

5 to put the permit on hold until the CEQA process was

6 complete.

7 The City submitted a draft project description on

8 Tuesday, February 20th, which Board staff are currently

9 reviewing.

10 The project description included an increase in

11 daily tonnage as well as the expansion in the geographical

12 radius proposed to be served by that landfill to within 70

13 miles of the facility.

14 This latter point is significant since it would

15 allow for the landfill to not only serve all of San Luis

16 Obispo County but also a number of surrounding counties,

17 including Kern, Monterey and areas of Santa Barbara. Board

18 staff will be meeting later this week with the Department of

19 General Services to discuss the next steps for their

20 consultant to prepare the initial study and environmental

21 documents under CEQA.

22 My last item this morning concerns a recent

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

23 release of the Legislative Analyst's report on the Board's  
24 budget. As you may recall our BCPs for fiscal year '6-7  
25 included a request for \$1.4 million in tire funds for

47

1 research, public education and other activities.

2 The Legislative Analyst's report of the Governor's  
3 budget, which was released on February 21st, recommends  
4 denial of this BCP due to, and I quote, "mixed success in  
5 the previous grants."

6 The LAO further recommends that a supplemental  
7 report to the Legislature be prepared identifying the nature  
8 and types of grants that have been most effective and should  
9 be therefore targeted for funding.

10 As a result we can expect our tire program will be  
11 discussed by both the Assembly and the Senate budget  
12 subcommittees during our spring budget hearings, which are  
13 expected to begin sometime in April.

14 And, Mr. Chairman, members, that concludes my  
15 report.

16 BOARD CHAIRMAN PENNINGTON: Thank you,  
17 Mr. Chandler.

18 BOARD MEMBER GOTCH: Mr. Chandler, a couple  
19 questions about the LAO report.

20 I'm wondering if the issues raised in the report  
21 are accurate, if they are accurate or not and if we're

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

22 taking any corrective measures to deal with those concerns?

23 EXECUTIVE DIRECTOR CHANDLER: I think it's fair to

24 point out that the Leg. Analyst report acknowledges that

25 only one grant cycle has really completed itself, so that we

48

1 have results only on the first round of funding and in that

2 they point out a number of the grants, I believe they used

3 40 to 50 percent, showed mixed results and they referenced

4 that by indicating that either the grant activities were — 5 did not fulfill the original intent or expectation that they

6 had perhaps laid out in the grant application or the efforts

7 were still incomplete and had not met the objectives.

8 As you know, in the early days of that program I

9 think we put forward a broad set of objectives that looked

10 at all areas of trying to encourage use of tires and I think

11 the grants that were awarded in that first round reflect

12 that. And I think all the Leg. Analyst report has indicated

13 is that it's now time for perhaps the Board to go back and

14 begin targeting more specifically where it sees the best

15 fruits of its labor to be as future cycles come forward.

16 As you know, we have put the criterion and

17 objectives of the grant program before the Board and much

18 discussion has evolved around that. And I think we have

19 focused our efforts in later years, but and I think this is

20 really a reflection of past grant cycles, beginning I think

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

21 in fiscal year '2-3, which are now just showing results and  
22 in some cases they frankly haven't shown results.

23 BOARD MEMBER GOTCH: One other question and that  
24 is will we, will the Board be meeting with the LAO office or  
25 will it be written correspondence, how will we address that?

49

1 EXECUTIVE DIRECTOR CHANDLER: I guess I'd like to  
2 talk to you about that. I haven't made any conclusions of  
3 my own on how we should, if you will, interface with the  
4 LAO's office on this. I know that we've done some staff  
5 work on preparing an annual report on the tire program and  
6 have not brought that forward to the Board, but that can  
7 serve as a foundation for the beginning of our discussions  
8 there. And that report typically begins to lay out some  
9 future directions that we think are appropriate.  
10 So certainly want to be in communication with your  
11 office and the Chairman's office in matters that we look at,  
12 what is our message as it relates to further direction on  
13 the program.

14 BOARD MEMBER GOTCH: Thank you, Mr. Chairman.

15 BOARD CHAIRMAN PENNINGTON: You're welcome.

16 Excuse my coughing here. -

17 Next item is Item No. 4, consideration of consent  
18 calendar. The consent agenda includes Items 5A, 7 through  
19 27, 31 through 35, and 38.

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

20 I'll ask if there's anybody who wishes to pull an

21 item from the consent calendar?

22 If not, I'll —

23 BOARD VICE CHAIRMAN FRAZEE: Move approval of the

24 consent calendar.

25 BOARD MEMBER CHESBRO: I'll second.

50

1 BOARD CHAIRMAN PENNINGTON: Moved and seconded.

2 Call the roll, please.

3 BOARD SECRETARY KELLY: Board Member Chesbro.

4 BOARD MEMBER CHESBRO: Aye.

5 BOARD SECRETARY KELLY: Egigian.

6 BOARD MEMBER EGIGIAN: Aye.

7 BOARD SECRETARY KELLY: Frazee.

8 BOARD VICE CHAIRMAN FRAZEE: Aye.

9 BOARD SECRETARY KELLY: Gotch.

10 BOARD MEMBER GOTCH: Aye.

11 BOARD SECRETARY KELLY: Relis.

12 BOARD MEMBER RELIS: Aye.

13 BOARD SECRETARY KELLY: Pennington.

14 BOARD CHAIRMAN PENNINGTON: Aye.

15 BOARD SECRETARY KELLY: Chairman Pennington.

16 BOARD CHAIRMAN PENNINGTON: Okay. Motion passes.

17 Next we'll go to, I think to accommodate the

18 Congressman we'll move to Item 6A and B, which is the

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

19 federal legislation.

20 Two things I'd like to say.

21 Number one is that we just received a letter from

22 Senator Boxer's office I'd like to place in the formal

23 record. I think copies have been passed out to the Board

24 members.

25 Second, I have quite a list of list people who

51

1 wish to speak on this item. There's two things I'd like to

2 say. I'd like for you to be as brief as possible. And I'd

3 like for you to keep in mind that the issue here this

4 morning is the legislation, not the Elsmere Canyon Landfill.

5 We are not here to seek to rule on the permitting of the

6 landfill. That's done at the local level. Once it's done

7 at the local level, then it will come to us for concurrence.

8 That is not on our agenda. What is on our agenda is this

9 piece of legislation.

10 Now, I recognize that there is a thin line between

11 dividing out the legislation and the landfill since the

12 legislation deals with the landfill.

13 However, our decision this morning has to be

14 whether to support, not to support or maybe even not take

15 any position on these two federal bills. So if we can try

16 to narrow it and keep that perspective, I would appreciate

17 it.

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

18 So, again, we have a lot of people to speak so if  
19 we could do it as briefly as possible, I know that the Board  
20 will join me in appreciating your brevity.  
21 Congressman.

22 CONGRESSMAN McKEON: Good morning, Chairman  
23 Pennington, members of the California Integrated Waste  
24 Management Board. Thank you for the opportunity to speak  
25 before you today.

52

1 I appreciate your accommodating my schedule so I  
2 can return to Washington this afternoon.  
3 As you know, the Elsmere Canyon land exchange  
4 proposal has been designed for the purpose of constructing a  
5 190-million-ton Class III landfill in the Angeles National  
6 Forest.  
7 This project which has been proposed by the BKK  
8 Corporation would be one of the largest, if not the largest,  
9 landfill constructed in the United States.  
10 In order to accomplish this goal as outlined in  
11 their proposal, BKK Corporation must obtain through a land  
12 exchange process over 1600 acres of federal land managed by  
13 the U.S. National Forest.  
14 The land exchange process in this instance has  
15 been a lengthy one and requires the approval of the Forest  
16 Service and the Secretary of Agriculture. -

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

17 In their draft EIR/EIS report, the Angeles  
18 National Forest recommended a no-project, no-action  
19 alternative. I agree with that decision and, if passed, my  
20 bill, 924, would sustain the Forest Service's position.  
21 My focus today, however, is not to talk about the  
22 concerns of the Elsmere Canyon proposal. Instead, I would  
23 like to address the role of Congress in regulating federal  
24 lands. I would argue today that it is a legitimate role for  
25 Congress to determine how federal land is utilized.

53

1 HR 924 and S 393 would fulfill that goal and state  
2 that land in the Angeles National Forest could not be  
3 exchanged for the purposes of constructing a landfill.  
4 Plain and simple, Congress determining how federal  
5 land will be utilized is not precedent setting. I can cite  
6 numerous bills that have been enacted in the law which have  
7 precluded agencies from using federal land for specific  
8 purposes.  
9 And although some may disagree with me on how this  
10 land should be used, I strongly feel as a member of Congress  
11 who represents the Angeles National Forest that it is my  
12 duty to speak up with my opinions on the future of the  
13 National Forest.  
14 I would also like to point out that although two  
15 other landfill expansion projects located in my

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

16 Congressional district are underway, Sunshine Canyon and  
17 Chiquita Landfills, I have not sought legislative remedies  
18 despite my opposition to these projects.

19 I strongly believe in local control. That's the  
20 whole emphasis of everything I've gone to Washington to try  
21 to work for.

22 This is due to the fact that neither project  
23 utilizes federal lands.

24 I personally have a long history associated with  
25 the Elsmere Canyon Landfill project. Back in 1987 as the

54

1 newly-elected mayor of the City of Santa Clarita, I was  
2 informed by the County of Los Angeles that the Elsmere  
3 proposal was a done deal and that the City of Santa Clarita  
4 should get what they can out of the deal.

5 Additionally I was told by the County of Los  
6 Angeles that they would run out of landfill space by 1992,  
7 and thus the importance of this project.

8 It is now 1996 and despite the absence of the  
9 Elsmere Canyon Landfill the County is not overflowing with  
10 garbage. In fact it was recently stated by the head of  
11 planning for Los Angeles County Sanitation District, as  
12 reported in the newspaper, that sufficient capacity exists  
13 with landfills that are now operating.

14 I also wanted to bring to the Board's attention

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

15 that back in 1989 BKK Corporation was spearheading an  
16 attempt to legislate a land exchange allowing that Elsmere  
17 Canyon Landfill project to become a reality in an expedited  
18 manner.

19 Congressman Howard Berman introduced on February  
20 9th, 1989, HR 998, which included a provision to transfer  
21 the Angeles National Forest property in question for the  
22 intended purpose of constructing the Elsmere Canyon  
23 Landfill.

24 I contend that although the proponents of this  
25 project object to my bill on the grounds that the

55

1 administrative process is being circumvented, that was  
2 exactly the intention of BKK Corporation back in 1989.  
3 HR 924 was introduced with the intention of  
4 following through on what I felt was an improper use of  
5 federal land.

6 My bill, which has 34 co-sponsors, of which 26 are  
7 from California's Republican and Democrat Congressional  
8 delegation, passed the House of Representatives by unanimous  
9 consent on November 13th, 1995.

10 It is currently awaiting a hearing by the Senate  
11 Energy and Resources Subcommittee on Forest and Public Land  
12 Management and is tentatively scheduled for the beginning of  
13 March.

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

14 Additionally, neither HR 924 nor S 393 are  
15 intended to usurp the powers of local government or state  
16 regulatory agencies. There is no provision in either of  
17 these bills which precludes BKK Corporation from pursuing a  
18 Class III landfill in LA County utilizing private, state or  
19 local property.

20 If they should choose this option then local and  
21 state agencies will continue to exercise their regulatory  
22 function.

23 Again, in my opinion my bill, nor Senator Boxer's  
24 bill, prohibits this from occurring.

25 In closing, let me say that I understand the vital

56

1 13

2 14

3 15

4 16

5 17

6 18

7 19

8 20

9 21

10 22

11 23

12

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

24 never an attempt to preempt your authority as a regulatory  
25 or policy-making board.

role As I have tried to explain to each of you in my  
the previous comments, I would be remiss in my role as a member  
Califo of Congress if I did not speak out with regards to the  
rnia management of federal lands. HR 924 and S 393 clearly  
Integr accomplishes this objective.

ated I again express my appreciation for the  
Waste opportunity to appear before you.

Manage Although I will be missing votes in Washington  
ment today, I still felt it important enough to fly up here and  
Board address each of you personally. I've talked to some of you  
plays before on the phone and appreciate the time that you've  
in given me on this. -

solid I hope I've convinced you not to take a on my position  
waste bill, but instead realize the justification of this  
manage legislation. I urge your consideration of my request. I  
ment would be glad to answer any questions that you might have.

issues Again, I want to thank you for your time and  
. I patience and consideration this morning. Thank you very  
assure much.

you my BOARD CHAIRMAN PENNINGTON: Thank you.

bill Any question of the Congressman?

was

57

1 Thank you. And thank you for coming.

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

2 And in my rush to help the Congressman catch his  
3 airplane, I forgot to get the staff report.  
4 MS. ZWARTS: Staff report would have been very  
5 brief. The Congressman covered a lot of the issues of where  
6 the bill is and the other things.  
7 The only thing I had to add that we have received  
8 some new support in opposition for the measures that is not  
9 indicated in the analysis and for the record I'll just  
10 mention those.  
11 We have additional support for the measure from  
12 Assemblymember Pete Knight; from the Santa Clarita Sierra  
13 Club; from a local community group called LASER, Landfill  
14 Alternative to Safe Environmental Resources, I believe; from  
15 the Entertainment Industry Development Corporation; from the  
16 Alliance of Motion Picture and Television Producers; from  
17 the International Alliance of Theatrical Stage Employees,  
18 Moving Picture Technicians, Artists and Allied Crafts of the  
19 United States and Canada; the Association of Independent  
20 Commercial Producers; from Warner Brothers; from Paramount  
21 Pictures; and from Sony Pictures.  
22 Additionally, we have opposition to the measures  
23 from Deena David from the LA County Board of Supervisors and  
24 we have on record from testimony, opposition from U.S.  
25 National Forest Service.

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

58

1 And that's all I have to add.

2 BOARD CHAIRMAN PENNINGTON: Thank you.

3 Next we'll hear from Mayor Carl Boyer, mayor of

4 Santa Clarita.

5 MAYOR BOYER: Good morning, Chairman Pennington

6 and members of the Board. My name is Carl Boyer. I'm mayor

7 of the City of Santa Clarita. For the record my mailing

8 address is 23920 Valencia Boulevard, Suite 300, Santa

9 Clarita, California, 91355.

10 On behalf of the citizens of Santa Clarita I

11 greatly appreciate the opportunity to testify today

12 regarding 5 393 and HR 924.

13 Let me begin by reiterating the strong support of

14 the City of Santa Clarita for the bipartisan effort to

15 preserve the Angeles National Forest being put forward by

16 Congressman McKeon and Senator Boxer through their two

17 bills.

18 Accordingly, the City also strongly opposes the

19 proposed Elsrnere Canyon Solid Waste Management facility.

20 Our opposition is a direct reflection of strong community

21 opposition to the project based upon legitimate threats to

22 the natural resources of the Angeles National Forest and

23 potentially the health and safety of Santa Clarita citizens.

24 The City provided extensive factual evidence addressing

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

25 critical issues during hearings before the Los Angeles

59

1 County Regional Planning Commission relative to the draft  
2 environmental document.

3 The true issue before you today is whether or not  
4 the federal government has the obligation and the right to  
5 be an active participant in determining how its land in the  
6 Angeles National Forest will be used. The issues here are  
7 neither whether Elsmere Canyon is an appropriate location  
8 for a landfill nor whether Los Angeles County has adequate  
9 landfill capacity.

10 First and foremost the principle of local control  
11 is retained. In this particular instance the United States  
12 Forest Service is the local landowner of property under  
13 consideration for use as a landfill.

14 As such, the federal government is a legitimate  
15 local player in any process which directly impacts its  
16 holdings in the Angeles National Forest.

17 These two bills are the manifestation of the  
18 federal government's responsibility to the American people  
19 to maintain the integrity of the Angeles National Forest,  
20 the second most widely visited national forest in the entire  
21 United States.

22 In its position statement as outlined in the Draft  
23 Environmental Impact Statement/Environmental Impact Report,

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

24 the U.S. Forest Service is recommending the no-project,  
25 no-action alternative. This is a restatement of a

60

1 23

2 24

3 25

4 consistent position of over 25 years and it clearly  
5 communicates the Forest Service's recognition of the  
6 benefits of retaining its open space in the urbanized north  
7 Los Angeles County region.

8 The importance of open space was reaffirmed in October 1993  
9 by the League of California Cities at its annual  
10 conference. And League membership, representing cities  
11 throughout California, adopted a resolution which states in  
12 part, quote, "That the federal and state public policy  
13 should be to preserve existing state and federal publicly-  
14 owned open space lands and environmental resources,  
15 especially urban and urbanized, not for conversion to uses  
16 that are not compatible with preservation, conservation or  
17 public enjoyment." End of quote.

18 Second, the authority of the California Integrated Waste  
19 Management Board is not in any way diminished by this  
20 legislation.

21 Should the federal government ultimately decide to convey  
22 1643 acres of the Angeles National Forest property out of

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

public local regulatory permits for the project are properly  
owners secured, your Board would retain its full regulatory  
hip authority to issue a solid waste facility permit.  
and Finally, although we support the legislation and would  
custom certainly like your support, we recognize that any

61

1 20

2 21

3 22

4 23

5 24

6 25

7 action by the California Integrated Waste Management Board,  
8 either supporting or opposing these two federal bills,  
9 could be construed as prejudice relative to the project in  
10 advance of the Board's traditional point of entry into the  
11 process. No matter how careful you are in trying to craft a  
12 position, inadvertent misunderstandings may result.

13 Therefore, we urge you to take a neutral position relative  
14 to S 393 and HR 924.

15 I would be pleased to answer any questions which  
16 you may have.

17 I want to thank you for your consideration of the City of  
18 Santa Clarita's perspective.

19 BOARD CHAIRMAN PENNINGTON: Thank you.

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

Any the Alliance of Motion Picture and Television Producers.  
questi MS. BARRETT: Good morning. I'm Cmi Barrett, senior vice  
ons? president of the Alliance of Motion Picture and Television  
Thank Producers. We are a trade association representing major  
you. studios and principal producers of television in Southern  
Next California.  
we Our members are responsible for production and/or the  
have distribution of about 80 percent of what we see in the  
Gini theaters and on our television screens.  
Barret Two years ago we set out to — we released a study  
t with

62

1 that examined the industry's impact on the California  
2 economy for the first time in a very detailed way. Most  
3 critical numbers are that in 1992 just in the physical  
4 production of motion pictures, television programming and TV  
5 commercials, we spent \$16.3 billion in California. This was  
6 split almost evenly between payroll and vendor payments.  
7 The bulk of that of course is in Los Angeles County, over  
8 \$15 billion.  
9 We employ over 164,000 people directly and another  
10 184,000 people indirectly for a total of 340,000 in 1992.  
11 Santa Clarita and industry have a very important  
12 relationship. Santa Clarita is home to the fourth largest  
13 cluster of industry workers in the state and over \$136  
14 million in payroll in 1992.

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

15 Another at least minimum of \$12 million went to  
16 local vendors in Santa Clarita area in 1992.  
17 SRI now says that entertainment industry has  
18 replaced aerospace as the largest employer in the San  
19 Fernando Valley and employing there almost 100,000 people.  
20 Both UCLA and the Center for the Continuing Study  
21 of the California Economy discussed us as one of the fastest  
22 growing industries in California and predict that we will  
23 continue to grow at an average annual rate of about 11  
24 percent for at least the next two years.  
25 The picture however is not entirely rosy. Today

63

1 over 225 film commissions from around the world spend a lot  
2 of time trying to lure production to their areas. They're  
3 in all 50 states, 125 U.S. cities, nine Canadian provinces  
4 and there are 28 commissions and countries outside of North  
5 America.  
6 California's competitors in 1992 alone in North  
7 America spent \$15 million marketing their areas. They were  
8 rewarded by over \$5 billion in on-location spending.  
9 As more and more productions are filmed out of  
10 state the pools of experienced workers and vendor services  
11 in those areas grow. Already Florida, North Carolina and  
12 British Columbia have extremely strong film production  
13 centers.

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

14 As the LA area continues to develop, the  
15 availability of open space dwindles. What little is left is  
16 mostly park land, while wonderful, is very restricted for  
17 on-location filming.

18 The Golden Oak Ranch provides our industry with  
19 the unique and one of the last year-round irrigated location  
20 ranches. It works for us. It was designed for production  
21 and it is a critical element of local filming.

22 We would urge a neutral position on HR 924 and  
23 S 393.

24 Thank you.

25 BOARD CHAIRMAN PENNINGTON: Thank you.

64

1 Any questions?

2 Okay. Thank you.

3 Next we have Lynne Plambeck.

4 MS. PLAMBECK: My name is Lynne Plambeck. I'm

5 here representing the Newhall County Water District. I'm an

6 elected member of that board.

7 Our directors asked me to come today because they

8 were particularly concerned about a paragraph in your staff

9 report which states that there would be no groundwater

10 contamination because of the surface of Elsmere Canyon has a

11 layer of tar that prevents groundwater from passing through

12 it.

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

13 Our board is made up of very conservative members.

14 We took considerable amount of time of examining the draft

15 EIR and EIS and we had independent reports of hydrologists

16 and seismologists on this issue.

17 We are concerned that your staff report is

18 presenting information now to the EIR that we feel is highly

19 incorrect.

20 So we wanted to come here not only to support

21 Mr. McKeon's legislation but out of concern that you have

22 also incorrect information. Because the watershed of the

23 Angeles National Forest is extremely important, we're the

24 oldest groundwater pumper in the Santa Clarita Valley.

25 Without that watershed we wouldn't have adequate supplies to

65

1 12

2 13

3 14

4 15

5 16

6 17

7 18

8 19

9 20

10 21

11 22

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

23           urge you to consider the economic resource of the forest as  
24           a watershed and ask you to take a neutral position on this,  
25           that the watershed may be of higher economic value for the  
pump        forest.

water.      Thank you.

We           BOARD CHAIRMAN PENNINGTON: Thank you.

feel        Any questions?

not         We will move on to Manual Grace, Walt Disney  
only        Company .

should     MR. GRACE: Good afternoon, Chairman Pennington and members  
you         of the Board. My name is Manual Grace. I'm vice president  
have        and environmental counsel to the Walt Disney  
correc     Company.

t           First of all, I'd like to say when I first got notice of  
inform     this meeting and realized it was going to be the War  
ation      Memorial Building I thought it would be a much more dark  
from       and imposing edifice, so I brought along some slides, but I  
the        don't think they will be really effective in this room.

draft      So with the Chairman's permission I would like to hand the  
EIR/EI     slides to the members of the Board and have them take a  
S, but     look at them as I go through my presentation.

also       BOARD CHAIRMAN PENNINGTON: That would be fine.

we         MR. GRACE: Walt Disney Company is here in support

66

1 of S 393 and HR 924, specifically because we feel that it is

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

2 a federal issue and does not infringe upon the authority of  
3 this Board to not take any position whatsoever with respect  
4 to these two federal bills of legislation.

5 This legislation will prevent the Secretary of  
6 Agriculture from transferring out of federal ownership any  
7 lands in the Angeles National Forest for use as a commercial  
8 solid waste landfill.

9 The Walt Disney Company is concerned that the  
10 transfer of federal land to the construction and operation  
11 of the proposed Elsmere Solid Waste Landfill will have an  
12 adverse effect on location filming in Santa Clarita Valley.

13 The proposed landfill will add intolerable levels  
14 of noise, odor, dust and visual intrusion into the already  
15 fragile natural body of Placenta Canyon.

16 Disney's interest is really tied in with the fact  
17 that the location of this particular landfill is being based  
18 in the Angeles National Forest, a federal land. It is  
19 because of the proximity of the Angeles National Forest that  
20 Walt Disney over 40 years ago first leased the Golden Oak  
21 Ranch and then purchased it back in 1955.

22 He recognized that the rich natural heritage and  
23 amenities required for on-location filming are there at the  
24 Golden Oak Ranch. The canyon is pristine, has wooded ridge  
25 lines that cannot be duplicated through any computer

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

67

1 graphics. We are very concerned about those canyon ridge  
2 lines.

3 As you look at the slides that are being passed  
4 around amongst you, take a look at some of the movie sets  
5 that were established in the Golden Oak Ranch and take a  
6 look at the prominence of the wooded ridge lines. It would  
7 be impossible for us to duplicate that by computer  
8 generation and we are specifically concerned about those  
9 ridge lines because the Elsrnere Landfill will extend a great  
10 deal over the existing canyon ridge lines.

11 The Golden Oak Ranch is not only a unique filming  
12 resource for the Walt Disney Company, but also for the whole  
13 motion pictures, television and commercial production  
14 industry.

15 In the past such noted Walt Disney productions as  
16 "Old Yeller," "The Parent Trap," "Shaggy Dog," "Pollyanna,"  
17 "camp Nowhere," the "Zorro" episodes, the "Absent-Minded  
18 Professor," and "Swiss Family Robinson" were filmed at the  
19 Golden Oak Ranch.

20 Also notable television productions were also  
21 filmed there at the ranch, including "Murder She Wrote,"  
22 "Roots, Parts 1 and 2," "Lois and Clark, the New Adventures  
23 of Superman," "Picket Fences" and "Knotts Landing," "The  
24 Client," "Little House on the Prairie," "Twilight Zone,"

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

25 "Beverly Hills 90210," "Matlock," and "Cagney and Lacey"

68

1 productions.

2 It's important that this particular Board to

3 realize that the Golden Oak Ranch is the last 365-day, fully

4 irrigated film ranch that is located within the 30-mile

5 studio zone of Los Angeles. Any filming that is done within

6 that 30-mile union-mandated studio zone is considered studio

7 location filming in which you don't have to pay location

8 costs for transportation and housing and the additional cost

9 that you generally incur in location filming.

10 So it's very important that we retain the Golden

11 Oak Ranch as one of the last film ranches in which we can

12 keep down costs and keep productions here in Los Angeles.

13 If location companies had to go beyond the 30-mile

14 zone and go beyond the Golden Oak Ranch, we would lose a

15 great deal of film resource, money, jobs and revenues that

16 is very important to Southern California and Santa Clarita

17 in particular.

18 For example, in 1994 the Golden Oak Ranch hosted

19 24 feature films covering a total of 240 days of filming.

20 In addition, 23 television productions utilizing the ranch

21 for a total of 153 days, and 54 commercial were filmed at

22 the ranch for a total of 116 days.

23 According to the report published by the Alliance

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

24 of Motion Picture and Television Producers 11 percent of  
25 production expenditures are location based.

69

1 If you take the full amount of 1994 and 1995's  
2 production filming, the budgets total \$579 million. 11  
3 percent of that would be \$63 million that stayed in the  
4 Santa Clarita Valley over the last two years just from  
5 filming occurring at the Golden Oak Ranch.

6 In conclusion the Walt Disney Company would like  
7 this Board to consider remaining neutral with respect to  
8 federal legislation.

9 We support the comments of Mayor Boyer who came  
10 before us and spoke about the fact that this legislation  
11 really is improper before this Board at this time. If and  
12 when the Elsmere Solid Waste Landfill is before the Board  
13 they can issue their appropriate response and take the issue  
14 up at that particular time.

15 If you have no other questions?

16 BOARD CHAIRMAN PENNINGTON: Any questions? Okay.

17 MR. GRACE: Thank you very much.

18 BOARD CHAIRMAN PENNINGTON: Next we have Karen

19 Pearson, Sierra Club.

20 MS. PEARSON: Good morning. I am Karen Pearson.

21 I reside at 26617 Gavlin Drive in Santa Clarita. I'm here

22 today representing the Santa Clarita Valley Canyon's

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

23 Preservation Committee and the positions of the Angeles  
24 Chapter of the Sierra Club. I am an officer in each  
25 organization.

70

1 You know what I am going to do, I'm going to pass  
2 this around. This is an interesting letter from the  
3 executive legislative director of the Washington, D.C.  
4 office of the Sierra Club. So you can see the Sierra Club  
5 is very involved in this. And it's not to keep it or  
6 memorized, just so you know that this isn't a small thing  
7 for the Sierra Club.

8 And then I will be getting to the part that gets  
9 into this. This is a picture of the 55-foot waterfall that  
10 lies within Elsmere Canyon and within the confines of the  
11 Forest Service land in Elsmere Canyon.

12 Also the back has fact sheets with some facts that  
13 aren't in your summary. So you may keep this for your files  
14 and just know that we're very concerned about the kind of  
15 natural resources that are involved here.

16 First, the Canyon's Preservation Committee  
17 strongly supports Representative McKeon's bill, HR 924, and  
18 Senator Boxer's bill, S 393.

19 When we heard you were considering opposing these  
20 bills we could not believe that you would presume to  
21 question the authority of the federal government to have say

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

22 over federal land.

23 Though you have listed five bills in your summary

24 which you view as similar, none of them have to do with

25 siting of a landfill or a portion of a landfill within the

71

1 confines of federal land.

