

BEFORE THE
CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD
FOR THE STATE OF CALIFORNIA

IN THE MATTER OF THE:)
REGULAR MONTHLY BOARD MEETING)
MARCH 25, 1992)
_____)

DATE AND TIME: WEDNESDAY, MARCH 25, 1992, 10 A.M.

PLACE: REDDING CITY COUNCIL CHAMBERS
1313 CALIFORNIA STREET
REDDING, CALIFORNIA

REPORTER: BETH C. DRAIN, RPR, CSR
CERTIFICATE NO. 7152

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APPEARANCES

MR. MICHAEL FROST, CHAIRMAN
MR. WESLEY CHESBRO, VICE CHAIRMAN
MR. SAM EGIGIAN
MR. JESSE HUFF
MS. KATHY NEAL
MR. PAUL RELIS

STAFF PRESENT

MR. RALPH CHANDLER, CHIEF EXECUTIVE OFFICER
MR. DON WALLACE, CHIEF DEPUTY EXECUTIVE OFFICER
MR. ROBERT F. CONHEIM, GENERAL COUNSEL



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WITHDRAWN

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1 CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD

2 WEDNESDAY, MARCH 25, 1992

3 10 A.M.

4
5 CHAIRMAN FROST: GOOD MORNING AND WELCOME TO THE
6 MONTHLY MEETING OF THE CALIFORNIA INTEGRATED WASTE
7 MANAGEMENT BOARD. WE'RE VERY PLEASED TO HAVE THE
8 OPPORTUNITY TO HOLD OUR MEETING IN REDDING, MY FORMER
9 RESIDENCE. AND I WOULD LIKE TO THANK THE MEMBERS OF THE
10 CITY COUNCIL AND THEIR STAFF FOR ALLOWING US TO USE THE
11 CITY COUNCIL CHAMBERS TODAY.

12 BEFORE WE BEGIN, I WOULD LIKE TO INTRODUCE
13 MR. CARL ARNESS OF THE REDDING CITY COUNCIL TO MAKE SOME
14 OPENING REMARKS. MR. ARNESS, WELCOME. OR YOU'RE HERE TO
15 WELCOME US, PROBABLY.

16 MR. ARNESS: THANK YOU. I HOPE I CAN DO THAT.

17 ON BEHALF OF MAYOR DOLE AND THE REST OF THE
18 COUNCILMEMBERS, WE WELCOME YOU TO REDDING, AND WE'RE
19 NATURALLY PLEASED TO HAVE DIFFERENT PEOPLE COME TO OUR
20 CITY AND SEE HOW GREAT IT IS.

21 BUT I HAVE A FEW COMMENTS TO MAKE. SOME OF
22 THEM ARE ON TARGET, SOME ARE NOT ON TARGET AND KNOWING A
23 LITTLE BIT ABOUT 939, JUST ENOUGH TO MAKE ME DANGEROUS.

24 THE CITY RUNS MANY, MANY OPERATIONS.
25 NATURALLY WE OPERATE THE POLICE DEPARTMENT, FIRE



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1 DEPARTMENT, PLANNING, ENGINEERING, AND ALL OF THOSE; BUT
2 WE ALSO OPERATE FIVE ENTERPRISE FUNDS: THE ELECTRIC,
3 WATER, SEWER, AIRPORTS, REDDING INTERNATIONAL AND BENTON
4 AIRPORT, THAT YOU MAY BE FAMILIAR WITH AND, LASTLY, THE
5 SOLID WASTE COLLECTION AND DISPOSAL.

6 AND WE OFFERED WHAT I FEEL VERY GOOD
7 SERVICE OVER THE YEARS IN SOLID WASTE COLLECTION AND
8 DISPOSAL, BUT I HAVE SOME CONCERNS. WE CURRENTLY HAVE
9 PURCHASED A CO-GEN PLANT TO GENERATE POWER. AND WE'VE
10 SUPPLEMENTED IT WITH ABOUT A \$30 MILLION PEAKING GAS
11 FIRED COMBUSTION TURBINE PLANT.

12 AND A DAYDREAM OF MINE HAS ALWAYS BEEN --
13 FOR THE YEARS BEFORE I WAS ON THE COUNCIL, I WAS PUBLIC
14 WORKS DIRECTOR HERE FOR 27 YEARS, RETIRED, OUT THERE IN
15 THE PASTURE SNIFFING ALL THE ROSES AND GOT THIS URGE AND
16 RAN FOR COUNCIL. UNFORTUNATELY OR FORTUNATELY, HERE I AM
17 MAKING MY PRESENTATION.

18 BUT ANYHOW, ONE OF THINGS THAT I THOUGHT I
19 READ IN 939, IF WE WERE FORTUNATE ENOUGH TO DEVELOP A
20 SYSTEM THAT WE COULD USE SOLID WASTE FOR FUEL, SINCE WE
21 ARE AN ELECTRICAL DISTRIBUTION BUSINESS, IT APPEARS THAT
22 WE GET VERY LITTLE CREDIT EVEN THOUGH THAT MATERIAL HAS
23 VARIOUS LEVELS OF VALUE TO US TODAY. SO I'M NATURALLY
24 CONCERNED MAYBE SOMEDAY DOWN ROAD THE CO-GEN PLANT CAN
25 BE -- MAYBE WE CAN RETROFIT IT TO USE SOLID WASTE AS A



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1 FUEL.

2 HAVING WORKED FOR GOVERNMENT AS LONG AS I
3 HAVE, I HOPE THAT YOU RECOGNIZE -- AND ESPECIALLY SINCE
4 THIS GROUP MEETS MONTHLY IN DIFFERENT CITIES. AND I
5 ASSUME THAT YOU READ THE LOCAL PAPERS, AND I DON'T THINK
6 FOR THE LAST NINE OR TEN MONTHS YOU'VE SEEN MUCH
7 HAPPINESS IN LOCAL FINANCES, THE DOOM AND GLOOM.

8 AND I'VE HAD THE MISFORTUNE OR THE GOOD
9 FORTUNE, IT'S HARD TO SAY WHICH ONE, EVERY COUPLE OF
10 MONTHS IT SEEMS LIKE WE'RE RAISING SOMETHING TO OUR
11 CONSTITUENTS HERE IN THE CITY OF REDDING, WATER, SEWER
12 ELECTRIC. I FORESEE A SIGNIFICANT INCREASE IN ELECTRIC
13 RATES COME OCTOBER.

14 AND THE THRUST OF THIS TIRADE, BASICALLY,
15 IS THAT WHILE WE CAN EXTRACT EVEN MORE MONEY FROM THE
16 UTILITIES RATHER THAN FROM THE GENERAL FUND AND,
17 CURRENTLY WE'RE TRYING TO FIND \$3 MILLION TO CUT FROM OUR
18 GENERAL FUND, THE PUBLIC REALLY PAYS FOR IT IN THE END
19 ANYHOW.

20 SO IF WE, IN THE EYES OF THE PUBLIC,
21 FALLACIOUSLY RAISE RATES, EVEN THOUGH IT'S SOMETHING
22 WHICH HAS A VALUE, AND DEALING IN THE AREA OF RECOVERY OF
23 MATERIALS HAS A VALUE, WE RECOGNIZE THE VALUE THAT IF WE
24 DON'T BURY IT, OUR LANDFILL LASTS LONGER. WE DON'T HAVE
25 THE NIMBY PROCESS TO GO THROUGH OR SOME OTHER SITING

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1 PROBLEM OR SOME TRANSFER STATIONS TO MOVE THE SOLID WASTE
2 FURTHER OUT.

3 I TEND TO LIKEN PEOPLE WHO WORK FOR
4 GOVERNMENT. IF A PERSON WEARS HIS PANTS VERY TIGHT AND
5 WEARS A BELT AND HE HAS SUSPENDERS, THE CHANCES ARE THAT
6 YOU'LL NEVER LOSE YOUR PANTS. AND I WOULD HOPE THAT YOU
7 WOULD ADVISE YOUR STAFF THAT WHEN THEY LOOK AT THE
8 PROBLEMS OF LOCAL GOVERNMENT, BEING ABSOLUTELY
9 ACADEMICALLY PRECISE IN DEVELOPING PROCESSES THAT WILL
10 MEET THE ULTIMATE GOAL. SOMETIMES THE LOCALS DON'T HAVE
11 THE MEANS TO DEVELOP THOSE PRECISELY ACCURATE BEAUTIFUL
12 PROCESSES.

13 AND I WOULD HOPE THAT YOU WOULD HELP US
14 FIND WAYS THROUGH THE MAZE RATHER THAN TO FIND WAYS TO
15 CAUSE US AT THE LOCAL LEVEL TO BE CONSTANTLY EXPLAINING
16 TO OUR CONSTITUENTS WHY WE WENT FROM THIRTEEN FIFTY TO
17 FOURTEEN FIFTY ON SOLID WASTE OR WHY OUR ELECTRIC OR
18 WATER RATES ARE GOING FROM 35 CENTS A HUNDRED TO 45 CENTS
19 A HUNDRED.

20 IN SOME CASES THE CONDITIONS ARE DRIVEN NOT
21 BY THE LOCALS, BUT BY THE STATE AND BY THE FEDS.

22 NOW, WITH ALL THAT NEGATIVE BEHIND ME AND
23 PROVINCIALISM OF LOCAL GOVERNMENT, MR. CHESBRO, A MEMBER
24 OF YOUR BOARD, AND I DON'T KNOW, MAYBE OTHER MEMBERS OF
25 THE BOARD HAVE COME OUT OF LOCAL GOVERNMENT, BUT KEEP US



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1 IN MIND WHEN THE ACADEMIA IS PERCHED ON YOUR SHOULDER
2 TO -- IF WE GET SOMETHING DONE AND WE LESSEN THE LOAD ON
3 THE LANDFILL AND WE FIND THAT OUR PEOPLE ARE IN FAVOR OF
4 RECYCLING AND DOING A BETTER JOB, EACH OF THOSE STEPS
5 WE'LL BE MEETING OUR GOALS PROBABLY WILL MATCH THE
6 ABILITY TO FUND THEM.

7 WITH ALL THAT, IF YOU HAVE ANY QUESTIONS,
8 I'LL TRY TO ANSWER THEM. IF YOU DON'T, I'M GOING TO
9 ESCAPE.

10 WELCOME TO REDDING. AND INCIDENTALLY, I'M
11 PARTICULARLY PLEASED THAT A MEMBER OF OUR STAFF IS TO
12 RECEIVE A RESOLUTION FROM THE BOARD. IT'S FUN TO WATCH
13 THE ENTHUSIASM THAT'S EXHIBITED BY PETE ROACH AND OTHER
14 MEMBERS OF THE SANITATION STAFF.

15 THANK YOU VERY MUCH FOR THAT. THANK YOU
16 FOR COMING TO REDDING.

17 CHAIRMAN FROST: THANK YOU VERY MUCH, MR.
18 ARNESS, AND YOU MIGHT -- YOU MIGHT BE COMFORTED BY THE
19 FACT THAT YOUR OPENING REMARKS HAVE BEEN ECHOED IN
20 BASICALLY EVERY COMMUNITY WE'VE GONE INTO IN THE PAST
21 YEAR AND A HALF, TWO YEARS.

22 MR. ARNESS: I THOUGHT I WAS ORIGINAL.

23 THANK YOU.

24 CHAIRMAN FROST: THANK YOU VERY MUCH.

25 NOW, COULD WE HAVE ROLL CALL TO ESTABLISH A



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1 QUORUM.

2 BOARD SECRETARY: BOARD MEMBERS CHESBRO?

3 BOARD MEMBER CHESBRO: PRESENT.

4 BOARD SECRETARY: EGIGIAN?

5 BOARD MEMBER EGIGIAN: PRESENT.

6 BOARD SECRETARY: HUFF?

7 BOARD MEMBER HUFF: PRESENT.

8 BOARD SECRETARY: NEAL?

9 BOARD MEMBER NEAL: HERE.

10 BOARD SECRETARY: RELIS?

11 BOARD MEMBER RELIS: HERE.

12 BOARD SECRETARY: CHAIRMAN FROST?

13 CHAIRMAN FROST: HERE.

14 OKAY. NOW, MR. CONHEIM, THERE HE IS, OKAY.

15 MR. CONHEIM, ANY EX PARTE ANNOUNCEMENTS TO MAKE TODAY?

16 ATTORNEY CONHEIM: I HAVE NONE THAT HAVE BEEN
17 GIVEN TO ME TO ANNOUNCE, BUT I WILL ANNOUNCE FOR THE
18 RECORD AND FOR THE PUBLIC'S INFORMATION THAT MEMBERS OF
19 THIS BOARD COMPLY WITH PUBLIC RESOURCES CODE SECTION
20 40412: AND THEY DISCLOSE COMMUNICATIONS FROM MEMBERS OF
21 THE PUBLIC WHO COMMUNICATE WITH THEM ABOUT MATTERS WHICH
22 ARE UNDER CONSIDERATION BY THIS BOARD.

23 THOSE DISCLOSURES ARE WRITTEN AND ARE
24 MAINTAINED IN A FILE AT BOARD HEADQUARTERS AND ARE
25 REVIEWABLE BY THE PUBLIC UPON WRITTEN REQUEST.



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1 WE ALSO PROVIDE AT THIS TIME AN OPPORTUNITY
2 FOR MEMBERS SITTING ON THE BOARD TODAY TO MAKE ANY
3 CONTEMPORANEOUS ORAL DISCLOSURES OF SUCH COMMUNICATIONS
4 BY MEMBERS OF THE PUBLIC.

5 MR. CHAIRMAN.

6 CHAIRMAN FROST: YES. ANY BOARD MEMBERS HAVE
7 ANY DISCLOSURES TO MAKE AT THIS TIME? THANK YOU.

8 BEFORE WE GO ANY FURTHER, I'D LIKE TO MAKE
9 A COUPLE OF ANNOUNCEMENTS AND CALL YOUR ATTENTION TO TWO
10 ITEMS ON TODAY'S AGENDA THAT WILL BE HANDLED AT SPECIFIC
11 TIMES.

12 THE OPEN DISCUSSION ITEM WILL BE AT 11:30
13 A.M. TWO REPRESENTATIVES FROM THE DEPARTMENT OF
14 CONSERVATION WILL BE HERE TO PROVIDE SOME BACKGROUND
15 INFORMATION ON THEIR PROGRAMS AND UPCOMING LEGISLATIVE
16 ACTIVITIES THAT ARE RELATED TO THIS BOARD AT THAT TIME.

17 AND ITEM 20, CONSIDERATION OF THE
18 DEFINITION OF "NORMALLY DISPOSED OF" WILL BE HEARD AT 2
19 P.M.

20 ALSO, I'D LIKE TO CALL THE BOARD MEMBERS'
21 ATTENTION ON PAGE 333 OF THE BOARD CALENDAR, THE PROPOSED
22 BOARD POLICY STATEMENT CONCERNING REVIEW OF SRRE'S, THAT
23 IS NOT THE FINAL VERSION OF THE STATEMENT. THAT'S THE
24 WRONG STATEMENT. AND WE ARE GETTING A CORRECT VERSION
25 COPIED AND WILL BE HANDED OUT. THE VERSION IN HERE IS



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1 NOT THE FINAL VERSION.

2 BOARD MEMBER CHESBRO: NOT THE VERSION AS
3 ADOPTED BY THE BOARD?

4 CHAIRMAN FROST: THAT'S CORRECT. THAT ONE IS
5 BEING DUPLICATED AND HANDED OUT.

6 BOARD MEMBER CHESBRO: SO THE ONE THAT'S BEEN IN
7 THE PACKET --

8 CHAIRMAN FROST: THAT'S NOT THE CORRECT VERSION.
9 WE'LL TRY TO HAVE THAT OUT THIS MORNING.

10 IN ADDITION, TOMORROW MORNING WE WILL BE
11 PRESENTING A BOARD RESOLUTION HONORING MR. PETE ROACH,
12 WHICH WAS ALLUDED TO BY MR. ARNESS EARLIER, AND THAT WILL
13 BE DURING THE LOCAL PRESENTATION TOMORROW MORNING. WE
14 BEGIN TOMORROW MORNING AT 9 A.M.

15 IN ADDITION TO THAT, TWO ITEMS HAVE BEEN
16 PULLED FROM TODAY'S AGENDA. ITEMS 11 AND 19 HAVE BEEN
17 PULLED FROM THE AGENDA AND WILL NOT BE HEARD TODAY.

18 NOW, WE'LL MOVE ON TO ITEM 1, WHICH IS OUR
19 CONSIDERATION OF THE CONSENT AGENDA. THESE ARE ITEMS
20 THAT HAVE BEEN PLACED ON CONSENT BY COMMITTEES AFTER THE
21 TIME THAT THE BOARD CALENDAR WAS ACTUALLY MADE UP AND
22 MAILED OUT. AND I WILL READ THE NUMBERS OF THE ITEMS
23 THAT ARE ON THE CONSENT AGENDA: ITEMS 4, 5, 6, 7, 8, 14,
24 16, 17, AND 18. NOW, I'LL READ IT ONE MORE TIME: 4
25 THROUGH 8, 14, 16, 17, AND 18.



1 ITEM 10, WHICH HAD BEEN SCHEDULED FOR THE
2 CONSENT AGENDA, HAS BEEN PULLED FROM CONSENT AND WILL BE
3 HEARD AS A SEPARATE ITEM.

4 BEFORE I CALL FOR A MOTION, ARE THERE ANY
5 MEMBERS OF THE BOARD OR PUBLIC WHO WISH TO REQUEST ANY
6 ADDITIONAL ITEMS TO BE REMOVED FROM THE CONSENT AGENDA?

7 BOARD MEMBER CHESBRO: I'LL MOVE APPROVAL OF THE
8 CONSENT AGENDA.

9 CHAIRMAN FROST: OKAY.

10 BOARD MEMBER NEAL: SECOND.

11 CHAIRMAN FROST: BEEN MOVED AND SECONDED TO
12 APPROVE THE CONSENT AGENDA.

13 COULD WE HAVE A ROLL CALL?

14 BOARD SECRETARY: BOARD MEMBERS CHESBRO?

15 BOARD MEMBER CHESBRO: AYE.

16 BOARD SECRETARY: EGIGIAN?

17 BOARD MEMBER EGIGIAN: AYE.

18 BOARD SECRETARY: HUFF?

19 BOARD MEMBER HUFF: AYE.

20 BOARD SECRETARY: NEAL?

21 BOARD MEMBER NEAL: AYE.

22 BOARD SECRETARY: RELIS?

23 BOARD MEMBER RELIS: AYE.

24 BOARD SECRETARY: CHAIRMAN FROST?

25 CHAIRMAN FROST: AYE.



1 OKAY. ITEM 2, WE WILL HAVE OUR REPORTS
2 FROM THE BOARD COMMITTEES. AND FIRST I'D LIKE TO CALL ON
3 MR. SAM EGIGIAN, CHAIRMAN OF THE POLICY AND TECHNICAL
4 ASSISTANCE COMMITTEE. SAM.

5 BOARD MEMBER EGIGIAN: THANK YOU, MR. CHAIRMAN.
6 POLICY, RESEARCH AND TECHNICAL ASSISTANCE
7 COMMITTEE HELD A WORKSHOP ON THE DRAFT LANDFILL CAPACITY
8 REPORT ON FEBRUARY THE 20TH, AND WAS CONSIDERED AND
9 APPROVED AT OUR MARCH 10TH COMMITTEE MEETING.

10 THIS REPORT WAS PREPARED AT THE REQUEST OF
11 OUR COMMITTEE SO THE BOARD WOULD HAVE A COMPUTATION ON
12 THE BEST LANDFILL DATA AVAILABLE DESPITE ITS LIMITATIONS.

13 THIS REPORT HIGHLIGHTS A SIGNIFICANT
14 PROBLEM THAT THIS BOARD WILL HAVE TO ADDRESS INSURING
15 THAT LOCALITIES PROVIDE ADEQUATE DISPOSAL CAPACITY FOR
16 WASTE THAT CANNOT FEASIBLY BE DIVERTED.

17 THE REPORT SHOWS THAT ONE-HALF OF THE
18 STATE'S COUNTIES, COMPRISING OF 70 PERCENT OF OUR
19 POPULATION, HAVE 15 OR LESS YEARS REMAINING ON CAPACITY
20 AS OF JANUARY 1, 1990. IT APPEARS THE TOTAL REMAINING
21 LANDFILL DISPOSAL CAPACITY STATEWIDE IS BETWEEN 11 AND 19
22 YEARS.

23 EVEN IF WE ACHIEVE OUR DIVERSION GOALS, WE
24 WILL EXTEND THIS CAPACITY ONLY BY FIVE YEARS. IT MAY BE
25 THAT MEETING DISPOSAL CAPACITY GOALS MAY EVEN BE MORE

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1 DIFFICULT THAN REACHING OUR DIVERSION GOALS. THEREFORE,
2 WE MUST LOOK AT ALTERNATIVE WAYS TO FACILITATE THE SITING
3 AND PERMITTING STATE-OF-THE-ART FACILITIES.

4 THAT'S MY REPORT, MR. CHAIRMAN.

5 CHAIRMAN FROST: THANK YOU. THANK YOU, SAM.

6 AND NOW, LET'S MOVE TO KATHY NEAL, CHAIR OF
7 THE LEGISLATION AND PUBLIC AFFAIRS COMMITTEE.

8 BOARD MEMBER NEAL: WE HAVE NOTHING TO REPORT
9 OTHER THAN WE HAD AN ITEM ON CONSENT, AND WE WILL HAVE AN
10 ACTION ITEM LATER ON IN THE LEGISLATIVE REPORT.

11 CHAIRMAN FROST: THANK YOU.

12 NOW CAN WE HEAR FROM MR. WESLEY CHESBRO,
13 CHAIR OF BOTH THE ADMINISTRATION AND MARKET DEVELOPMENT
14 COMMITTEES. WESLEY.

15 BOARD MEMBER CHESBRO: AT ITS MARCH 4TH MEETING
16 THE ADMINISTRATION COMMITTEE MADE VARIOUS COMMITTEE
17 ASSIGNMENTS, MOST OF THEM HAVING TO DO WITH REVIEWING THE
18 BOARD STATEMENTS FOR PARTICULAR CONTRACTS.

19 BUT ONE OF THEM, IN PARTICULAR, THAT I KNOW
20 IS OF BROADER INTEREST WAS THAT THE ISSUE OF PREVENTION
21 OR IMPAIRMENT OF WASTE DIVERSION GOALS WAS ASSIGNED TO
22 PERMITTING AND ENFORCEMENT COMMITTEE BY THE
23 ADMINISTRATION COMMITTEE.

24 THE CONSIDERATION OF THE FEE INCREASE,
25 WHICH WAS LISTED ON THE COMMITTEE'S AGENDA, WAS DEFERRED



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1 BECAUSE OF THE NEW STATUTE WHICH REQUIRES A CHANGE TO THE
2 ACCRUAL METHOD OF ACCOUNTING. WHICH WILL MAKE -- ON A
3 ONE-TIME BASIS MAKE IT POSSIBLE FOR THE BOARD TO MAKE IT
4 THROUGH THE COMING FISCAL YEAR BASED ON THE AVAILABLE
5 REVENUE.

6 IF YOU WANT A BETTER EXPLANATION OF THAT,
7 YOU'LL HAVE TO ASK JESS OR DON WALLACE OR SOMEBODY
8 THAT'S -- THAT WAS THE SHORT VERSION, MY UNDERSTANDING OF
9 THE SITUATION.

10 STAFF WAS ALSO REQUESTED TO -- BY THE
11 COMMITTEE TO CHECK ON THE IMPACT OF THE DEPARTMENT OF
12 CONSERVATION'S DECISION TO CUT BACK ON MONIES FOR
13 CURBSIDE PROGRAMS.

14 I UNDERSTAND, AS WAS MENTIONED EARLIER,
15 THAT REPRESENTATIVES OF THE DEPARTMENT OF CONSERVATION
16 WILL BE HERE. THEY'VE BEEN INVITED TO ADDRESS THE BOARD
17 ON THE SUBJECT UNDER OPEN DISCUSSION.

18 I'M A LITTLE CONCERNED THAT A SPECIFIC
19 DIRECTION FROM THE COMMITTEE TO PLACE AN AGENDA ITEM ON
20 DIDN'T WIND UP HAPPENING. IT WOUND UP NOT BEING LISTED
21 ON THE AGENDA, AND I THINK THERE'S BEEN SOME CONFUSION
22 AMONGST THE PUBLIC ABOUT WHETHER WE WERE DISCUSSING THIS
23 TODAY OR NOT. SOME PEOPLE CALLED IN AND WERE TOLD THAT
24 IT WAS NOT ON THE AGENDA, AND THOSE WHO WERE INTERESTED
25 IN IT MAY NOT BE HERE BECAUSE OF THAT.



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1 ON THE OTHER HAND, I HAD BEEN TELLING
2 PEOPLE THAT IT WAS GOING TO BE ON THE AGENDA, AND THERE
3 MAY BE SOME PEOPLE HERE WHO WILL BE HERE, WHO WILL BE
4 COMING, BECAUSE THEY WOULD LIKE TO ADDRESS THE BOARD ON
5 THIS QUESTION.

6 AND I WANT TO MAKE SURE THAT, EVEN THOUGH
7 IT'S NOT LISTED ON THE AGENDA, WE DON'T LIMIT OUR
8 DISCUSSION ONLY TO THE DOC REPRESENTATIVES, EVEN THOUGH
9 IT'S NOT AN AGENDA ITEM AND THE BOARD IS NOT GOING TO ACT
10 IN ANY WAY ON ANY INFORMATION THAT'S BEEN PROVIDED.

11 I JUST THINK THAT WE'VE SORT OF SENT OUT
12 MIXED MESSAGES ABOUT WHAT THE DISCUSSION WAS GOING TO BE
13 TODAY, AND I WANTED TO ALSO JUST MENTION THAT I'M A
14 LITTLE DISTURBED THAT A COMMITTEE'S DIRECTION DIDN'T WIND
15 UP BEING CARRIED OUT IN TERMS OF AN AGENDA ITEM ACTUALLY
16 BEING PLACED.

17 MARKET DEVELOPMENT COMMITTEE HAD ITS MARCH
18 5TH MEETING. THE MARKET DEVELOPMENT COMMITTEE APPROVED
19 THE STAFF'S RECOMMENDATIONS ON THE STATEWIDE BOARD
20 OBJECTIVES FOR THE SECOND RECYCLING MARKET DEVELOPING ITS
21 OWN DESIGNATION CYCLE, AND THAT WILL BE HEARD AS AGENDA
22 ITEM -- ACTUALLY, YEAH, COULDN'T REMEMBER WHETHER ON
23 CONSENT OR NOT -- IT WILL BE HEARD AS AGENDA ITEM 13, A
24 NONCONSENT ITEM LATER ON TODAY.

25 CHAIRMAN FROST: THANK YOU, WESLEY.



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1 MR. RELIS, REPORT FROM THE IWM PLANNING
2 COMMITTEE.

3 BOARD MEMBER RELIS: WELL, THE PLANNING
4 COMMITTEE HAS BEEN WORKING OVER THE LAST NUMBER OF MONTHS
5 WITH THIS WHOLE INERTS ISSUE WHICH IS NOW BEFORE US AND A
6 MATTER FOR ACTION TODAY.

7 JUST BY BACKGROUND, WE FIRST HEARD TWO
8 PETITIONS FOR REDUCTIONS. THIS IS THE ACTIVITIES OF THE
9 PLANNING COMMITTEE. WE FIRST HEARD TWO PETITIONS FOR
10 REDUCTIONS IN PLANNING AND DIVERSION REQUIREMENTS.

11 THE FIRST INVOLVED THE CITY OF ISLETON IN
12 SACRAMENTO COUNTY, WHICH REQUESTED THAT IT BE ALLOWED TO
13 USE INFORMATION FROM ANOTHER JURISDICTION'S SRRE FOR ITS
14 EVALUATION OF ALTERNATIVES. THIS ITEM WAS PASSED BY THE
15 COMMITTEE AND PLACED ON THE CONSENT AGENDA.

16 IN THE SECOND PETITION, THE UNINCORPORATED
17 AREA OF ALPINE COUNTY REQUESTED REDUCTIONS IN BOTH THE 25
18 AND 50 PERCENT GOALS, AS WELL AS APPROVAL TO USE
19 INFORMATION FROM ANOTHER JURISDICTION'S SRRE.