2 We recommend that you continue to demonstrate

3 respect for the right of the federal government to deal with

4 federal park and federal land issues.

5 In addition, the Angeles chapter of the Sierra

6 Club representing over 50,000 members has sent letters of

7 support for HR 924 and S 393 to both representative Boxer

8 and McKeon.

9 We have also sent them petitions in support of

10 their bills with over 3,000 signatures on them.

11 Approximately one-third of those signatures are from outside

12 the Santa Clarita Valley.

13 The regional and state waste management policy of

14 the Sierra Club has expressed the intention of keeping both

15 national parks and Forest Service land free from landfills

16 and to serve the purpose of much needed open space.

17 Certainly no one can argue Los Angeles is an area

18 that needs open space. The Angeles Forest is open space and

19 this open space provides both recreational opportunities and

20 much needed air cleaning capacity.

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

21 Dr. Katell's research out of UCLA has now  
22 demonstrated that excessive air pollution causes a condition  
23 known as disappearing lung, meaning you can't get it back.  
24 The new understanding of health hazards associated  
25 with air pollution makes intelligent preservation of forest

72

1 areas even more critically important. A park surrounding  
2 the dump is not an equivalent benefit, believe me.  
3 I would like to give you this picture. You got  
4 the picture of the 55-foot year-round waterfall which lies  
5 within the Forest Service area. That waterfall would be  
6 destroyed if Elsmere Canyon should be sited as a landfill.  
7 It was one of over ten significant waterfalls in Elsmere  
8 Canyon.

9 And you also have a letter from Debbie Sease,  
10 legislative director of the Washington, D.C. office of the  
11 Sierra Club.

12 One of the things she notes is that in the  
13 management policy of the Forest Service it is charged with  
14 preserving riparian area, Forest Service is. And riparian  
15 area is vastly disappearing, quickly disappearing.

16 And it is true these bills would protect Elsinere  
17 Canyon and that Elsmere Canyon deserves to be protected.  
18 But they also protect all of the Angeles Forest  
19 and past history has taught us that the rest of Angeles

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

20 needs protection.

21 For instance, according to the local homeowners'

22 association near Lopez Canyon, the City of Los Angeles

23 dumped their garbage for a while in the Angeles National

24 Forest next to Lopez Canyon Landfill without even asking

25 permission. Only after the fact was the Forest Service kind

73

1 19

2 20

3 21

4 22

5 23

6 24

7 25

8 enough to sell them the land that they had already taken.

9 I, by the way, am one of the owners of the Forest

10 Service land and given the disregard for my land already

11 demonstrated I certainly applaud any bill that adds teeth

12 to the federal government's right to govern my land and

13 penalize those entities that abuse it.

14 Thus, as you consider these bills it is my earnest request

15 that you take a look at the three positions you can take,

16 which is neutral, oppose and support. And certainly of all

17 those three positions, opposition should not even be

18 considered. That's my strong, strong, strong belief.

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

And I that your own inner wisdom knows what is the right thing to  
thank do.

you Thank you very much, Chairman Pennington and  
all members of the Board of the California Integrated Waste  
very Management Board.

much BOARD CHAIRMAN PENNINGTON: Thank you.

for Any questions?

your Okay. Thank you.

kind Next we have Ken Kazarian.

attent MR. KAZARIAN: Mr. Chairman, if I could ask to go  
ion. last?

And I BOARD CHAIRMAN PENNINGTON: Oh, sure.

know MR. KAZARIAN: I know there are several other

74

1 people who'd like to speak on the bills.

2 BOARD CHAIRMAN PENNINGTON: Sure. Okay.

3 Denise Delmatier.

4 MS. DELMATIER: Mr. Chairman, members of the

5 Board, we have discussed this bill before at length. I'll

6 make my testimony real short.

7 As you know, my client I represent, Norcal Waste

8 Systems, has taken a repeat position, consistent position on

9 opposing bills that single out a particular facility for

10 purposes of stopping that facility.

11 And this bill is not entirely different from

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

12 previous bills that this Board has indeed taken positions  
13 on.

14 This bill, although it deals with federal lands  
15 and Congressional action and oversight of federal lands, the  
16 intent is pretty similar to the bills that we have dealt  
17 with in the past.

18 And as I understand it the United States National  
19 Forest Service is indeed opposing this bill because they  
20 have before them the ability to make a decision whether or  
21 not this is an appropriate use of federal lands, based upon  
22 their existing criteria. So if they determine that the use  
23 of these lands is inappropriate for the myriad of reasons  
24 that they have in their existing statutory abilities, they  
25 can do so. They are free to do so.

75

1 This bill of course would prohibit them from  
2 making that determination at the appropriate time.  
3 We strongly support and have consistently  
4 supported the local permitting and planning processes for  
5 purposes of siting facilities in the state. And we believe  
6 that those planning processes and permitting processes ought  
7 to go forward unencumbered and unhindered.  
8 And we may in fact, as we stated before, never see  
9 this permit before the Permitting Committee because it may  
10 fail to meet the standards necessary to be moved forward in

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

11 the statutory provision and under the planning processes  
12 that we have in place.

13 So we oppose this bill because it does single out  
14 a particular facility for purposes of stopping that facility  
15 before we have the ability to see those other processes that  
16 are in place move forward.

17 I'd be happy to answer any questions.

18 BOARD CHAIRMAN PENNINGTON: Any questions?

19 Thank you.

20 Next we have Marc Aprea.

21 MR. APREA: Good morning, Mr. Chairman and members  
22 of the Board. My name is Marc Aprea. I represent Browning  
23 Ferris Industries.

24 It has been a tradition at BFI, as it has been a  
25 tradition with this Board, to oppose legislation which seeks

76

1 to single out a specific solid waste facility for special  
2 consideration, whether that consideration be good or bad.

3 BFI has done so even when such legislation may  
4 have provided us with a competitive advantage.

5 We are here today to urge that you not break that  
6 Board practice, that you not encourage others to introduce  
7 similar legislation in the future, that you not provide  
8 encouragement to others to forward such proposals, that this  
9 Board take a position of opposing both HR 924 as well as

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

10 S 923.

11 That has been submitted to you today that these  
12 bills are in fact appropriate, an appropriate matter to be  
13 considered by the federal government as a matter of dealing  
14 with whether or not federal land should be used for a solid  
15 waste facility.

16 If in fact either one of these bills were to deal  
17 with public lands in toto or to deal with national forest  
18 lands in a national basis, that statement would be true. We  
19 respectfully disagree with those folks who have made those  
20 assertions.

21 These bills are designed for one purpose and one  
22 purpose only, and that is to seek the Elsmere project from  
23 going forward. Nothing more and nothing less.

24 Now, while we appreciate the views of those who do  
25 not approve of the development of this project or the solid

77

1 waste facilities, we choose to disagree with them. In fact,  
2 I find it ironic that the Sierra Club is supporting these  
3 measures, particularly given the fact that the Sierra Club's  
4 policy has been to encourage solid waste facilities to be  
5 sited close in to the point of generation.

6 If HR 924 and S 393 were enacted in fact it would  
7 have the opposite effect. It would encourage the siting of  
8 facilities further out and incur the transportation and air

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

9 pollution problems concurrent with that.

10 Now, you will note -- excuse me. Your vote on HR

11 924 and S 393 is not about whether you think solid waste

12 landfills are good or bad. It shouldn't be about that. It

13 shouldn't be about whether you believe that this facility

14 should be sited or not, whether it should be modified or

15 rejected in toto.

16 Your vote today is about whether this Board

17 approves or rejects the notion that changing the rules in

18 the middle of the game, in the middle of the process, is

19 okay. It's okay to do that. And that the rules that are

20 currently set up should be changed at any point in the

21 process.

22 We think not. We urge that you oppose both

23 measures.

24 I'll take any questions.

25 BOARD CHAIRMAN PENNINGTON: Questions?

78

1 MR. APREA: Thank you, Mr. Chairman, members of

2 the Board.

3 BOARD CHAIRMAN PENNINGTON: Next we have Jack

4 Michael.

5 MR. MICHAEL: Thank you, Mr. Chairman, members of

6 the Board. I'm Jack Michael representing the Los Angeles

7 County Board of Supervisors.

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

8 I'm here neither to indicate a position of support  
9 or opposition to these bills, but I am here to correct some  
10 of the information that has been provided this morning with  
11 regard to solid waste issues and solid waste planning in our  
12 county.

13 It was indicated by Congressman McKeon that in  
14 1987 he was told that this project was a done deal which by  
15 the County which inferred that the County Board of  
16 Supervisors had taken a position. Even though the  
17 opposition would like the perception to be that the County  
18 has taken a position on the project itself, they haven't.  
19 They never have. They have never been to potential  
20 agreements on the premise that the effectiveness of those  
21 agreements would be determined only after the environmental  
22 impacts of such a project were evaluated. That has not been  
23 concluded.

24 I think your staff was correct in pointing out  
25 where we are in the process.

79

1 Certainly the comments heard today, many dealt  
2 with environmental issues. And I have always found it a bit  
3 interesting that everyone has taken a position without  
4 having the opportunity of fully evaluating the environmental  
5 impacts. We have not completed that process.

6 We, in our Planning Commission, have held several

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

7 hearings. We have gotten substantial comment as indicated  
8 by people that testified here. We are evaluating those  
9 comments. Some of them are excellent comments, may require  
10 additional study.

11 We frankly would not like to take any position on  
12 the project itself until that process is complete.

13 Another comment was made that we have in the past  
14 projected shortfalls of disposal capacity in our county, and  
15 that indeed is accurate. However it's never explained as to  
16 why that shortfall has never occurred.

17 We have provided this Board with information, I  
18 believe the staff report indicates some of it.

19 Clearly our first projections were in 1988 which  
20 was even prior to the enactment of AB 939, and, yes, we did  
21 project at that time a shortfall in disposal capacity by  
22 1992.

23 That did not occur for several reasons.

24 One, the enactment of 939, the implementation by  
25 89 jurisdictions within Los Angeles County of diversion

80

1 programs, but more importantly a severe recession that began  
2 in 1989, became full-fledged in 1990 and substantially  
3 reduced the amount of waste that needed to be disposed.

4 Beyond that, however, I think it's even more  
5 important to point out that the Board of Supervisors,

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

6 responding to the needs of nine million people in Los  
7 Angeles County, not the needs of 100,000 people in the Santa  
8 Clarita Valley only, did repermit for an additional ten  
9 years the Puente Hills Landfill, a substantial facility that  
10 provides 12,000 tons a day of disposal capacity. We also  
11 permitted or provided the permit for the Sunshine Canyon  
12 Landfill of about 6,000 tons a day. And have taken those  
13 actions necessary to assure that the health and safety of  
14 our residents have been protected.

15 The Sunshine Canyon project is an example of the  
16 difficulty and why we continue to say as those agencies  
17 responsible for planning, not the County Sanitation  
18 Districts, but Los Angeles County, is responsible for solid  
19 waste planning.

20 The Sunshine project application, permit  
21 application was filed in 1984. It's now 1996, 12 years  
22 later, and the project is still not taking waste.  
23 The Puente Hills project took some seven years to  
24 renew a permit of an existing facility.

25 The Elsmere project began in 1987. It's now nine

81

1 years and we are still doing environmental review.  
2 Our projections clearly show with closures  
3 occurring in West Covina in September, the BKK landfill,  
4 City's decision to close Lopez Canyon, that by the end of

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

5 this year we may have two to three thousand tons of excess  
6 daily capacity in our county, a county that disposes  
7 currently of about 38,000 tons of waste a day.

8 We believe that we don't have any measure of  
9 safety in protecting health if we don't have at least enough  
10 excess capacity to handle the closure of the largest  
11 facility in our county.

12 At this point after BKI< closes that would be the  
13 Puente Hills Landfill at 12,000 tons a day.

14 So to suggest that for whatever reason we have  
15 sufficient capacity is totally erroneous. It's a very  
16 dynamic process that we don't control. It's a  
17 public-private process. We do not control the operation of  
18 private facilities, nor are we in any position to simply be  
19 the provider of last resort for solid waste facilities.

20 With regard to this Board's responsibilities on  
21 solid waste I simply want to remind you that I believe you  
22 have a very active program within the Board to assist local  
23 governments in meeting the requirements of AB 939.

24 I will also remind you that one of those  
25 requirements placed upon local government is to assure that

82

1 the solid waste disposal needs of local government for at  
2 least 15 years are adequately addressed.

3 These bills would make that effort for Los Angeles

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

4 county more difficult, particularly more difficult to carry  
5 out in the way that we think best serves again the nine  
6 million people of Los Angeles County which we are  
7 responsible for, not just 100,000 people in Santa Clarita.  
8 Thank you very much and I'll answer any questions  
9 you might have.

10 BOARD CHAIRMAN PENNINGTON: Any questions?

11 Thank you.

12 Okay. Now I'm faced with a dilemma here. I have  
13 two people who want to speak last, which obviously can't be  
14 done. Since we started off with the supporters, I'm going  
15 to call Jeff Kolin first and then Ken Kazarian.

16 MR. KOLIN: Doesn't quite want to stay there.

17 Chairman Pennington and members of the Board, my  
18 name is Jeff Kolin. I'm deputy city manager for the city of  
19 Santa Clarita.

20 I'd like to thank you for working so closely with  
21 us to delay this hearing in order to enable Representative  
22 McKeon to be here, for the graciousness and cooperation of  
23 your staff as we talked to them, learned about the process  
24 that is undertaken to review legislation.

25 I also wanted to indicate that I'll attempt to

83

1 3

2 4

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

5 those two pieces of legislation as the chair asked us to do  
6 today

7 In doing so, I feel I have to touch on two areas  
8 of information that were included in the staff reports to  
9 you on this issue.

10 The first area is that of the economic impacts. The BKK  
11 Corporation has indicated that this project will have  
12 substantial impacts on the economy of Los Angeles County.  
13 This claim has been legitimized by a report commissioned by  
14 BKK from the Rose Institute, which is affiliated with the  
15 Claremont Colleges. Excerpts from the study were provided  
16 to you in summary form in your staff  
17 report

18 We feel that these economic benefits have been grossly  
19 overstated and in fact may have detrimental effects on the  
20 very programs this Board has worked so hard to implement in  
21 order to achieve the reductions mandated by AB  
22 939.

23 We feel that the continuation of the lower market rate  
24 landfill tipping fees acts as a disincentive to the  
25 development of diversion and recycling technology and  
limit facilities

my This very Board has accepted research that proves that  
commen recycling-based industry and programs produce many more  
ts to jobs than disposal-based technologies

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

84

1 Yet the job-creating benefits of this landfill are  
2 being trumpeted as a benefit.

3 Will this project really create more jobs if it's  
4 built or will more jobs result if Los Angeles County works  
5 more actively to achieve the mandates of AB 939 through  
6 increased diversion and recycling?

7 Our City felt so strongly about this issue that we  
8 commissioned our own independent outside firm to review the  
9 economic impacts and the report developed by BKK. And I  
10 have with me today copies of this study which I would like  
11 to distribute to you.

12 We hired the firm of Hamilton, Rabinovitz and  
13 Alschuler, a very well-respected, conservative economic  
14 research firm that has done extensive work in Los Angeles  
15 County area for the City of Los Angeles and other agencies.  
16 Their own independent conclusion is that the  
17 economic benefits proffered by BKK and the Rose Institute  
18 have been grossly overstated.

19 You'll see in the analysis and the key points  
20 identified in the report that they often take credit for  
21 jobs and revenues which are already existing in the county  
22 and obscuring the fact that the project will have negligible  
23 net positive economic benefits at best

24 We feel this is just another example of how BKK is  
25 attempting to sell the benefits of the project, using just

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

85

1 about any means at their disposal.

2 The second area I feel I must comment on is also

3 included in the staff report that you received.

4 This project is accurately described as

5 190-million ton landfill with an 1800-acre buffer

6 surrounding it. But can you imagine that scenic beauty of

7 trash trucks coming in 24 hours a day, totaling nearly 1400

8 trips per day? Would you bring your family to the canyon to

9 observe all that trash and traffic and those noxious diesel

10 fumes? The idea of this serving as park land and in any way

11 providing benefit to the local area is truly absurd.

12 The project also describes a land exchange which

13 will enable the Forest Service to acquire high-priority

14 parcels of land in exchange for the acreage in Elsmere

15 Canyon.

16 What is not included is the fact that-the Forest

17 Service has already acquired the prime parcels identified in

18 that proposed land exchange. Both the City of Monrovia

19 parcel and Newcomb Ranch parcel, the two parcels with the

20 most recreational resources and environmental diversity.

21 This proposal has had a long history. Mr. Michael

22 mentioned that, as did some of the other speakers.

23 And I'd like to pass out a time line that kind of

24 gives you a visual picture of that. We prepared it as a

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

25 slide. I don't think it's going to work that way.

86

1 In reality this project has had a 26-year history.

2 This is not the first time the project has been considered

3 by the Forest Service. It was originally introduced and

4 discussed with the Forest Service in 1970.

5 It went through the administrative process and was

6 reviewed by the local Forest Service ranger, and was denied

7 by the Forest Service.

8 It was then reintroduced by the BKI Corporation in

9 about 1986-87.

10 And the rest I think of the history was included

11 in the other presentations and the staff report.

12 So I think you can see why we feel that the

13 federal legislation route is appropriate.

14 The administrative process has been used once, has

15 been followed through and completed and yet here the project

16 is back again.

17 I'd also like to distribute some images of the

18 canyon from the EIR document so that you know they're

19 accurate. Also some exhibits that were produced by the City

20 to help you understand the magnitude of the proposal.

21 The first slide gives you an idea of the height of

22 the fill area. We took a common landmark, at least to Los

23 Angeles people, the First Interstate building, one of the

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

24 tallest buildings in Los Angeles area. The height is 858  
25 feet. The fill area in this proposal is 1200 feet high,

87

1 high enough to more than cover downtown Los Angeles in  
2 trash.

3 BOARD MEMBER EGIGIAN: Mr. Chairman, may I  
4 interrupt for a minute?

5 As I recall, we were supposed to be talking on the  
6 924 and 393. The permit is not before this Board and  
7 already we have people complaining about what the Board  
8 might do.

9 So without insulting anybody, I think we ought to  
10 go back to where we were, otherwise I've got a lot to say  
11 about both subjects.

12 And I thank you.

13 BOARD CHAIRMAN PENNINGTON: If we can get through  
14 the dealing with the legislation I think that would be  
15 helpful.

16 MR. KOLIN: Certainly I appreciate that,  
17 Mr. Chairman.

18 The other images that we'll pass around just show  
19 that this project definitely has impacted on the adjacent  
20 forest lands. That was the purpose of illustrating these  
21 images, is to make it clear that as it was indicated by  
22 Congressman McKeon, the intent of this legislation is to

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

23 prevent the impacts on the Angeles National Forest and those  
24 images do indeed illustrate that.

25 I'd also like to give you copies of a resolution

88

1 from the Santa Clarita Valley Chamber of Commerce.

2 I'd also like to introduce copies of a California

3 Contract Cities Association resolution which was referenced

4 in earlier testimony to your committee on legislation and

5 incorrectly interpreted.

6 I'd also like to introduce a letter from

7 Supervisor Mike Antonovich, which addresses an endorsement

8 of the legislation by the California Supervisors

9 Association.

10 In conclusion we feel that the federal government

11 has every right to make a decision of how its lands will be

12 used, now and in the future.

13 We also feel strongly that this Board should not

14 take a position on this legislation at this time on the

15 Elsmere Canyon project.

16 We hope that you will maintain your impartiality

17 on this issue.

18 We feel strongly and concur with your role in

19 managing the overseeing the waste management system for the

20 state and hope that you will give this project a close and

21 thorough review at that time when it does come before the

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

22 Board.

23 I urge you to take a neutral position on HR 924

24 and S 393.

25 BOARD CHAIRMAN PENNINGTON: Thank you.

89

1 Any questions?

2 Thank you.

3 And finally Ken Kazarian.

4 MR. KAZARIAN: Mr. Chairman, members of the Board,

5 I am going to try to keep my remarks brief. I'm passing out

6 formal comments, but I will try to summarize them in order

7 to keep time down to a minimum.

8 BOARD CHAIRMAN PENNINGTON: Thank you. I

9 appreciate that.

10 MR. KAZARIAN: Before I address my comments there

11 are two points that I feel I need to clarify. It was just

12 stated that a letter went into the record from Supervisor

13 Antonovich regarding CSAC being opposed to these bills and I

14 believe in your files CSAC took a position to oppose. So

15 unless they have had another vote since they took that

16 official position, it must have been some confusion on what

17 position it is, because they did take a formal opposition

18 position to these bills.

19 MS. ZWARTS: That is correct. We do have a letter

20 in the file.

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

21 MR. KAZARIAN: Thank you very much.

22 I'm an president of Elsmere Corporation. Elsmere

23 is an affiliate of the BKK Corporation.

24 Today we are here specifically talking about two

25 bills which can only be characterized as single-purpose

90

1 bills that are aimed at basically bypassing the system.

2 Now, the Elsmere Canyon Landfill has been planned

3 to be a state-of--the-art facility to meet federal, state and

4 local regulations which are the toughest regulations at any

5 landfill in the country would ever meet, based on today's

6 standards or any standards which have been put forth in the

7 past.

8 It has been stated that this landfill has the

9 potential to relieve much pressure in the future in Los

10 Angeles County and to meet the needs which are mandated by

11 state law.

12 Now, the company's invested over ten years and \$25

13 million following the process which is in place today. Not

14 only the process, but following the law on how you go about

15 building and permitting a facility. These bills would

16 simply stop the project midstream, not because the project

17 has failed in any official documentation before any agency

18 to meet the criteria necessary for siting, it's just going

19 to be stopped.

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

20 Now, I think that kind of single-purpose  
21 legislation anyone in a regulated community would have to  
22 take very strong position against because it's basically  
23 saying by the government, whether it be federal, state or  
24 local, what we say today doesn't count because tomorrow we  
25 will change our minds if we don't like what you're doing.

91

1 Now, the merits or demerits of this project are  
2 really not the issue today. And again I'm not going to talk  
3 about the demerits of the project, I'm simply going to say  
4 the time has not come to debate the merits.

5 Since the 1980s over 145 sites in Los Angeles  
6 county have been looked at and Elsmere has been deemed to  
7 potentially be an appropriate site in the future, but again  
8 the merits have been not been fully discussed.

9 Today as we speak the Forest Service is reviewing  
10 over 500 comments that came in during the public hearing  
11 process. No determination as to the appropriateness of any  
12 of those comments have been made. They have not been fully  
13 responded to, yet people are trying to stop the process  
14 again.

15 Now, Elsmere is not something that just popped up  
16 yesterday. Elsmere's been on the County's solid waste  
17 management plan for about 15 years, maybe longer. I can't  
18 actually remember the date today. But this is a project

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

19 that has been around for long time, so it's not a surprise  
20 that it's happening. It doesn't need special legislation to  
21 affect it.

22 For Elsmere to go forward and get permits and to  
23 get it in front of this Board ultimately we're going to need  
24 approval from the United States Forest Service and the  
25 Department of Agriculture, the U.S. Army corps of Engineers,

92

1 18

2 19

3 20

4 21

5 22

6 23

7 24

8 25

9 Los Angeles County Regional Planning, LA County Department  
10 of Health, Los Angeles Regional Water Quality Control  
11 Board, the South Coast Air Quality Management District,  
12 California Department of Fish and Game and others, along  
13 with final concurrence from this Board

14 What happens if these bills pass is they make a mockery out  
15 of the entire system and throw a direct assault on the  
16 integrity and the independence of all government agencies

17

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

involv issue on federal government trying to deal with federal  
ed in land. One of the other speakers spoke that if this is an  
waste issue where we were dealing with all federal lands in this  
manage category that would be one thing to discuss.

ment This legislation pinpoints Elsmere and Elsmere  
issues only.

. We don't believe that this type of legislation is good  
Now, government and it is strictly a strong-arm tactic which is  
as happened to be used by a Congressman who is representing a  
stated local constituency

earlie As part of the program if you don't like a project there  
r that are many many opportunities to comment during the federal,  
this state and local process. Private-party lawsuits are common  
is if people feel they're justified and they have  
strict merit.

ly an

93

1 But in this instance the City of Santa Clarita and  
2 the Walt Disney Company are just saying this is our  
3 position, we don't want to listen to anybody else, we want  
4 it shut off, period, end of discussion.

5 That's not the way the democratic process that I  
6 know of works, but that is a democratic process that they're  
7 trying to push forward.

8 And I don't think anyone with any sensibility

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

9 towards public policy can endorse this kind of maneuver.

10 Now we have offered to work with both the City of

11 Santa Clarita and the Walt Disney Company in trying to work

12 on their concerns, do what we can do to help with their

13 concerns, but basically their position is they don't want to

14 talk, they want their way and no other way.

15 Now, there are two points I want to clarify on

16 land exchanges. It was mentioned earlier by the

17 Congressman, and apparently he's been ill-advised, that we

18 supported the Berman bill in 1989 to enact similar

19 legislation to remove Elsmere and put it into a position

20 where it could be used as a landfill through Congressional

21 legislation.

22 That is absolutely incorrect and as part of the

23 file we have submitted a record which we submitted to

24 then-Senator Pete Wilson opposing the Berman bill. We did

25 not favor that type of action and we were more than willing

94

1 to continue with the process as it is in place today.

2 And that is part of the record. We would be happy

3 to supply any more information on that. That is part of the

4 record. You do have a letter that we sent to Mr. Wilson at

5 that time.

6 Secondly, it was mentioned many times that federal

7 government should have their opportunity to deal with

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

8 federal lands that they want and people in Santa Clarita

9 disagree with using federal lands for Elsmere.

10 All the alternatives which they identified

11 Elsmere, all, all depend on federal land exchanges. All the

12 waste-to-rail projects, Bob, Mesquite, Eagle Mountain, all

13 are dependent on federal land exchanges in order to go

14 forward. There is nothing unique with Elsmere as far as

15 using federal lands.

16 Lastly, I'd like to say, it has been said, the

17 Forest Service itself is opposed to these bills.

18 And I would just like to read one quote from a

19 statement that they made during Congressman McKeon's

20 hearings on the McKeon bill.

21 They said, I quote, "The administration believes

22 that the National Forest Management Act, NEPA and CEQA

23 provide people the input and access to the decision-making

24 process that will ensure sound management decisions at

25 Elsmere Canyon."

95

1 7

2 8

3 9

4 10

5 11

6 12

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

13 like to close by saying again the discussion and any vote  
14 today should not be on the merits of the project, it should  
15 be whether or not the system is changed.

16 I hope that these bills fail.

17 I hope that someday, good or bad, we can be in front of you  
18 discussing the merits of the project. I just hope that that  
19 day is allowed for us to proceed in that work that we have  
20 done up to now is not for naught.

21 With that, I would like to conclude my statement. If there  
22 are any questions I'd be happy to answer them.

23 BOARD CHAIRMAN PENNINGTON: Any questions?

24 Thank you very much.

25 That concludes the list of public statements.

They Ms. Gotch

do not BOARD MEMBER GOTCH: Mr. Chair, I've listened to the  
favor testimony today and over the several months, as well  
this reviewed the correspondence the Board has received on these  
legisl two measures

ation. Frankly, there's rather compelling arguments on each side  
Lastly of the equation.

, I However, I believe that we need to let the local land use  
would process run its course and if the Elsmere Canyon permit  
just awaits us at the end of that process, then that will

96

1 be the appropriate time to deal with this issue. I don't

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

2 feel this Board needs to take a position on these two bills  
3 at this time.

4 BOARD CHAIRMAN PENNINGTON: Okay. Any other  
5 statements?

6 Mr. Frazee.

7 BOARD VICE CHAIRMAN FRAZEE: Yes, Mr. Chairman.

8 I think you correctly stated in your opening  
9 remarks that the question before us today is should this  
10 Board take a position on an item of federal legislation.

11 Ms. Gotch is absolutely correct. I think that  
12 digs us into some holes that we shouldn't be in.

13 For this Board to take action on federal  
14 legislation, independent of state government and state  
15 administration, is a hole I think that will create us a lot  
16 of problems. We could have a situation where this Board  
17 might take one position, the Water Board another, the  
18 administration another.

19 And on federal legislation I think it's  
20 appropriate that the State of California speak with a single  
21 voice on federal legislation.

22 But I feel constrained to talk a little bit about  
23 the appropriateness of the bill and of Congress of the  
24 United States using this process as a way of making a local  
25 land use determination in bypassing NEPA and CEQA and

97

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

1 dealing with a single issue with a specific piece of  
2 legislation.

3 In some 22 years now that I have served on both legislative  
4 and regulatory bodies I have watched a number of these  
5 kinds of issues come forward, some of them involving trades  
6 of either state land for private land or purchase of public  
7 lands in one form or another or exchange of federal  
8 lands.