20 COMMITTEE FELT THAT GRANTING A REDUCTION
21 FROM THE 50 PERCENT GOAL WAS NOT WARRANTED AT THIS TIME
22 SINCE MUCH MIGHT HAPPEN WITH MARKET CONDITIONS AND
23 PROGRAMS IN THE EIGHT YEARS BEFORE THE YEAR 2000. WE
24 DID, HOWEVER, FEEL THAT A REDUCTION IN THE '95 GOAL FROM
25 25 TO 15 PERCENT WAS WARRANTED. THIS IS SIMILAR TO THE

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1 CONCLUSION THE BOARD REACHED EARLIER THIS YEAR ON A
2 PETITION FROM MONO COUNTY.

3 SECOND, WE RECEIVED A STUDY ON WEIGHT AND
4 VOLUME CONVERSION FACTORS. THE STUDY WHICH THE COMMITTEE
5 RECOMMENDS ADOPTING CONTAINS CONVERSION FACTORS FOR 220
6 INDIVIDUAL TYPES AND FORMS. IT SHOULD FACILITATE THE
7 INTERPRETATION OF DIFFERENT DATA ANALYSES SUBMITTED BY
8 LOCAL JURISDICTIONS.

9 THE MAJOR ITEM, OF COURSE, CONCERNS THE
10 ISSUE OF "WHAT COUNTS." WE'LL SPEND MUCH OF THE
11 AFTERNOON, I SUSPECT, ON THIS, BUT I'D LIKE TO PROVIDE
12 YOU WITH A BRIEF SUMMARY OF THE PROCESS THAT LED US TO
13 THE POINT WE'RE AT TODAY, AS WELL AS THE BROADER CONTEXT
14 IN WHICH THIS ITEM SHOULD BE VIEWED AND UNDERSTOOD.

15 ALL OF US ARE AWARE OF THE ARGUMENTS
16 REGARDING THE INCLUSION OF INERTS AND THE OTHER SO-CALLED
17 1820 WASTES IN THE PRE-1990 BASELINE AND SUBSEQUENT
18 DIVERSION COUNTS. MOST OF THIS HAS BEEN DEBATED IN LIGHT
19 OF THE AB 2092.

20 FOR THE LAST THREE MONTHS, STAFF HAS
21 DILIGENTLY ANALYZED THE SRRE'S WE'VE RECEIVED TO DATE TO
22 ASCERTAIN THE EXTENT TO WHICH INERTS ARE BEING CLAIMED
23 FOR DIVERSION CREDITS AND WHO IS MAKING THE CLAIMS AND
24 THEIR BASIS.

25 THE STAFF ALSO ANALYZED SEVERAL OPTIONS



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1 SPECIFICALLY ABOUT WHAT COUNTS FOR THE BOARD TO CONSIDER
2 THE SUBJECT TODAY OF ITEM 20, WHICH WAS REFERENCED
3 EARLIER.

4 I ALSO WANT TO DRAW YOUR ATTENTION TO THE
5 BROADER DEBATE ABOUT VARIOUS PROVISIONS OF AB 939. FOR
6 EXAMPLE, WHETHER, AND IF SO, WHEN AND HOW, TO SHIFT FROM
7 A DIVERSION BASE APPROACH THAT WE ARE NOW TAKING TO
8 DISPOSAL BASE COUNTING, AND HOW THIS MIGHT AFFECT SOURCE
9 REDUCTION AND RECYCLING PROGRAMS.

10 SECONDLY, THE STATE'S ROLE IN MARKET
11 DEVELOPMENT, WHICH IS ANOTHER ISSUE THAT'S BEEN BROUGHT
12 UP, AND THEN THERE ARE NUMEROUS OTHERS.

13 THE STAFF HAS ANALYZED THE IMPLICATIONS TO
14 LOCAL GOVERNMENTS, THE PRIVATE SECTOR, THE BOARD, AND
15 STATE OF OVER A DOZEN PROPOSALS MADE BY VARIOUS PARTIES
16 THAT HAVE BEEN SUBMITTED TO THIS BOARD. AS YOU KNOW,
17 SOME OF THESE HAVE BEEN INCORPORATED INTO RECENTLY
18 INTRODUCED LEGISLATION.

19 WE HAVE BEGUN TO PRESENT THIS INFORMATION
20 AT THE COMMITTEE AND ANTICIPATE HAVING A LENGTHY
21 DISCUSSION OF THE VARIOUS PROPOSALS THAT HAVE BEEN MADE
22 AT OUR MAY OR, MORE LIKELY, JUNE COMMITTEE MEETING.

23 THANK YOU.

24 CHAIRMAN FROST: OKAY. THANK YOU, PAUL.

25 BOARD MEMBER CHESBRO: MR. CHAIRMAN, I KNOW IT'S



1 UNUSUAL FOR A MEMBER TO COMMENT ON ANOTHER MEMBER'S
2 COMMITTEE WORK. BUT I'D LIKE TO SAY THAT BOTH THE STAFF
3 AND THE COMMITTEE -- I THINK WE'LL GET TO THE SUBSTANCE
4 OF THE DISCUSSION LATER -- BUT I THINK THAT EVERYBODY DID
5 A VERY COMMITTED AND GOOD JOB UNDER DIFFICULT AND
6 COMPLICATED CIRCUMSTANCES. SO I THINK THAT ALL THE STAFF
7 THAT DID THE BACKGROUND WORK, I LISTENED WHEN I COULD AND
8 PARTICIPATED WHEN I COULD, AND I WAS VERY IMPRESSED WITH
9 EVERYBODY'S CONTRIBUTION.

10 JUST WANT TO COMPLIMENT THE CHAIRMAN,
11 MEMBERS, AND THE STAFF ON THEIR WORK.

12 CHAIRMAN FROST: THANK YOU.

13 AND FINALLY, MR. HUFF, DO YOU HAVE A REPORT
14 FROM THE PERMITTING AND ENFORCEMENT COMMITTEE?

15 BOARD MEMBER HUFF: YES, I DO.

16 THERE ARE SIX PERMIT ITEMS ON TODAY'S
17 AGENDA THAT OUR COMMITTEE HEARD EARLIER THIS MONTH. FIVE
18 ARE ON THE CONSENT CALENDAR. THE SIXTH ITEM WAS APPROVED
19 BY OUR COMMITTEE THREE TO ZERO, BUT WE DIDN'T PUT IT ON
20 THE CONSENT CALENDAR. AND YOU WILL HEAR THIS ITEM, NO.
21 9, BECAUSE THERE ARE SOME UNIQUE CHARACTERISTICS OF THAT
22 PARTICULAR PERMIT THAT WE FELT. EVEN THOUGH WE THOUGHT
23 THE PERMIT OUGHT TO GO FORWARD, IT OUGHT TO BE DISCUSSED
24 IN MORE DETAIL BY THE BOARD.

25 AT OUR MARCH COMMITTEE MEETING, WE ALSO



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1 HEARD THE PERMIT FOR KELLER CANYON LANDFILL IN CONTRA
2 COSTA. THE COMMITTEE VOTED TWO TO ONE TO CONCUR IN THE
3 ISSUANCE OF THIS PERMIT, BUT WE ALSO VOTED TO POSTPONE
4 FINAL BOARD ACTION ON THIS PERMIT UNTIL NEXT MONTH'S
5 BOARD MEETING.

6 THIS WEEK -- ACTUALLY NEXT WEEK, THE STATE
7 WATER BOARD WILL HOLD A HEARING ON THE APPEAL OF THE
8 WASTE DISCHARGE REQUIREMENTS FOR THIS SITE. WHILE THE
9 WATER BOARD MAY OR MAY NOT MAKE ITS FINAL DECISION BY OUR
10 APRIL BOARD MEETING, WE WANTED TO ALLOW TIME, ACTUALLY
11 ALLOW THEM THE MAXIMUM POSSIBLE TIME WITHIN OUR 60-DAY
12 TIME LIMIT, TO ACT ON THIS ISSUE.

13 NEXT MONTH WE MAY HAVE THIS ISSUE BEFORE US
14 WITHOUT HAVING THE BENEFIT OF THEIR THINKING, AND WE MAY
15 HAVE IT BEFORE US WITH THE BENEFIT OF THEIR THINKING.

16 ONE OTHER ITEM, IT WAS AN ITEM HEARD IN OUR
17 COMMITTEE LAST MONTH AND ACTED UPON THE BOARD LAST MONTH,
18 SUNSHINE CANYON. AS I THINK BOARD MEMBERS KNOW, THERE
19 WAS A COURT ACTION PENDING ON THE ADEQUACY OF THE
20 ENVIRONMENTAL IMPACT REPORT ON THAT SITE.

21 THE JUDGE RULED THIS WEEK ON THAT, ISSUED A
22 71-PAGE RULING. AND I DON'T THINK WE HAVE IT IN-HOUSE
23 YET, BUT WE HAVE SOME VERBAL COMMUNICATIONS FROM THE
24 PEOPLE INVOLVED AND, OF COURSE, THE L.A. TIMES TO GUIDE
25 US IN WHAT HAPPENED.



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1 THE JUDGE FOUND THE ENVIRONMENTAL IMPACT
2 REPORT DEFICIENT AND FOUND IT DEFICIENT. AT LEAST
3 ACCORDING TO THE L.A. TIMES, ON TWO BASES. I UNDERSTAND
4 THERE ARE TWO OTHER MINOR POINTS.

5 THE FIRST BASIS, THE JUDGE HELD THAT THE
6 EIR HAD DISMISSED OBJECTIONS RAISED BY COUNCILMAN HAL
7 BERNSON, WHO REPRESENTS THAT PARTICULAR AREA. MR.
8 BERNSON HAD SOME RATHER STRONGLY HELD VIEWS WITH REGARD
9 TO THE CITIZENSHIP OF BFI, AND FELT THAT THEY OUGHT TO BE
10 INCLUDED IN THE EIR, THAT THEY WERE NOT. THE JUDGE
11 THOUGHT THAT THEY OUGHT TO BE.

12 INCIDENTALLY, WE DID HEAR COUNCILMAN
13 BERNSON'S INFORMATION AS PRESENTED BY HIS ADMINISTRATIVE
14 ASSISTANT AT OUR COMMITTEE MEETING AND AT OUR BOARD
15 MEETING.

16 THE JUDGE ALSO FAULTED THE COUNTY FOR
17 SIDESTEPPING ITS OWN ENVIRONMENTAL PROCESS. THEY
18 APPARENTLY HAVE A SPECIAL PANEL OF ADVISORS SET UP TO
19 REVIEW PROJECTS THAT HAVE SIGNIFICANT IMPACT. THEY
20 DIDN'T DO THAT IN THIS PARTICULAR PROJECT BEFORE A
21 RECOMMENDATION WENT TO THE BOARD OF SUPERVISORS. SO THE
22 JUDGE THOUGHT THAT THE COUNTY OUGHT TO OBSERVE ITS
23 PROCESS. AND SO HE FOUND THE EIR DEFICIENT IN THOSE
24 AREAS.

25 APPARENTLY, HE DID NOT FIND IT DEFICIENT IN



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1 THE -- MANY OF THE AREAS RAISED BY THE OPPONENTS OF THE
2 PERMIT AND AIRED AT LENGTH IN OUR COMMITTEE.

3 BOB, MAYBE YOU HAVE THE OTHER TWO POINTS.

4 ATTORNEY CONHEIM: QUICKLY, THE OTHER TWO POINTS
5 ARE THAT THE JUDGE FOUND THAT THE EIR DID NOT CLARIFY ITS
6 FINDINGS ON CUMULATIVE AIR QUALITY IMPACTS. AND THAT THE
7 JUDGE ALSO FOUND THAT THE COUNTY WAS PROPER UNDER ITS
8 POLICE POWERS FOR EXCLUDING CITY OF LOS ANGELES WASTE,
9 BUT DID NOT ADDRESS THE IMPACTS OF DOING SO.

10 AND LASTLY, THE JUDGE'S ORDER, IN FACT, IS
11 A MANDATE, A WRIT ISSUED TO THE COUNTY TO VACATE ITS
12 CERTIFICATION OF THE ENVIRONMENTAL IMPACT REPORT, WHICH
13 MEANS THAT NONE EXISTS WHEN THE COUNTY TAKES ITS ACTION
14 TO VACATE.

15 SO IT IS THE ORDER THAT I THINK THE PROJECT
16 PROPONENTS FEARED MOST, BUT IT IS PROBABLY REASONABLY
17 EASILY CURABLE WITH SOME MORE WORK ON THE EIR.

18 BOARD MEMBER HUFF: AM I CORRECT, MR. CONHEIM,
19 IT REALLY DIDN'T GO TO THE SUBSTANCE OF THE OPPONENTS'
20 ENVIRONMENTAL CONCERNS?

21 ATTORNEY CONHEIM: NOT AS HAS BEEN EXPLAINED TO
22 ME. I'M HAVING A COPY OF THE 71-PAGE ORDER MAILED TO ME
23 SO THAT I CAN REVIEW IT WHEN I ARRIVE BACK IN SACRAMENTO.

24 BOARD MEMBER HUFF: AND THE BALL IS IN THE COURT
25 OF THE COUNTY SUPES AT THE MOMENT?



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1 ATTORNEY CONHEIM: YES.

2 BOARD MEMBER HUFF: OKAY.

3 ATTORNEY CONHEIM: MR. HUFF, THE COUNTY COUNSEL
4 GUARANTEED TO ME THAT THE COUNTY LEA WOULD NOT ISSUE THE
5 SOLID WASTE FACILITIES PERMIT AT THIS TIME. SO THAT
6 NOTWITHSTANDING THE COUNTY'S SUBMISSION OF A COMPLETED
7 PERMIT TO US AND OUR TAKING AN ACTION, WHICH WE WERE
8 ALLOWED TO AND REQUIRED TO UNDER LAW, THE OPERATOR WILL
9 NOT RECEIVE THE PERMIT BASED ON THIS JUDGE'S ORDER.

10 BOARD MEMBER HUFF: OKAY. SO STAY TUNED FOR
11 FURTHER DEVELOPMENTS, I GUESS, IS THE BOTTOM LINE.

12 OKAY. ONE OTHER ITEM THAT WAS BEFORE OUR
13 COMMITTEE WILL BE HEARD TODAY, AND THAT'S INVOLVING OUR
14 APPLICATION FOR THE EPA SUBTITLE D REGULATIONS PERMITTING
15 PROGRAM.

16 THIS ITEM WAS APPROVED ON A THREE ZERO VOTE
17 IN OUR COMMITTEE, AND WE THOUGHT IT WAS A SLAM DUNK. BUT
18 APPARENTLY WE'RE GOING TO HAVE TO DEBATE IT AND WE'RE TO
19 DO SO AT LENGTH.

20 CHAIRMAN FROST: THANK YOU, MR. HUFF.

21 AND THE REDDING RECORD SEARCHLIGHT USUALLY
22 MAKES A BETTER SOURCE THAN THE L.A. TIMES.

23 OKAY. ITEM 3.

24 OUR NEXT ITEM IS CONSIDERATION OF CONTRACTS
25 AND INTERAGENCY AGREEMENTS. THERE ARE TWO CONTRACTS TO



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1 BE HEARD TODAY. THE FIRST IS AN INTERAGENCY AGREEMENT
2 WITH THE TEALE DATA CENTER. A GEOGRAPHIC INFORMATION
3 CENTER, AND DON WALLACE WILL PRESENT THIS ITEM.

4 MR. WALLACE: YES, MR. CHAIRMAN.

5 WE HAVE BEFORE YOU TODAY AN INTERAGENCY
6 AGREEMENT WITH TEALE FOR \$100,000. THE WORK STATEMENT OF
7 THIS CONTRACT, AND THE ONE THAT WILL FOLLOW IT, HAS BEEN
8 REVIEWED BY THE BOARD. WHAT WE'RE BRINGING TO YOU TODAY
9 IS THAT FINAL PACKAGE SO THAT WE CAN EXECUTE THE
10 AGREEMENT.

11 ESSENTIALLY, WHAT WE'RE LOOKING FOR HERE
12 WITH THE TEALE DATA CENTER IS FOR THEM TO CONFIRM THE
13 NEEDS ASSESSMENT THAT WAS CONDUCTED IN CONJUNCTION WITH
14 AN EARLIER FEASIBILITY STUDY FOR THE ACQUISITION OF A
15 GEOGRAPHIC INFORMATION SYSTEM. WE WOULD LIKE TO MAKE
16 SURE THAT THAT NEEDS ASSESSMENT THAT WAS DONE SOME TIME
17 AGO IS CORRECT.

18 TEALE WILL WORK WITH OUR STAFF, INTERVIEW
19 OUR STAFF, AND GET A BETTER UNDERSTANDING OF WHAT OUR
20 SPECIFIC NEEDS WILL BE, AND THEN MAKE RECOMMENDATIONS TO
21 THE BOARD ON HOW WE CAN MOST COST EFFECTIVELY SATISFY
22 THEM FOR SUCH SERVICES.

23 CHAIRMAN FROST: OKAY. ANY QUESTIONS? ANY
24 MEMBERS OF THE BOARD?

25 WE HAVE A MOTION THEN? WE NEED A MOTION, I



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1 ASSUME WE DO.

2 MR. WALLACE: I BELIEVE WE DO, YES.

3 BOARD MEMBER RELIS: MOVED.

4 BOARD MEMBER CHESBRO: I'M SUPPOSED TO KNOW
5 THIS. BUT WHICH COMMITTEE WAS THIS ASSIGNED TO? WAS IT
6 REVIEWED BY THE ADVISORS AND CHAIR OF THAT COMMITTEE, I
7 ASSUME?

8 MR. WALLACE: I BELIEVE THIS WENT THROUGH THE
9 ADMINISTRATION COMMITTEE, AND THAT IT WAS REVIEWED AND
10 APPROVED. THE WORK STATEMENT WAS APPROVED BY --

11 BOARD MEMBER CHESBRO: I RECALL APPROVING IT
12 PREVIOUSLY, SO WHAT IS IT THAT'S DIFFERENT THAT WE'RE
13 APPROVING TODAY?

14 MR. WALLACE: AS YOU MAY RECALL, THE PROCESS
15 THAT WAS ADOPTED FOR THE CONSIDERATION OF CONTRACTS WAS
16 WORK STATEMENT REVIEWED BY THE COMMITTEES. AND THEN ON
17 INTERAGENCY AGREEMENTS, SINCE THERE'S NO BID PROCESS THAT
18 ONE GOES THROUGH, THEY WOULD BE BROUGHT DIRECTLY TO THE
19 BOARD AND NOT STOPPED AT A COMMITTEE ON THEIR WAY TO
20 FINAL APPROVAL.

21 BOARD MEMBER CHESBRO: OKAY. I'LL MOVE. I'D
22 FORGOTTEN THAT. THANK YOU FOR REMINDING ME OF THE
23 PROCESS.

24 CHAIRMAN FROST: OKAY. HOW ABOUT JUST SECOND.
25 WE'VE ALREADY GOT IT MOVED.



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1 BOARD MEMBER CHESBRO: SECOND.

2 CHAIRMAN FROST: MOVED AND SECONDED. CALL THE
3 ROLL, PLEASE.

4 BOARD SECRETARY: BOARD MEMBERS CHESBRO?

5 BOARD MEMBER CHESBRO: AYE.

6 BOARD SECRETARY: EGIGIAN?

7 BOARD MEMBER EGIGIAN: AYE.

8 BOARD SECRETARY: HUFF?

9 ABSENT.

10 NEAL?

11 BOARD MEMBER NEAL: AYE.

12 BOARD SECRETARY: RELIS?

13 BOARD MEMBER RELIS: AYE.

14 BOARD SECRETARY: CHAIRMAN FROST?

15 CHAIRMAN FROST: AYE.

16 OKAY. THE SECOND INTERAGENCY AGREEMENT IS
17 WITH THE PRISON INDUSTRY AUTHORITY FOR THE ANAEROBIC
18 DIGESTION STUDY. DON WALLACE.

19 MR. WALLACE: YES. MR. CHAIRMAN, ONCE AGAIN,
20 THIS IS AN INTERAGENCY AGREEMENT THAT THE WORK STATEMENT
21 WAS PREVIOUSLY APPROVED BY THE BOARD.

22 THE PURPOSE OF THIS IS GOING TO BE TO WORK
23 WITH THE PRISON INDUSTRY AUTHORITY IN CONJUNCTION WITH
24 THE CITY OF FOLSOM'S CORRECTIONAL RESOURCE RECOVERY
25 FACILITY. AND THEN THE UNIVERSITY OF CALIFORNIA AT DAVIS

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1 IN ORDER TO LOOK AT VARIOUS APPLICATIONS OF WASTEWATER
2 TREATMENT FOR SLUDGE WASTES AND A VARIETY OF MUNICIPAL
3 SOLID WASTES TO SEE HOW THE ANAEROBIC AND AEROBIC
4 PROCESSES BY MIXING VARIOUS KINDS OF WASTE HAS AN EFFECT
5 ON THE FINAL PRODUCT AND TO DO REPORTS ON THIS SO THAT WE
6 CAN GATHER MORE DATA ON HOW TO PROCESS AND UTILIZE SLUDGE
7 AND SOLID WASTES.

8 CHAIRMAN FROST: OKAY. ANY QUESTIONS FROM
9 MEMBERS OF THE BOARD?

10 BOARD MEMBER CHESBRO: IT'S MY UNDERSTANDING
11 THAT WE ARE GOING TO BE FUNDING BOTH SORT OF APPLIED
12 RESEARCH OR APPLICATION AT PRISON INDUSTRIES AND CONTINUE
13 SOME OF THE TECHNICAL RESEARCH AT U.C. DAVIS THROUGH THIS
14 CONTRACT COMBINED.

15 MR. WALLACE: THAT'S MY UNDERSTANDING. THAT'S
16 WHAT WE WERE GOING TO DO WITH THIS IS TRY TO DO A
17 COMBINATION OF BOTH PRACTICAL AND FURTHER RESEARCH.

18 BOARD MEMBER CHESBRO: THANK YOU.

19 CHAIRMAN FROST: OKAY. ANY OTHER QUESTIONS?

20 BOARD MEMBER EGIGIAN: I MOVE WE ACCEPT IT.

21 BOARD MEMBER CHESBRO: SECOND.

22 CHAIRMAN FROST: MOVED AND SECONDED. CALL THE
23 ROLL. PLEASE.

24 BOARD SECRETARY: BOARD MEMBERS CHESBRO?

25 BOARD MEMBER CHESBRO: AYE.



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1 BOARD SECRETARY: EGIGIAN?
2 BOARD MEMBER EGIGIAN: AYE.
3 BOARD SECRETARY: HUFF?
4 BOARD MEMBER HUFF: AYE.
5 BOARD SECRETARY: NEAL?
6 BOARD MEMBER NEAL: AYE.
7 BOARD SECRETARY: RELIS?
8 BOARD MEMBER RELIS: AYE.
9 BOARD SECRETARY: CHAIRMAN FROST?
10 CHAIRMAN FROST: AYE.

11 OKAY. THAT COMPLETES ITEM 3.

12 WE WILL NOW MOVE TO ITEM 9, CONSIDERATION
13 OF CONCURRENCE IN THE ISSUANCE OF A REVISED SOLID WASTE
14 FACILITIES PERMIT FOR A MONOFILL FACILITY IN IMPERIAL
15 COUNTY.

16 PAUL SWEENEY OF OUR STAFF WILL MAKE THE
17 PRESENTATION.

18 MR. SWEENEY: GOOD MORNING, MR. CHAIRMAN,
19 MEMBERS OF THE COMMITTEE. MY NAME IS PAUL SWEENEY.

20 GOOD MORNING, MR. CHAIRMAN AND MEMBERS OF
21 THE COMMITTEE. MY NAME IS PAUL SWEENEY REPRESENTING THE
22 PERMITS BRANCH OF THE PERMITTING AND COMPLIANCE DIVISION.

23 THIS ITEM DEALS WITH THE CONSIDERATION OF
24 CONCURRENCE IN THE ISSUANCE OF A REVISED SOLID WASTE
25 FACILITIES PERMIT FOR THE DESERT VALLEY MONOFILL FACILITY



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1 IN THE COUNTY OF IMPERIAL.

2 OUR REVISED PERMIT IS BEING PROPOSED TO
3 REFLECT THE FOLLOWING CHANGES:

4 ONE, AN INCREASE IN THE ANNUAL DISPOSAL OF
5 DRILLING MUDS AND CUTTINGS AND NONHAZARDOUS FILTERCAKE
6 FROM 27,000 TO 54,750 TONS PER YEAR.

7 TWO, THE ASSOCIATED REDUCTION IN SITE LIFE.

8 THREE, THE APPROVAL OF THE USE OF SOIL SEAL
9 AS AN ALTERNATIVE DAILY COVER.

10 THE DESERT VALLEY MONOFILL IS A CLASS II
11 MONOFILL USED FOR THE DISPOSAL OF WASTE GENERATED AT
12 MAGMA POWER COMPANY'S GEOTHERMAL WELLS. THE WASTE
13 CONSISTS OF DRILLING MUDS AND CUTTINGS AND FILTERCAKES
14 DERIVED FROM GEOTHERMAL BRINES.

15 THE FILTERCAKE CONTAINS NATURALLY OCCURRING
16 RADIOACTIVE MATERIALS OR NORM'S. THESE NORM'S ARE
17 CURRENTLY BELOW REGULATORY CONCERN. ALL THE MATERIALS
18 DISPOSED OF AT THIS SITE ARE DESIGNATED NONHAZARDOUS.

19 DESERT VALLEY MONOFILL IS A WHOLLY-OWNED
20 SUBSIDIARY OF MAGMA POWER COMPANY THAT IS USED SOLELY FOR
21 THE DISPOSAL OF WASTE GENERATED BY THE PARENT COMPANY.

22 DESERT VALLEY MONOFILL CURRENTLY SERVES THE
23 DISPOSAL NEEDS OF DEL RANCH, ELMORE, LEATHERS, AND VULCAN
24 GEOTHERMAL POWER PLANTS.

25 MAGMA POWER COMPANY INTENDS TO INCREASE



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1 ELECTRICAL POWER OUTPUT AT THESE PLANTS FROM
2 APPROXIMATELY 36 MEGAWATTS TO APPROXIMATELY 50 MEGAWATTS
3 OF POWER.

4 THE ADDITIONAL PRODUCTION AND THE
5 REINJECTION WELLS REQUIRED WILL GENERATE QUANTITIES OF
6 WASTE THAT WILL EXCEED THE TONNAGE LIMITS IN THE CURRENT
7 PERMIT.

8 THE PERMIT UNDER CONSIDERATION TAKES
9 ACCOUNT OF THESE ADDITIONAL WASTES. THE FACILITY
10 CONSISTS OF TWO CELLS, PHASE I AND PHASE II. EACH OCCUPY
11 APPROXIMATELY 5 ACRES SEPARATED BY AN EARTH BERM.

12 THIS REVISED SOLID WASTE FACILITIES PERMIT
13 WILL ALLOW AN INCREASE IN THE AMOUNT OF WASTE DISPOSED AT
14 THE SITE FROM 27,000 TO 54,750 TONS PER YEAR. THE
15 PERMITTED PEAK DAILY TONNAGE WILL BE INCREASED FROM 300
16 TO 500 TONS PER DAY.

17 THIS INCREASE IN THE FILLING RATE WILL
18 REDUCE THE SITE LIFE OF THE FACILITY. THE ESTIMATED
19 CLOSURE DATE FOR PHASE I HAS BEEN REVISED FROM 2001 TO
20 1996. THE ESTIMATED CLOSURE DATE FOR PHASE II HAS BEEN
21 REVISED FROM 2012 TO 2001.

22 THE FACILITY RECEIVES THE FOLLOWING TYPES
23 OF WASTE: DRILLING MUDS, DRILL CUTTINGS, AND SILICA
24 FILTERCAKE. THE MUDS ARE THE COOLING FLUIDS WITH
25 POSSIBLE ADDITIVES OTHER THAN CLAY-TYPE MATERIALS, WHICH



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1 ENHANCE THE CUTTING FEATURES OF THE DRILL BIT.
2 FILTERCAKE IS A SILICA PRECIPITATE WHICH IS SEPARATED
3 FROM THE GEOTHERMAL BRINES AND DEWATERED.