9 And the question has to be asked is it appropriate that a  
10 higher legislative body take action to circumvent what is  
11 in our process for local people to make those kinds of  
12 decisions.

13 Every project has its positive and negative sides and I'm  
14 thinking of one that was highly controversial in my  
15 particular area and the decision ultimately was made to go  
16 ahead with the project

17 Would it have been appropriate for the Legislature to  
18 intervene and pass, someone to author a single-issue bill  
19 that would have either taken the side of ensuring that that  
20 project moves forward or reversing the action of a local  
21 government in that project? I think not. I don't think  
22 that's a proper procedure.

23 I noticed that two of our friends who testified today made  
24 statements, if I can paraphrase, the federal government has  
25 an absolute right to control the land use on

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

98

1 federal property.

2 If that is a fair statement, then first of all it

3 must by token of that statement say that then they can order

4 something to occur on federal property and bypass the local

5 process and that very well could be a major landfill on

6 federal property adjacent to the community in which I

7 reside.

8 If they can take it away by that single action on

9 a single piece of property, they can also order that it be

10 done.

11 I also find it interesting that this statement,

12 the federal government has an absolute right to control land

13 use on federal property, would that then not accrue to other

14 property owners, private property owners? They don't have

15 absolute rights in our scheme of things in planning and land

16 use and zoning and all of the things that go along with

17 making a good decision on that.

18 That statement came from a representative of the

19 Sierra Club who is here today.

20 And again in my time on regulatory agencies, on

21 environmental boards, the Sierra Club regularly came before

22 us and made statements quite contrary to that in opposition

23 to federal projects, to private projects, to local

24 government projects, stating correctly that their position

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

25 was that there were environmental concerns that the project

99

1 should not go forward.

2 To hide behind that in this issue and say that

3 Congress in its wisdom can deal with this single issue, I

4 don't think is appropriate.

5 Yet this kind of legislation, this policy making

6 on a single issue again is not appropriate. If Congress

7 wishes to engage in policy setting and either the federal

8 government, the U.S. Congress or the State Legislature wants

9 to deal with one of these kinds of issues, they can adopt an

10 overall policy of how the forests should handle these

11 situations and in fact they have done that and by the Forest

12 Service's own testimony they say just that in opposition to

13 these bills.

14 Again, I guess I've had my say on this, but I have

15 my own personal opinion, but I recognize what's best for

16 this Board and what's best for state government<sup>1</sup> that we

17 should take a neutral position on this and defer to the

18 administration on this item.

19 And with that I would move that that be the

20 position of this Board.

21 BOARD CHAIRMAN PENNINGTON: Mr. Egigian.

22 BOARD MEMBER EGIGIAN: Mr. Chairman.

23 BOARD CHAIRMAN PENNINGTON: Could we see if we

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

24 have a second?

25 BOARD MEMBER RELIS: I'll second.

100

1 BOARD CHAIRMAN PEI'TNINGTON: Okay. Go ahead,

2 Mr. Egigian.

3 BOARD MEMBER EGIGIAN: Mr. Chairman, in most

4 respects I agree with Mr. Frazee except the last part of it

5 where the neutrality comes into effect.

6 You know, I think that people of this country are

7 speaking out loud and clear that the decisions made in

8 Washington are not always good and right.

9 And with due respect to the Congressman and to the

10 Senator who has lobbied us with their letters and their

11 presentation, inasmuch as this is the last meeting that I

12 will be attending, I feel that there's a few things that I

13 must say when it comes to landfill capacity.

14 A number of years ago we had a crisis generated

15 and it was happening on landfill capacity. This Board

16 worked in many different areas and our recycling and reuse

17 and the regulations that we set up, we got 25 percent of the

18 material out of the landfill.

19 But like the representative from LA County was

20 saying that our capacity problem isn't that bad now, but by

21 the same token we're shutting down some of the biggest

22 landfills in the area in Southern California.

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

23 Mayor Brown said that San Francisco doesn't have a  
24 landfill. They go to Altamont or wherever they go.  
25 We had a report from a city in Arizona that for a

101

1 million and a half dollars you can permit a Subtitle D  
2 landfill and go into business within a year or 14 months.  
3 We on this Board have heard that it takes 15 to 20  
4 years to permit a landfill.

5 My position is this.

6 We're doing a pretty good job on recycling and  
7 reducing the amount of material going into the landfill, but  
8 people still are coming into California. The population is  
9 growing.

10 And if you don't need any other examples, just the  
11 last month the weather in the East will tell you how many of  
12 those people are going to come West, you know. It is just  
13 very obvious that these things are going to happen.

14 Now, I have a letter here by this outfit named  
15 LASER and everybody that belongs to this group has been  
16 against the landfill someplace in the State of California.

17 Okay. It has nothing to do with the forest lands or  
18 anything else. These people don't want landfills.

19 Now, that's fine. The county is charging right  
20 now in Southern California something like 13 or \$14 a ton.  
21 In Northern California we have 50 and \$60 a ton.

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

22 In the rail haul situations that are coming up,  
23 they're going to be 40 to 60 to \$70 a ton.  
24 I as a taxpayer am paying more for trash hauling  
25 today that ever in my life.

102

1 In Southern California I'm talking to people in  
2 various small cities that don't think that we can reach 50  
3 percent and their thoughts and ideas are that maybe  
4 legislation should be presented to cut down what we should  
5 expect from 50 to 35 percent.  
6 I don't know how far they're going to get with  
7 this legislation.  
8 I certainly hope that they don't, because the  
9 private segment of this waste industry has spent hundreds of  
10 millions of dollars to accommodate the law that the State of  
11 California is passing.  
12 Now, I particularly feel that those people that  
13 are talking against it, like Disneyland, they've got a  
14 30-mile radius situation that precludes them from paying  
15 extra taxes or it's cheaper to operate or whatever. It's  
16 costing a lot of money. My daughter, my granddaughter  
17 spends hundreds of dollars a year going to that place. So  
18 it's not as though they need to stop another project to make  
19 their money. They're making it all over the world.  
20 As one of the last things that I say on this Board

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

21 to the Board members, don't forget the landfill capacity  
22 problem. It's big. It's going to get bigger. And I think  
23 that the Board should take other than a neutral position  
24 here.

25 Because this is my last meeting I'm not going to

103

1 vote on this issue, but I just wanted to have it known that  
2 in five years we can be in deep trouble, because the  
3 capacity that we're losing is going to go to these other  
4 landfills that are already full up to capacity on what they  
5 should take.

6 So we're going to experience other things that we  
7 haven't experienced today as far as what to do with our  
8 trash.

9 So, Mr. Chairman, it kind of leaves me empty as to  
10 how to proceed on this because I know that I cannot proceed  
11 any further in the capacity that I sit today. But as a  
12 private citizen I certainly will be.

13 And the cities that I live in and the county that  
14 I'm in, I'll make my feelings known and try to in some way  
15 get people to understand that, you know, if you came from  
16 teh East Coast and you had a bad experience with the  
17 old-time landfills, that we're talking about Subtitle D  
18 landfills that are just about impossible to get, you know.  
19 And that we should not forget this industry, that

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

20 the waste industry that has made themselves available with  
21 their dollars and their intellect and their professionalism  
22 and they're doing a hell of a good job.

23 So I don't think we should put roadblocks in their  
24 way.

25 I'm saying that I wish that this Board would go

104

1 against these two bills, 924 and 393. However, I feel that  
2 they won't.

3 And having said that, I want to thank you.

4 BOARD CHAIRMAN PENNINGTON: Thank you,

5 Mr. Egigian.

6 And we will talk about your departure later today.

7 It's a sad morning for us.

8 Anyone else have anything to say?

9 Yes, Mr. Chesbro.

10 BOARD MEMBER CHESBRO: The issue of the use of

11 this particular piece of federal land is one of a number of

12 things that will take place that will determine what

13 project, if any project, winds up before this Board.

14 And while not all projects involve land exchanges,

15 virtually every project has a whole series of steps it goes

16 through before this Board passes judgment. -

17 And there are for a variety of different reasons

18 for each us temptations to step forward and get involved in

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

19 whether or not a project is a good project or a bad project  
20 or this party likes it or that party doesn't like it, it's  
21 going to benefit someone or not benefit someone.

22 That's not our role. Our role is as the  
23 regulatory body that hears the final step in the process.

24 As such I think it's our responsibility to withhold judgment  
25 and to be neutral.

105

1 18

2 19

3 20

4 21

5 22

6 23

7 24

8 25

9 And I'm not for this landfill and I don't think that this  
10 Board should be and I'm not against it. I think the facts  
11 will be presented to us at the time that it's gone through  
12 the regulatory process should determine the outcome of that  
13 deliberation

14 And so I think a no position on this legislation is an  
15 appropriate step for the Board to take

16 BOARD CHAIRMAN PENNINGTON: Okay. There's a motion to

17

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

take a BOARD SECRETARY KELLY: Board Member Chesbro.  
neutra BOARD MEMBER CHESBRO: Aye.  
l BOARD SECRETARY KELLY: Egigian.  
positi BOARD MEMBER EGIGIAN: No vote.  
on. BOARD SECRETARY KELLY: Frazee.  
It's BOARD VICE CHAIRMAN FRAZEE: Aye.  
been BOARD SECRETARY KELLY: Gotch.  
second BOARD MEMBER GOTCH: Aye.  
ed. BOARD SECRETARY KELLY: Relis.  
Will BOARD MEMBER RELIS: Aye.  
the BOARD SECRETARY KELLY: Chairman Pennington.  
secret BOARD CHAIRMAN PENNINGTON: Aye.  
ary The motion carries. We will not take a position  
call on this piece of legislation.  
the BOARD MEMBER GOTCH: Chairman Pennington.  
roll.

106

1	9
2	10
3	11
4	12
5	13
6	14
7	15
8	16

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

17 of staff.

18 BOARD CHAIRMAN PENNINGTON: Sure

19 BOARD MEMBER GOTCH: Before we leave this subject.

20 And that is I'd like to ask staff to respond to the article

21 that came from the Santa Clarita Signal, "Did You Hear the

22 One about the Arrogant State Waste Board?" on behalf of the

23 Board to relate our process for taking positions on

24 legislation and our action on these two bills today. Also

25 just to supply them with the analysis so they may

BOARD understand what the Board was contemplating.

CHAIRM BOARD CHAIRMAN PENNINGTON: Yes. I've asked the staff

AN respond to this editorial and I think there's

PENNIN something coming forth on that

GTON: BOARD MEMBER GOTCH: Thank you, Mr. Chair.

Yes BOARD CHAIRMAN PENNINGTON: Yes

BOARD MS. FLETCHER: I'm sorry, Mr. Chair. Kathy Fletcher

MEMBER of BKK Corporation. I have a question.

GOTCH: Is this Board taking a no position on this bill or

May I a neutral position?

make BOARD CHAIRMAN PENNINGTON: Neutral position.

one MS. FLETCHER: Neutral means that you've looked at the bill

brief and you don't have a problem with it. No position is that

request you are not going to be taking any position, as I

t

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

107

1 see it. This is usually what -- that's why I need

2 clarification, please.

3 BOARD CHAIRMAN PENNINGTON: Well, I think that's

4 the position. We are not taking a position.

5 MS. FLETCHER: So you are taking no position, but

6 not--

7 BOARD VICE CHAIRMAN FRAZEE: Mr. Chairman, my

8 position included the phrase "defer to the administration."

9 BOARD CHAIRMAN PENNINGTON: Right. Defer to the

10 administration. We are not taking any position.

11 MS. FLETCHER: Thank you.

12 MS. ZWARTS: I believe then the appropriate

13 position then for the Board would be to defer to the

14 administration.

15 BOARD CHAIRMAN PENNINGTON: Okay. That's what the

16 motion said. -

17 MS. FLETCHER: Thank you.

18 BOARD MEMBER CHESBRO: I hate to get into

19 quibbling, because I think we are generally in the same

20 place, but as a legislative appointee, that's not exactly

21 what I thought I was voting on. But in any case, I think

22 that the portion of the motion I concur in is the question

23 of not taking a position as a Board.

24 BOARD CHAIRMAN PENNINGTON: Right. Okay.

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

25 I think we'll take a recess for lunch now and be

108

1 back at 1:45. That gives us an hour and 25 minutes.

2 (Thereupon the lunch recess was taken.)

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

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

24

25

109

1 23

2 24

3 25

4 AFTERNOON SESSION

5 BOARD CHAIRMAN PENNINGTON: The afternoon session will come  
6 to order, please. Okay.

7 We're still on some legislative issues. The next item that  
8 is up. is consideration of state legislation, AB 2108,  
9 Mazzone. It's solid waste tires, disposal fee, point of  
10 collection.

11 Patty Zwartz.

12 BOARD MEMBER RELIS: Mr. Chair.

13 BOARD CHAIRMAN PENNINGTON: I'm sorry.

14 BOARD MEMBER RELIS: Excuse me. I'd like to remark that I  
15 had an ex parte communication with George Larson on this  
16 item.

17 BOARD CHAIRMAN PENNINGTON: Okay.

18 BOARD MEMBER RELIS: During --

19 BOARD CHAIRMAN PENNINGTON: Any other ex partes we need to  
20 talk about?

21 BOARD VICE CHAIRMAN FRAZEE: Mr. Chairman, I did talk to  
22 people who were here representing projects, but none of the

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

discus are before the committee.

sion BOARD CHAIRMAN PENNINGTON: Okay. Fine. Thank you. Is that

involv all the ex partes? Okay.

ed the Ms. Zwarts.

activi MS. ZWARTS: Good afternoon, Chairman Pennington

ties

that

110

1 19

2 20

3 21

4 22

5 23

6 24

7 25

8 and Board members.

9 With the Board's indulgence I'd like to enter a letter into

10 the record for the prior action that was before the Board

11 on the two Elsmere bills. I received a letter to one of my

12 staff members from the City of the Santa Clarita to Ms.

13 Barbara Peavy, relating their position on the two bills.

14 And I'd like to enter that into the record.

15 BOARD CHAIRMAN PENNINGTON: Okay.

16 BOARD SECRETARY KELLY: Barbara Peavy?

17 MS. ZWARTS: From the City of Santa Clarita to

18 Ms. Barbara Peavy of my staff.

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

BOARD consideration of State legislation. You have two bills  
CHAIRM before you today for consideration, AB 2009, Cortese, and  
AN AB 2108, Mazzoni.  
PENNIN Before we go to those two bills I would like to mention to  
GTON: the Board that the bill introduction deadline was last  
Okay. Friday and a number of bills introduced of interest to the  
MS. Board. I'd like highlight a few of those for your  
ZWARTS information so you know that those are out there.  
: We Senator Killea introduced SB 1535. This bill  
have would extend by ten years the sunset date on the Board's  
agenda market development loan program.  
Item Senator Marks has introduced SB 1545 dealing with  
No. 5,

111

1 computer equipment. It requires the Board in cooperation  
2 with other agencies to develop a state computer and  
3 electronic equipment recycling pilot program to assist in  
4 the collection and recycling of used computer and electronic  
5 equipment.

6 Senator Calderon has introduced SB 1712 sponsored  
7 by WNX. Prohibits local agencies from terminating or  
8 failing to renew the franchise, contract license or permit  
9 of a qualifying solid waste enterprise if the termination or  
10 failure to renew would have the purpose or effect of  
11 creating exclusive services.

12 Senator Killea has also introduced for your

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

13 information SB 2147 dealing with tire fees. It requires  
14 every person who purchases a new tire from a seller to pay a  
15 \$2 disposal fee.

16 Assemblymember Sher has introduced AB-2323 dealing  
17 with daily cover at landfill disposal.

18 WNX has introduced a bill, they're sponsoring a  
19 bill by Alby, AB 2558, dealing with anti-scavenging.  
20 They're proposing strengthening some laws in that area.

21 Assemblyman Cannella has introduced a bill, AB  
22 2706. It deals with solid waste energy recovery. It  
23 includes as an authorized waste management practice with a  
24 higher priority than landfill disposal than environmental  
25 transformation. It's basically a transformation bill.

112

1 Assemblymember Sher has introduced a bill, AB  
2 3022, which authorizes a city or county to structure its  
3 solid waste fees in a manner that requires nonprofit  
4 charitable recyclers to pay only for the direct cost of  
5 disposal for solid waste.

6 Assemblymember Campbell has introduced AB 3329,  
7 dealing with Keller Canyon. Prohibits the Keller Canyon  
8 Landfill located in the City of Pittsburg from accepting any  
9 hazardous material for disposal.

10 And my personal favorite, AB 3358 by Ackerman,  
11 this is the Board's bill. This is where we have a number of

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

12 technical code cleanup changes that we've placed in the bill  
13 with Assemblyman Ackerman.

14 Those are just a highlight of the some of the  
15 bills that are out there. There are a lot more out there.

16 This year we've seen a lot of CEQA bills  
17 introduced, bills that continue to change how state agencies  
18 adopt or implement state regulations, and a number of bills  
19 in the area of environmental audit.

20 We will keep the Board and the committees apprised  
21 as we know more about these bills.

22 With the Board's approval I'd like jump into the  
23 first bill before you today. That's 2009 by Assemblymember  
24 Cortese. This bill is sponsored by the League of California  
25 Cities and the California State Association of Counties.

113

1 This bill would delete the requirement that until a  
2 countywide integrated waste management plan has been  
3 approved by the Board, the Board would object to a solid  
4 waste facility permit if the Board determines that issuance  
5 of a permit would prevent or substantially impair  
6 achievement of the diversion requirements.

7 This bill is an urgency measure and is presently  
8 in the Assembly Natural Resources Committee, not set for  
9 hearing.

10 The committee recommendation to the Board was

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

11 forwarded without a recommendation.

12 BOARD CHAIRMAN PENNINGTON: Thank you.

13 Do any of the Board members want to make a  
14 statement or anything before we hear from the public?

15 Okay. We'll start off with Ms. Kathy Fletcher.

16 MS. FLETCHER: Mr. Chairman, may I defer to

17 BOARD CHAIRMAN PENNINGTON: Sure.

18 Yvonne Hunter. I don't think I have a slip -- no,  
19 here it is.

20 You have to talk into it.

21 MS. HUNTER: Yvonne Hunter with the League of

22 California Cities and I'm here also speaking for CSAC. My  
23 colleague, Karen Keaton, was unable to come down.

24 Before I start on the presentation I see the Shop

25 Smart billboard there and I just on behalf of the League

114

1 want to thank you for your support on the waste reduction  
2 grant. I think I sent to the Board members an article from  
3 Western City magazine and we're going great guns and so  
4 that's a side commercial.

5 The League and CSAC are sponsoring the bill. I

6 know the Board as a whole and those of you individually have  
7 heard probably more than you ever want to hear on this  
8 issue, so I am not going to go over all of the details  
9 again.

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

10 I'd like to emphasize several key points.

11 First, this bill is not introduced because we

12 think the Board is doing something wrong. I made that real

13 clear. This is not an attack on the Board.

14 To the contrary, we've said this in our public

15 statements, we've worked with the Board to develop your

16 internal guidelines and policy and we think they're fair and

17 they're appropriate and we recognize that the Board has

18 never turned down a permit for a facility based on prevent

19 and impair. You've done, we think, is the right thing. So

20 the argument is not with the Board.

21 However, several permits that were under

22 consideration due to the prevent and impair provisions led

23 us to believe that it's probably time to repeal that

24 provision.

25 Let me explain why. There are several key points.

115

1 First, the prevent and impair provision within the

2 gap was never in the original AS 939. I think you may hear

3 more about that. But when AB 939 passed that was not in the

4 law. Your requirement for nonconcurrency was simply a

5 facility did not comply with State Minimum Standards. We

6 have the whole history of chaptering out no solid waste

7 facility planning process and that's what got us into the

8 gap. And AB 2296 added prevent and impair provisions.

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

9 At that time we were talking about Source  
10 Reduction and Recycling Elements, making sure, at least the  
11 proponents of prevent and impair, that local governments  
12 didn't do something dumb, did not make a bad decision before  
13 they had their SRREs completed, adopted locally and approved  
14 by the Board.

15 Your staff has indicated that by now about 75,  
16 maybe it's up to 80 percent now of the SRREs have been  
17 approved by the Board. And as this legislation moves  
18 forward there are going to be more and more approved by the  
19 Board.

20 So our position is for all intents and purposes  
21 the prevent and impair provisions of the gap are over. It's  
22 not needed anymore.

23 For those few remaining jurisdictions that still  
24 don't have their approved SRREs we still think for all  
25 reasons we've said before that the prevent and impair

116

1 language is not necessary and that's why we're repealing it.  
2 We think there are other remedies that the Board  
3 can use relative to getting them to comply with their SRREs.  
4 There is the \$10,000 a day hanging over everyone's head.  
5 And I'd also like to remind everyone that the  
6 prevent and impair does not apply to post-gap period, so if  
7 someone is concerned the local government might make a bad

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

8 decision, I don't think they will, but I'm biased obviously,  
9 they might make a bad planning decision, they can do it in  
10 post-gap period as well. So I really think this language  
11 has outlived its usefulness.

12 People have said why do you need to repeal it?

13 You haven't turned down any permit.

14 Number one, we would say this was never supposed

15 to be in law anyway, that the reason for it, it's virtually  
16 over, all the SRRE5 are done.

17 And finally time is money. You have a \$30 million

18 project and it's delayed for a month, in addition to the

19 staff time and energy for local government and the project

20 proponents coming up to Sacramento to work with the Board to  
21 make their case, delay a \$30 million project and that's real  
22 money.

23 So we feel that this is time for this issue to be

24 put to rest and we would strongly urge the Board to support

25 the bill.

117

1 Thank you very much.

2 BOARD CHAIRMAN PENNINGTON: Thank you.

3 Any questions?

4 Denise Delmatier.

5 MS. DELMATIER: Good afternoon, Mr. Chairman and

6 members of the Board.

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

7 Yvonne did a good job of outlining some of the  
8 issues that were associated with this bill and, yes, we've  
9 dealt with this bill and these issues far too long, so I  
10 want to not reiterate a lot of the things that we've  
11 discussed in the past.

12 But I do want to very briefly outline for the  
13 members and for purposes of the record how this provision  
14 got into the statutory requirements in the first place. And  
15 I think Yvonne alluded to that, but I want to take this  
16 opportunity to make sure that Board members clearly  
17 understand what occurred. I know I've discussed this in the  
18 past with some Board members individually, but in discussing  
19 that with some Board members it became, I think, much more  
20 direct and clear of what the, if you will, the black and  
21 white presentation of what happened in 939 and what happened  
22 into what the bills that our client, Norcal, sponsored AB  
23 2295.

24 If you take a look at the first handout, and  
25 that's the chapter version of AB 939, and you turn to our

118

1 favorite section, 44009, and I highlighted for you the  
2 requirements for the Board as far as what the parameters for  
3 concurring and not concurring in a solid waste facility  
4 permit, and you'll note that under the chaptered version of  
5 AB 939 the Board's concurrence and nonconcurrence parameters

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

6 are limited to whether or not that permit is consistent or  
7 not with State standards.

8 And you will note that in no fashion was there  
9 mention in 939 the language that appeared and unfortunately  
10 in a very small minor bill, AB 2295, which you see the  
11 language that we've been battling over for years, and that's  
12 the until the countywide integrated waste management plan is  
13 enacted, et cetera.

14 So in the negotiations on 939 and under all the  
15 agreements that were approved by the administration that  
16 Mr. Brown, the honorable mayor, referred to earlier by the  
17 Democratic leadership in both the houses and by the  
18 Republican leadership in both the houses the agreement that  
19 was reached and chaptered in AB 939 limited the Board's  
20 authority to concurrence or nonconcurrence based upon State  
21 Minimum Standards.

22 Now, look at the chaptered version of AB 2295,  
23 which was a very minor bill that was moving along in the  
24 legislative process during the same time as AB 939. That  
25 was our client's sponsored bill dealing with the exemption

119

1 for sewage sludge facilities only from the planning process,  
2 not the permitting procession.

3 And you'll note that the first part of the bill  
4 does not have in it that Section 50000, which we have been

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

5 dealing with ever since this bill was passed. The first  
6 section does not have until a countywide integrated waste  
7 management plan, et cetera, has been approved.  
8 And that was the language that the bill had been  
9 in, that form of the bill had been in all the way through  
10 the legislative process until the final night's session  
11 when, because 939 was not in print we had to leave in the  
12 good hands of our friends at the Office of Legislative  
13 Counsel the task of drafting what's known as double joining  
14 amendments and double joining amendments appear in the  
15 Section 50000 until a countywide integrated waste management  
16 plan is adopted, et cetera. -

17 So that's where the gap was created. And it was  
18 never intended to be a part of AB 939. And unfortunately  
19 what the double joining language did effectively for every  
20 facility operator and every local agency in the State of  
21 California as a result of this Legislative Counsel drafting  
22 error is eliminate the ability of any facility to be sited  
23 or permitted in the State until a countywide integrated  
24 waste management plan is adopted.

25 So we had a rather unique circumstance on our

120

1 hands. We had just passed a law, a comprehensive act which  
2 requires every city and county to divert 25 and 50 percent,  
3 and then through the drafting error of Leg. Counsel we

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

4 prohibit any city and county from siting a facility.  
5 So we are forced of course into a situation where  
6 we needed to draft language and come forward with a bill to  
7 correct the drafting error of Leg. Counsel. That is the  
8 subsequent bill that Assemblymember Cortese carried the  
9 following year, AB 2296 and that is where we were forced to  
10 negotiate, because we didn't have the ability to site a  
11 facility to agree to, and over the objections of many of the  
12 participants, to the prevent and impair language.  
13 But I want to make it perfectly clear that prevent  
14 and impair was never agreed to or was never a part of the  
15 discussion in AB 939, whether it be Republican leadership,  
16 the Democratic leadership, the Governor or any of the  
17 principal participants, including former chairman, Michael  
18 Frost.  
19 So what's wrong and what's broke with the  
20 situation that we have before us and why do we need this  
21 bill?  
22 While it's true that the Board, and we want to  
23 strongly echo the sentiments of Ms. Hunter as far as the  
24 Board's role in prevent and impair over these past few  
25 years, while the Board has never disapproved a facility

121

1 3

2 4

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

5 t and impair finding and has not gone beyond the parameters  
6 that were outlined in the letters to the Daily Journal and  
7 the subsequent letters by the author of the bill,  
8 Assemblymember Cortese, to this Board directly, while the  
9 Board has not gone beyond these parameters, the opponents  
10 of the facility certainly have.

11 And what we have before is us a situation where if you  
12 cannot — opponents, if you cannot prove on the merits a  
13 quantifiable justification for disapproving or stopping a  
14 facility at the local level, what you have available to you  
15 is the provision of prevent and impair, throw it up, see if  
16 it sticks, and if you even know that you can't stop that  
17 project, you certainly may, the proponent, pay for it. And  
18 that is because we had in place a very overburdensome,  
19 outmoded and unnecessary and costly regulation  
20 The administration certainly has in many public  
21 forums spoken repeatedly that it's time for the State to do  
22 away with those kinds of costly, overly burdensome  
23 regulations.

24 The Democratic leadership and the Republican leadership in  
25 both houses have also publicly stated that it's time to do  
based away with overly burdensome regulations and certainly this  
upon one falls in that category

the As Ms. Hunter mentioned, time is money and we have been the  
preven recipient, our client has been the recipient, of

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

122

1 those opponents claiming those objections to facilities far  
2 beyond the parameters that are outlined in the letters from  
3 Mr. Cortese.

4 In particular, one issue that comes to mind is the  
5 ability of facilities to have excess capacity for disposal  
6 purposes and that opponents to facilities have repeatedly  
7 stated before this Board that excess capacity in and of  
8 itself constitutes prevent and impair.

9 Of course we disagree. Of course Mr. Cortese  
10 disagrees and that's why Mr. Cortese is carrying the bill to  
11 repeal.

12 We strongly believe that the time has come for the  
13 repeal of this thing. I know it's been a painful experience  
14 for the members of this Board to sit through the hours of  
15 testimony on this issue, members of this Board, previous  
16 members of this Board, previous chairman of this Board. And  
17 we think that not only is it long overdue, but it's in the  
18 best interest of both local agencies as well as facility  
19 applicants and facility operators.

20 And I'd be happy to answer any questions.

21 BOARD CHAIRMAN PENNINGTON: Okay. Any questions?

22 Next we have Kathy Fletcher.

23 MS. FLETCHER: Chairman Pennington, members of the  
24 Board, my name is Kathy Fletcher representing BKK

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

25 Corporation.

123

1 I may perhaps have the most popular testimony here

2 today, not certainly the most articulate.

3 For all the previous reasons stated before, we

4 strongly support 2009.