4 THE WASTE MATERIALS ARE CHARACTERIZED AS
5 NONHAZARDOUS BEFORE THEY ARE ACCEPTED AT THE SITE. ALL
6 MATERIALS ARE TESTED FOR HAZARDOUS CONSTITUENTS PRIOR TO
7 TRANSPORT TO THE MONOFILL FACILITY.

8 NO WASTE OTHER THAN THOSE GENERATED BY
9 MAGMA POWER COMPANY ARE ACCEPTED AT THE FACILITY;
10 CONSEQUENTLY, A HAZARDOUS WASTE SCREENING PROGRAM HAS NOT
11 BEEN REQUIRED BY THE LEA.

12 THE REVISED PERMIT REQUIRES THAT THE
13 OPERATOR APPLY THE SOIL SEAL AT LEAST ONCE PER WORKING
14 DAY AT THE END OF THE DAY'S OPERATIONS. THE USE OF THE
15 SOIL SEALANT AS AN ALTERNATIVE DAILY COVER IS SUBJECT TO
16 REVIEW BY THE LEA AT ALL TIMES AND THAT USE MAY BE
17 REVOKED FOR JUST CAUSE.

18 THE SITE IS CURRENTLY INSPECTED WEEKLY, BUT
19 THE APPROVAL OF SOIL SEAL AS AN ALTERNATIVE DAILY COVER
20 IN THIS PERMIT REVISION WILL RESULT IN A MONTHLY
21 INSPECTION SCHEDULED BY THE LEA AT A TIME DEEMED
22 APPROPRIATE.

23 NEITHER SALVAGING NOR REUSE HAS BEEN
24 PROPOSED FOR ANY OF THE MATERIALS RECEIVED AT THIS SITE.

25 THE LEA AND BOARD STAFF HAVE DETERMINED THE



1 FOLLOWING:

2 ONE. THE FACILITY IS FOUND IN THE IMPERIAL
3 COUNTY SOLID WASTE MANAGEMENT PLAN.

4 TWO, THE FACILITY IS IN CONFORMANCE WITH
5 THE IMPERIAL COUNTY GENERAL PLAN.

6 THREE, THE REQUIREMENTS OF THE CALIFORNIA
7 ENVIRONMENTAL QUALITY ACT HAVE BEEN COMPLIED WITH, AND
8 THE IMPERIAL COUNTY PLANNING DEPARTMENT HAS PREPARED AN
9 ENVIRONMENTAL IMPACT REPORT FOR THE PROPOSED PROJECT.
10 THE PROJECT WAS CERTIFIED AS APPROVED BY THE LEAD AGENCY
11 ON JULY 11, 1990, AND A NOTICE OF DETERMINATION WAS
12 FILED.

13 FOUR, BOARD STAFF HAS DETERMINED THAT THE
14 ISSUANCE OF THIS FACILITIES PERMIT WOULD NOT BE
15 INCONSISTENT WITH, NOR WOULD IT IMPAIR COUNTY WASTE
16 DIVERSION GOALS. THE LEA AND BOARD STAFF CONDUCTED AN
17 INSPECTION OF THIS FACILITY ON JANUARY 3, 1992, IN
18 CONJUNCTION WITH THE LEA, AND FOUND THE FACILITY IN
19 COMPLIANCE WITH STATE MINIMUM STANDARDS.

20 I'D LIKE TO ADD THAT THERE WASN'T EVEN AN
21 AREA OF CONCERN NOTED. STAFF HAS REVIEWED THE PROPOSED
22 PERMIT AND SUPPORTING DOCUMENTATION AND FOUND THEM TO BE
23 ACCEPTABLE.

24 IN CONCLUSION, STAFF RECOMMENDS THAT THE
25 BOARD ADOPT SOLID WASTE FACILITIES PERMIT DECISION NO.

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1 92-23, CONCURRING IN THE ISSUANCE OF SOLID WASTE
2 FACILITIES PERMIT NO. 13-AA-0022.

3 MR. GERALD QUICK FROM THE IMPERIAL COUNTY
4 LEA AND MR. BRUCE CARLSEN OF DESERT VALLEY COMPANY AND
5 PAUL NEIL OF RTP ASSOCIATES, THE CONSULTANT TO THE
6 FACILITY, ARE PRESENT AND AVAILABLE TO DISCUSS THE
7 PROJECT OR TO ANSWER ANY QUESTIONS YOU MAY HAVE.

8 THIS CONCLUDES MY PRESENTATION.

9 CHAIRMAN FROST: THANK YOU. ANY QUESTIONS OR
10 COMMENTS FROM BOARD MEMBERS?

11 BOARD MEMBER CHESBRO: I HAVE A QUESTION FOR
12 STAFF AND POSSIBLY THE LEA.

13 THIS WAS ONE OF THE VERY FIRST PERMITS, I'M
14 SURE MR. EGIGIAN AND MS. NEAL WILL RECALL, ONE OF THE
15 VERY FIRST PERMITS THAT WE HEARD AS THE NEW BOARD, AND IT
16 STANDS OUT IN MY MIND. I ESPECIALLY LOVE THE TERM
17 "NORM." SUPPOSED TO MAKE ME FEEL CONFIDENT AND
18 COMFORTABLE, I KNOW.

19 BUT WE HAD QUITE A BIT OF DISCUSSION ABOUT
20 IT. AND MY MEMORY, AND I'D LIKE CONFIRMATION OR
21 CONTRADICTION IF MY MEMORY IS CORRECT OR ISN'T CORRECT,
22 BUT MY MEMORY IS OF THE ORIGINAL PERMIT WAS THAT THERE
23 WAS A CONCERN.

24 THE ONLY CONCERN WITH REGARDS TO THE
25 POTENTIAL EXPOSURE OF ANYBODY TO THESE MATERIALS HAD TO



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1 DO WITH ON-SITE STAFF WHO WOULD BE THERE ON AN ONGOING
2 BASIS AND MIGHT, OVER A PERIOD OF TIME, BE EXPOSED TO A
3 VERY LOW LEVEL OF RADIOACTIVITY AS A RESULT OF THAT
4 EXPOSURE.

5 AND SOME OF THE MITIGATION MEASURES THAT
6 WERE IN THE ORIGINAL PERMIT WERE FAIRLY SIMPLE THINGS,
7 SUCH AS KEEPING THE WINDOWS OF TRUCKS ROLLED UP AND WEAR
8 FACE MASKS AND THINGS LIKE THAT. AND THERE WAS A CONCERN
9 ABOUT ENFORCEABILITY OF THOSE CONDITIONS.

10 AND I CAN'T RECALL WHETHER THIS WAS
11 INCORPORATED INTO THE PERMIT LANGUAGE OR NOT, BUT I WANT
12 SOME ASSURANCE THAT, IF IT WAS, THAT THAT WON'T BE
13 CHANGED BY THE PERMIT IN ANY WAY, AND SOME SORT OF
14 FEEDBACK ABOUT HOW IT'S BEEN CARRIED OUT.

15 THE CONCERN WAS TO MAKE SURE THAT THE
16 INSPECTIONS WERE UNANNOUNCED AND RANDOM. BECAUSE,
17 OBVIOUSLY, IF MITIGATION OR SOMETHING AS SIMPLE AS
18 KEEPING A TRUCK WINDOW ROLLED UP, THAT'S SOMETHING THAT'S
19 VERY QUICK AND EASY TO FIX IF THERE'S ANY WARNING AT ALL
20 ABOUT AN INSPECTION.

21 AND SO I WAS CONCERNED IN TERMS OF EMPLOYEE
22 SAFETY THAT -- AND I THINK I RECALL THAT THE BOARD HAD
23 ASKED FOR THAT AND GOTTEN VOLUNTARILY BY THE APPLICANT
24 AND THE LEA SOME LANGUAGE TO THAT EFFECT.

25 AND I WOULD LIKE SOME FEEDBACK ABOUT THE



1 STATUS OF THAT AND WHETHER THIS PERMIT WOULD AFFECT THAT
2 IN ANY WAY.

3 MR. SWEENEY: YES. WELL, FOR ONE THING, ALL OF
4 THE INSPECTIONS ARE SPOT. THEY'RE NEVER ANNOUNCED. AND
5 THAT'S NOT ONLY BY THE LEA, BUT ALSO BY THE REGIONAL
6 WATER BOARD AND EVEN OUR OWN STATE INSPECTORS.

7 NO. 2, AS FAR AS --

8 BOARD MEMBER CHESBRO: THEY'RE NOT EVERY TUESDAY
9 AT 10 A.M., I PRESUME?

10 MR. SWEENEY: NO, SIR. THEY'RE NOT FRIDAY
11 AFTERNOONS AND MONDAY MORNINGS AND EVERYTHING. RIGHT.

12 AS FAR AS THE EMPLOYEE HEALTH AND SAFETY,
13 WE SUBMITTED SOME INFORMATION TO YOU THAT YOU MIGHT HAVE
14 SEEN BY NOW ABOUT EXPOSURES, THE TRACKING OF THE
15 EMPLOYEES.

16 BUT ALONG THAT LINE, THERE'S EXTENSIVE
17 TRAINING ABOUT WHAT THEY'RE DOING, WHAT THE MATERIAL
18 CONTAINS, EXTENSIVE TRAINING ON A CONTINUING BASIS.

19 ALL OF THE EMPLOYEES HAVE TO WEAR
20 RESPIRATORS, TYPE H. THEY HAVE A TEST. THEY HAVE
21 CARDIOPULMONARY TESTING TO MAKE SURE THEY'RE CAPABLE OF
22 DOING THIS JOB. THERE'S RESPIRATOR MAINTENANCE. THERE'S
23 DESIGNATED AREAS AT THE SITE.

24 BOARD MEMBER CHESBRO: NOW, IS THAT -- ARE ALL
25 OF THESE CONDITIONS OF THE PERMIT?



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1 MR. SWEENEY: YES, SIR.

2 BOARD MEMBER CHESBRO: OKAY.

3 MR. SWEENEY: IN FACT, THEY'RE ALSO IN THE
4 CONDITIONAL USE PERMIT AS WELL.

5 BOARD MEMBER CHESBRO: AND AM I CORRECT IN
6 RECALLING THAT THE RANDOMNESS OF THE INSPECTIONS WAS A
7 CONDITION OF THE PERMIT, OR WAS THAT SIMPLY SOMETHING
8 THAT WE SUGGESTED?

9 MR. SWEENEY: I DON'T THINK IT WAS ACTUALLY
10 SPECIFICALLY STIPULATED IN THE PERMIT, BUT IT WAS
11 SOMETHING THAT WAS UNDERSTOOD. YEAH. I'M INFORMED
12 THAT'S STANDARD PRACTICE TO CONDUCT UNANNOUNCED
13 INSPECTIONS.

14 BOARD MEMBER CHESBRO: THAT ANSWERS MY QUESTION.
15 UNFORTUNATELY, I REALLY APOLOGIZE, I CAN'T
16 RECALL THE GENTLEMAN'S NAME, BUT I DID HAVE A VERY BRIEF
17 CONVERSATION WITH, I THINK, A REPRESENTATIVE OF THE
18 LEA --

19 MR. SWEENEY: GERALD QUICK.

20 BOARD MEMBER CHESBRO: -- SOME TIME AGO IN
21 PASSING AT ONE OF THE MANY LOCAL GOVERNMENT MEETINGS THAT
22 I ATTEND. SO I DIDN'T REPORT THAT EARLIER UNDER THE EX
23 PARTE, BUT I'M INDICATING NOW THAT I DID HAVE SOME
24 DISCUSSION ABOUT THIS PERMIT.

25 MR. SWEENEY: RIGHT. WE ALSO HAVE OTHER THINGS

1 AS TO CONDITIONS DOWN THERE ABOUT HANDLING OF THE WASTE
2 DOWN THERE, THAT IF THE WIND EVER EXCEEDS 13 MILES PER
3 HOUR, THEY DON'T ACCEPT ANY WASTE. IF THE UNLOADING
4 PROCESS ITSELF IS SLIGHTLY DUSTY, THEY ACTUALLY SPRAY THE
5 SOIL SEAL RIGHT ON IT IMMEDIATELY. AND, OF COURSE, THEY
6 SPRAY THE SOIL SEAL AT THE PLACE WHERE THE WASTE IS
7 GENERATED, WHICH IS THE FOUR GEOTHERMAL PLANTS.

8 THE DAILY COVER IS A POLYACRYLATE. IT
9 MAKES A LITTLE CRUST, SORT OF LIKE A DILUTED ELMER'S
10 GLUE. ALL THEIR EQUIPMENT IS SEALED AND POSITIVE
11 PRESSURE, THE LOAD OF THE WATER TRUCKS, THE TRANSPORT
12 TRUCKS. THEY DON'T EVEN HAVE A -- THEY ACTUALLY
13 DELIBERATELY CLOSE THE VENTS THAT TAKE IN OUTSIDE AIR,
14 THAT THEY CAN'T EVEN OPEN THEM.

15 AND THEY ALSO HAVE A MINIMIZATION OF THE
16 TIME THAT THE EMPLOYEES ARE EVER IN THE CELLS OR NEAR THE
17 FACILITIES. THEY ALWAYS PRACTICE GOOD INDUSTRIAL HYGIENE
18 BY THEY HAVE WASHING AND EATING IN DESIGNATED AREAS.

19 THEY HAVE A LITTLE SHOP OUT THERE WITH A
20 SHOWER. THE PEOPLE COME IN, THEY HAVE TO CHANGE INTO
21 UNIFORMS. THE UNIFORMS ARE TAKEN TO A SPECIAL LAUNDRY
22 SERVICE, NOT INTO A GENERAL LAUNDROMAT. THE UNIFORMS
23 STAY AT WORK. THE SHOES STAY AT WORK. AND THE EMPLOYEES
24 ARE REQUIRED TO SHOWER AT THE END OF THE DAY AND THEN GO
25 HOME.



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1 THEY ALSO HAVE A DOSIMETRY BADGES. THEY
2 HAVE FOUR AIR MONITORING STATIONS. THEY ARE ALWAYS
3 CHECKING FOR RADON. SIX-DAY AIR MONITORING.