5 BOARD CHAIRMAN PENNINGTON: Okay. Thank you.

6 Any questions?

7 Next is Marc Aprea.

8 MR. APREA: Mr. Chairman, members of the Board,

9 for the record I'm Marc Aprea representing BFI, which is one

10 of largest processors and collectors of solid waste and

11 recycling material in North America.

12 While we support and embrace the intent of AB 939,

13 I come before you not with an official BFI position in

14 support, but rather to substantiate the arguments that have

15 been made previously.

16 The reason we stand up here before you today is

17 because some folks have sought to abuse the prevent and

18 substantially impair policy, arguing that somehow disposal

19 and diversion are somehow equal weights on a balance and

20 that the more disposal capacity you have the less diversion

21 naturally occurs or vice versa.

22 And we just don't believe that that is true.

23 It is clear from, as you both, as you all well

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

24 know, your obligations under AB 939 are not only to assist  
25 local governments in reaching a 50 percent diversion

124

1 capacity by the year 2000, you're also required to assist  
2 counties to achieve their 15-year disposal capacity plans.  
3 BFI has strongly supported recycling both in our  
4 business activities and in our public policy positions and  
5 we oppose and do oppose any policy which we believe would  
6 diminish the State's ability to achieve its AB 939 goals.  
7 Increasing the disposal capacity does not have an  
8 adverse effect on our diversion goals.

9 As you well know, it's your obligation to ensure  
10 both the disposal and the diversion under AB 939.

11 So we would urge that you look positively upon  
12 this legislation as you deliberate the issue.

13 If there are no questions, I'll take my leave.

14 Thanks.

15 BOARD CHAIRMAN PENNINGTON: Thank you.

16 Any questions? -

17 Thank you.

18 Next is Evan Edgar.

19 MR. EDGAR: Evan Edgar, California Refuse Removal

20 Council. Good afternoon.

21 This is beyond the prevent and impair, beyond

22 Rancho Carbone, and for years they've been abusing and

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

23 treating these cases out there.

24 AB 2009 we strongly support. This issue needs to

25 go away. We have other things to work out.

125

1 Thank you.

2 BOARD CHAIRMAN PENNINGTON: Any questions?

3 And finally George Larson.

4 MR. LARSON: Mr. Chairman, I want to testify on

5 2108. Sorry.

6 BOARD CHAIRMAN PENNINGTON: Okay. We'll get to

7 that next.

8 We've heard all the public testimony.

9 Mr. Frazee.

10 BOARD VICE CHAIRMAN FRAZEE: Yes, Mr. Chairman.

11 Just speaking in support of the bill, the issue of prevent

12 and impair, as we found in actual experience is something

13 that is a little difficult to get a handle on and really

14 determine what it means. It's one of those things that's in

15 the eye of the beholder. By passage of this bill that

16 doesn't mean the issue goes away, I don't think.

17 I think the Board still has its option to look at

18 the facilities under provisions of 44009, which state if the

19 Board determines that the permit is not consistent with

20 State standards it shall object. And that's something that

21 you can get a hold of if it's not consistent with the State

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

22 standards.

23 So there may be an objection arise where exactly

24 the circumstance that was envisioned in Assemblyman

25 Cortese's revision of the bill may come up and I think we

126

1 still have an opportunity under the law to do something

2 about it. It doesn't mean we're writing of f this prevent

3 and impair.

4 If you look at the examples in Mr. Cortege's

5 letter to the file of where it might come into play, flow

6 control contracts executed by local agencies require

7 transformation of disposal of recycling materials and I

8 think that circumstance still stands even if we've repealed

9 the prevent and impair language, that if there is a permit

10 before us that does just that I think we still have the

11 ability to reject that permit on those grounds.

12 And so I think the bill merely helps clear up our

13 responsibility and gets it down to what is specifically in

14 law rather than dealing with this sort of ethereal issue of

15 prevent and impair, whatever it might be on any given day on

16 any particular project. -

17 BOARD CHAIRMAN PENNINGTON: Mr. Chesbro.

18 BOARD MEMBER CHESBRO: Yes. There's an old saying

19 that goes if it's not broken, don't fix it.

20 And I don't believe that the proponents of this

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

21 legislation, my good friends in local governments and the  
22 waste industry have demonstrated that there's any problem.  
23 Since 1991 this Board has concurred in 363  
24 permits. There's not been a single finding in any one of  
25 those 363 permits that there was a situation that involved

127

1 prevent or impair.

2 In addition to that, I think the number of times  
3 that we've had testimony on it could be counted on one hand.  
4 I may be wrong. I'm guessing here. My memory serves  
5 correct it's four, five, six times, maybe, that we've had  
6 permits where some citizen or some individual or group or  
7 party has come forward and made a claim.

8 I just think the bill is unnecessary and I think  
9 despite the good intentions as stated here of the  
10 proponents, I think it does create the impression that this  
11 Board has improperly exercised the discretion under this  
12 code section. And I think that that's not been the case at  
13 all. In fact we've hardly exercised the code section at  
14 all.

15 So I just think that it's attempting to solve a  
16 problem that doesn't exist.

17 BOARD CHAIRMAN PENNINGTON: Mr. Relis.

18 BOARD MEMBER RELIS: Mr. Chair, I probably spent  
19 more time than most members here on this issue. I don't

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

20 detect any great enthusiasm out there for 2009. We've  
21 wrestled with it. We've developed several policies. And  
22 recently I believe, though, have demonstrated our ability to  
23 remove the ambiguity and deal with fact versus conjecture.  
24 I think that's what is the core of this.  
25 I regret, frankly, that this couldn't have been

128

1 handled within our framework. But I understand the  
2 frustration out there that has occurred over a number of,  
3 particularly one hearing matter, and I'm very frustrated  
4 that this is before us and to the point where I'm going to  
5 abstain on it. I just don't feel I want to deal with this  
6 anymore.

7 BOARD CHAIRMAN PENNINGTON: Ms. Gotch.

8 BOARD MEMBER GOTCH: Thank you, Mr. Chair.

9 I'm not convinced that the prevent and  
10 substantially impair provisions in current law need to be  
11 repealed.

12 As the sponsors of the bill acknowledged, there  
13 are still a large number of SRREs, in fact I think 25  
14 percent of them have not been acted upon yet, and CWMPs have  
15 not been before the Board, and that the Board has acted in a  
16 prudent manner when confronted with parties attempting to  
17 use the prevent and substantially impair argument.  
18 I feel it's premature to repeal the provisions at

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

19 this time, so I recommend an oppose position on this bill.

20 And I'd like to make that motion, as a matter of  
21 fact.

22 BOARD CHAIRMAN PENNINGTON: Okay. The motion to  
23 oppose the bill.

24 BOARD MEMBER CHESBRO: I'll second.

25 BOARD VICE CHAIRMAN FRAZEE: On the motion,

129

1 18

2 19

3 20

4 21

5 22

6 23

7 24

8 25

9 Mr. Chairman.

10 BOARD CHAIRMAN PENNINGTON: Yes, Mr. Frazee.

11 BOARD VICE CHAIRMAN FRAZEE: I think the argument

12 that we've never used this section, so therefore why repeal

13 it is not a valid one

14 I think the argument should be why is it there in the first

15 place. It's been proven over time that it's not necessary,

16 why clutter up the books with something that's unnecessary.

17 It's not going to be used.

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

The regular project something to hang their hat on and to come in  
one and spend some time in delays.  
thing And I think the proponents have stated time is money and  
that it's not just the amount of time sitting in a meeting  
it discussing whether prevent and impair is valid in a  
does particular case, it's the time that it takes in not getting  
is permits handled in a timely manner. It amounts to, many  
give times, 30 days interest on \$20 million.  
indivi If we can clear something off the books then I think the  
duals argument that we've never used is the best argument for the  
who bill. Clear it out and get rid of it so we don't have this  
have argument, we don't waste time and money having this come  
opposi back and won't waste applicants', both public and private  
tion sector, money having to pay all their well-paid consultants  
to a and lawyers who are out here arguing  
partic

130

1 one side or the other of this issue.

2 So I think, as I stated earlier, it's an item that

3 is, if it is legitimate is covered under other portions of

4 statute. It's something we can handle there.

5 And I am opposed to the motion before us.

6 BOARD MEMBER CHESBRO: Mr. Chairman.

7 BOARD CHAIRMAN PENNINGTON: Mr. Chesbro.

8 BOARD MEMBER CHESBRO: Well, in the last five

9 years we have not rejected any of those 363 permits for any

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

10 of the other reasons in the code either. That doesn't mean  
11 that all of those sections should be repealed. It means  
12 that before the permits got to us that the LEA and the Board  
13 staff and the applicant attempted to address the things that  
14 they were required to do under law and that the majority of  
15 the Board members felt that the permits had been prepared in  
16 ways that responded to that law. -

17 And I think that the same thing applies to this  
18 specific examples that Mr. Cortese has cited that he did  
19 need in the bill. I think that it has affected permits, not  
20 in the form of rejection or citizens successfully delaying  
21 the projects or us turning down any projects. I think it's  
22 had a beneficial influence on the applicants in terms of  
23 them looking at the things that were identified clearly as  
24 what were intended by the author and making permits, making  
25 sure that permits that came before us did not in fact

131

1 prevent and impair.

2 So I think it's had a beneficial effect. And to  
3 claim that it has had an undue effect in terms of  
4 restricting permits or affecting this Board's consideration  
5 of permits I think is what I was referring to in terms of I  
6 think a misimpression that's created by the bill.

7 BOARD CHAIRMAN PENNINGTON: Okay. If there's no  
8 further discussion I'll call for the question.

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

9 Will the secretary call the roll.  
10 BOARD SECRETARY KELLY: Board Member Chesbro.  
11 BOARD MEMBER CHESBRO: Aye.  
12 BOARD SECRETARY KELLY: Egigian.  
13 BOARD MEMBER EGIGIAN: No.  
14 BOARD SECRETARY KELLY: Frazee.  
15 BOARD VICE CHAIRMAN FRAZEE: No.  
16 BOARD SECRETARY KELLY: Gotch.  
17 BOARD MEMBER GOTCH: Aye.  
18 BOARD SECRETARY KELLY: Relis.  
19 BOARD MEMBER RELIS: Abstain.  
20 BOARD SECRETARY KELLY: Chairman Pennington.  
21 BOARD CHAIRMAN PENNINGTON: No.  
22 The motion does not carry, so it means that we  
23 take no position.  
24 BOARD VICE CHAIRMAN FRAZEE: I would make another  
25 motion, but I think the outcome would be similar.

132

1 BOARD CHAIRMAN PENNINGTON: Fine.  
2 I would second the motion, but let's get on.  
3 Our next item is --  
4 MS. ZWARTS: AB 2108 by Assemblymember Mazzoni.  
5 The bill would move the point of collection of the tire fee  
6 collected under the California Tire Recycling Act from the  
7 time of disposal of the used tire to the point of sale of a

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

8 new tire.

9 This bill is sponsored by the author and presently  
10 at the Assembly desk, not referred to committee as yet.

11 This bill was before the committee and referred to  
12 the Board without recommendation.

13 You will note in your analysis there is a  
14 suggested amendment to consider to recommending to the  
15 author.

16 BOARD CHAIRMAN PENNINGTON: Okay. Public  
17 testimony? Anybody want to comment? Public testimony,  
18 George Larson.

19 MR. LARSON: Mr. Chairman, members, George Larson  
20 representing Lakin Tire. Lakin processes about seven  
21 million tires a year in the Santa Fe Springs facility, none  
22 of which, incidentally end up in landfill tire piles.  
23 As a major player in the waste tire management  
24 picture in California, Lakin is interested in pursuing  
25 policy and legislative actions that make the management of

133

1	7
2	8
3	9
4	10
5	11
6	12

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

13 of administrative efficiency Lakin strongly supports the  
14 intent of the legislation, AB 2108, to move the fee from a  
15 point of drop-off or disposal to a point of sale.  
16 We're aware, all of us, as other issues regarding the tire  
17 grants program and other tire issues that there are limited  
18 resources, financial resources, available for you to assist  
19 local governments in the private sector out there to deal  
20 with the solid waste — excuse me, tire, waste tire problem  
21 in the state.

22 By the mere restructuring of this I feel the efficiencies  
23 that will be gained may in fact double those resources  
24 which will give you more tools to solve the  
25 problem.

waste I'm also aware, although I am not seeing the text of  
tires amendments, there is an amendment being considered to move  
in the collection of the fee to the distributor level. I think  
Califo this in itself too is a great efficiency rather than  
rnia dealing with many more retail spots around the state. But I  
more have not seen the language. However, Lakin is in support of  
effici this bill and will be drafting and forwarding to  
ent. Assemblymember Mazzoni a letter of support which of course  
As a will be provided also to the Waste Board.  
matter Thank you very much.

134

1 BOARD CHAIRMAN PENNINGTON: Thank you.

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

2 Any questions of Mr. Larson?

3 Okay. Next we have Terry Leveille.

4 MR. LEVEILLE: Mr. Chairman, Board members, for

5 the record I'm Terry Leveille representing Southern

6 California Tire Dealers and Retailers Association.

7 I received a phone call yesterday from the

8 executive director of the association. He's been polling

9 members of the 350-member organization for the past several

10 weeks and he presented me a series of opinions that he had

11 collected over the last couple of weeks.

12 Basically the members are in support of the

13 legislation with some concerns.

14 They do exercise a concern that new tire dealers

15 are exempt from the provisions.

16 They do exercise a concern that the ten percent

17 that they formerly were able to take off the cost for

18 administrative cost for assessing the fees is taken out of

19 the legislation.

20 I think overall the main concern is they think the

21 way that the bill is currently drafted is it's cheating the

22 tire fund.

23 Over the last five years the Board of Equalization

24 has collected the tire fee from tire dealers, nearly 5,000

25 tire dealers. This has cost the Waste Board on the average

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

135

1 \$488,000 per year, which is on the average 16 percent of the  
2 tire fee collected.

3 Even this past year, which was a low year for in  
4 terms of cost for the Board of Equalization, the Waste Board  
5 spent, I believe it was almost \$450,000 collecting \$3.7  
6 million.

7 The feeling of the Southern California Tire  
8 Dealers is that they should look at this, moving that fee  
9 assessment from the 5,000 tire dealers to the dozens or  
10 scores or under hundred wholesalers, distributors and the  
11 like for cost savings. We're going to save, just moving it  
12 to the front end, the Waste Board should get an additional  
13 \$2.2 million according to your analysis.  
14 I think that if you look at it, moving it further  
15 up the line in terms of collection, you're going to see a  
16 greater savings, even more so than the current \$2.2 million.  
17 Thank you. If you have any questions.

18 BOARD CHAIRMAN PENNINGTON: Yes, Mr. Frazee.

19 BOARD VICE CHAIRMAN FRAZEE: Did I understand you  
20 to say that under the current version of the bill new tire  
21 dealers are exempt?

22 MR. LEVEILLE: New car dealers.

23 BOARD VICE CHAIRMAN FRAZEE: New car dealers.

24 Okay.

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

25 MR. LEVEILLE: I'm sorry.

136

1 BOARD CHAIRMAN PENNINGTON: So under your proposed  
2 amendment to move it to the distributor, then fleet sales  
3 and those kinds of sales would get covered?

4 MR. LEVEILLE: Would get covered.

5 We have taken a formal position of support if  
6 amended as of last night and that would be transferred to  
7 the author tomorrow.

8 I'm sorry I haven't had time to write a letter to  
9 you Board members, but we just got the information last  
10 night from the association.

11 BOARD CHAIRMAN PENNINGTON: Any further questions?

12 BOARD MEMBER RELIS: Mr. Chair, I'm just glad to  
13 hear that a survey has been made and it's good to hear that  
14 report back.

15 I think that if we had a conditional 2.2 million  
16 and particularly with the track we're on now with the tire  
17 program, I think we can really go a long way to licking the  
18 problem that's out there. So I'm encouraged by what I hear.

19 BOARD CHAIRMAN PENNINGTON: Anybody else have a  
20 question?

21 Mr. Frazee.

22 BOARD VICE CHAIRMAN FRAZEE: Just a statement and  
23 I guess prefaced by a motion that this Board support the

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

24 bill.

25 We found in looking at this issue that California

137

1 has been disadvantaged by crumb rubber being imported into  
2 the State of California by other states where they have a in  
3 effect a subsidy over people dealing in used tires. This is  
4 not that at all.

5 And I've been concerned about the inordinate  
6 amount of money that's paid the Board of Equalization for  
7 collecting this and this makes it work better up front and  
8 in spite of what some may feel that this represents a tax  
9 increase, I don't think it does. It's a fair and more  
10 efficient method of collection and gives us the ability to  
11 work on the problem.

12 BOARD CHAIRMAN PENNINGTON: Okay.

13 BOARD VICE CHAIRMAN FRAZEE: That was the motion.

14 BOARD MEMBER GOTCH: I'd like to second that.

15 BOARD CHAIRMAN PENNINGTON: Yes, Mr. Chesbro.

16 BOARD MEMBER CHESBRO: Can I suggest that, I don't  
17 know if this needs to be part of the motion or whether the  
18 chair would want to direct it, but we also direct staff to  
19 work -- legislative staff to work with the parties on the  
20 question of whether the retail or the wholesale level is the  
21 appropriate place. Can we not be specific on that at this  
22 point and be part of the discussions about it and hope that

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

23 they will resolve between them the best collection point?

24 BOARD VICE CHAIRMAN FRAZEE: I think another part

25 of that also is on the new car dealer issue. Probably it's

138

1 appropriate it not be collected on the four or five tires

2 that are on the car when it's sold, but if a new car dealer

3 is in the business of selling replacement tires and taking

4 in old tires, then it needs to be applied in that instance.

5 BOARD CHAIRMAN PENNINGTON: You probably have to

6 get those from a distributor.

7 BOARD VICE CHAIRMAN FRAZEE: Yeah.

8 BOARD CHAIRMAN PENNINGTON: What about the ten

9 percent fee? Anybody care about that?

10 He's got something to say behind you.

11 MR. LEVEILLE: Just on the ten percent fee,

12 obviously if the tire dealers, if the point of collection

13 was moved to a higher level that obviously would not affect

14 us.

15 BOARD CHAIRMAN PENNINGTON: Mr. Gersick, we'll

16 need a slip from you. -

17 MR. GERSICK: Mr. Chairman, I'm sorry, I did

18 submit a slip and I didn't mean to rush the microphone.

19 When this Board decides to take precipitous

20 action, by God, you've got to get up there and take your

21 place in the spotlight.

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

22 While the slip is, I hope, being communicated,  
23 with your indulgence, Chairman Pennington and members of the  
24 Board, since I'm not going to be here at the end of the day  
25 I wanted to bid a public goodbye to Board Member Egigian,

139

1 who in plain speech and with obvious personal conviction has  
2 repeatedly drawn this Board's attention to the practical  
3 on-the-ground consequences of many of the matters before it.

4 Sam, it will be a different Board without you.

5 On the bill, as they say, Chairman Pennington, I  
6 have a couple of comments today.

7 First of all, I want to make it plain that I'm  
8 speaking here today on behalf of the Modesto Energy Limited  
9 Partnership, the owners and operators of the Modesto Energy  
10 Project.

11 We are not here today either in support or in  
12 opposition to AB 2108. Although we may have questions with  
13 the bill, it is our current view that we should let a  
14 thousand flowers bloom and frankly any proposal which  
15 directs the attention of the Legislature, the electorate and  
16 indeed this Board to the significant problem of waste tires  
17 ought to be encouraged and given full consideration.

18 But beyond that I wanted to make it known to the  
19 Board, as indeed your staff just has, that the Modesto  
20 Energy Project is the sponsor of another piece of

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

21 legislation dealing with waste tires authored by Senator  
22 Killea.

23 And without making any substantive comparison of  
24 the two bills today, I think it is fair to say that SB 2147  
25 does take a more comprehensive and multifaceted approach to

140

1 the large issue of waste tire program reform and improved  
2 productivity. And as such the two bills do take approaches  
3 which are to some degree inconsistent.

4 Therefore we would urge the Board to defer taking  
5 any action on AB 2108, which might dictate a position on SB  
6 2147, and to suggest that it might be prudent to defer a  
7 position until the Legislative Committee, presiding Member  
8 Gotch, has the opportunity to consider the two bills and  
9 perhaps to provide constructive agency in the resolution of  
10 whatever differences might occur.

11 Thank you for your time.

12 BOARD CHAIRMAN PENNINGTON: Thank you.

13 Questions?

14 Mr. Chesbro.

15 BOARD MEMBER CHESBRO: Can I just mention, lest  
16 you think we are doing things too quickly, that we are still  
17 on Item 5 of the agenda and it's almost 3:00.

18 MR. GERSICK: It's an erratic acceleration,

19 Mr. Chesbro.

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

20 BOARD CHAIRMAN PENNINGTON: Any questions of

21 Mr. Gersick?

22 We do have a motion on the floor.

23 Would you like to restate your motion, Mr. Frazee?

24 BOARD VICE CHAIRMAN FRAZEE: Yes, Mr. Chairman.

25 It's merely a motion that supports that a motion

141

1 that this Board go on record of supporting the bill at hand.

2 I don't know that it needs to be modified. It's probably

3 going to need some staff work.

4 BOARD CHAIRMAN PENNINGTON: We can certainly

5 instruct the staff to do as you wish. I certainly agree

6 with that.

7 And Ms. Gotch seconded, so unless there's further

8 discussion, we'll vote.

9 Will the secretary call the roll.

10 BOARD SECRETARY KELLY: Board Member Chesbro.

11 BOARD MEMBER CHESBRO: Aye.

12 BOARD SECRETARY KELLY: Egigian.

13 BOARD MEMBER EGIGIAN: Aye.

14 BOARD SECRETARY KELLY: Frazee.

15 BOARD VICE CHAIRMAN FRAZEE: Aye.

16 BOARD SECRETARY KELLY: Gotch. -

17 BOARD MEMBER GOTCH: Aye.

18 BOARD SECRETARY KELLY: Relis.

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

19 BOARD MEMBER RELIS: Aye.

20 BOARD SECRETARY KELLY: Chairman Pennington.

21 BOARD CHAIRMAN PENNINGTON: Aye.

22 Okay. We're going take a little break from the

23 agenda here. Mr. Evan Edgar would like to address the

24 Board.

25 MR. EDGAR: Thank you, Chairman. My name is Evan

142

1 Edgar from the California Refuse Removal Council.

2 I've been in the garbage business for a long time.

3 I am a garbage man and proud of it. Been at the active

4 face, been on trucks, and been here the last two and a half

5 years.

6 It's appropriate we're here today in San Francisco

7 in the Vet Building, because San Francisco is the home for

8 CRRC North and it's a nice Vet Center here. Plus down

9 south, Mr. Egigian started CRRC South back in 1962 and he is

10 a vet. So I'm glad we're here today to honor Mr. Sam

11 Egigian.

12 I've been here for about two and a half years

13 doing things in front of the Waste Board and the industry

14 for only ten years, but Sam has been there for 35 years and

15 made a great impact for the solid waste industry.

16 During my brief experience Sam Egigiari has been

17 tough on the issues on his turf here, he's taken it head on.

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

18 I have a little ad hoc resume put together for

19 Mr. Egigian.

20 Mr. Egigian addressed tiered permitting four years

21 ago and today we have it. We have compost tiered

22 permitting, remediation, and more tiered permitting to come.

23 That was monitored by the Governor's officer and Cal EPA.

24 Mr. Egigian addressed the fee schedule which

25 consolidated the AB 1222 with one fee.

143

1 Plus we have the first implementation of 1220 with

2 a nice 300-page document combining Waste Board and the Water

3 Board into one Title 27. That's final gotten done.

4 Mr. Egigian first addressed the biomass issue.

5 Other people saw it coming. We talked to Mr. Egigian, he

6 took it on in the Policy Committee and we elevated it to Cal

7 EPA, CEC and PUC. Thank you.

8 On top of that we readdressed the ADC because we

9 needed some low-end markets for the wood chips and a lot of

10 industry folks out there from Salinas to Santa Fe and

11 throughout the industry provided wood chips for ADC. We

12 appreciate it.

13 Mr. Egigian recognized that exporting solid waste

14 would be a key issue in California with regards to funding

15 issue. We discussed many times. We had different reports

16 of landfill capacity about the impasse of the export in

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

17 California and the funding of the Waste Board. May not  
18 recognize it today, maybe it's a little premature, but down  
19 the road it's going to be a hot issue, and Mr. Egigian  
20 identified it and gave enough technical information in  
21 reports for the industry to address it.

22 Mr. Egigian pushed hard to have California be a  
23 principal state in Subtitle D. There's a lot of flexibility  
24 in Subtitle D with regards to alternative daily cover with  
25 regards to different programs. We appreciate having that in

144

1 the State of California so the landfills in California can  
2 remain competitive with out-of-state landfills.

3 Mr. Egigian strongly supported AB 939 with regards  
4 to 25 percent goal and the 50 percent goal. Today many  
5 statements about it, how the solid waste industry responded  
6 to AB 939 and we invested heavily in 939 and we're going to  
7 make the 50 percent goal such as we made the 25 percent goal  
8 for 1995.

9 Mr. Egigian pushed for public education on the  
10 other 50 percent.

11 We look at the hierarchy. There is at the bottom  
12 of the hierarchy landfill disposal, environmentally safe.

13 In Subtitle D it counts, it's needed and he's pushed hard to  
14 have a public education component that we're going to  
15 realize next year. He started that two years ago. Thank

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

16 you.

17 Mr. Egigian was able to look at the Prison

18 Industry Authority about how the recycling of credit cards

19 and pick line. He addressed that issue and hopefully down

20 the road we can take that on.

21 Mr. Egigian's able staff, Al Lipson and Jeff

22 Danzinger, was able to keep the industry abreast of all

23 issues and for the five, six years up there. I know that

24 CRRC has really appreciated his support.

25 I think Mr. Egigian knows his roots and he

145

1 15

2 16

3 17

4 18

5 19

6 20

7 21

8 22

9 23

10 24

11 25

12 recognizes the small business of California will produce a  
13 big result.

14 At the legislative day last week Mr. Dan

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

Pennin community-based, family-owned business. We don't like the  
gton Wal-Marting of America with  
addres overconsolidation and overregulation. We appreciate the  
sed tiered permitting and permit streamlining so the small  
the business in California can continue to provide the services  
CRRC and meet the challenges of AB 939.  
member We have done a lot over the last couple years. You've been  
ship fiercely independent and you've really supported in the  
about industry in a consistent manner as we move forward to  
small address the 50 percent goal.  
busine So it's my pleasure an behalf of the CRRC to address you  
ss, and we wanted to recognize you today and thank you. I'm  
about going to start back in 1962 with William Ohanesian,  
making Marshall Rabins, Adam Schleining, Mr. Egigian was president  
the of the District South in 1968 and 1969, Charles Cattaneo,  
big Ed Burr, Charles Johnston, Al Avoian, Bill Makrdichian,  
result Clive Glassey, Charles Caspary, Al Hamlin, Tom Trulis, Phil  
s. Gentile, Don Goodrow and Cole Burr, David Fahrion, Stan  
We are Tkaczyk, Kelly Astor, Harry Astor, Dewey Vittori, Andy  
a Annigoni, Rudy Vaccarezza, John Moscone, who

146

1 lingers in this room today, Lawrence Zunino, Paul Madsen,  
2 Tony Petri, William Baciagalupi, Leonard Stefanelli, Tom  
3 Walters, Peter Borghero, Fiore Garbarino, Gerald Stokes,  
4 Paul Geisler, David Vaccarezza and Lou Pellegrini.

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

5 Thank you.

6 (Applause.)

7 BOARD MEMBER EGIGIAN: Thank you, Evan. I think

8 you gave me too much credit and I feel humbled by it, but

9 I'll accept it. And thank you.

10 (Applause.)

11 BOARD CHAIRMAN PENNINGTON: Thank you, Evan. Now

12 we'll move to Item 28, consideration of award of the

13 recycling market development zone program contract for

14 financial technical services.

15 Dan Gorfain.

16 MR. GORFAIN: Thank you, Mr. Chairman-and members

17 of the Board.

18 This contract provides financial technical

19 assistance to the RNDZ loan program. The contractor will

20 work with the loan staff, zone administrators and candidate

21 borrowers to advise and assist them on all respects of the

22 loan program, including marketing, loan packaging, credit

23 evaluation, deal structuring, research, policy development

24 and portfolio management. Last but not least the contractor

25 will provide training on financing issues to both staff and

147

1 the zone administrators.

2 This year the financial technical services

3 contract is structured somewhat differently than in the

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

4 past.

5 First, rather than being a flat rate contract it  
6 is based on fee for service with a cap of \$115,000 approved  
7 previously by the Board. Staff expects that this will  
8 provide more hours of service to the Board and to the zones  
9 throughout its term.

10 Second, the contract calls for over half of the  
11 services to be devoted to projects, specifically  
12 consultations, primarily loan package assistance, to loan  
13 applicants and zone administrators. This will help expedite  
14 and increase the efficiency of the review analysis and Board  
15 consideration of loan requests to the Board.

16 Third, the contract calls for greater-  
17 decentralization of services by increasing the consulting  
18 team's presence in Southern and Northern California and  
19 having it be more readily accessible to the central part of  
20 the state. This is consistent with the overall direction  
21 being pursued in the Board's RNDZ program of providing more  
22 hands-on assistance to the zones, to potential borrowers and  
23 other recycling businesses.

24 In short, staff believes that the approach  
25 reflected in this contract will lead to greater efficiencies

148

1 and effectiveness of the loan program.

2 We also plan to ask the contractor to provide

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

3 strategic guidance regarding future direction of the  
4 program.

5 The winning contractor this year being recommended  
6 to the Board today consists of a team headed by Westrends  
7 Consulting of Carlsbad. Westrends is new to the Board and  
8 comes well qualified for the job.

9 Earlier this month staff distributed to each Board  
10 member excerpts from Westrends' proposal which introduces a  
11 team described -- it describes the experience,  
12 qualifications and work statement in response to the RFP.  
13 Heading the team is Mr. Kurt Rainey. Other  
14 principals include Terry McGuire and James Martling of  
15 sperry Capital of San Francisco, Sharon Castle of S and T  
16 Investment in the East Bay and Robert Graham and David Boyce  
17 of Morrison and Associates in Sacramento.

18 Once the contract is approved and Westrends is  
19 officially on board, staff will schedule meetings for the  
20 team with Board members, loan committee staff and other  
21 interested parties such as the California Association of  
22 RNDZs so that a productive relationship may be establish  
23 among all.

24 Kurt Ramey is here today and I would like to  
25 introduce him to you. I'm sure that Mr. Ramey will be glad

149

1 to answer any questions you may have and in any event just

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

2 say a few words.

3 And I too stand ready to answer any questions you

4 may have.

5 MR. RANEY: Good afternoon and thanks again, On

6 behalf of Westrends Consulting I'm very pleased to be in

7 front of you today. We're very excited about this piece of

8 work. It's the type of work that doesn't come along very

9 often in state government. We worked very hard to put

10 together a team we thought would meet your needs. And I'm

11 here to tell you that we're going to do a very good job for

12 you.

13 We have a regional coverage I think that will

14 assist the RNDZs very well.

15 We have tremendous amount of experience in

16 government, economic development of loan programs, and then

17 we have also a tremendous amount of experience with small

18 businesses, financing businesses, operating businesses and

19 working with boards of directors and policy boards.

20 I think we have been in many of the areas we're

21 going to be asked to work in and I'm very pleased to have

22 this opportunity and I ask for your approval.

23 Thank you.

24 BOARD CHAIRMAN PENNINGTON: Could I get you to

25 state your name for the record.

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

150

1 MR. RAMEY: My name is Kurt Ramey from Carlsbad,

2 California.

3 BOARD CHAIRMAN PENNINGTON: Any questions of

4 Mr. Ramey?

5 BOARD MEMBER RELIS: Mr. Chair.

6 BOARD VICE CHAIRMAN FRAZEE: Mr. Chairman, I have

7 mixed feelings about this. On the one hand I'd like to take

8 credit for bringing some economic development to my own home

9 town. On the other hand I would not want to be accused of

10 that. And the fact that I had no knowledge until yesterday

11 that the successful applicant was from Carlsbad.

12 And I'd like to move resolution 96-74, which is

13 appropriate also.

14 BOARD MEMBER RELIS: Second.

15 BOARD CHAIRMAN PENNINGTON: Moved and seconded.

16 I believe -- do you have any questions? Any

17 discussion?

18 Secretary call the roll, please.

19 BOARD SECRETARY KELLY: Board Member Chesbro.

20 BOARD MEMBER CHESBRO: Aye.

21 BOARD SECRETARY KELLY: Egigian.

22 BOARD MEMBER EGIGIAN: Aye.

23 BOARD SECRETARY KELLY: Frazee.

24 BOARD VICE CHAIRMAN FRAZEE: Aye.

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

25 BOARD SECRETARY KELLY: Gotch.

151

1 BOARD MEMBER GOTCF: Aye.

2 BOARD SECRETARY KELLY: Relis.

3 BOARD MEMBER RELIS: Aye.

4 BOARD SECRETARY KELLY: Chairman Pennington.

5 BOARD CHAIRMAN PENNINGTON: Aye.

6 BOARD MEMBER RELIS: Mr. Chair, before we leave

7 this, could -- I'd just like to use this occasion to thank

8 Scott Roddy, who was the previous contractor. He did a very

9 able job for us in promoting the loan program. He was

10 aggressively out there in the field.

11 And I hope that we'll see the same kind of

12 aggressiveness and look forward to a good working

13 relationship with you.

14 BOARD CHAIRMAN PENNINGTON: Thank you, Mr. Relis.

15 Next item is No. 29.

16 Mr. Gorfain.

17 MR. GORFAIN: Yes, Mr. Chairman, members of the

18 Board.

19 This item is presentation of the Market

20 Development Committee's recommendations on loan objectives

21 and lending procedures for 1996.

22 As Mr. Relis stated in his Market Development

23 Committee report this morning, this item is on the regular

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

24 calendar because of the complexity and critical importance

25 to the loan program.

152

1 23

2 24

3 25

4

5

6

7

B

9

10

11

12

13

14

15

16

17

18

19

20

21

22

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

Also tee members have reviewed and concurred in the final there language in Attachments 1 and 2 to the agenda item, pages was a 129 and 130 in your agenda packet. Those are the numbers in need the bottom of the page.

to Recommended changes in objectives and procedures from last finali year are also shown in those attachments, red line starred.

ze The item is the loan program regulations that some require the Board to set program objectives by March 31st specif of each year.

ic This year staff is pleased to present those to you one langua month ahead of schedule. This year the annual review of the ge of program objectives took a broader and more integrated the approach than in the past. It involved staff from object throughout the Board, advisors and zone administrators in a ives series of roundtables and teleconferences.

as The process worked extremely well and the recommendations direct have been supported and are supported by all the ed by stakeholders thanks to an issue-focused and the issue-oriented approach and the capable assistance from commit some of the Board-trained staff in facilitating the tee. roundtables.

The I would like to extend kudos to all those who commit participated. They truly deserve them.

153

1 At its February meeting the Market Development

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

2 Committee considered and recommended to the Board the  
3 following actions.

4 First and second, adopt the 1996 loan program  
5 objectives in lending procedures which are contained in  
6 Attachments 1 and 2 respectively by adopting Resolution  
7 96-78, page 131 in your packet.

8 Third, adopt the policy of requiring loan  
9 recipients who are paper converters to conform to federal  
10 procurement standards for post-consumer recycled content in  
11 their products. That discussion is on page 120 of your  
12 packet.

13 This policy would primarily affect makers of CCC.

14 Federal standards are expected to be increased on May 15th  
15 of this year, and under this policy the Board would defer to  
16 the federal requirements.

17 Fourth, adopt the improved scoring ranges for loan  
18 applications for different priority materials to create a  
19 greater degree of consistency or a level playing field, if  
20 you will, for projects utilizing lighter versus heavier  
21 materials.

22 These proposed revised criteria are presented on  
23 top of page 123 of your package should you wish to refer to  
24 them at this time.

25 In addition to acting affirmatively on the items I

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

154

1 just discussed, the committee deferred consideration of four  
2 issues.

3 One is the purpose of the loan program, providing  
4 access to capital to those businesses that cannot readily  
5 obtain conventional bank financing versus incentive  
6 financing for bankable businesses to encourage their use of  
7 recycled feedstock.

8 Two, setting criteria for maximum dollar load per  
9 ton diverted.

10 Three, setting a minimum load size.

11 And, four, resorting to a letter from CRRC  
12 presented at the meeting requesting the Board to consider  
13 prioritizing loan applicants based on the contribution of  
14 their communities or origin to the IWMA. This is aimed at  
15 communities who choose to export their waste out of state.

16 The first three of these deferred items may be  
17 considered by the committee in the near future.

18 The fourth regarding waste exports will be  
19 considered as part of the larger policy being reviewed by  
20 the Board's Administration Committee.

21 In summary and in conclusion, staff is presenting  
22 the following Market Development Committee recommendations  
23 for your approval.

24 Adopt Resolution 96-78 approving the 1996 loan

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

25 program objectives and lending criteria.

155

1 24

2 25

3 Approve the policy of Board consistency with federal  
4 standards for post-consumer content in paper products  
5 manufactured by paper converters

6 And approve the new and improved loan application scoring  
7 criteria to create a level playing field for different  
8 feedstock materials

9 That concludes my presentation and I'll be glad to answer  
10 any questions

11 BOARD CHAIRMAN PENNINGTON: Questions of  
12 Mr. Gorfain?

13 BOARD MEMBER RELIS: Before we progress, first I want to  
14 thank staff as chair of the Market Committee for doing a  
15 superb job of pulling this item together. We had, I think a  
16 very productive discussion. I wanted to thank the zone  
17 administrators for coming in on this. We had very good  
18 testimony

19 One point did come up subsequent to our action on this and  
20 I referenced it earlier. At the hearing that we held for  
21 the loan committee, Chairman Pennington and I were there  
22 and Mr. Chesbro couldn't make it that day, but let me just

23

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

review that we had regarding well-collateralized companies versus  
. In others that were not so  
the well-collateralized, the issue came up, well, should we be  
discus loaning to companies that can access capital?  
sion The loan committee strongly said we should, but

156

1 they also said when it came to the issue of meeting minimum  
2 regulatory requirements such as the 20 percent post-consumer  
3 for paper that we should try to nudge some of these large  
4 companies in that direction. That was a unanimous  
5 recommendation from the loan officer types themselves.  
6 And I'm wondering if, and I know we haven't had a  
7 full discussion of this, I don't know if there is testimony,  
8 but whether we can insert into the recommendation at the  
9 appropriate time just something that acknowledges that, such  
10 as the Board shall favor applicants who propose greater than  
11 required content levels. I think it could be handled in one  
12 sentence.

13 And that's the extent of my comments.

14 BOARD CHAIRMAN PENNINGTON: Okay. Mr. Chesbro,  
15 did you want to make a comment?

16 BOARD MEMBER CHESBRO: I certainly would support  
17 that. I remember some discussion about it.

18 BOARD MEMBER RELIS: Well, what we ended up doing  
19 initially was we thought we better just stick with the

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

20 standard requirements because we thought it might get  
21 complicated, but then after hearing these loan officers make  
22 a somewhat impassioned appeal for this, it just seemed to — 23  
they thought it was imminently doable and they're the banker  
24 types.

25 BOARD MEMBER CHESBRO: I would both be supportive

157

1 of that and also say that I think beyond that point I think  
2 we brought up all of the concerns that committee and staff  
3 incorporated with some input from our committee members'  
4 advisors, incorporated the things that we asked for. So  
5 with the change that Paul recommends I would support the  
6 staff recommendation.

7 BOARD CHAIRMAN PENNINGTON: Okay. Are you going  
8 to make that as a motion?

9 BOARD MEMBER RELIS: Yes.

10 BOARD MEMBER CHESBRO: I'll second.

11 BOARD CHAIRMAN PENNINGTON: Okay. Is there any  
12 further discussion? I have no slips from the audience. If  
13 not --

14 BOARD MEMBER RELIS: Let me just be clear on the  
15 motion. You raised three points. There's Resolution 96-78.

16 MR. GORFAIN: Which covers both the objectives and  
17 the lending criteria.

18 BOARD MEMBER RELIS: Correct. So if we inserted

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

19 just a sentence, Board shall favor applicants who propose  
20 greater than required content, that's subsumed or carried in  
21 this motion?

22 MR. GORFAIN: That could be added to the motion  
23 and we'll get --

24 BOARD MEMBER RELIS: If that is acceptable that's  
25 what I'd like to do.

158

1 BOARD CHAIRMAN PENNINGTON: I think that's  
2 acceptable. Yeah.

3 BOARD MEMBER RELIS: Okay. That is my motion.

4 BOARD CHAIRMAN PENNINGTON: Okay. Are we all  
5 clear on the motion?

6 Okay. Will the secretary call the roll.

7 BOARD SECRETARY KELLY: Board Member Chesbro.

8 BOARD MEMBER CHESBRO: Aye.

9 BOARD SECRETARY KELLY: Did we get a second on  
10 that?

11 BOARD MEMBER CHESBRO: Yeah. I seconded.

12 BOARD CHAIRMAN PENNINGTON: Yes. Mr. Chesbro.

13 BOARD MEMBER CHESBRO: And I vote aye.

14 BOARD SECRETARY KELLY: Board Member Chesbro.

15 BOARD MEMBER CHESBRO: Aye.

16 BOARD SECRETARY KELLY: Egigian.

17 BOARD MEMBER EGIGIAN: Aye.

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

18 BOARD SECRETARY KELLY: Frazee.

19 BOARD VICE CHAIRMAN FRAZEE: Aye.

20 BOARD SECRETARY KELLY: Gotch.

21 BOARD MEMBER GOTCH: Aye.

22 BOARD SECRETARY KELLY: Relis.

23 BOARD MEMBER RELIS: Aye.

24 BOARD SECRETARY KELLY: Chairman Pennington.

25 BOARD CHAIRMAN PENNINGTON: Aye.

159

1 17

2 18

3 19

4 20

5 21

6 22

7 23

8 24

9 25

10 We will move to Item No. 30, semiannual update and  
11 publication of the inventory of solid waste facilities  
12 which violate State Minimum Standards.

13 Clint Whitney.

14 MR. WHITNEY: Good afternoon, Mr. Chairman and  
15 members.

16

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

With to catch an  
the airplane.  
chair' BOARD CHAIRMAN PENNINGTON: Sure.  
s MR. WHITNEY: Mary Coyle.  
indulg MS. COYLE: Mr. Chairman, members, I'm Mary Coyle, manager  
ence of the LEA section of the Permitting and Enforcement  
we Division.  
would And this is consideration --  
like BOARD CHAIRMAN PENNINGTON: Excuse me, you want to turn the  
to mike toward you.  
move MS. COYLE: This is consideration of the Board's intention  
Item to give a 30-day notice to Trinity County for withdrawal of  
37 up. designation approval.  
We In December Trinity County's Local Enforcement Agency's  
have a registered environmental health specialist staff vacated  
staff the County employment. And although the County has been  
member seeking somebody to fill that position they have been  
who unsuccessful to date in finding any qualified applicants.  
needs

160

1 Board staff has had numerous conversations with  
2 local officials and formally informed them by letter in  
3 January and February of a need to fill the staffing concern.  
4 On the positive side, Trinity County is working  
5 with Shasta County in trying to enter into a contractual  
6 arrangement for Shasta County to develop and provide

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

7 personnel services during this period until they are able to  
8 find and staff within the county themselves.  
9 Statute does require that the Board notify the LEA  
10 of particular reasons for finding that the LEA is not  
11 fulfilling the responsibilities and the Board's intention to  
12 withdraw designation approval in no less than 30 days.  
13 Because they do not have the staffing the Board  
14 staff has made the finding that they are unable to fulfill  
15 their duties and responsibilities.  
16 Staff recommend that the Board initiated the  
17 process and notify Trinity County of its intention to  
18 withdraw approval of its designation after 30 days of the  
19 receipt of the notification.  
20 If documents are received within the 30 days  
21 confirming the resolution of this issue the Board's notice  
22 would be cancelled.  
23 If documents are not received Trinity County would  
24 then have 90 days to either solve this or designate another  
25 agency.

161

1	6
2	7
3	8
4	9
5	10

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

11 required to be the enforcement agency.

12 Board staff are confident that Trinity County will work out  
13 this issue. At least in the interim period until the long-  
14 range situation can be solved staff has been able to work  
15 closely with them in resolving the issue.

16 This concludes my presentation.

17 BOARD CHAIRMAN PENNINGTON: Thank you.

18 This means that they would basically have 120 days or a  
19 little more than 120 days?

20 MS. COYLE: Well, we have done this in the past with Colusa  
21 County and what we did was the 30-day ran concurrently with  
22 the 90 days, so it was 90 days is what we did in the past.  
23 But the Board does have the ability to even stipulate a  
24 specified date if they would like to take  
25 that option. -

At the But again we feel comfortable that we've talked with the  
end of County and they're very comfortable, and as a matter of  
the fact we think in a matter of days we will have this  
90-day contractual arrangement.

period BOARD CHAIRMAN PENNINGTON: Mr. Chesbro.

if not BOARD MEMBER CHESBRO: Mr. Chairman, this is a necessary  
resolv step for us to assure that there's adequate enforcement  
ed the going on in Trinity County, but I think we also need to  
Board keep in mind that this is a county that once had  
is

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

162

1 five lumber mills and they're now down to one and there's  
2 extreme unemployment and really severe disruption in the  
3 local economy.

4 So I would hope that while we take the technical  
5 steps we need to take to make sure that the facilities are  
6 adequately inspected and all that, that we also keep, as we  
7 usually do, our assistance posture in trying to help them  
8 find a contractual arrangement or some other method by which  
9 they can provide this and not be viewed as a slap at the  
10 county, but rather a step that is consistent with our  
11 assistance approach which I know staff attempts to do  
12 anyway, I'm just trying to reinforce that.

13 BOARD CHAIRMAN PENNINGTON: Any other questions of  
14 staff?

15 Okay. We'll need a motion here.

16 BOARD MEMBER CHESBRO: I'll move staff's  
17 recommendation.

18 BOARD MEMBER GOTCH: And I'll second.

19 BOARD MEMBER CHESBRO: With the understanding that  
20 we're trying to work with them.

21 BOARD CHAIRMAN PENNINGTON: Right. Okay. It's  
22 been moved and seconded.

23 If there's no further discussion will the  
24 secretary call the roll, please.

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

25 BOARD SECRETARY KELLY: Board Member Chesbro.

163

1 BOARD MEMBER CHESBRO: Aye.

2 BOARD SECRETARY KELLY: Egigian.

3 BOARD MEMBER EGIGIAN: Aye.

4 BOARD SECRETARY KELLY: Frazee.

5 BOARD VICE CHAIRMAN FRAZEE: Aye.

6 BOARD SECRETARY KELLY: Gotch.

7 BOARD MEMBER GOTCH: Aye.

8 BOARD SECRETARY KELLY: Relis.

9 BOARD MEMBER RELIS: Aye.

10 BOARD SECRETARY KELLY: Chairman Pennington.

11 BOARD CHAIRMAN PENNINGTON: Aye.

12 Okay. Thank you.

13 MR. WHITNEY: Yes, thank you, Mr. Chairman,

14 members. For the record my name is Clint Whitney. I'm the

15 acting deputy director of the Permitting and Enforcement

16 Division.

17 Before I begin Item 30 I would like to express my

18 personal best wishes to Board Member Egigian in his future

19 and I wish him health and happiness in the future and thank

20 you very much for your participation and our friendship.

21 BOARD MEMBER EGIGIAN: Thank you.

22 MR. WHITNEY: Item 30 was originally taken to the

23 Permitting and Enforcement Committee with the intention of

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

24 presenting the twice yearly list for inventory of sites  
25 which have violations.

164

1 However, some events have occurred since that  
2 committee meeting that indicate that just an oral  
3 presentation and update to the Board would be more  
4 appropriate at this time.

5 The first was a letter was received at the  
6 committee from the NRDC which raised a number of issues and  
7 staff took under advisement.

8 And most important event, as I understand it,  
9 yesterday the court has made a ruling in our lawsuit with  
10 NRDC or issued an order which now is under consideration by  
11 staff and will be brought to the Board I believe later on in  
12 a closed session today.

13 For that reason we will not present you with this  
14 inventory until all this gets sorted out. We anticipate  
15 we'll bring whatever recommendations we have for the Board  
16 back to the Board in the next couple of months.

17 BOARD VICE CHAIRMAN FRAZEE: Thank you.

18 Any questions on this item?

19 If not will someone tell me where we are in the  
20 agenda?

21 MR. WHITNEY: We have Item 36.

22 BOARD VICE CHAIRMAN FRAZEE: Item 36, proceed with

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

23 the Oxford --

24 BOARD MEMBER CHESBRO: Mr. Chair, before we leave

25 No. 30, I did have some questions. I'm sorry.

165

1 My concern has to do with the fact that we have a

2 requirement under the law to report, I believe, twice a

3 year. Is that correct?

4 MR. WHITNEY: Yes.

5 BOARD MEMBER CHESBRO: The question is whether or

6 not by not publishing a list now we will in any way be in

7 jeopardy in terms of fulfilling that schedule.

8 MR. WHITNEY: My understanding, my reading of the

9 law is that it requires it twice annually. There are no

10 specified dates. So if it were deferred for a month or two,

11 so long as it's within the 12-month period.

12 BOARD MEMBER CHESBRO: So when did we last publish

13 the list?

14 MR. WHITNEY: I knew you were going to ask that.

15 BOARD MEMBER CHESBRO: I at least warned counsel

16 about these questions. I didn't tell you. Sorry.

17 FROM THE AUDIENCE: July of '95.

18 MR. WHITNEY: July of '95.

19 BOARD MEMBER CHESBRO: So we would be, if you're

20 thinking of even, fairly evenly spaced, we would be on

21 schedule if we did it now, but we could be coming up to

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

22 close to a year if we don't --

23 MR. WHITNEY: Yes.

24 BOARD MEMBER CHESBRO: -- move fairly quickly.

25 I guess the question I would ask, and I'm not

166

1 advocating this, I'm just asking, in order to be both  
2 complying with the spirit and the letter of that provision  
3 should we consider emergency regs in order to be able to  
4 publish sooner, not have an entire year pass as sometimes  
5 happens with regulations between the publications?

6 MR. WHITNEY: Regulations is one of the areas that  
7 we're exploring right now. Whether that would be  
8 appropriate, as I understand it from our chief counsel, that  
9 was an issue in court in which the judge expressed himself.  
10 She might want to speak to that.

11 MS. TOBIAS: I think it would be up to the Board  
12 to decide if they wanted to do emergency regs or just  
13 standard regs or handle this in some other fashion.  
14 So I think the appropriate thing to do at this  
15 time would be to perhaps to indicate your interest in doing  
16 so and then when I can brief you on the nature of the  
17 decision and then we can go from there.

18 BOARD MEMBER CHESBRO: The purpose of my question  
19 wasn't to try to get the Board to act in any way today, it  
20 was just to point out that relative to the intent of the

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

21 statute if we get bogged down and we could wind up with a  
22 year going by without publication and then that could be  
23 questioned whether we were fulfilling the legislative  
24 requirements, statutory requirements. So I just wanted to  
25 point it out for consideration. I'm sure that it will be

167

1 discussed by that committee that oversees this and by staff.

2 BOARD CHAIRMAN PENNINGTON: Okay.

3 MR. WHITNEY: Item 36, this is the Oxford Tire  
4 Recycling Permit. And Don Dier, Branch Manager -- beg your  
5 pardon. Ralph is going to give a presentation.

6 EXECUTIVE DIRECTOR CHANDLER: I think what I'd  
7 like to do for ease of being able to address the Board is  
8 actually move over there and sit in that chair and then do  
9 an introduction and set some context.

10 BOARD CHAIRMAN PENNINGTON: Okay.

11 EXECUTIVE DIRECTOR CHANDLER: Then have the staff  
12 presentations.

13 Thank you. Just a little bit of background.

14 First of all, I think you all know that this item  
15 has been before the committee several times. It was first  
16 heard in November of '95 in the meeting before the  
17 Permitting and Enforcement Committee. The item was heard  
18 again at the committee in December last year and again in  
19 January of this year.

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

20 The committee did offer a recommendation and a  
21 position for the full Board, which I'll briefly summarize in  
22 a minute.

23 The discussions that the staff have had with the  
24 Oxford Tire Recycling Corporation have focused primarily on  
25 three areas, three variables, three factors.

168

1 The first has been to reach consensus on the  
2 quantity of tires located at the Westley tire pile site.  
3 And we have made some concessions for the amount of tires in  
4 the delivery areas and tires outside the permitted boundary,  
5 those on Mr. Filbin's property.

6 The second fact that we focused on over the months  
7 has been calculated, the cost of tire pile remediation in  
8 accordance with our regulations. It is this calculation  
9 that forms the foundation of the basis for the required  
10 financial assurance requirements themselves.

11 As you know, these costs are comprised into two  
12 components.

13 First, the cost of the disposal, which has been  
14 calculated at \$16 a ton, or essentially the tipping fee  
15 charged by the Modesto Energy Limited Partnership, for  
16 receipt of tires as fuel for the electrical generating  
17 plant.

18 The second component of the cost of calculating

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

19 the remediation at the site involves the cost of tire  
20 transport from the tire pile to the disposal option. Again  
21 in this case the adjacent energy plant. That cost has been  
22 calculated at \$23 a ton. Therefore, the cost per ton for  
23 site remediation is calculated to be the sum of these two  
24 figures, the \$16 figure, plus the \$23 figure, for a total of  
25 approximately \$39 per ton.

169

1	18
2	19
3	20
4	21
5	22
6	23
7	24
8	25

9 The third and final variable involves negotiating a figure  
10 in which the total quantity of the tires at the site would  
11 be reduced on a net annual basis. This figure, which has  
12 been set forth primarily at the direction of the committee  
13 which expressed a view that they wanted to see a  
14 demonstrable decrease annually in the size of that tire  
15 pile, has been set at 500,000 tires a year, or half a  
16 million tires per year.

17 So in summary we are using a figure of 7.2 million tires as

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

the using a figure of \$39 a ton for the cost of remediation for  
estima which forms the basis of the financial assurance  
ted requirements.

number Lastly, we are conditioning the permit to achieve a half  
of million tire reduction annually.

tires Now, as was discussed earlier this month we learned as of  
at the February 1st the Modesto Energy Plant, due to fluctuations  
site in energy prices offered by PG&E, has actually been shut  
with down and will remain shut down for a 90-day  
some period.

conces million tires destined for the energy plant will now be  
sions. proposed to be sent to the tire pile itself and we have

Number included those figures, those tires, in our estimate of the  
two, The net result of that is that approximately 1.2

we are

170

1 total amount of tires at the site.

2 The committee did offer, as I indicated in my

3 opening remarks, a recommended position to the Board, and

4 that was to adopt the staff recommendation that is in the

5 item. I think the item and the staff work does a very good

6 job of describing how the mechanisms would work, the

7 combination of the trust fund with the bond, and offer staff

8 recommendation that the Board consider approving the staff

9 recommendation.

10 I just want to conclude before I allow Don Dier to

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

11 add any additional technical points that he may wish and  
12 open it up for questions, to remind the Board that the issue  
13 before you is really the application for a major waste tire  
14 facility permit, an application which the staff is  
15 recommending approval with the appropriate conditions that I  
16 have just outlined. -

17 With that I'll conclude my remarks and ask  
18 Mr. Dier if you have any additional points of clarification  
19 you'd like to add and turn it over to Mr. Pennington.

20 MR. DIER: I really have no points to clarify,  
21 just to iterate that the item did come out of the P and E  
22 Committee earlier this month on a 3-0 vote to issue the  
23 permit based upon the amount stipulated by Mr. Chandler for  
24 the financial assurances.

25 BOARD CHAIRMAN PENNINGTON: Thank you.

171

1 Questions of staff?

2 Okay. We have Michael Byrne.

3 MR. BYRNE: Thank you, Mr. Chairman, and members  
4 of the Integrated Waste Management Board.

5 My life has been inextricably linked with the  
6 Waste Management Board for so many years and I feel it's an  
7 honor to finally stand in front of you and discuss an issue  
8 with you.