4 THE RESULTS THAT WE HAD TURNED IN AND THAT
5 WE HAVE AVAILABLE FOR YOU, IF YOU'D LIKE TO SEE THEM,
6 ARE -- SINCE THEY STARTED ACCEPTING WASTE ON MAY 1ST OF
7 1991, THEY'VE ESSENTIALLY HAD NONDETECTABLE LEVELS OF
8 RADIATION ON ANY OF THE EMPLOYEES THAT HAVE WORKED IN THE
9 AREA. MYSELF, I WAS ACTUALLY THERE QUITE A LOT MYSELF,
10 AND I NEVER GOT ANYTHING EITHER.

11 BOARD MEMBER HUFF: DIDN'T CURE YOUR COLD,
12 THOUGH.

13 MR. SWEENEY: NO, IT DIDN'T. IT SURE DIDN'T. I
14 SOUND LIKE A FROG EVEN WITH A NORMAL VOICE, ESPECIALLY
15 TODAY.

16 AND LIKE I SAY, THEY'VE TAKEN RADON
17 MEASUREMENTS AND ACTUALLY FOUND THAT THE READINGS THAT
18 THEY'VE GOTTEN HAVE BEEN BELOW AMBIENT CONDITIONS
19 ACCORDING TO THE NUCLEAR REGULATORY COMMISSION, WHICH
20 ALLOWS A .5 PICO CURIE COUNT AND THEY'VE GOTTEN .1'S.
21 IT'S VERY LOW, VERY LOW.

22 BOARD MEMBER HUFF: IT'S BELOW THE AMBIENT
23 LEVEL.

24 CHAIRMAN FROST: IT'S BELOW THE AMBIENT.

25 BOARD MEMBER HUFF: YOU PROBABLY GET A BIGGER



1 DOSE IF YOU LIVE IN DENVER THAN YOU WOULD ON A WALK
2 THROUGH THIS PLACE.

3 MR. SWEENEY: ABSOLUTELY. IN FACT, THERE'S A
4 REPORT THAT'S COME OUT THAT -- BY THE CLOSEST NEAREST
5 RESIDENT TO THE DESERT VALLEY MONOFILL, ACTUALLY, GETS AS
6 MUCH RADIATION EXPOSURE IF THEY SMOKED 1.6 CIGARETTES A
7 YEAR OR TOOK ONE TWO-HOUR AIR FLIGHT.

8 BOARD MEMBER CHESBRO: WELL, I MAY VOTE FOR THIS
9 PERMIT, BUT I WANT TO INDICATE THAT A LOW LEVEL RADIATION
10 IS SOMETHING THAT IS -- A SIGNIFICANT PART OF THE
11 SCIENTIFIC COMMUNITY FEELS IS A SIGNIFICANT HEALTH
12 THREAT, SO I THINK -- YOU KNOW, I THINK THESE PRECAUTIONS.
13 ARE JUSTIFIED.

14 CHAIRMAN FROST: I'M GOING TO QUIT FLYING.

15 BOARD MEMBER CHESBRO: THERE'S SOME THINGS YOU
16 CAN'T DO ANYTHING ABOUT, BUT THERE ARE SOME THINGS YOU
17 CAN DO SOMETHING ABOUT. AND SINCE THE QUESTION ABOUT
18 WHETHER PEOPLE SHOULD BE PROTECTED FROM LOW LEVEL
19 RADIATION HAS BEEN RAISED, I THINK I HAVE TO GO ON RECORD
20 AS SAYING THAT IF YOU CAN DO SOMETHING ABOUT IT, THAT
21 WORKERS OUGHT TO BE PROTECTED FROM IT IN ANY WAY
22 POSSIBLE.

23 MR. SWEENEY: RIGHT. AND AS I SAID, THIS IS
24 NATURALLY OCCURRING RADIOACTIVE MATERIAL AND NOT LOW
25 LEVEL RADIOACTIVE WASTE. LOW LEVEL RADIOACTIVE WASTE IS



1 SIGNIFICANTLY HIGHER.

2 BOARD MEMBER CHESBRO: I UNDERSTAND THAT. BUT
3 AS I JUST SAID TO MR. HUFF A FEW MINUTES AGO, POISON
4 MUSHROOMS ARE NATURALLY OCCURRING, TOO. IT'S NOT THE
5 ORIGIN OF THE RADIOACTIVITY THAT IS THE QUESTION. IT'S
6 THE LEVEL OF RADIOACTIVE EXPOSURE THAT IS OF CONCERN. SO
7 THAT'S WHY NORM, THE TERM KIND OF GETS TO ME BECAUSE IT
8 IS AN ATTEMPT TO MAKE YOU FEEL COMFORTABLE BECAUSE OF THE
9 SOURCE OF THE RADIATION, AND THE SOURCE OF THE RADIATION
10 ISN'T THE QUESTION. BUT I'M SATISFIED, BELIEVE ME,
11 FOLKS.

12 BOARD MEMBER HUFF: YOU ARE SATISFIED.

13 BOARD MEMBER CHESBRO: GOOD STEPS HAVE BEEN
14 TAKEN, SO LET'S PROCEED WITH THIS PERMIT.

15 BOARD MEMBER EGIGIAN: MR. CHAIRMAN, IS THE
16 CHAIR READY FOR A MOTION?

17 CHAIRMAN FROST: I GUESS I AM.

18 BOARD MEMBER HUFF: I WAS WAITING FOR WESLEY TO
19 MAKE IT.

20 BOARD MEMBER EGIGIAN: I'LL SO MOVE.

21 BOARD MEMBER CHESBRO: I'LL SECOND IT.

22 CHAIRMAN FROST: OKAY. MOVED AND SECONDED.

23 CALL THE ROLL.

24 BOARD SECRETARY: BOARD MEMBERS CHESBRO?

25 BOARD MEMBER CHESBRO: AYE.

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1 BOARD SECRETARY: EGIGIAN?

2 BOARD MEMBER EGIGIAN: AYE.

3 BOARD SECRETARY: HUFF?

4 BOARD MEMBER HUFF: AYE.

5 BOARD SECRETARY: NEAL?

6 BOARD MEMBER NEAL: AYE.

7 BOARD SECRETARY: RELIS?

8 BOARD MEMBER RELIS: AYE.

9 BOARD SECRETARY: CHAIRMAN FROST?

10 CHAIRMAN FROST: AYE.

11 OKAY. THAT MOVES TO ITEM 10, WHICH IS
12 CONSIDERATION OF APPROVAL OF SUBTITLE D APPLICATION TO.
13 U. S. EPA. MICHAEL FINCH OF OUR STAFF WILL MAKE THIS
14 PRESENTATION.

15 BOARD MEMBER NEAL: I'M THE ONE THAT REQUESTED
16 THIS BE PULLED FROM THE CONSENT AGENDA. AND BASICALLY
17 BECAUSE NOT THAT I DISAGREE WITH THE COMMITTEE'S
18 RECOMMENDATION, I DO AGREE WITH THAT. I DIDN'T REALLY
19 GET THE STAFF ANALYSIS. THEY THREW SEVERAL OPTIONS OUT
20 THAT I DID NOT SEE SUPPORTED BY ANY INFORMATION IN THE
21 ITEM. I FRANKLY DIDN'T UNDERSTAND WHERE SOME OF THESE
22 DIFFERENT OPTIONS CAME FROM. SO I HOPE IN YOUR
23 PRESENTATION YOU CAN SORT OF ADDRESS THAT.

24 BOARD MEMBER HUFF: MR. CHAIRMAN, REALLY I THINK
25 THAT THERE ARE TWO OPTIONS. EITHER WE PROCEED DOWN THE



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1 PATH THAT WE'VE BEEN PROCEEDING OR WE DON'T. SO I DON'T
2 REALLY UNDERSTAND THE OPTIONS EITHER.

3 BOARD MEMBER NEAL: WELL, YES. MY UNDERSTANDING
4 IS EVERY STEP OF THE WAY WE SAID, YES, THIS IS A GOOD
5 IDEA TO PROCEED. AND THEN ALL OF A SUDDEN THESE OTHER
6 OPTIONS POP UP, AND I DIDN'T KNOW WHERE THEY CAME FROM.

7 CHAIRMAN FROST: WOULD STAFF LIKE TO COMMENT?

8 MR. DIER: MR. CHAIRMAN, DON DIER WITH RESEARCH
9 AND TECHNOLOGY DEVELOPMENT DIVISION. I ADMIT THE ITEM IS
10 A LITTLE CONFUSING. THAT IS THE ITEM THAT WAS PREPARED
11 FOR THE COMMITTEE.

12 UNFORTUNATELY, BECAUSE OF THE TIMING OF THE
13 KELLER CANYON ITEM AT THAT COMMITTEE, WE DIDN'T HAVE THE
14 OPPORTUNITY TO DO A FULL DISCUSSION OF THE ITEM.

15 AND WITH THE TIMING WITH GETTING THE PACKET
16 TOGETHER, WE DIDN'T HAVE TIME TO CLEAN UP THE ITEM FOR
17 INCLUSION IN HERE.

18 ESSENTIALLY, THE OPTIONS ARE EITHER WE
19 SUBMIT THE APPLICATION OR WE DON'T. AND MIKE FINCH WOULD
20 LIKE TO JUST TAKE A COUPLE OF MOMENTS TO CLARIFY FOR YOU
21 WHAT THE ITEM APPARENTLY DIDN'T DO TOO WELL, AND THAT IS
22 REALLY WHAT WE'RE ASKING THE BOARD TO DO.

23 BOARD MEMBER NEAL: BEFORE YOU DO THAT, LET ME
24 JUST ASK YOU, ALL ALONG THE WAY, AS I SAID, THE BOARD
25 SAID, YES, GO FORWARD PROCEED, PROCEED. IS THERE ANY



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1 REASON WHY AT THIS POINT WE NEED TO CONSIDER NOT
2 PROCEEDING?

3 MR. DIER: NO, WE DON'T THINK THERE IS. BUT WE
4 DO NEED A FORMAL ACTION OF THE BOARD TO APPROVE OUR
5 SUBMITTAL OF THE APPLICATION TO AGENCY, AND THEN AGENCY
6 WILL MAKE THE ACTUAL APPLICATION TO EPA.

7 SO WE'RE -- THAT'S ALL WE'RE ASKING IS FOR
8 THE BOARD'S APPROVAL TO SEND THE APPLICATION FORWARD.

9 BOARD MEMBER NEAL: I MOVE APPROVAL.

10 BOARD MEMBER HUFF: SECOND.

11 CHAIRMAN FROST: MOVED AND SECONDED. OKAY.

12 CALL THE ROLL.

13 BOARD SECRETARY: BOARD MEMBERS CHESBRO?

14 BOARD MEMBER CHESBRO: AYE.

15 BOARD SECRETARY: EGIGIAN?

16 BOARD MEMBER EGIGIAN: AYE.

17 BOARD SECRETARY: HUFF?

18 BOARD MEMBER HUFF: AYE.

19 BOARD SECRETARY: NEAL?

20 BOARD MEMBER NEAL: AYE.

21 BOARD SECRETARY: RELIS?

22 BOARD MEMBER RELIS: AYE.

23 BOARD SECRETARY: CHAIRMAN FROST?

24 CHAIRMAN FROST: AYE.

25 BOARD MEMBER NEAL: I WOULD SUGGEST IN THE



1 FUTURE YOU NOT TRY TO CONFUSE US WITH NONISSUES.

2 CHAIRMAN FROST: ITEM 12, CONSIDERATION OF AN
3 INTERIM STATEWIDE LANDFILL CAPACITY REPORT. JUDY
4 FRIEDMAN WILL INTRODUCE STAFF TO MAKE THIS PRESENTATION.

5 MS. FRIEDMAN: I'LL TRY AND MINIMIZE THE
6 SCREECHING OF THE MICROPHONE HERE.

7 BOARD MEMBER EGIGIAN: MR. CHAIRMAN, JUST BEFORE
8 SHE BEGINS.

9 CHAIRMAN FROST: YES, MR. EGIGIAN.

10 BOARD MEMBER EGIGIAN: I DIDN'T THINK WHEN WE
11 ASKED FOR THIS CAPACITY REPORT A NUMBER OF MONTHS BACK
12 THAT WE WOULD RECEIVE SUCH A COMPLETE AND WELL
13 THOUGHT-OUT REPORT HERE. SO I'D LIKE TO COMMENT ON THE
14 FACT THAT THE STAFF, IN OUR OPINION, DID A VERY GOOD JOB.
15 THANK YOU.

16 CHAIRMAN FROST: THANK YOU.

17 MS. FRIEDMAN: THANK YOU. GOOD MORNING,
18 CHAIRMAN FROST AND BOARD MEMBERS. I'M JUDY FRIEDMAN,
19 MANAGER OF THE SOUTH SECTION OF THE BOARD'S LOCAL
20 ASSISTANCE BRANCH, PLANNING AND ASSISTANCE DIVISION.

21 TODAY WE WILL PRESENT TO YOU FOR YOUR
22 CONSIDERATION THE INTERIM STATEWIDE LANDFILL CAPACITY
23 REPORT. THIS REPORT IS BEING FORWARDED TO YOU UPON
24 RECOMMENDATION OF THE BOARD'S POLICY, RESEARCH, AND
25 TECHNICAL ASSISTANCE COMMITTEE.



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1 IT IS OUR HOPE THAT UPON YOUR CONSIDERATION
2 OF THE REPORT, YOU WILL ADOPT THE REPORT AND DIRECT STAFF
3 TO PREPARE THE FINAL REPORT FOR DISTRIBUTION.

4 HERE WITH ME TODAY ARE TWO STAFF OF MY
5 SECTION, JOHN NUFFER ON MY LEFT AND TRACY HARPER. THEY
6 ARE THE PRINCIPAL AUTHORS AND WILL BE PRESENTING THE
7 REPORT FINDINGS TO YOU IN A MOMENT. BUT, FIRST, I'D LIKE
8 TO GIVE YOU SOME BACKGROUND.

9 IN SEPTEMBER 1991 THE POLICY, RESEARCH, AND
10 TECHNICAL ASSISTANCE COMMITTEE DISCUSSED THE NEED FOR
11 PREPARATION OF A STATEWIDE CAPACITY REPORT AND DIRECTED
12 STAFF OF THE LOCAL ASSISTANCE BRANCH TO PREPARE A WORK
13 PLAN.