9 My name is Michael Byrne and I represent Oxford

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

10 Tire Recycling. I've been on the job for about two weeks  
11 now. I guess I stand before you to prove that there's life  
12 after government and in about an hour I guess I'll know if  
13 there is or not.  
14 I sent a letter to Mr. Frazee requesting that the  
15 permit be moved back down to P and E so that we can go over  
16 the numbers that are the basis for the financial assurance.  
17 And I agree with Mr. Chandler with the comments  
18 that he stated regarding the permit. The permit conditions  
19 on reducing the pile, all the other issues to deal with the  
20 permit are exactly like he said.  
21 We have disagreement with the numbers that are  
22 used in the basis for the financial assurance.  
23 Now in my tenure in state government I was an  
24 auditor for ten years and being an auditor we would go into  
25 an entity to be audited and have an entrance conference and

172

1	9
2	10
3	11
4	12
5	13
6	14
7	15
8	16

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

17 was over we'd do the audit. We'd finish. We'd go back home.  
18 We would do our findings. We would write up our findings.  
19 And then we'd come back and have what was called an exit  
20 conference with the entity for the purposes of going over  
21 all the numbers, all the techniques, all the things that we  
22 found to make sure that there was no misunderstanding.  
23 Now, like I said I've only been on this issue for two weeks  
24 now. In fact, one of my friends at the Board referred to me  
25 as Mr. 11th Hour and that may be. But I think I owe it to  
explai my client to work with the Board on identifying what the  
n to true numbers are for financial assurances for this tire  
the pile.

entity So all I'm asking for is that the permit be moved  
how back down to P and E so that we can go over the numbers  
the that substantiate the financial assurance.

audit Now I've got some examples of the type of  
would questions that I'm going to be asking at that type of a  
go meeting.

about. For instance, the size of the pile. I was handed yesterday  
And a copy of the analysis that was used by the consultant to  
after compute the volume of the pile. And I'm reading through  
that that analysis, I can see that the base numbers that they  
confer used for the topography without tires was

ence

173

1 USGS base maps.

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

2 Now, most of you know that I was the director of  
3 Conservation and at Conservation I had a responsibility for  
4 mapping seismic hazards in the State of California. And we  
5 tried to use those USGS base maps for the basis of this  
6 analysis, but we found we couldn't. They were wrong. There  
7 were discrepancies anywhere from five to ten meters.  
8 So what we did is we went to Washington, D.C. and  
9 we instituted a program called GeoStar, which some of the  
10 people at the Waste Board are familiar with, that was to go  
11 out there and remap the contour of the surface of the earth  
12 using a very high-tech military radar technology, because we  
13 couldn't trust the USGS maps.  
14 If this is the basis for the consultant's figures  
15 on how big that pile is, and we're talking error ratios of  
16 anywhere between five to ten meters, I mean that's 15 to 30  
17 feet. These piles are only 40 or 50 feet thickest at the  
18 maximum. We're talking about what I think is bad  
19 information.  
20 And I would like to sit with the consultant, bring  
21 in experts on this field and go through and make sure that  
22 we're making use of the best technology available in  
23 deciding how big that pile is. I realize it's a terrible  
24 job to go out there and figure out this big massive mound  
25 and how much volume is there, but there are techniques

174

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

1 available that can really zero in on that.

2 There's disagreements on how many tires per cubic yard are  
3 involved in the pile. The consultant's report uses 20  
4 pounds as the average weight per tire. Yet I've got a copy  
5 of the Board's regulations and you use 25 pounds as a tire  
6 equivalent. Is it 20? Is it 25? Why is there a difference?  
7 If it's 20 -- or 25 for the Board's  
8 regulations, why is it not 25 for the consultant report?  
9 There may be an explanation for these things. In fact what  
10 I'd like to do is, and I'm just asking for the very next P  
11 and E Committee meeting that we address this issue, so I'd  
12 like to have, if you agree to this, have Board staff  
13 available, consultants available, Oxford Tire people  
14 available, Water Board people, county people, whatever it  
15 takes, to get into a room and go over the 15 or 20 numbers  
16 that are in this calculation to make sure we all agree with  
17 them.

18 And I don't think that's much to ask. I've heard that this  
19 pile has been sitting there for 30 years. What I'd like is  
20 another 30 days to take a look at it.

21 I've been told that the Board instructed staff and Oxford  
22 to go back and take a look at the numbers to create a  
23 monofill. I can't find those figures anywhere. I can't find  
24 anybody that even remembers talking about that. I think  
25 that should be a valid option. Monofills are a legal

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

175

1 means to dispose of tires in the State of California.

2 Now, I'm not suggesting we use a monofill. I'm

3 saying let's base the financial assurance or at least take a

4 look at basing the financial assurance on those numbers and

5 if they're a much lesser amount, have that at least be an

6 issue before the Board that you consider.

7 Now, why is this important? Well, the importance

8 is obvious. If Oxford is required to overfund a financial

9 assurance to the tune of \$108,000 per month, which I think

10 now has grown because we have, at least I've heard in the

11 audience that number might have grown per month, one of two

12 things will happen. Oxford will go out of business, or, if

13 they can avoid going out of the business they will have no

14 capital to find an alternative solution to deal with those

15 tires.

16 Now, those tires are sitting out there in a big

17 pile and we can take money and we can put it into a fund and

18 that money can be available to deal with that pile, but it's

19 not going to deal with that pile. It's just going to sit in

20 that fund on the chance that Oxford goes under and that the

21 money be available for the Board.

22 Okay. The other thing, like I said, if that money

23 is not available then they won't have it to find an

24 alternative use.

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

25 Mark Kirkland, the president of Oxford Tire, flew

176

1 up to Toronto, Canada, two weeks ago to take a look at a  
2 very exciting technology which we're trying to find out,  
3 I've talked Terry Gray, the Board's consultant, and some  
4 other people to see if it will really work to deal with that  
5 pile of tires. It uses microwave technology and it creates  
6 oil, steel and a carbon black material that will make the  
7 tires no longer a waste product, but a commodity. And I  
8 think if it does work and it does happen, I don't think  
9 you'll have to be talking about tires anymore as a problem.  
10 People will be out there trying to get as many as they can.  
11 That's about it.

12 So the bottom line is I'm asking for 30 days. I  
13 know it's late in the process and I apologize for that. I  
14 would just like a chance to sit down and go through these  
15 numbers. Is it 20 pounds, is it 25 pounds, is the USGS maps  
16 the best thing to use, and really try to help a California  
17 business really make it in these tough economic times, and  
18 reduce that financial assurance as low as we possibly can,  
19 but yet provide adequate protection to the Board.

20 Thank you.

21 BOARD CHAIRMAN PENNINGTON: Questions of

22 Mr. Byrne?

23 EXECUTIVE DIRECTOR CHANDLER: Mr. Chairman, would

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

24 you like me to respond to some of the points he's raised?

25 BOARD CHAIRMAN!' PENNINGTON: Certainly.

177

1 EXECUTIVE DIRECTOR CHANDLER: Take a crack at a

2 couple.

3 Unfortunately, Mr. Byrne has not been through the

4 numerous committee hearings that we had that go back to last

5 fall, because I think we have spent hours, as you know, at

6 least before the P and E Committee, hate to refer to them as

7 dueling consultants, but at least the consultants that have

8 come forward and lay forth their methodologies, their

9 calculations, their basis for the estimated number of tires

10 at that location.

11 Staff is putting its best estimates on the

12 methodology developed by Mr. Gray, who has a proven track

13 record in this area.

14 And frankly we have been criticized by many people

15 out in the tire business as having actually underestimated

16 the number of tires at that site. I know you've all

17 received letters to that effect.

18 We feel the number of six million excluding the

19 delivery area outside, plus the additional 1.2 that we know

20 is going to come with the now unfortunate shutdown of the

21 energy facility, to put the ballpark around seven to eight

22 million, we think that's reasonable.

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

23 There's no question with regard to Oxford's  
24 understanding of how we came up with the numbers to get the  
25 \$39 a ton.

178

1 First of all, as I indicated, the \$16 a ton is  
2 right in their contract. That is the tipping fee that is  
3 charged. That is a fixed figure. It's part of their  
4 negotiated agreement with Modesto Energy. That's a number  
5 that's not in dispute.

6 I think the number that's been in dispute and  
7 frankly the responsibility for who has responsibility to  
8 bring tires from the tire pile itself to the energy plant  
9 has been one in which both parties argue over who ultimately  
10 has that responsibility.

11 But to our site remediation work we have conducted  
12 over the last several months, years, we have now determined  
13 what we think it costs to move a tire from point A to point  
14 B, using the kind of equipment necessary and the like. And  
15 we have taken the results of our contract work to date under  
16 the 2136 program and factored those costs into coming up  
17 with a figure of \$23 a ton for moving those tires to the  
18 hopper. And so the \$39 ton a figure, as I indicated, is the  
19 combination of those two figures.

20 And I know that in talking to Mr. Dier we have sat  
21 down and done that exit interview that Mr. Byrne is

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

22 referring to with the applicant and explaining how we have  
23 come to the conclusions we have on both those component  
24 costs.

25 The variables are clear. It's the total number of

179

1 tires at that site and what staff estimates to be the cost  
2 to remediate that site. I know we have a difference of  
3 opinion there, but I think the regulations speak pretty  
4 clearly to what this Board's responsibility is.

5 I think we can still continue the negotiations,  
6 but I would urge that this Board take action to at least put  
7 in place the conditions appropriate at that site, which is a  
8 permitted facility with the appropriate financial assurances  
9 required as such.

10 BOARD CHAIRMAN PENNINGTON: Mr. Byrne.

11 MR. BYRNE: Mr. Chairman, I want to give you one  
12 example of the catch 22 that I see on this issue that's  
13 before us. Okay.

14 Staff recommends \$108 a month be put into a fund  
15 to deal with the tires and that computation is based on  
16 having a fully funded fund by September of '97.

17 And I've been instructed that that date is  
18 important because the PG&E contract the MELP runs out the  
19 end '97. So the thinking there is let's have sufficient  
20 monies to deal with this pile of tires before the MELP plant

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

21 goes out of operation, if in fact that does occur.

22 The only trouble is the calculation is based upon

23 moving the tires into the NELP plant.

24 BOARD CHAIRMAN PENNINGTON: Okay. I have one

25 question for you, that I don't think there's much sentiment

180

1 for putting this off another 30 days, but if in fact we did

2 that, would your client agree not to put any more tires in

3 there?

4 MR. BYRNE: Mr. Chairman, I spoke about that with

5 my client and the first thing they did is they pointed out

6 to me, they said, okay, let's take a look at the law that's

7 before us. There's a section of law, and I'll read you

8 right from statute as they quoted me, Section 42866 of the

9 Public Resources Code. It says: "The board shall adopt

10 emergency regulations setting forth procedures for the

11 authorization of at least one landfill in each region of the

12 state to accept and store shredded tires. These regulations

13 shall require that shredded tires be separate from other

14 forms of solid waste and stored in a manner that will

15 encourage their removal for future use."

16 They quoted that to me and they said we would have

17 loved to have applied for a permit based upon those

18 requirements, but there was never a emergency regulation

19 issued. Once again a catch 22.

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

20 Now, they're in the business to purchase tires or  
21 to be sold tires and to deal with tires and they can't  
22 suspend their operations.

23 BOARD CHAIRMAN PENNINGTON: Fine. And we're in  
24 the business of protecting health and safety of the people  
25 of the State of California.

181

1 Mr. Frazee.

2 BOARD VICE CHAIRMAN FRAZEE: The section that you  
3 just quoted you indicated the regulations have not been  
4 adopted.

5 MR. BYRNE: That is --

6 BOARD VICE CHAIRMAN FRAZEE: At any time before  
7 this latest proposal came up did your client pursue that  
8 option, ask anyone at the Board what if we follow this other  
9 route?

10 MR. BYRNE: Not that I'm aware of, Mr. Frazee.

11 BOARD VICE CHAIRMAN FRAZEE: My understanding of  
12 this section it can be met under current regulations with an  
13 existing landfill permit and in fact it may or may not be, I  
14 don't know for sure, on an operating landfill separate cells  
15 that meet the requirements set forth in this, keeping those  
16 tires separate. And I've asked for examples and I don't  
17 know --

18 MR. DIER: That's correct, Mr. Frazee. Our

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

19 current regulations on landfills address and accommodate  
20 this provision of law.

21 BOARD VICE CHAIRMAN FRAZEE: It's the staff's  
22 provision that we have met, under other regulations, we have  
23 met --

24 MR. DIER: We have numerous landfills in the State  
25 of California that are accepting shredded tires.

182

1 BOARD VICE CHAIRMAN FRAZEE: So what you're really  
2 seeking in the 30-day delay is an opportunity to pursue the  
3 financial assurance based not on the method of burning the  
4 tires on site, but on the method of constructing a landfill  
5 on site and landfilling those tires?

6 MR. BYRNE: Partially, yes. I'm sorry, I sound  
7 like a politician. Partially, yes, because I don't think  
8 that anyone at this point in time can definitely say that  
9 that PG&E contract will be renegotiated by MELP. So I agree  
10 with you. I think that MELP has an option for getting rid  
11 of these tires as of December 31st or '97, is definitely in  
12 question. Okay.

13 Secondly, I would like to take a look at the  
14 numbers for creating a monofill at the facility. This has  
15 never been done.

16 And like I said, a Board member instructed staff  
17 and Oxford to go back and do this and this activity has

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

18 never occurred. And take a look at what the numbers would  
19 be to create a landfill on the site.  
20 And a third thing, to go over the existing  
21 numbers. Like the example I quoted is a passenger tire 20  
22 pounds or is it 25 pounds? It can't be both.  
23 So if the Board's regulation says 25 pounds then  
24 the consultant should use 25 pounds and if that makes a  
25 difference, 20 percent, in the total financial assurance in

183

1 and of itself that's a good thing to do.

2 BOARD CHAIRMAN PENNINGTON: Mr. Relis.

3 BOARD MEMBER RELIS: Mr. Chair, I guess my problem

4 is, I think I get the sense that others share this, but here

5 we are at later than the 11th hour, one minute before

6 midnight, and we're being asked to defer for a month.

7 We hear no indication that the applicant would

8 cease taking tires.

9 We've been in a debate for a long time on the

10 number of tires and we have an obligation as a regulatory

11 board to have financial assurances.

12 So while I'm respectful of the desire to change

13 course in this direction or at least explore that, I'm not

14 convinced that we have a game plan that answers the Board's

15 regulatory requirement.

16 BOARD CHAIRMAN PENNINGTON: I concur in that.

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

17 Mr. Frazee.

18 BOARD VICE CHAIRMAN FRAZEE: Yes. I just wanted

19 to pursue a bit more this landfill option that you're

20 suggesting at this point.

21 Has anyone in Oxford Tire done any ballpark work

22 on what it would cost to build a landfill and how long would

23 it take?

24 MR. BYRNE: Yes, sir. Yes, we have, Mr. Frazee.

25 Oxford Tire is in a procurement status right now

184

1 to buy a tire shredder. And the person that they can buy a

2 tire shredder from says that they can shred the tires at \$8

3 aton.

4 Now, the rest of the landfill requirements I guess

5 are, you know, I realize the regional water board has got to

6 come in, the county has got to come in there, the Board

7 ultimately has to come in there and make the decision, okay,

8 is there an aquifer, can we even do one here, do we have to

9 do a clay cap, how do we do the layers and all that. I

10 realize there are a lot of issues that have to be dealt

11 with.

12 But I can assure you that the total cost would be

13 a lot less than \$39 a ton and you don't have to rely on the

14 MELP facility operator, which is a questionable reliance at

15 best.

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

16 BOARD VICE CHAIRMAN FRAZEE: I think that's where  
17 the point of dispute is, can you really do it for less than  
18 \$39 a ton and probably since no one is an expert in that  
19 area my guess is probably as good as anyone else's. When  
20 you think about getting to a new landfill starting from  
21 ground zero right now and you go through land use, you go  
22 through CEQA requirements, you construct a Class D cell, I  
23 think Mr. Egigian talked about ten years down the road to  
24 even site a new landfill, you know, you're building up a  
25 continuing bigger and zigger pile of tires, and I would just

185

1 suggest to you that it probably would cost more than the  
2 current option of feeding the things into the plant.  
3 And if it were not for the fact that I think the  
4 ratio of when the plant is operating is six new tires  
5 on-site for every one tire that's coming off the pile, I  
6 think that's a fair statement, probably within the period of  
7 time if that were not a factor, and I understand the  
8 economics of that, why that has to be done, but if the goal  
9 is only to get rid of the tires in the pile and you didn't  
10 burn anything else and if the plant ran, lots of ifs, you  
11 could probably significantly diminish that tire pile by the  
12 time that the PG&E contract runs out.  
13 That is, we have no assurances that it will even  
14 start up again at this point.

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

15 As much as I'd like to be of help, I think if we  
16 extend that over and over and over again trying-to find some  
17 way to accommodate this, keeping in mind the constraints in  
18 the statute that we're governed by, and the fact that this  
19 is sort of a landmark case, if we don't do this one right we  
20 have absolutely no credibility in the whole rest of the tire  
21 permitting thing that comes down the road.

22 BOARD CHAIRMAN PENNINGTON: We do have another  
23 speaker.

24 MR. BYRNE: Can I make one more comment?

25 BOARD CHAIRMAN PENNINGTON: Sure.

186

1 MR. BYRNE: Mr. Frazee, I can appreciate the  
2 burden of financial assurances. When I was director of  
3 Conservation I was responsible for financial assurances at  
4 all 1400 mines in the State of California.

5 But I think when we are talking about numbers like  
6 \$3.3 million, \$108,000 a month, to a businessman in the  
7 State of California I think we have got to give them every  
8 opportunity to make sure we're cutting the best deal for  
9 them.

10 So thank you, sir.

11 BOARD CHAIRMAN PENNINGTON: Thank you.

12 Mr. Orlando Castano.

13 MR. CASTANO: Thank you, Mr. Pennington, Chairman

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

14 Pennington.

15 And for the rest of the Board and for some of the  
16 Board members that I have yet to meet, Mr. Chesbro and  
17 Ms. Gotch, thank you.

18 Now some of the issues that were brought up by  
19 Mr. Byrne is this landfill idea actually would be on the  
20 property, monofilling right then and there, so  
21 transportation, setting up the new site, doesn't really come  
22 into the equation.

23 Even if we were to spend \$5 a ton on labor and  
24 another \$5 a ton for equipment, you're still at \$18, which  
25 is a lot cheaper than the \$39. And that's what we're

187

1 getting at, that there's some options and the possibility of  
2 these numbers are going to be lot less than this \$39 figure.

3 Now, speaking of the \$39 figure, I don't see how  
4 \$23 per ton is the cost for transporting tires when the  
5 tires do not need to be transported anywhere. Parts of the  
6 pile are about as close as that wall to that wall from the  
7 hopper. Other parts are, what, 300 yards maybe. Is it  
8 going to cost \$23 per ton more than the tipping fee just to  
9 move those tires out? I don't think so.

10 Contrary to what Mr. Chandler said, we have not  
11 been provided information as to how they came up with this  
12 \$23 a ton other than that's how much it cost to take them to

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

13 a cement kiln in Mohave or Redding. We're not transporting  
14 these tires to Mohave or Redding.

15 The \$39 figure is inflated and it is grossly  
16 inflated.

17 Like I said at the last hearing, if OTR goes belly  
18 up tomorrow this Board will pay \$16 per ton, not a penny  
19 more, not a penny less, to have those tires taken from the  
20 pile and put on the hopper.

21 So with that in mind you can see we're coming from  
22 telling you that this \$39 is actually way too much.

23 Now, the variables are what's important here. We  
24 have this tire pile. And I'm going to address you as if you  
25 were judges in a court, because you guys got to make a

188

1 decision based upon sound factual information and to what's  
2 credible.

3 You want to believe what the TAG results say,  
4 there's 7.2 million tires there. We want you to believe  
5 that the Mitchell and Hereford study is the actual correct  
6 one.

7 And you got to look and see which count is the one  
8 that's most likely the most accurate. At this point you  
9 have two experts who have totally different opinions about  
10 the tire pile.

11 If you look at it that way, I believe you can see

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

12 that the Mitchell and Hereford study is a lot more accurate  
13 and that number is the true number.

14 What you have on one hand is you have TAG  
15 spending, or Mr. Gray, spending 45 minutes at our pile one  
16 day, someone spending two days, gathering the information  
17 and taking seven aerial photographs.

18 Then you've got Mitchell and Hereford spending one  
19 and a half years doing three separate counts, each coming up  
20 within five percent of each other.

21 I mean the credibility of the different numbers  
22 and the amount of time that it takes to count the tires  
23 should not be done in a 45-minute or two-day period of time.

24 Right now Mitchell and Hereford is back out on the  
25 pile because MELP's hiring them to do a recount. They've

189

1 been there over a month and yet TAG can go out there and in  
2 two days and have Mr. Gray out there for 45 minutes and come  
3 up with number. It's highly unlikely. You've got to look  
4 at what's credible, because you're going to make your  
5 decision based upon that.

6 Now, this issue of 20 pounds per tire or 25 PTEs,  
7 that's a big difference. That is a big difference. It  
8 makes a difference actually how many tires are there, how  
9 many tires are not there.

10 And if Mr. Chandler is saying that that study is

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

11 correct because they have told us and they have had their  
12 exit review with us and the study is based upon some sound  
13 decision, well, it is faulty because in your own statute  
14 you've defined PTEs as 25 pounds, not 20. That is the  
15 number that has to be used.

16 Is the Board aware that Mr. Gray used an  
17 assistant, a student assistant, by the last name of  
18 Mr. Black, who was relieved, for lack of a better term,  
19 because he was incompetent? This is where these numbers are  
20 coming from.

21 Does the Board want to stand behind a count that  
22 is full of holes that perhaps could be attacked in many  
23 different ways?

24 Now, I'm going to give you an example of what's  
25 inflated as the count.

190

1 As you know, part of the delivery area was backed  
2 out by staff. In that delivery area, TAG study says there  
3 was 4,300 tons, approximately 430 tires.  
4 Now, at a meeting earlier this month in which  
5 Mr. Chandler and some of the other staff members were there,  
6 as well as representatives from MELP, it was explained by  
7 MELP's own people that in that delivery area that they could  
8 burn anywhere from 16 to 17 thousand tires per day, and that  
9 at a maximum in seven days that entire delivery area would

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

10 be cleared.

11 Now, if we take that 17,000 tires per day, seven  
12 days, do the math on that, you're going to get 119,000,  
13 about 120,000 tires. Say you go to 150,000 tires. Well,  
14 their figure of telling you there's 430,000 tires in that  
15 little area alone is three to four times higher than the  
16 actual numbers.

17 Now, the MELP numbers, what they have burned to  
18 date is very very accurate. And we know in seven days that  
19 that entire delivery area is going to be completely empty.  
20 And in actuality it's going to be empty in five days.  
21 So as you can see these variables, there is a lot  
22 to them. And for these reasons alone we are asking that  
23 perhaps a 30-day extension of time. We've already had  
24 enough extensions of time. There is not going to be anymore  
25 harm by keeping the status quo and that's all we are asking.

191

1 BOARD CHAIRMAN PENNINGTON: There will be 400,000  
2 new tires going in there. That is a substantial problem.

3 MR. CASTANO: But we had that also last year when  
4 MELP shuts down. That's part of the seasonal operations.  
5 Okay. There's nothing else you're going to be able to do  
6 about that.

7 I mean, this time we have been going at this since  
8 June of '94. So 30 more days is not going to hurt anybody

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

9 as it is, you know, any waivers of time and time lines that  
10 have been asserted by myself, they have not been waived.  
11 They have been put on hold so we can negotiate, we can work  
12 together with staff and come up with something that is going  
13 to please the Board and it's going to help the State of  
14 California.

15 That's all we're asking is the status quo period  
16 to explore the possibilities that maybe these numbers are  
17 wrong, maybe there is less tires and perhaps Mr. Gray might  
18 realize that that is inaccurate at that point in time, or  
19 maybe this monofill is a viable option.

20 And that's all that's being asked today of this  
21 Board.

22 BOARD CHAIRMAN PENNINGTON: Okay. Thank you.

23 MR. DIER: Mr. Chairman.

24 BOARD CHAIRMAN PENNINGTON: Mr. Frazee.

25 BOARD VICE CHAIRMAN FRAZEE: Just a couple of

192

1 items.

2 One, on the request for 30 days or the next  
3 Permitting and Enforcement Committee, I've been reminded  
4 that Permitting and Enforcement Committee next meets on  
5 March the 6th and that agenda has already been published and  
6 mailed. We would have some difficulty meeting that.  
7 The next regular full Board meeting is now March

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

8 27th in Sacramento. So that as we talk about 30 days, we'll  
9 need to address that issue.

10 MR. BYRNE: Mr. Frazee, I sent you a letter  
11 requesting the next P and E meeting. After speaking to  
12 counsel, and it was suggested that seeing as you were the  
13 chair of the P and E Committee I sent you a letter, counsel  
14 looked at the issue later and said, no, it's got to go to  
15 the full Board and I fully agree with that determination.  
16 So maybe instead of requesting the next P and E  
17 Committee I could request that it could come back to the  
18 full Board and that would leave it within that 30-day time  
19 frame.

20 BOARD VICE CHAIRMAN FRAZEE: And I did respond to  
21 that letter that I could not unilaterally pull that back and  
22 the item was before the Board and --

23 MR. BYRNE: I support that 100 percent.

24 BOARD VICE CHAIRMAN FRAZEE: The other issue I  
25 wanted to bring up, and I don't want to beat this too much,

193

1 but the issue over the 20 or 25 pounds. I think what we say  
2 down there the tires going to the MELP plant were all  
3 basically standard size tires, 20 inch and under. And there  
4 were a lot of oversized heavy equipment tires on site that  
5 cannot be accommodated in the MELP plant. So when you start  
6 talking about those kinds of variations, I think there's a

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

7 lot of variables there.

8 Something would have to be done, additional cost

9 involved in either taking those tires to another site or

10 shredding them, cutting them, doing something to make them

11 suitable for use in the MELP plant. So it probably -- it

12 could be a figure that's much more significant than the

13 difference in five pounds per tire.

14 MR. BYRNE: I agree with that. What I'm saying is

15 there's so many variables. In the consultant's report they

16 say one of those large tires is equivalent to four or five

17 passenger tires, yet they use the multiplier of five in

18 every instance in the calculation. They never use the four.

19 And either four or five sound like four and a half to me.

20 BOARD VICE CHAIRMAN FRAZEE: The point is that

21 those large tires cannot be accommodated in the MELP plant.

22 MR. BYRNE: Agreed.

23 BOARD VICE CHAIRMAN FRAZEE: There must other --

24 MR. BYRNE: Have to be chopped in half or

25 something. I agree with that.

194

1 MR. CASTANO: Which has not been addressed in the

2 reports of these numbers, which is one of the other reasons

3 why we need to go back and actually sit down with the

4 consultant, sit down with staff, perhaps some members of the

5 Board, and go through that, questions where you think of

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

6 come up. And we can turn around and we can look at each  
7 other and say, oh, yeah, what about that issue, has that  
8 been addressed, is that entered into the equation?

9 BOARD CHAIRMAN PENNINGTON: Mr. Dier.

10 MR. DIER: Mr. Chairman, it appears that there's  
11 been some questions of the credibility of the information  
12 from our consultant and I just wanted to advise the Board  
13 that Mr. Gray is available should the Board like some  
14 explanation of the data, the methodology that was used. He  
15 is available.

16 BOARD CHAIRMAN PENNINGTON: Okay. Thank you.

17 Do any Board members have any additional  
18 conversation or questions for Mr. Castano?  
19 If not, should we move forward?

20 That's it --

21 BOARD MEMBER RELIS: Mr. Chair, I just wondered,  
22 just for the record, I don't want to get into a lengthy  
23 revisiting of the methodology, we've heard that in  
24 committee. If I recall correctly it was more than a few  
25 hours' work that went in to the calculations and I wonder if

195

1 you could just very briefly summarize.

2 EXECUTIVE DIRECTOR CHANDLER: I see you're looking  
3 at me and I'll ask the question across the room. Maybe I  
4 shouldn't have moved over here.

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

5 Ms. Tobias, do you believe it's appropriate to get  
6 into the record any more discussion around the methodology  
7 that we used?

8 I agree with Mr. Relis. I think countless hours  
9 were spent on that, so I hate to put that issue before the  
10 Board if it's not necessary.

11 On the other hand we do have this \$23 a ton figure  
12 clearly being questioned, as well as the total number of  
13 tires in the tire pile itself and so I wanted to be clear in  
14 your opinion.

15 MS. TOBIAS: I think the consultant could very  
16 briefly describe, I know members of the Board were not at  
17 the committee meeting, as I recall, so if he could briefly  
18 go over and I think it would stand the Board members in good  
19 stead for considering that.

20 EXECUTIVE DIRECTOR CHANDLER: Okay. Mr. Gray,  
21 would you come forward and briefly summarize your approach.

22 MR. GRAY: I've heard briefly at least half dozen  
23 times, so I will be brief.

24 First of all, I'd like to reassure you we were not  
25 cavalier in doing this. We're experienced and we are

196

1 efficient, but not cavalier. We spent time on site. We  
2 documented the site in pictures and in videotapes that we  
3 have to refer to as we did further work.

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

4 Psomas and Associates is a very well-qualified  
5 surveying firm. They did their work according to surveying  
6 standards.  
7 And just to put your mind at ease, there are  
8 questions about USGS surveys. They do have inherent  
9 accuracy limitations, so as a result Psomas took regulatory  
10 survey data points, elevations, using normal surveying  
11 methods to confirm and adjust the USGS slopes before they  
12 took that. They did recognize that and it's best to do  
13 that, which is probably as much or more than any other firm  
14 could do.