14 AT IT'S OCTOBER 10TH MEETING, THE COMMITTEE
15 APPROVED THE WORK PLAN AND FORWARDED IT ON TO THE BOARD
16 FOR APPROVAL. THE WORK PLAN WAS APPROVED BY THE BOARD ON
17 OCTOBER 30, 1991. THE APPROVED WORK PLAN CALLED FOR
18 COMPILING AND EVALUATING THE EXISTING CAPACITY DATA
19 SUBMITTED TO THE BOARD BY EACH COUNTY LOCAL TASK FORCE.

20 THIS DATA HAS PREVIOUSLY BEEN SUBMITTED BY
21 EACH LOCAL TASK FORCE AS REQUIRED BY THE REGULATIONS, AND
22 IT REPRESENTED COUNTYWIDE LANDFILL CAPACITY AS OF JANUARY
23 1, 1990. THE REPORT WAS TO SUMMARIZE AND AGGREGATE THE
24 EXISTING DATA BY COUNTY, REGION, AND STATEWIDE BASIS.

25 THE DRAFT REPORT WAS FIRST PRESENTED ON

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1 FEBRUARY 20TH OF THIS YEAR AT A COMMITTEE WORKSHOP. AT
2 THE WORKSHOP THE COMMITTEE REQUESTED THAT STAFF INCLUDE
3 IN THE REPORT AN ESTIMATE OF THE EFFECT ON LANDFILL
4 CAPACITY OF ACHIEVEMENT OF THE STATE WASTE DIVERSION
5 GOALS.

6 THIS INFORMATION WAS PROVIDED IN A REVISED
7 DRAFT, WHICH THE COMMITTEE CONSIDERED AT ITS MARCH 10TH
8 MEETING.

9 FURTHER MINOR REVISIONS CONCERNING THE
10 DIVERSION SCENARIOS WERE ALSO REQUESTED OF STAFF AT THAT
11 COMMITTEE MEETING, AND THE COMMITTEE VOTED THREE TO ZERO
12 IN FAVOR OF SENDING THE REPORT TO THE BOARD AT THIS
13 MEETING FOR ADOPTION.

14 THE REPORT YOU HAVE BEFORE YOU HAS BEEN
15 REVISED TO REFLECT THE COMMITTEE'S CONCERNS.

16 NOW, I'D LIKE TO INTRODUCE TO YOU JOHN
17 NUFFER, WHO WILL SUMMARIZE THE DEVELOPMENT AND
18 METHODOLOGY OF THE REPORT. HE WILL BE FOLLOWED TRACY
19 HARPER, WHO WILL PRESENT THE FINDINGS AND CONCLUSIONS.

20 MR. NUFFER: THANK YOU. MR. CHAIRMAN, BOARD
21 MEMBERS. MY NAME IS JOHN NUFFER OF THE LOCAL ASSISTANCE
22 BRANCH OF THE PLANNING AND ASSISTANCE DIVISION.

23 THIS MORNING WE'D LIKE TO DIVIDE OUR
24 PRESENTATION INTO THREE PARTS. THE FIRST PART I WILL
25 TAKE. I WILL DISCUSS, FIRST, WHY WE DID THE STUDY, HOW



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1 WE DID THE STUDY, AND A LITTLE BIT ABOUT THE LIMITATIONS
2 OF THE STUDY.

3 THEN TRACY WOULD LIKE TO TALK ABOUT THE
4 FINDINGS OF THE STUDY, AND THEN I'LL FINISH UP WITH SOME
5 CONCLUSIONS.

6 FIRST OF ALL, WHY DID WE DO THE STUDY OF
7 LANDFILL CAPACITY. THE FIRST OVERALL GOAL OF OUR WORK
8 WAS TO DETERMINE WHERE IN CALIFORNIA THERE MIGHT BE A
9 CRITICAL SHORTAGE OF REMAINING PERMITTED LANDFILL
10 DISPOSAL CAPACITY.

11 THIS GOAL WAS TO FIND WHERE SPECIFICALLY BY
12 TWO OBJECTIVES. THE FIRST OBJECTIVE WAS TO DETERMINE THE
13 EXTENT OF NEED FOR CAPACITY STATEWIDE AS MEASURED IN
14 YEARS. AND THE SECOND OBJECTIVE WAS TO IDENTIFY COUNTIES
15 AND REGIONS WHICH MIGHT BE CRITICALLY SHORT OF CAPACITY.

16 LASTLY, IN DOING THE STUDY, WE BELIEVE
17 THERE ARE SEVERAL BENEFITS. FIRST, IT PROVIDES THE BOARD
18 WITH A PRELIMINARY INDICATION OF HOW SERIOUS MAY BE THE
19 NEED FOR LANDFILL CAPACITY.

20 SECOND, IT PROVIDES A BENCH MARK FOR FUTURE
21 REFERENCE AS THE PLANNING PROCESS PROCEEDS. THIS
22 PROVIDES A SNAPSHOT IN TIME TO LOOK BACK UPON.

23 AND THIRD, IT PROVIDES THE FOUNDATION FOR
24 MORE EXTENSIVE FUTURE ANALYSIS OF LANDFILL CAPACITY AS WE
25 PROCEED OVER THE NEXT YEAR OR SO.



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1 HOW WE DID THE STUDY OR WHAT WAS THE
2 METHODOLOGY. THE DATA WE USED WAS SUBMITTED BY THE LOCAL
3 TASK FORCES FROM EACH COUNTY.

4 AS BACKGROUND, THE LOCAL TASK FORCES WERE
5 ESTABLISHED BY AB 939 TO GUIDE AND COORDINATE THE
6 PLANNING PROCESS. THE LOCAL TASK FORCES WERE REQUIRED BY
7 THE REGULATIONS ESTABLISHED PURSUANT TO AB 939 TO DO TWO
8 THINGS: FIRST, TO DETERMINE AND VERIFY THE REMAINING
9 PERMITTED COUNTYWIDE DISPOSAL CAPACITY IN EACH COUNTY,
10 AND THEN TO MAKE A FINDING OR TO TELL THIS BOARD HOW MUCH
11 CAPACITY THEY HAD REMAINING IN YEARS.

12 AND TO FACILITATE THIS PROCESS, WE SENT A
13 LETTER TO EACH COUNTY AND ASKED THEM TO TELL US HOW MUCH
14 CAPACITY THEY HAD IN YEARS.

15 OUR FIRST TASK WAS TO COMPILE EXISTING
16 LOCAL TASK FORCE FINDINGS. HOWEVER, IN ORDER TO MAKE THE
17 STUDY MORE MEANINGFUL, WE ALSO WANTED TO GATHER AND
18 COMPILE OTHER DATA, NOT ONLY ON CAPACITY IN TERMS OF
19 YEARS, BUT ALSO IN TERMS OF TONS AND CUBIC YARDS. AND,
20 AS WELL, WE GATHERED INFORMATION ON ANNUAL DISPOSAL IN
21 TERMS OF TONS AND CUBIC YARDS.

22 TO DO THIS, WE SIMPLY EXAMINED EXISTING
23 BOARD FILES. IF AT THE TIME WE LOOKED AT THE FILES THE
24 FILES DID NOT CONTAIN THE DATA WE WANTED, WE EITHER
25 CALLED THE COUNTIES OR WE CONVERTED EXISTING COUNTY DATA



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1 INTO THE DESIRED FORM.

2 FOR EXAMPLE, IF WE NEEDED A TONNAGE FIGURE
3 AND WE HAD A CUBIC YARD FIGURE, WE SIMPLY USED THE
4 COUNTY'S COMPACTION RATE OR WE USED THE STANDARD
5 CONVERSION RATE.

6 OUR SECOND TASK WAS TO SUMMARIZE AND
7 ORGANIZE THE DATA THAT WE HAD COMPILED. IN ORDER TO DO
8 THIS, WE ESTABLISHED CATEGORIES TO GIVE US AN INDICATION
9 OF THE EXTENT OF NEED FOR LANDFILL CAPACITY.

10 AND AS YOU WILL BE ABLE TO SEE IN A LITTLE
11 WHILE ON THE MAP OVER TO MY RIGHT, WE USED FOUR
12 CATEGORIES TO DEFINE EXTENT OF NEED. THE FIRST WAS LESS
13 THAN FIVE YEARS OF REMAINING CAPACITY. THE SECOND WAS
14 FIVE TO EIGHT, AND NINE TO 15, AND MORE THAN 15 YEARS OF
15 REMAINING CAPACITY.

16 IN THIS BREAKDOWN THAT LINKS TO PROVISIONS
17 OF AB 939, LESS THAN FIVE AND FIVE TO EIGHT CATEGORIES
18 RELATE TO WHEN THE COUNTYWIDE INTEGRATED WASTE MANAGEMENT
19 PLANS ARE DUE TO THE BOARD.

20 IN THE NINE TO 15 AND MORE THAN 15 YEAR
21 CATEGORIES RELATE TO REQUIREMENT THAT COUNTIES ESTIMATE
22 THE DISPOSAL CAPACITY THEY NEED FOR THE NEXT 15 YEARS OR
23 THROUGH 2005.

24 THE LIMITATIONS OF THE STUDY IN THE REPORT.
25 THERE ARE SEVERAL.



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1 FIRST, THE DATA WAS CURRENT AS OF JANUARY
2 1. 1990. SO THE STUDY DOES NOT REFLECT SOME OF THE
3 PROGRESS COUNTIES HAVE MADE IN EXPANDING THEIR CAPACITY
4 SINCE THAT DATE. HOWEVER, MOST OF THE MAJOR NEW
5 LANDFILLS THAT HAVE BEEN SITED RECENTLY IN THE LAST FOUR
6 OR FIVE YEARS HAVE BEEN INCLUDED. THEIR DATA HAS BEEN
7 INCLUDED IN THE STUDY.

8 SECOND, THE EFFECT THE DIVERSION PROGRAMS
9 MIGHT HAVE ON OUR FINDINGS IS UNKNOWN. THE LOCAL TASK
10 FORCES WEREN'T REQUIRED TO TELL US WHETHER OR NOT THEY
11 INCLUDED DIVERSION ESTIMATES IN THEIR REMAINING CAPACITY
12 FIGURES.

13 AND, THIRD, IT WAS DIFFICULT TO ACCOUNT FOR
14 EXPORTED WASTE. FOR EXAMPLE, ALPINE AND SAN FRANCISCO
15 COUNTIES EXPORT ALL OF THEIR WASTE. SO FOR PURPOSES OF
16 THE STUDY, WE'VE CONSIDERED THAT BOTH OF THOSE COUNTIES
17 HAVE MORE THAN 15 YEARS OF CAPACITY.

18 BEFORE I TURN IT OVER TO TRACY TO TALK
19 ABOUT THE FINDINGS, I'D LIKE TO SUMMARIZE WHAT WE DID AND
20 HOW WE DID IT.

21 WE DID THE STUDY PRIMARILY TO DETERMINE
22 WHERE IN CALIFORNIA THE NEED FOR CAPACITY MIGHT BE
23 GREATEST AND HOW MUCH CAPACITY WAS NEEDED.

24 IN DOING THE STUDY, WE SIMPLY COMPILED,
25 SUMMARIZED, AND ORGANIZED DATA THAT EXISTED THAT WAS



1 GIVEN TO US BY THE LOCAL TASK FORCES FROM EACH COUNTY,
2 AND THEN WE DEFINED FOUR CATEGORIES TO USE IN DESCRIBING
3 THE NEED.

4 THE PRIMARY LIMITATION OF THE DATA IS THAT
5 ITS TWO YEARS OLD AS OF JANUARY 1, 1990. HOWEVER, THAT
6 GIVES US A BENCH MARK FOR FUTURE REFERENCE.

7 NOW, I'D LIKE TO TURN IT OVER TO TRACY TO
8 TALK ABOUT THE FINDINGS.

9 BOARD MEMBER NEAL: LET ME ASK YOU A QUESTION
10 BEFORE YOU DO THAT.

11 I WANT TO MAKE SURE I UNDERSTAND WHAT THESE
12 NUMBERS MEAN. AND I'M VERY -- I'M SOMEWHAT FAMILIAR WITH
13 AT LEAST ALAMEDA COUNTY SITUATION. THAT'S THE ONE I
14 IMMEDIATELY LOOK TO. AND YOU HAVE ALAMEDA COUNTY LISTED
15 WITH 15 YEARS CAPACITY ON THIS REPORT.

16 DOES THAT MEAN CURRENTLY PERMITTED
17 CAPACITY? IS THAT WHAT YOU'RE LOOKING AT?

18 MR. NUFFER: YES. THAT WAS PERMITTED CAPACITY
19 AS OF JUNE 1, 1990. SO IT'S A COUPLE YEARS.

20 BOARD MEMBER NEAL: OKAY. SO, FOR EXAMPLE, WITH
21 ALAMEDA COUNTY, THEY RELY ON ALTAMONT, WHICH, AT LEAST
22 FROM INFORMATION I RECEIVED FROM OTHER SOURCES, THEY ARE
23 PROJECTING THAT ALTAMONT HAS -- THE INFORMATION I'VE GOT
24 IS 40 YEARS CAPACITY. I WOULD IMAGINE THAT THAT IS
25 POSSIBLE CAPACITY, BUT IT WOULD REQUIRE MAYBE AN



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1 EXTENSION OF THE PERMIT.

2 IS THAT HOW IT WOULD WORK, OR WHERE IS THE
3 DISCREPANCY BETWEEN THE 15 YEARS HERE ON THE REPORT AND
4 THE 40 YEARS THAT I'M HEARING ELSEWHERE?

5 MR. NUFFER: WELL, WE HAD TO TAKE A LOOK AT WHAT
6 THE -- THAT FIGURE WAS THE FIGURE THE COUNTY GAVE US,
7 GAVE THE BOARD AS OF JANUARY 1, 1990. WE COULDN'T -- WE
8 HAD TO USE THE DATA THEY GAVE US BECAUSE IT WAS
9 CONSISTENT FOR ALL OF THE COUNTIES. AND THAT'S ONE OF
10 THE LIMITATIONS OF THE STUDY IS WE CAN'T -- IF THERE ARE
11 EXPANSIONS IN THE PROCESS, WE DIDN'T TAKE THAT INTO
12 ACCOUNT IN THIS STUDY. AND THERE ARE EXPANSIONS IN THE
13 WORKS, BUT THIS STUDY DOES NOT ADDRESS THAT.