15 As a reflection on Psomas' work, Mitchell and  
16 Hereford has purchased their basic data so they can do their  
17 readjustment of their figures. I would hope that's a  
18 positive reflection.

19 The methodology of the difference between 20 and  
20 25 pounds, frankly it doesn't matter at all, because the  
21 whole objective was to end up with tons of material that  
22 have to be taken from the site and all of these costs are  
23 being expressed in tons.

24 And our work that we have done we used 20 pounds  
25 per unit, but we could have adjusted our figures from

197

1 historical experience to 25 pounds and it wouldn't have  
2 changed the end result of 72,000 tons present on that site.

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

3 So that's an irrelevance in terms of the finished quantity  
4 of tons.

5 I don't know whether --

6 BOARD MEMBER CHESBRO: I'm one of those Board  
7 members that wasn't at the committee, so I'm sorry if I'm a  
8 little bit behind the curve here, but can you explain why it  
9 wouldn't affect it?

10 MR. GRAY: What you're looking at is historical  
11 weight of per unit volume. And we have typically, we know  
12 how many tires and weight have been in those unit volumes  
13 from previous work we have done in other states. In a  
14 number of other states we've helped abate piles and we have  
15 had the whole piles removed and compared to our estimates so  
16 we know how they stood.

17 So if we were going to take that unit weight per  
18 volume, we happen to use 20 pounds as our standard per tire,  
19 but we could have taken that same unit of weight and  
20 expressed it as 25 pounds if we had chose to and it still  
21 wouldn't have changed the number. We know the weight per  
22 volume.

23 BOARD MEMBER CHESBRO: So it's based on weight to  
24 volume ratio --

25 MR. GRAY: It's confusing. Start expressing PTEs

198

1 and all this kind of stuff, but it's really weight per

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

2 volume and that's what we were doing. The PTEs are a  
3 vehicle in the middle to help people understand, but in this  
4 case it just confused.

5 BOARD MEMBER RELIS: Just one other question of  
6 Mr. Gray.

7 Having visited the site since you last appeared  
8 before the P and E Committee have you dealt with any kind of  
9 topography like is in this canyon before?

10 MR. GRAY: There are very few areas that have  
11 California's topography with what you have in terms of tire  
12 storage. No, most of our sites have not had that. That's  
13 why we felt it was necessary to bring in a surveyor, because  
14 our traditional techniques that were geared towards much  
15 less physically measuring, we could not do in this  
16 environment. But in terms of applying the technology to  
17 this, once the surveyor had provided the volumes which we  
18 couldn't do, I'm very comfortable with the application of  
19 our technology based to this environment.

20 BOARD CHAIRMAN PENNINGTON: Okay. Any additional  
21 questions of Mr. Gray? Okay.

22 I think we are ready to —

23 MR. CASTANO: Actually, I'd like to make one more  
24 comment.

25 Mr. Chesbro, you brought up a good point about

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

199

1 whether 20 or 25, does it matter and the topography as well.  
2 You will hear Mr. Gray say that most of the piles  
3 he's addressed in other states have been front-loaded,  
4 highly-compacted piles. So their volume density is going to  
5 be different, versus the Westley pile, which is so unique.  
6 And he'll tell you he hasn't seen a pile like that where the  
7 tires have been rolled off a hill, so they're loose.  
8 They're a very loose pile. There's more space in between  
9 the tires, so the same volume densities are not going to be  
10 applicable. You cannot compare this pile to any other pile  
11 in any other state. That is improper methodology.  
12 If you're just going to say I look at that pile  
13 and I believe that's how many tons in that pile, that's what  
14 I'm going to do with this Westley pile, you're not counting  
15 tires, you're not counting volume. You're doing a visual  
16 inspection.  
17 What you need to do is actually spend time  
18 measuring the volumes, which Mitchell and Hereford did for a  
19 year and a half and what they're doing now for 30 days, and  
20 come up with a volume of this specific site, because this is  
21 a specific site that's being asked to provide financial  
22 assurance.  
23 Again, not a front-loaded pile, they're not — 24 tires are not  
pushed up against each other. It's not a

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

25 tight pile. It's a very loose pile. And you'll hear that

200

1 about the Westley pile, because they have been rolled off on  
2 the top of the hill.

3 BOARD CHAIRMAN PENNINGTON: Thank you. I think

4 we're ready for a motion.

5 BOARD MEMBER RELIS: Mr. Chair.

6 BOARD CHAIRMAN PENNINGTON: Yes.

7 BOARD MEMBER RELIS: I'll move the P and E

8 recommendation to the Board that would issue a major waste

9 tire facility permit based on the closure cost of 3.359

10 million, 3,359,000, if Oxford has demonstrated the

11 appropriate financial assurance.

12 BOARD CHAIRMAN PENNINGTON: Okay. We have a

13 second?

14 I'll second it.

15 Any further discussion?

16 I guess we need a little clarification. Do we

17 need a little clarification?

18 EXECUTIVE DIRECTOR CHANDLER: I know that the

19 question did come up in the event that the financial

20 assurances are not met what is the situation in the event

21 that they are or how long will the Board staff and the Board

22 be, if you will, allowing the applicant to demonstrate the

23 financial assurances?

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

24 It's my recommendation to the Board that we ask  
25 the applicant to make that demonstration within ten days.

201

1 Failing that, we're prepared to issue a cease and  
2 desist order out there to prevent the ongoing receipt of  
3 tires into that tire pile site until it becomes a properly  
4 permitted facility.

5 As you know, under landfill application procedures  
6 we would always have financial assurances demonstrated at  
7 the time the applicant came before the Board. I'm  
8 indicating that I'm willing to give the applicant ten  
9 additional days to make that demonstration.

10 Failing that, you do not have an effective permit  
11 in place and we would move forward with the enforcement  
12 action as the EA in that jurisdiction.

13 MS. TOBIAS: Mr. Chair, that would be March 8th.

14 BOARD CHAIRMAN PENNINGTON: March 8th. Do we need  
15 to include that time frame?

16 EXECUTIVE DIRECTOR CHANDLER: I think-really  
17 before you is the issue of the waste tire facility permit.  
18 I hope we don't get to that point, so I just would want you  
19 to know that if the Board should vote to issue the permit, I  
20 hope we see the demonstration within ten days. If not, then  
21 my advice to counsel would be to issue the enforcement  
22 action out there.

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

23 BOARD MEMBER RELIS: So would there be two motions

24 then here?

25 BOARD CHAIRMAN PENNINGTON: No.

202

1 MR. CASTANO: Clarification. Are you saying that

2 by March 8, we have to have 571,000 plus an additional

3 108,000 for \$678,000 in a trust fund? Is that the number?

4 EXECUTIVE DIRECTOR CHANDLER: No; I don't. And if

5 you'd like to get the specifics, I'll have Mr. --

6 MR. CASTANO: Are you just asking -- because I

7 know there's an initial deposit of 571,000, plus the 108

8 monthly deposits.

9 EXECUTIVE DIRECTOR CHANDLER: We can go over the

10 payment schedule with him if you wish now, Mr. Pennington,

11 or later. They are using a combination of mechanisms. They

12 have the \$500,000 bond in place, the balance 2.8 is in the

13 trust fund that would require 20 percent, the regulations

14 require 20 percent down with, I believe quarterly payments

15 that we would evaluate at the end of each year to ensure

16 whether or not the full annual payment screen has been met.

17 I think the discussion today has been correct.

18 That's approximately \$108,000 per month.

19 But if the applicant is unclear on exactly how

20 that payment schedule would flow, we can sit down with him

21 and explain the combination of mechanisms and how that would

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

22 work.

23 MR. CASTANO: With all due respect, I'd like to

24 have that on the record, what is it you are requesting that

25 be put in a trust fund by March 8th?

203

1 21

2 22

3 23

4 24

5 25

6 EXECUTIVE DIRECTOR CHANDLER: Let's do that.

7 Mr. Adams, can you come forward and we'll walk him through  
8 the numbers

9 BOARD CHAIRMAN PENNINGTON: Perhaps we should take care of  
10 the motion on the floor first and then we can deal  
11 with this, because it's superfluous if the motion should  
12 fail

13 BOARD MEMBER RELIS: The motion that I read speaks to the  
14 facility permit, not to the payment schedule.

15 BOARD CHAIRMAN PENNINGTON: If it's necessary.

16 So we have a motion. Should you restate your  
17 motion?

18 BOARD MEMBER RELIS: I'm recommending the P and E Committee  
19 recommendation that the Board issue a major waste

20

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

tire n if Oxford has demonstrated appropriate financial  
facili assurances

ty BOARD CHAIRMAN PENNINGTON: Okay. I second it.

permit No further discussion?

based Will the secretary call the roll.

on a BOARD SECRETARY KELLY: Board Member Chesbro.

clotur BOARD MEMBER CHESBRO: Aye

e cost BOARD SECRETARY KELLY: Egigian.

of BOARD MEMBER EGIGIAN: Aye.

3.359 BOARD SECRETARY KELLY: Frazee.

millio

204

1 BOARD VICE CHAIRMAN FRAZEE: Aye.

2 BOARD SECRETARY KELLY: Gotch.

3 BOARD MEMBER GOTCH: Aye.

4 BOARD SECRETARY KELLY: Relis.

5 BOARD MEMBER RELIS: Aye.

6 BOARD SECRETARY KELLY: Chairman Pennington.

7 BOARD CHAIRMAN PENNINGTON: Aye.

8 Motion carries.

9 Now, if you'd like to get on record in terms of

10 what the --

11 EXECUTIVE DIRECTOR CHANDLER: Mr. Pennington, the

12 permit that's just been approved by the Board requires some

13 financial assurances and I believe the question was asked is

14 what would be the first monthly payment deposit on that

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

15 mechanism.

16 Mr. Adams, do you want to speak to that question?

17 MR. ADAMS: Mr. Chairman, Board members, my name

18 is Garth Adams.

19 The \$108,000 figures we are discussing was based

20 on the Board taking action at one of the previous Board

21 meetings. As you know, the September '97 deadline is about

22 17 months away and every time you go closer to that you're

23 funding that number over a shorter period of time.

24 The last time we ran the spreadsheet the monthly

25 payment would be \$127,067, but as we progress out farther,

205

1 14

2 15

3 16

4 17

5 18

6 19

7 20

8 21

9 22

10 23

11 24

12 25

13

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

depend EXECUTIVE DIRECTOR CHANDLER: The payment would be  
ing on within ten days, 127?  
exactl MR. ADAMS: I believe that would be with the  
y when combination of the half million dollar bond, the \$571,000  
they deposit and then the monthly payments of 127,000 plus.  
come EXECUTIVE DIRECTOR CHANDLER: And that's the  
forwar combination of the two funds that they have discussed?  
d with MR. ADAMS: The combination of the surety bond  
that that they currently have and the trust fund that they have  
demonstratio established with Wells Fargo. And that is an acceptable  
n, it mechanism as well  
would BOARD CHAIRMAN PENNINGTON: Okay. Okay. Thank you, Mr  
be Adams  
differ Okay. We'll move along  
ent. I think the court reporter needs a little break  
Right here. Let 's take a five-minute break.  
(Thereupon a short recess was taken.)  
now it BOARD CHAIRMAN PENNINGTON: Okay. We'll come back to order.  
stands We've got about 45 minutes, we have about a  
at 127 ten-minute closed session, so we need to get moving here.  
as of And so once again we ask you to be as brief as possible.  
actual Our next item is Item No. 39, consideration of  
ly at  
this  
point

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

206

1 concurrence in the issuance of a new standardized solid  
2 waste facility permit for the Central Coxnposting site in  
3 Sonoma County.

4 Mr. Whitney.

5 MR. WHITNEY: Yes, Mr. Chairman. Don Dier will make this  
6 presentation.

7 MR. DIER: Mr. Chairman, this is an existing composting  
8 facility at the Central Landfill in Sonoma County. It is  
9 comprised of 35 acres and, as you mentioned, it is a  
10 standardized permit. It will have a design capacity of  
11 36,000 cubic yards of active compost on site.

12 Because it's a standardized permit it has a 30-day period  
13 for the Board to consider its concurrence or  
14 objection.

15 The Board received the permit on January 25th, which would  
16 have meant the 30 days expired a few days before this  
17 meeting. The operator and LEA did grant a waiver of time,  
18 so we could come to today's meeting.

19 Staff has reviewed the permit and the supporting report of  
20 compost site information and found everything to be in  
21 order.

22 The facility is identified in the Sonoma County Integrated  
23 Waste Management Plan that the Board approved  
24 last November.

25 The site has been inspected and found to be in

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

207

1 compliance with State Minimum Standards.

2 With regard to the California Environmental Act

3 the County prepared and adopted a negative declaration for

4 this project. Board staff reviewed this document and felt

5 that there was an inconsistency between that document and

6 the proposed permit, specifically in the areas of tonnage,

7 acreage, the types of amendments and additives and number of

8 vehicles.

9 We requested the County to consider those concerns

10 and the County elected to stand by their negative

11 declaration.

12 And the Local Enforcement Agency, however, as a

13 responsible agency in consultation with our staff prepared

14 and submitted an addendum to that negative declaration in

15 late January. And we reviewed that addendum and found that

16 has addressed our concerns with regard to CEQA.

17 I believe the members have received, staff has

18 received and the members have also received, a letter from a

19 group, Neighbors Against Landfill Expansion, which we'll be

20 referring to as NALE, N-A-L-E. They've raised several

21 issues with regard to the report of composting siting

22 information, regional water board issues, mitigation

23 measures, odors, traffic, aspergillus, cumulative impacts

24 and project alternatives. Staff have reviewed all of these

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

25 concerns and believe that the addendum prepared by the LEA

208

1 has addressed many of these concerns. We have been in

2 contact with the Bay Area Air Quality Management District

3 and the North Coast Regional Water Quality Control Board.

4 And based upon the input from those agencies, in addition to

5 the addendum, we feel that the concerns addressed in the

6 NALE letter have been addressed and staff are satisfied with

7 the permit that is before you today and recommend

8 concurrence in Permit No. 49-AA-0260, and ask that the Board

9 adopt Permit Decision No. 96-84.

10 We have the Local Enforcement Agency here. The

11 operator is prepared to make a brief presentation if you so

12 desire.

13 BOARD CHAIRMAN PENNINGTON: Okay.

14 MR. DIER: That concludes staff presentation.

15 BOARD CHAIRMAN PENNINGTON: Are there any

16 questions of Mr. Dier?

17 Do you wish to hear from the LEA or the sponsor?

18 BOARD VICE CHAIRMAN FRAZEE: Mr. Chairman, I think

19 it might be worth noting at least three members of the Board

20 have toured this site just in recent days. And just some

21 observations of my own I found this to be one of the better

22 operating facilities. I haven't been on all that many

23 sites, but it's interesting to note that local opposition is

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

24 centered around landfill expansion, which is not totally  
25 related to this particular issue, but also odor complaints,

209

1 23

2 24

3 25

4 and noting that there are on at least three sites of this  
5 facility areas between the compost facility and any  
6 residents, other than those associated with the dairies.

7 While I was there it was the next day after a heavy day of  
8 rain and even on top of the site there were no discernible  
9 odors at all.

10 They do have an unfortunate circumstance that could  
11 accelerate odor problems with the fact that the wind blows  
12 the direction towards the residences at all times, but it  
13 happens to blow across a dairy in the process or at least  
14 two dairies and so perhaps some of the odor complaints  
15 could be associated with dairy operations which do have a  
16 very significant odor problem immediately after a rain.

17 BOARD CHAIRMAN PENNINGTON: Okay. Thank you.

18 Mr. Relis.

19 BOARD MEMBER RELIS: Mr. Chair, just for the record I just  
20 received another communication. I think we all did, Humus  
21 the Third. We just noted.

22 BOARD CHAIRMAN PENNINGTON: Yes.

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

BOARD a site visit. It was raining part of the time we were  
MEMBER there. I tried to enhance my olfactory sense to see what  
RELIS: the problem was, if there was a problem. At least on the  
Like day I was there, I could smell manure, but unless I was  
Mr. right up against the actual waste pile, the solid waste  
Frazee going in, I

I made

210

1 did not detect odor problems.

2 It seems like it's a good location in an  
3 agricultural environment.

4 And I think the applicant has been candid with us  
5 regarding their start-up problems. They did have some odor  
6 problems in the beginning. That's not uncharacteristic of  
7 new compost facilities. But I think they've worked out the  
8 site to be able to manage properly the amount of material  
9 they have working there.

10 And they also, I understand, are repositioning the  
11 receiving area for some of the green waste and that might  
12 affect a little bit of the downwind issue if in fact there  
13 is one.

14 So I think it's an excellent program.

15 BOARD CHAIRMAN PENNINGTON: Okay. I have some  
16 people in the audience who wish to speak. Let's take those  
17 and then if there's any follow-up we can do that.

18 MR. DIER: Does that include the LEA or the

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

19 operator, perchance or did they want --

20 BOARD CHAIRMAN PENNINGTON: I don't know that

21 anybody has -- they're free to speak if they wish, but I'm

22 not sure.

23 BOARD MEMBER CHESBRO: I do have questions about

24 the air district odor violations and I don't know whether

25 the LEA or our staff would be the best to address that to.

211

1 MR. DIER: It would be appropriate to start with

2 the LEA.

3 BOARD CHAIRMAN PENNINGTON: Start with the LEA.

4 MR. SWIFT: Good afternoon, Mr. Chairman, members

5 of the Board. My name is Bob Swift and I'm the LEA for

6 Sonoma County.

7 Regarding the odors, in January and March of '95,

8 Sonoma County experienced two 100-year storm events within a

9 three-month period. This led to failure of the compost that

10 compostable material is not able to be turned in the

11 windrows, nor was the processed yard waste able to be

12 brought up and placed in windrows. This resulted in

13 excessively large stockpiles of processed yard waste and

14 compost, which generated odors which migrated off-site and

15 also created difficulties in meeting pathogen reduction

16 standards.

17 A notice and order was issued to address these

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

18 violations.

19 In the summer of '95 the compost pad was expanded  
20 and improvement were initiated. This included a  
21 concrete-treated cement pavement which temporarily reduced  
22 the compost area by one-third. This again resulted in the  
23 creation of temporary, excessively large stockpiles of  
24 processed yard waste and compost, which were the only two  
25 times that I've experienced nuisance odors off-site.

212

1 17

2 18

3 19

4 20

5 21

6 22

7 23

8 24

9 25

10

11 I've been out to the site ten times since January of this  
12 year and have not detected any odors off-site.

13 I feel that the improvements, structural improvements at  
14 the pad and the operational modifications that have been  
15 made, including the repositioning of the processing area to  
16 a more distant location from sensitive receptors and an

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

area most recent inspections have found this  
more facility to be inspected in compliance with Title 14 by  
protec both the Waste Board and myself as the LEA.  
ted BOARD MEMBER CHESBRO: So do I understand  
from correctly there have been no violations cited by the Bay  
the Area Air Quality Management District since August?  
wind MR. SWIFT: Since, August, correct. That's the last  
has violation or a citation for nuisance odors.  
taken BOARD MEMBER CHESBRO: Do you keep some sort of running  
care record of complaints or where do people call if they do  
of the have a complaint?  
odor MR. SWIFT: They call the Air Quality Management District.  
compla With the passage of AB 59 the AQMD advises me when  
ints. complaints are received.  
And BOARD MEMBER CHESBRO: So they and you keep  
the records of how frequently?  
last MR. SWIFT: All I get is the number of complaints  
213

1 and the dates.

2 BOARD MEMBER CHESBRO: Yeah. And they have

3 noticeably dropped?

4 MR. SWIFT: With the passage of AB 59 Air Quality

5 has received, has investigated 77 complaints, of which 17

6 were confirmed by them.

7 However, they do not meet the criteria that they

8 previously used prior to AB 59 to issue a citation for

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

9 nuisance odors. So the last violation or citation that was  
10 issued by AQMD was in August.

11 BOARD MEMBER CHESBRO: Thank you.

12 BOARD CHAIRMAN PENNINGTON: Any other questions of  
13 the LEA?

14 Thank you, Mr. Swift.

15 Okay. Eric Sunswheat.

16 I'd like to remind everybody that we're really  
17 under a time crunch, so if we can be as brief as possible.

18 MR. SUNSWHEAT: Greetings, Mr. Chairman, Board  
19 members.

20 This packet of information that I provided, I did  
21 give a copy to Mr. Fred Rudy with the Bay Area Air Quality  
22 Management District, Air Quality Inspector 2, and he was  
23 here most of the day and he just left a half hour ago or so.  
24 He made no comments about the front page of my being  
25 inaccurate at all.

214

1 I think the whole thing about odors is that if we  
2 look at the size of actually what's going on at that  
3 facility -- granted Mr. Relis was out at the site during a  
4 rain or just after a rain, the day after, but when rain  
5 comes down it's going to kind of suppress odors. I would  
6 ask Mr. Relis if he was out there while the compost turner  
7 was operating.

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

8 And so anyways my point is that I've been studying  
9 composting and this particular facility since 1992 before  
10 the contract was awarded. During — I've looked at all  
11 documents issued by the contractors.  
12 The basic science that it's involved is faulty.  
13 I understand you've been lobbied very heavily to  
14 pass these State Minimum Standards, but, see, this is an  
15 agricultural area and we want agricultural type composting  
16 activities and the State Minimum Standards don't address  
17 minimization of odors.  
18 And that's why in the staff report on page 223  
19 says that in the second paragraph that this is an aerobic  
20 windrow operation, but there's really no guarantee to that.  
21 And here we have on page 224 on paragraph number  
22 five, says, well, the design capacity is 36,000 cubic yards  
23 of active compost on site at any one time.  
24 Well, that figure alone is a potentially dramatic  
25 increase in composting possibility that could be there. The

215

1 way that the applicant is worming through the CEQA process  
2 is that sometime in the future we can say, okay, well, we  
3 can have a composting process there really looks at the  
4 fundamental science of monitoring not only temperature,  
5 moisture, but CO<sub>2</sub> and oxygen.  
6 And we can have a compost turnaround time that

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

7 would be, you know, four weeks is the absolute minimum that  
8 I've been able to figure out so far, instead of two to four  
9 months, which is in this RCSI.

10 Now, the RCSI says well, if it's turned seven to  
11 nine days, then the product will be finished in four months.  
12 And, you know, or if it's in four or five days it will be in  
13 two months.

14 So this suggestion is here, this is on page 27 R  
15 of the RCSI revised January 1996, and the assumption is that  
16 the only aeration, the only oxygen that's getting into the  
17 materials is when it's being turned.

18 And what we really have is a fundamental flaw in a  
19 fraud really, actually, in misrepresenting of the composting  
20 process.

21 This was a statewide guide example of how  
22 composting should be and if you look at the Empire Waste  
23 Management they said they were an international process  
24 systems, they bought a company in 1991 back East that was in  
25 association with Cornell University and you find out in 1992

216

1	6
2	7
3	8
4	9
5	10

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

11 universities, issued a extensive booklet on on-farm  
12 composting and it addresses the parameters, and here two  
13 months later, August of 1992, Empire Waste Management and  
14 Sonoma Compost Company proposes this experimental program  
15 for Sonoma County and says that they have the State's best  
16 compost experts.

17 I think this is real late in the game to say,  
18 well, Bob Swift he didn't detect any odor, but when you ask  
19 him, from what I see or what I heard is, in one written  
20 statement, he doesn't detect any odors driving down Mecham  
21 Road, but I don't see any statement that he's going out to  
22 the actual residence.

23 And, you know, as far as additives what's needed out there  
24 more is clay soil and some finished compost, like some good  
25 animal manure finished compost to be an inoculant and to  
in get things going. Because, see, composting, California  
June, composting is microphilic and that's what it's all about  
Cornel and there's a correlation.

1, Good composting is good bioremediation and it's good odor  
along control.

with Now, the first three to five days, that's a  
12 critical period how you handle stuff.

other Now, clay soil will help conserve the nitrogen compounds.

land Also, by using clay it can help get counties out

grant

217

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

1 of gravel extraction from rivers and so that they can use  
2 the clay that's coming out of that kind of land.

3 But basically I don't believe --

4 BOARD CHAIRMAN PENNINGTON: Mr. Sunswheat, we really are  
5 needing to be brief here. You've got a lot of material in  
6 this that I'm sure we'll all digest and so if you can maybe  
7 come to a conclusion here, we'd appreciate it.

8 MR. SUNSWHEAT: The conclusion is is that in terms of the  
9 initial study, mandatory filings of significant — the  
10 project has the potential to achieve short term to the  
11 disadvantage of long-term environmental goals. And I'm a  
12 firm believer in that, if you want to discuss it more.  
13 But I've got 250 pages on file. I've got records from the  
14 company. You can't even trust their records as to what  
15 they're processing out there. 1994 report from the company  
16 that's obvious fraud. I've got monthlyquarterly reports  
17 from the contractor that —

18 BOARD CHAIRMAN PENNINGTON: It's obvious that  
19 you've done a lot of work on this, and we'll look at it.  
20 Thank you.

21 MR. SUNSWHEAT: Thank you very much.

22 BOARD CHAIRMAN PENNINGTON: Next is Eric Anderson.

23 BOARD MEMBER GOTCH: Mr. Chairman, while  
24 Mr. Anderson is on his way up may I make a couple of  
25 comments?

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

218

1 BOARD CHAIRMAN PENNINGTON: Sure.

2 BOARD MEMBER GOTCH: I also visited this facility

3 and have the same observations as reported by Mr. Relis and

4 Mr. Frazee, but I'd like to add that the scarab was in

5 operation while I was there and I detected no smells from

6 the compost, as well as we toured the residential area and

7 smelled nothing from the compost facility.

8 BOARD CHAIRMAN PENNINGTON: Thank you.

9 Mr. Anderson.

10 MR. ANDERSON: Good afternoon. I didn't expect to

11 be before this Board again so soon and certainly hoped it

12 wouldn't be in this unpleasant circumstance.

13 I am here today to urge this Board to deny

14 concurrence in this permit for the following reasons. I

15 will try to be as brief as possible.

16 I had hoped to present you with a written

17 statement, however your staff did not issue its report, at

18 least I didn't receive it, until last Friday in the

19 afternoon as I was leaving town. I don't like to respond to

20 something when I don't know what I'm responding to. I just

21 returned to town and so I'm going to have to wing it, but

22 there are a number of items that I do want to get into the

23 record this afternoon.

24 I think a couple of comments made by Board members

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

25 earlier in this meeting are particularly appropriate of this

219

1 item that you're considering now.

2 Member Chesbro mentioned that I believe it was 363

3 permits have come before this Board and each of those

4 permits has been concurred in. That seems to be the rule at

5 this Board. I hope and I believe that that properly

6 reflects the good work done by staff. However, if there

7 were ever an exception to prove a rule, I believe that this

8 is certainly it.

9 It's obvious from the first page of the staff

10 report, item number three, proposed project -- and I want to

11 make it clear, I'm here for two reasons as a representative

12 of Cold Creek Compost. I hope you realize, and I've heard a

13 lot of talk from this Board about the importance of small

14 business, the importance of private enterprise to

15 implementing the goals of 939, and I want this Board to

16 understand that inconsistent and arbitrary application of

17 your regulations create non-market-related competitive

18 advantages and disadvantages within the compost industry.

19 This project and the way it has been treated by

20 the regulatory process places us in a competitive

21 disadvantage through the misapplication of your regulations.

22 Secondly, if you want to create a compost industry

23 that the public has confidence in and the industry has

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

24 confidence in and that the customers of this industry has  
25 confidence in, then you need to deny concurrence in the

220

1 23

2 24

3 25

4

5 permit. I hope that will be clear by the time I'm done.

6 First of all, you know your staff notes to start

7 that this project was originally granted a permit exemption

8 as a demonstration project operated by the County.

9 You must understand that there is rio operator here today.

10 The facility owner is here today. The facility is operated

11 by a joint venture of Empire Waste Management and Sonoma

12 Compost Company.

13 Interestingly enough there's not a representative of the

14 facility operator here today.

15 When that permit exemption was granted under a provision of

16 the California Code of Regulations it was granted

17 improperly, as your staff has not noted, as this in fact

18 was a for-profit enterprise which had just been granted a

19 five-year contract to conduct this operation.

20 You have noted that the County prepared a negative

21 declaration. That negative declaration, as your staff well

22 knows, was prepared for a different project.

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

The and resource management agency to write a little letter  
County essentially saying that we can increase the size of this  
manage project by almost 100 percent, but that in fact there is no  
d to significant impact and that there is no evaluation of this  
get project that has to be done beyond the original negative  
its declaration.

permit I think anybody with even the slightest knowledge

221

1 of CEQA knows that what the County has attempted to do in  
2 this case will not be supported if it's reviewed further  
3 than this body.

4 In terms of your minimum standards, and I must

5 admit, I discussed this project with Mr. Whitney, I

6 discussed it with Ms. Tobias, I discussed it with Mr. Begley

7 and any number of members of your staff. And while I'm

8 still confused, I must say, regarding your regulations, it

9 appears that the result of those conversations is that the

10 only thing you folks consider anymore is whether or not a

11 project meets State Minimum Standards.

12 So I will address the remainder of the bulk of my

13 remarks to why this project does not.

14 First of all, the RCSI is inadequate. Just as an

15 example the RCSI does not even provide the calculations to

16 demonstrate that this facility can in fact process the

17 required tonnages that we're talking about.

18 And I want you to know that when I'm noting these

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

19 things, I've been through this process. I've been through  
20 this process with your staff and these are the things that  
21 we were required to do. And recall my comments about a  
22 double standard.

23 This RCSI states that contamination of your green  
24 material will be reduced to two percent. Your clean green  
25 regulations require one-half of one percent.

222

1 Last year this facility, and contrary to  
2 Mr. Swift's remarks, not just early last year, but in four  
3 separate occasions last year this facility was in violation  
4 of your pathogen reduction standards.

5 The LEA for this county wrote a letter to your  
6 staff suggesting that it was onerous and unnecessary for  
7 this facility to take the daily temperature readings during  
8 the pathogen reduction period. Your staff then wrote a  
9 letter back reinterpreting those regulations.

10 The facility has not demonstrated that it can meet  
11 pathogen reduction standards. You cannot meet pathogen  
12 reduction standards when your windrows are saturated.

13 It is imperative that this Board ensure that the  
14 public health and safety requirements in your regulations  
15 are met. Otherwise, we will not be able, we will not be  
16 able to ensure public confidence in our industry.

17 You have stated here verbally that water quality

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

18 requirements have been met.

19 The documentation submitted with the RCSI was a

20 temporary approval for a demonstration project in 1993.

21 I have had a number of meetings with Water Quality

22 about this. I have requested in writing copies of their

23 approval of this facility. They have stated that they have

24 done nothing further since that time.

25 Mr. Swift mentioned that the pad has failed. It's

223

1 another reason they can't meet pathogen reduction

2 requirements. Your staff well knows that the RCSI does not

3 address the issue of what has changed and what has been

4 done.

5 There was reference made to some concrete

6 surfacing. That was a small portion of the pad and it was

7 not the portion of the pad that failed.

8 So this facility does not meet your minimum

9 standards. This facility has not had an adequate CEQA

10 review. This facility has not met water quality

11 requirements.

12 There's been a lot of talk about odor here. Last

13 month -- excuse me, last month Bay Area Air Quality appeared

14 at our JPA, gave a very thorough and extensive report on

15 odors emanating from this facility. They have spent a lot

16 of time assessing the odors and the source of those odors

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

17 and they were very clear that the source of those odors was  
18 not dairy farms, was not other operations at the landfill,  
19 but was in fact the composting operations carried out at  
20 this facility.

21 One of the members, Member Gotch, stated earlier  
22 today that she -- that this Board should allow the land use  
23 process to run its course. That is not happening.

24 Mr. Chesbro stated that your consideration of a  
25 permit is the final step in the process. That's not the

224

1 16

2 17

3 18

4 19

5 20

6 21

7 22

8 23

9 24

10 25

11

12 case in this instance. This project is coming to you before  
13 those other steps in the process have been completed.

14 Mr. Egigian made what I, you know, I think a lot

15 of us feel, the farther away from us the decisions get, the

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

less kinds of projects.

confid Let the local process run its course. Let those decisions  
ence be properly made at the local level before you concur in a  
we permit.

have It's clear to me that what has happened in this instance,  
in if there is a standard here for a  
those publicly-operated facility, it is certainly a different  
decisi regulatory standard than our facility was subject to when  
ons. we went through the permit process with your agency.

You're You're creating competitive disadvantages for us in the  
as far marketplace and I believe in the long run what you are  
away doing is bad for the industry and it is bad in terms — it  
as we is going to have negative consequences in terms of public  
get in confidence in what this State Waste Board is doing in  
decisi regards to the important diversion goals that we must meet  
ons under AB 939.

regard I will urge you strongly to return this permit to the local  
ing level so that it can properly and appropriately comply with  
these the regulatory process.

225

1 Thank you very much for your time.

2 BOARD CHAIRMAN PENNINGTON: Thank you.

3 Yes, Mr. Chesbro.

4 BOARD MEMBER CHESBRO: Mr. Anderson, what is the

5 local decision-making process that hasn't been completed?

6 MR. ANDERSON: Well, first of all, CEQA has not

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

7 been completed.

8 Secondly, there is no written waiver as far as I'm  
9 aware from Water Quality Control regarding discharges from  
10 this facility. And you must understand that this facility  
11 ultimately discharges to a national marine sanctuary.

12 One of the things that was done was that -- what  
13 they know is they are going to sell -- if they are going to  
14 compete in the marketplace with a high-quality product they  
15 have to bring in nitrogen-rich products like manures, grape  
16 pumice and things like that.

17 Water Quality said if you do that you're going to  
18 do a lot of different things in controlling your discharges.

19 So what they do, two things. One is first of all  
20 they removed manures from it. Then when they resubmitted  
21 their RCSI they added grape pumice as a feedstock.  
22 Your staff sent that RCSI back and said you can't  
23 apply as a green material facility, if you're going to have  
24 grape pumice, that's a different kind of material.

25 What they did was they resubmitted the

226

1 application, simply took grape pumice out of the feedstock  
2 and called it an additive.

3 It's just another example. And this apparently  
4 was accepted by staff. I discussed this with staff.

5 Your regulations are clear. A feedstock is a

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

6 feedstock is a feedstock. What they know is if they have  
7 those kinds of feedstocks there they are going to have to  
8 have a different level of control and regulation.

9 So you go right down the list and that's what I  
10 mean by returning it.

11 When I spoke with Mr. Whitney a few days ago about  
12 this he explained to me under AB 59 LEAs should have -- 13 there  
should be a local appeal process and apparently

14 there's a board you set up that has various members on it  
15 and so on and so forth. There's no local appeal process.

16 If there was, we wouldn't be here today.

17 BOARD MEMBER CHESBRO: You answered my question.

18 Thank you.

19 BOARD CHAIRMAN PENNINGTON: There's been some  
20 serious discussion about the staff. I think it's probably  
21 appropriate for staff to respond.

22 MR. DIER: Want to take -- where do you want to  
23 start?

24 BOARD CHAIRMAN PENNINGTON: Wherever you want to  
25 start.

227

1 MR. DIER: I'll try and keep my responses brief as  
2 possible and that is that all of the points that  
3 Mr. Anderson has brought up have been considered by staff.  
4 In fact some of those are the reasons that we had for having

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

5 the LEA go back and do the addendum to the negative  
6 declaration. That's why we have been in contact with the  
7 North Coast Regional Water Quality Control Board to describe  
8 to them the project that's before this Board and whether  
9 they are comfortable with and are okay with the design as  
10 it's before us and they've indicated to us that it is.  
11 So we are aware of the points. We've reviewed  
12 them. The report of composting site recommendation, we have  
13 received amendments to that that address these concerns. So  
14 we're fairly comfortable in our recommendation to you.

15 BOARD CHAIRMAN PENNINGTON: Okay. Thank you.

16 Next we have a trio of Kim Kiernan, Joan Willson  
17 and Anna --

18 MS. KIERNAN: Testing. Is that okay?

19 We represent Neighbors Against Landfill Expansion,  
20 a group of concerned citizens that live and work near the  
21 Central Landfill site.

22 Our goals are to protect the environment and  
23 ensure the optimum health of those living and working near  
24 the landfill, also to require the County and its contractors  
25 to use their best management practices.

228

1           4  
2           5  
3           6

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

7 concept of composting, recycling and utilizing the products  
8 of a disposal site, but the County's past and present  
9 management practices generates a long list of concerns  
10 Regarding the Sonoma compost permit application,  
11 we feel the following items need to be addressed before  
12 your concurrence

13 Item number one. The operation permit for  
14 receiving solid wastes, Permit No. 49-AA-0001, dated March  
15 19th, 1991, mentions the projection that there may be  
16 significant changes specifically to composting. It states  
17 in Section 1, Part 1, that there may be significant changes  
18 in design and/or operation in the next five years to  
19 facilitate operations and projects of wood chipping and  
20 composting, et cetera

21 The negative declaration for the composting  
22 operation was prepared as long ago as 1991. Since then  
23 there have been numerous changes to composting regulations.  
24 CEQA states any significant change requires an EIR  
25 be prepared.

Those preparing this permit apparently have the foresight  
We to see that those are changes enough to include the word  
agree significant in their wording

with Item number two, the increase in the operation  
the from 15 to 35 acres. We feel this a substantial change and

229

1 would require CEQA review.

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

2 Also this operation is portable. The County plans  
3 on moving the operation from one site to another as the  
4 space is needed for refuse. The impacts created from these  
5 moves has not been addressed.

6 Item number three. Does the RCSI meet the water  
7 quality approval requirements for current permit  
8 application? We feel this project is a separate project  
9 according to CEQA guidelines, 15378(a), and should have its  
10 own wastewater discharge requirements and storm water  
11 pollution prevention plan.

12 We're going to show you some photos that were  
13 taken January of this year of some of the County's current  
14 management practices. Each one is labeled.

15 The photos I'm showing is the sediment pond  
16 failure. And the composting operation, the storm water  
17 runoff runs into the landfill sedimentation ponds. These  
18 ponds failed this year. And the new pond, they just  
19 installed a new pond.

20 The sediment flows into Stemple Creek, the  
21 headwaters to the Estero de San Antonio. The creek provides  
22 a home for the California freshwater shrimp, a  
23 federally-protected species. What mitigation measures have  
24 you addressed regarding the negative impact on these  
25 species?

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

230

1 Item number four. We feel that the potential  
2 effects to surface water, groundwater and the aquifer have  
3 not been adequately studied. The community uses the same  
4 water supply as the landfill including the composting  
5 operation. What assurances do we have that our water supply  
6 will not be impacted?

7 Will this be in writing? If you cannot put this  
8 in writing, should you be concurring with the LEA on this  
9 application?

10 Number five, mitigation measures have been  
11 inadequately addressed regarding impacts from odor. The  
12 RCSI states that the site is windy 80 percent of the time.  
13 In 1981 a study was done in cooperation with the  
14 county of Sonoma and the State of California and the federal  
15 government in an effort to establish a wind power generation  
16 system. Their efforts established that this was the  
17 windiest area in Sonoma County. The wind generator is still  
18 standing there today.

19 There have been no mitigation measures written  
20 regarding the proposed increase of additives, feedstocks and  
21 the odor impacts they might generate.

22 The RCSI does not reflect the best management  
23 practices for aspergillus fumigatus. This is a significant  
24 potential health risk. Have any studies been done in

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

25 relationship specifically to our case?

231

1 24

2 25

3 As you know there are over 300 odor complaints in the first  
4 part of 1995 alone with fines exceeding \$6,000.

5 Since the passage of AB 59 the LEA now regulates  
6 the odor complaints. To date there have been no violations  
7 issued.

8 The odors have not diminished and there are variables  
9 involved and these are: A, people do not know who to call.  
10 There was no guidelines given to the public by the state or  
11 county for registering complaints. B, to date there have  
12 been no defined regulations for the LEA to follow. C, due  
13 to the inclement weather and the wintertime change people  
14 stayed indoors more.

15 Due to the increased response time of the LEA it is very  
16 difficult for them to follow up on odor complaints and  
17 determine the source and issue violations.

18 And I was told by Bob Swift that there are no written  
19 guidelines at this time. And he does note on his monthly  
20 reports when he gets calls from Bay Area Air Quality  
21 regarding odor complaints. And his process is if he finds  
22 an excessive pattern, which is his own opinion, then he  
23 will issue a notice and order, which is a 30-day — they

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

have comply and come into compliance and if that does not happen  
30 then he has the right to issue civil penalties. So there's  
days a long period of time.

to The LEA has little or no incentive to enforce the

232

1 21

2 22

3 23

4 24

5 25

6

7 rules since Sonoma County owns the landfill where the  
8 composting facility is located.

9 There have been no project alternatives listed. Their  
10 current location is inadequate given the wind pattern,  
11 elevation and the close proximity to a community.

12 And I wanted to clarify one thing.

13 Between the landfill and the community there is no dairy.

14 Okay. It's the landfill property itself. The dairy is to  
15 the right of the landfill.

16 In summary, this project has the potential to  
17 create significant negative environmental impacts in our  
18 community.

19 In addition the limited impacts with the current projects  
20 already sited at the landfill have not been adequately

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

address prepared to ensure that all impacts are addressed and  
sed. mitigated prior to the issuance of any permits.  
We As an agency that has the authority to concur or reject  
strong this application we implore you not to concur with this  
ly permit and return it to the LEA for reconsideration of the  
feel EIR or a project alternative.  
that Thank you.  
EIR BOARD CHAIRMAN PENNINGTON: Thank you.  
needs Do we have any questions of these ladies?

to be

233

1 Okay. Thank you.

2 That concludes the public speakers.

3 MS. TOBIAS: Mr. Chair.

4 BOARD CHAIRMAN PENNINGTON: Yes.

5 MS. TOBIAS: May I ask Mr. De Bie to address the

6 CEQA issues so that it's on the record and explain what they

7 did with the addendum to the negative declaration, please.

8 BOARD CHAIRMAN PENNINGTON: Sure.

9 MR. De BIE: Mark De Bie with the Permits Branch.

10 We treated this facility as we would any other

11 facility where we compared the project description as it is

12 proposed in the RCSI in this case and the permit with the

13 CEQA documentation that was presented to us.

14 When we initially made that comparison we saw what

15 seemed to be some inconsistencies in what was being

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

16 described in the neg dec with what was being proposed in the  
17 RCSI in the permit.

18 We asked the -- initially asked the planning  
19 people who were the lead agency for that neg dec -- by the  
20 way this neg dec did go through all of the normal process  
21 for a CEQA document, including public review and the ability  
22 to comment on that document and the Waste Board was involved  
23 with commenting on that document as it was being developed.  
24 When we asked the lead agency through the LEA if  
25 they would explain what seemed to be some differences in the

234

1 operating document and the neg dec they indicated in a very  
2 lengthy letter that actually as the neg dec was speaking to  
3 the project in general terms using averages and not  
4 necessarily maximum numbers and that sort of thing, there  
5 really wasn't the inconsistencies.

6 We wanted to formalize that a little bit more and  
7 so the LEA was able to, as the responsible agency, to  
8 develop an addendum to the neg dec that provided the  
9 technical characterizations of the differences between the  
10 two documents. And Board staff reviewed that and found that  
11 it did answer all of the questions that we had about the  
12 environmental review.

13 BOARD CHAIRMAN PENNINGTON: Thank you.

14 Any other questions?

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

15 BOARD MEMBER CHESBRO: Well, it's been some time  
16 since I've been there, but I too have been out to the-site  
17 and my observation in general about Sonoma County's  
18 operations are that their philosophy has been to try to do  
19 the best job they could. And there have been some fairly  
20 serious concerns alleged here.

21 I just wondered if Mr. Wells or anyone else from  
22 the County wanted to speak to any of the issues, make sure  
23 that opportunity is provided.

24 BOARD CHAIRMAN PENNINGTON: Sure.

25 MR. WELLS: Thank you, Board Member Chesbro. And

235

1 Chairman Pennington, thank you very much.

2 My name is Ken Wells. I'm the integrated waste  
3 manager for Sonoma County and we're the applicant for this  
4 composting permit.

5 I had a presentation here, but I will briefly  
6 respond to Board Member Chesbro.

7 We have had start-up difficulties, no question  
8 about it. The County has responded with positive actions to  
9 address and we have corrected these problems.

10 Our goal has been and always will be to operate  
11 one of the best composting programs in the nation.

12 Our public-private partnership has diverted over  
13 100,000 tons of yard debris since 1993. The resulting

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

14 products are used by our local farmers to sustain vitality

15 of our topsoil, which is essential for human existence.

16 I think that the record speaks for itself. We're

17 selling this product on the market to repeat customers.

18 We strive to be the best possible neighbor we can

19 be. That will always be our goal.

20 And we would urge your concurrence in this permit.

21 I would be pleased to answer any questions. I

22 also have staff here who prepared the permit and will be

23 willing to answer any specific questions you might have.

24 BOARD CHAIRMAN PENNINGTON: Mr. Frazee.

25 BOARD VICE CHAIRMAN FRAZEE: I do have a couple on

236

1 13

2 14

3 15

4 16

5 17

6 18

7 19

8 20

9 21

10 22

11 23

12

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

24 pumice in the compost; is that correct?

25 MR. WELLS: I'm going to have my engineer support  
some me on this because there were some questions from your  
issues staff that we had responded to and we did make some changes  
that in. We are not accepting any manure materials. I believe  
were the grape pumice is now listed as a feedstock. At the  
raised request of staff we included it as a feedstock to maintain  
. the 200 ton per day limit for our facility.

The BOARD VICE CHAIRMAN FRAZEE: And then the issue  
permit was raised about moving the compost facility from place to  
that place as needs of the landfill. I understood from my  
is observations in the tour that the grinding operation, which  
before is not part of the composting operations, is what will move  
us from place to place.

does MR. WELLS: Correction, at the request of staff we have  
not including the grinding and receiving area as part of  
allow the --

the BOARD VICE CHAIRMAN FRAZEE: As part of the  
use of application

either MR. WELLS: In the neg dec and in the RCSI we  
manure indicate that this process will be shifted around on the  
or landfill site proper as the filling of the landfill occurs.

grape

237

1 3

2 4

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

5 n.

6 BOARD MEMBER RELIS: Do you mean just on that  
7 point that the grinding operation will move or the whole --

8 MR. WELLS: They will move independently, but they  
9 both will move over time.

10 BOARD MEMBER RELIS: It will move.

11 MR. WELLS: In some cases --

12 BOARD MEMBER RELIS: And that was covered in the  
13 CEQA?

14 MR. WELLS: Yes.

15 BOARD MEMBER RELIS: Okay.

16 MR. WELLS: The sequence will be much more frequent for the  
17 receiving area than it will be for the windrow area because  
18 of economies in location.

19 BOARD CHAIRMAN PENNINGTON: Okay. Any other  
20 questions?

21 Yes, ma'am. Would you identify yourself.

22 MS. WILLSON: Yeah. My name is Joan Wilison and I live  
23 directly across from the landfill. My parents originally  
24 owned property that the landfill now sits on, so I have,  
25 over a 24-year period of time, seen the changes that has  
in a occurred in the landfill and we live with the negative  
sequen effects of the landfill 24 hours a day.

tial And it's my understanding that the neg dec was done in  
patter 1991, 1992? '92. At the time it was the

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

238

1 neighborhood's impression that the dump was going to close  
2 and go away. So at that point no one was complaining or  
3 giving any input as to what was occurring over there.  
4 Now that we have been told that this site is going  
5 to stay, we're more concerned. So I just want you to be  
6 aware of that.

7 BOARD CHAIRMAN PENNINGTON: Thank you.

8 Okay. I think we have heard everything there is  
9 to hear. We're ready for a motion if someone would like to  
10 make a motion.

11 BOARD VICE CHAIRMAN FRAZEE: I'll move approval of  
12 the permit, Mr. Chairman.

13 BOARD CHAIRMAN PENNINGTON: It's been moved,  
14 approval of the permit.

15 BOARD MEMBER RELIS: Second.

16 BOARD CHAIRMAN PENNINGTON: Mr. Relis will second.

17 Without any further discussion, will the secretary  
18 call the roll.

19 BOARD SECRETARY KELLY: Board Member Chesbro.

20 BOARD MEMBER CHESBRO: Aye.

21 BOARD SECRETARY KELLY: Egigian.

22 BOARD MEMBER EGIGIAN: Aye.

23 BOARD SECRETARY KELLY: Frazee.

24 BOARD VICE CHAIRMAN FRAZEE: Aye.

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

25 BOARD SECRETARY KELLY: Gotch.

239

1 24

2 25

3 BOARD MEMBER GOTCH: Aye.

4 BOARD SECRETARY KELLY: Relis.

5 BOARD MEMBER RELIS: Aye.

6 BOARD SECRETARY KELLY: Chairman Green.

7 BOARD CHAIRMAN PENNINGTON: Aye.

8 You got me.

9 BOARD SECRETARY KELLY: Got you.

10 BOARD CHAIRMAN PENNINGTON: We now move into the open  
11 comment period. We have one person who has requested to  
12 speak, Mr. Eric Sunswheat.

13 I will again ask Mr. Sunswheat to make his  
14 comments brief. We are out of time and supposed to be out  
15 of this room and we do have a few things to say to  
16 Mr. Egigian.

17 MR. SUNSWHEAT: Chairman Pennington, the one thing, the  
18 request that I have is that Masonite-Corporation in Ukiah  
19 is looking for alternatives to disposal of their ash in the  
20 Ukiah Landfill. In fact they've been banned as of January  
21 1st.

22 And I'm requesting a letter from staff to Masonite  
23 Corporation asking to the availability of high carbon wood

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

ash. lity of changing their process.

They Now, high carbon wood ash has great value in

have composting as reported in Bio Cycle magazine about two

the years good. At an application rate of two percent it can be

capabi used

240

1 in composting with methane-digested sewage sludge and

2 there's a very high affinity of the sulfur compounds to the

3 carbons in the ash. So in fact this could be a great

4 value-added product and could have commercial value and also

5 be applicable for a problem situation at specific other

6 compost facilities because of certain limited events.

7 BOARD CHAIRMAN PENNINGTON: Thank you. We'll ask

8 staff to look into that.

9 EXECUTIVE DIRECTOR CHANDLER: Mr. Pennington, I'd

10 like Mr. Sunswheat to put his request in writing to staff so

11 we can promptly respond to what it is he's looking for. If

12 he would do that, then we'll attempt to address his

13 concerns.

14 MR. SUNSWHEAT: Should I address the letter to a

15 particular staff?

16 BOARD CHAIRMAN PENNINGTON: Why don'tyou address

17 it to Mr. Chandler.

18 MR. SUNSWHEAT: To Mr. Chairman?

19 BOARD CHAIRMAN PENNINGTON: Mr. Chandler, our

20 executive director.

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

21 MR. SUNSWHEAT: Thank you.

22 BOARD CHAIRMAN PENNINGTON: Thank you.

23 Mr. Chesbro.

24 BOARD MEMBER CHESBRO: Mr. Chairman, I'm sure

25 being the kind of guy he is he doesn't particularly like

241

1 20

2 21

3 22

4 23

5 24

6 25

7 everybody sitting here talking about him over and over  
8 again, but this is our opportunity to say goodbye and  
9 thanks, Sam. And I wanted to throw in my two bits' worth.

10 I hope that there's going to be some other events that  
11 either the industry or we will find some other  
12 opportunities to celebrate Sam's contribution.

13 When I came on the Board in 1990 there was one person, one  
14 new Board member that had been around for a month and that  
15 was Sam Egigian, who had already been appointed to the  
16 Board.

17 And I think you all know that he and I don't agree on a  
18 whole lot of things, but one thing I think we do agree on  
19 that he has repeatedly stated and represented is the

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

import law.

ance And he's represented the industry's support for that  
of the independence and for the Board's role. And perhaps in part  
indepe he's paid a price for that, I don't know. I don't know the  
ndence inside facts here, but I do know that he should stand tall  
of and be proud of his contribution.

this And I have very much enjoyed working with him and our  
Board friendship and wish him very well in his future  
in endeavors.

implem I wanted to have a chance to say those things to  
enting him on the record.

the

242

1 BOARD MEMBER EGIGIAN: Thank you, Wesley. Thank

2 you very much.

3 BOARD CHAIRMAN PENNINGTON: Thank you.

4 Anybody else?

5 BOARD VICE CHAIRMAN FRAZEE: Also, Mr. Chairman, I

6 know, as Mr. Chesbro stated, that we're going to have

7 another opportunity and this is -- I hope we're going to

8 have another opportunity to appropriately honor Sam, but in

9 thinking about the wisdom of the Legislature in setting up a

10 body such as this and requiring someone with a background

11 and expertise in the industry, we went through those debates

12 through various administrations in Sacramento, some

13 believing that no one who ever had any contact with the

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

14 enterprise to be regulated should serve on the Board, in  
15 other words they should all be public members. And even  
16 earlier than that when the belief was that people who  
17 represented an industry or a profession, who better to  
18 regulate that industry or profession than individuals who  
19 came from that industry or profession.

20 Somewhere along the line we've now come to a mix  
21 of being able to bring the expertise of an individual such  
22 as Sam Egigian into the Board, but still have public members  
23 as what I guess the two of us are the so-called public  
24 members, a term that I always objected to when I was one of  
25 the elected members and had to sit there and listen to

243

1 public members and now I am one.

2 But it's important for a body to function well and  
3 represent the people of California when you have all of  
4 these interests brought together, but particularly someone  
5 with expertise in the area which we set out to regulate.

6 And, Sam, I know you, in my short time with you  
7 over the year I've had a chance to observe your dedication  
8 to people in the industry, particularly the private sector  
9 people, and those are the folks that get overlooked  
10 sometimes in this process of government.

11 You've set an example. The individual who follows  
12 you is really going to have a tough act to follow. Someone

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

13 I just can't imagine as I think over all the people in  
14 California that have the expertise and the background that  
15 would qualify him for this position, anyone that certainly  
16 could meet your standards in doing what you do and  
17 representing that particular side of this issue that we all  
18 deal with.

19 So I wish you my very best.

20 BOARD MEMBER EGIGIAN: Thank you very much.

21 BOARD MEMBER RELIS: Mr. Chair.

22 BOARD CHAIREAN PENNINGTON: Yes.

23 BOARD MEMBER RELIS: Well, I don't know how it  
24 happened, but I've been sitting more or less next to Sam for  
25 four and a half years that I've been on the Board. And

244

1	12
2	13
3	14
4	15
5	16
6	17
7	18
8	19
9	20
10	21
11	22

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

23 cy for his industry. That's what he was -- that's the  
24 position, industry member, and he's done it faithfully.  
25 And I think as was noted in an earlier  
we've presentation by Mr. Edgar we can look back on positions  
tangle taken that we are now dealing with, have dealt with or will  
d a continue to deal with as the Board's work goes on.  
few I appreciate his candor, his just being out there  
times and laying it on the line as to what you believe and that's  
but by refreshing.  
and Lot of people review or consider boards or commissions or  
large, government in general, people with sometimes lacking  
you passion. I think Sam has certainly demonstrated his passion  
know, for the industry  
I And I'm going to miss you, Sam  
think BOARD MEMBER EGIGIAN: Thank you, Paul. Thank  
Sam you.  
has I wonder why is it that when people die we say  
brough good things about them?  
t BOARD MEMBER CHESBRO: You're not dead, Sam.  
tremen BOARD MEMBER EGIGIAN: When people are leaving  
dous particular situations he becomes a real nice guy.  
energy BOARD MEMBER CHESBRO: I was going to say, you  
and look pretty alive to me, Sam.  
advoca

245

1 BOARD CHAIRMAN PENNINGTON: Sam was saying at

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

2 lunch today about how his wife wasn't sure how she's going  
3 to deal with this, he's going to be home every day, but I  
4 suspect that that's not true. I suspect that Sam will not  
5 only get out there and play a little more golf, but I  
6 suspect that he'll probably get involved in something else  
7 very shortly probably.

8 I'm going to have things to say about you over the  
9 next couple of days, so I won't hold us up here. We've got  
10 an executive session.

11 BOARD MEMBER GOTCH: May I say just a couple  
12 words, if I may?

13 BOARD CHAIRMAN PENNINGTON: Sure.

14 BOARD MEMBER GOTCH: I too have thoroughly enjoyed  
15 working with you, Sam, and you will be missed.

16 BOARD MEMBER EGIGIAN: Thank you very much  
17 (Standing ovation.)

18 BOARD CHAIRMAN PENNINGTON: We'll adjourn this now  
19 and we have a closed session.

20 (Thereupon the meeting was adjourned  
21 at 5:15 p.m.)

22

23

24

25

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

246

1 CERTIFICATE OF SHORTHAND REPORTER

2

3 I, JANET H. NICOL, a Certified Shorthand Reporter

4 of the State of California, do hereby certify that I am a

5 disinterested person herein; that I reported the foregoing

6 meeting in shorthand writing; that I thereafter caused my

7 shorthand writing to be transcribed into typewriting.

8 I further certify that I am not of counsel or

9 attorney for any of the parties to said meeting, or in any

10 way interested in the outcome of said meeting.

11 IN WITNESS WHEREOF, I have hereunto set my hand

12 this 14th day of March 1996.

13

17

18

19

20

21

22

23

24

25

  
\_\_\_\_\_  
Janet H. Nicol  
Certified Shorthand Reporter  
License Number 9764