14 BOARD MEMBER CHESBRO: WHAT IS VERY CLEAR FROM
15 JUST MY OWN EXPERIENCE WITH THE COUNTY I COME FROM IS
16 THAT IT'S VERY HARD TO GET A SNAPSHOT -- WHAT WE'RE
17 REALLY TALKING ABOUT HERE IS A SNAPSHOT. AND IT'S A --
18 THE REALITY IS A MOVING TARGET. SO YOU TAKE A PICTURE OF
19 SOMETHING MOVING AND YOU GET THAT MOMENT.

20 AND THERE ARE SO MANY DIFFERENT VARIABLES.
21 AND I DON'T KNOW ABOUT ALAMEDA COUNTY, BUT THERE ARE SO
22 MANY DIFFERENT VARIABLES THAT GO INTO ANY GIVEN MOMENT
23 HOW MUCH CAPACITY YOU ACTUALLY HAVE.

24 AND THIS MAY CREATE DIFFICULTIES FOR US IN
25 TERMS OF OUR PLANNING PROCESS OF IDENTIFYING WHAT IS 15



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1 YEARS CAPACITY BECAUSE THERE ARE SO MANY DIFFERENT
2 FACTORS. IF YOU'RE TALKING ABOUT OLDER LANDFILLS WITH
3 ENVIRONMENTAL PROBLEMS, THEY CAN BE RESTRICTED OR CLOSED
4 DOWN AT ANY TIME.

5 THERE'S DIFFERENCES IN CONTRIBUTES --
6 CONTRIBUTIONS TO A PARTICULAR LANDFILL. IN THE CASE OF
7 ALAMEDA, I KNOW FOR A FACT THAT THERE'S WASTE COMING FROM
8 OTHER COUNTIES, LIKE CONTRA COSTA AND SAN FRANCISCO,
9 WHICH PROBABLY AT DIFFERENT TIMES IS DIFFERENT RATES.

10 BUT CONTRA COSTA, I GUESS, IS LOSING THEIR
11 ABILITY TO USE ALTAMONT, FOR EXAMPLE, AND JUST -- THE
12 LITTLE BITS OF INFORMATION I DO HAVE ABOUT ALTAMONT. AND
13 SO THE CAPACITY QUESTION, AS MUCH AS IT SEEMS LIKE IT'S A
14 CONSTANT, I THINK THE FACT IS IT'S A CONSTANTLY CHANGING
15 NUMBER.

16 AND WHAT THE STUDY, I ASSUME, REALLY
17 REFLECTS IS THE MOMENT THAT THE COUNTY SUBMITTED THE DATA
18 BASED ON THE PRESUMPTIONS THAT THEY USED IN CALCULATING
19 THE CAPACITY.

20 SO JUST LIKE THE DATA THAT THE PLANNING
21 COMMITTEE HAS BEEN DEALING WITH ON SRRE'S, YOU HAVE TO
22 SORT OF PUT THE PARAMETERS AND CLARIFICATIONS AND
23 QUALIFICATIONS AROUND IT WHEN YOU CONSIDER ITS
24 IMPLICATIONS. YOU KNOW, YOU CAN'T THINK OF IT AS PERFECT
25 INFORMATION, I THINK.



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1 MR. NUFFER: THAT'S A GOOD CHARACTERIZATION IS
2 THAT IT IS A SNAPSHOT AT THAT POINT IN TIME. WE INTEND
3 WITH THE CONTRACT THAT WE'RE WORKING ON NOW TO BE LET IN
4 THE NEXT SEVERAL MONTHS IS TO FURTHER DEFINE AND VERIFY
5 THOSE CAPACITY NUMBERS, TO TAKE INTO ACCOUNT WHAT IS
6 HAPPENING AT EACH COUNTY IN TERMS OF GETTING MORE
7 CAPACITY.

8 BOARD MEMBER NEAL: AND YOU WILL INCLUDE ALSO,
9 FOR EXAMPLE, AND I WILL USE ALTAMONT, THE DIFFERENCE
10 BETWEEN MAYBE THE CURRENT ACTUAL PERMIT AS OPPOSED TO
11 WHAT IS POSSIBLE WITH THAT CAPACITY WITH SOME EXTENSIONS,
12 I GUESS. THAT THEY ARE COUNTING ON. MAYBE THAT'S WHERE
13 THEY GET THE 40-YEAR NUMBER, ALTHOUGH I'M AFRAID THAT
14 NUMBER IS ESCALATED.

15 CHAIRMAN FROST: MY GUESS, THOUGH, WOULD BE THAT
16 SINCE THEY ONLY HAVE TO DEMONSTRATE 15 YEARS CAPACITY IN
17 ORDER TO GET THEIR SRRE'S APPROVED, THAT'S PROBABLY ALL
18 THEY'VE DONE EVEN IF THEY DO HAVE MORE THAN THAT
19 CAPACITY.

20 BOARD MEMBER NEAL: I STILL THINK IT WOULD BE
21 HELPFUL TO HAVE THAT OTHER INFORMATION TO PROVIDE A MORE
22 COMPLETE ANALYSIS.

23 BOARD MEMBER EGIGIAN: MRS. NEAL, WHEN WE
24 STARTED THIS THING MANY MONTHS BACK, WE HAD NOTHING. NOW
25 WE HAVE SOMETHING UP TO THIS PARTICULAR POINT TO --



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1 BOARD MEMBER NEAL: AND I APPRECIATE THAT, AND
2 I'M JUST SUGGESTING AS WE GO FORWARD WE HAVE SOME MORE
3 COMPLETE INFORMATION.

4 BOARD MEMBER EGIGIAN: -- AND I'M LOOKING
5 FORWARD TO, AS WE PROGRESS AND THE INFORMATION COMES IN,
6 WE'LL HAVE BETTER INFORMATION.

7 BOARD MEMBER CHESBRO: WELL, WE'VE GOTTEN RIGHT
8 INTO SORT OF QUESTIONS AND COMMENTS ON IT, AND I THINK
9 IT'S REAL IMPORTANT, BEFORE WE GET TOO FAR INTO IT, TO
10 SAY THAT, JUST LIKE THE OTHER DATA COLLECTION PROCESS,
11 THAT THIS IS, ALTHOUGH WITH ALL THE QUALIFICATIONS AND
12 LIMITATIONS ON IT, IT IS THE BEST THERE IS. AND IT'S
13 VERY, VERY IMPORTANT INFORMATION AND CRITICAL TO WHAT
14 WE'RE TRYING TO DO.

15 SO I THINK YOU NEED TO MAKE A POSITIVE
16 STATEMENT UP FRONT ABOUT ITS VALUE AND BENEFITS BEFORE WE
17 GET TOO FAR INTO PICKING APART INDIVIDUAL NUMBERS OR THIS
18 OR THAT.

19 I HAVE SOME QUESTIONS, TOO, SIMILAR TO
20 KATHY'S. BUT I THINK IT'S REAL IMPORTANT TO ACKNOWLEDGE
21 UP FRONT WHAT THE LIMITATIONS ARE, AS WELL AS THE FACT
22 THAT IT'S THE BEST THAT WE CAN DO GIVEN THE MOVING NATURE
23 OF THE TARGET.

24 THE ONLY THING I WOULD SAY SPECIFICALLY AT
25 THIS POINT IS I WANT TO MAKE SURE, AND I DON'T WANT TO



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1 CITE THE EXAMPLES THAT I COME UP WITH IN LOOKING AT
2 NUMBERS, BUT THERE ARE -- I HAVE FOUND A FEW
3 INCONSISTENCIES. AND I WANT TO MAKE SURE BEFORE WE SAY
4 THIS IS THE BOARD'S REPORT THAT THE NUMBERS HAVE REALLY
5 BEEN DOUBLE-CHECKED AND TRIPLE-CHECKED TO MAKE SURE THAT
6 THEY'RE TIGHT, THAT THERE HASN'T BEEN SOME CLERICAL
7 ERRORS OR WHATEVER.

8 AND I'LL BE HAPPY TO TELL YOU ABOUT WHAT
9 THE ONES I'VE FOUND WERE LATER. THEY'RE NOT THAT
10 IMPORTANT. BUT I JUST -- WHEN YOU LOOK AT SOME THAT YOU
11 FIND AND YOU WONDER IF THERE MIGHT BE OTHER PROBLEMS
12 ELSEWHERE WITHOUT CAREFULLY STUDYING ALL THE NUMBERS.

13 SO I WANT TO MAKE SURE SOMEONE SOMEWHERE
14 EITHER HAS OR WILL BE CAREFULLY STUDYING THE NUMBERS TO
15 MAKE SURE THAT IT'S AS TIGHT AS POSSIBLE IN TERMS OF NO
16 ERRORS.

17 MS. FRIEDMAN: PRIOR TO FINAL DISTRIBUTION, WE
18 WILL GO OVER IT WITH A FINE-TOOTHED COMB SEVERAL MORE
19 TIMES. WITH REPORTS OF LOTS OF DATA, THAT KIND OF THING
20 CAN HAPPEN.

21 BOARD MEMBER CHESBRO: I DON'T MEAN IT AS
22 CRITICISM. I JUST WANT TO POINT IT OUT.

23 BOARD MEMBER RELIS: I HAVE A QUESTION OR
24 OBSERVATION THAT I'D LIKE TO BRING FORTH IS IF -- WOULD
25 WE BE GETTING SOME SORT OF REGULAR REPORTING? DO YOU



1 ENVISION SOME SORT OF REGULAR REPORTING ON THE STATUS,
2 NOT NECESSARILY COMPLETE REVIEW OF THIS DOCUMENT? BUT
3 LET'S SAY IN THE AREAS OF THE CRITICAL CAPACITY
4 SHORTAGES, WOULD WE BE APPRISED ON A REGULAR INFORMATION
5 BASIS OR COMMITTEE AS TO ANY SIGNIFICANT CHANGES THAT
6 MIGHT OCCUR THAT WOULD AFFECT THE CAPACITY OF SOME OF THE
7 AREAS THAT ARE IDENTIFIED IN HERE AS BEING SURE?

8 SO THAT WE WOULD HAVE NOT ONLY A SNAPSHOT
9 IN TIME FROM -- THAT THIS REPORT PREPARES, BUT THAT WE
10 HAVE AN ONGOING UPDATE OF A CRITICAL NATURE, NOT THE
11 WHOLE THING BECAUSE WE DON'T REALLY, I THINK, NEED TO BE
12 CONCERNED ABOUT AREAS THAT HAVE LONG-STANDING CAPACITY.
13 I JUST WONDERED IF THAT --

14 MR. NUFFER: THAT WAS OUR INTENT INITIALLY. WE
15 DIDN'T STATE THAT IN THE REPORT. I THINK ONE OF THE
16 EARLIER DRAFTS SAID SOMETHING ABOUT THAT. I THINK THE
17 CONTRACT THAT WE WILL LET IN THE NEXT COUPLE OF MONTHS
18 WILL REALLY PROVIDE THE PRECISE FOUNDATION. AND THEN
19 OTHER THAN THAT, WE CAN PROVIDE REGULAR UPDATES.

20 BOARD MEMBER RELIS: FINE.

21 BOARD MEMBER HUFF: MR. CHAIRMAN.

22 CHAIRMAN FROST: YES.

23 BOARD MEMBER HUFF: SINCE WE'RE ALL MAKING
24 COMMENTS. I WAS VERY INTERESTED IN THE SCENARIOS IN THIS
25 REPORT. I THOUGHT THAT THEY WERE VERY INSTRUCTIVE. AND



1 I WOULD DIRECT ANYONE WHO'S INTERESTED IN TRYING TO
2 ANTICIPATE WHAT MAY BE BEFORE US IN THE NEXT FEW YEARS TO
3 TAKE A LOOK AT THE SCENARIOS.

4 BUT IN DOING THAT, LET ME ASK THIS: WE'RE
5 TALKING ABOUT ISSUING THIS REPORT: IS THAT TRUE? I MEAN,
6 ARE WE GOING TO MAKE THIS A NICE BOUND THING? WHERE DOES
7 IT GO FROM HERE?

8 CHAIRMAN FROST: WE'LL ASK STAFF.

9 MS. FRIEDMAN: WE WOULD HOPE THAT YOU WOULD BE
10 WILLING TO DIRECT US TO ISSUE THE REPORT.

11 BOARD MEMBER HUFF: OKAY. THAT'S WHAT I
12 THOUGHT. BECAUSE I THINK THAT IT CONTAINS A LOT OF
13 INFORMATION AND PROBABLY SHOULD BE ISSUED. BUT WHEN YOU
14 RUN THE SCENARIOS NEXT, AND I KNOW WE'VE HAD SOME
15 CONVERSATION ABOUT THIS BEFORE AND HAVE A NEW THOUGHT
16 TODAY, THE ASSUMPTIONS WERE THE BEST THAT YOU COULD PICK
17 WHEN YOU RAN THEM. BUT WE NOW HAVE DIFFERENT BASES FOR
18 THE ASSUMPTIONS -- I'M ON PAGE 156, 157, 158, AND 159.

19 YOU MAY RECALL SAM SAID THAT THIS REPORT
20 INDICATES THAT WE HAVE BETWEEN 11 AND 19 YEARS CAPACITY
21 LEFT. WELL, THE DIFFERENCE BETWEEN THE 11 YEARS AND 19
22 YEARS CAPACITY IS WHAT DO YOU ASSUME THE 1990 DIVERSION
23 RATE TO BE. OKAY. AHA.

24 AND ALSO WHAT DO YOU ASSUME WITH REGARD TO
25 HOW WELL WE ACHIEVE THE 939 DIVERSION GOALS.



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1 BOARD MEMBER CHESBRO: ARE YOU TRYING TO START
2 THIS AFTERNOON'S DISCUSSION EARLY?

3 BOARD MEMBER HUFF: NO. I'M NOT. I'M JUST
4 SUGGESTING THAT THIS REPORT BE CONSISTENT WITH THE
5 DIRECTION THAT WE'RE GOING. AND SO THAT WE NOT ISSUE
6 THIS, IN FACT, UNTIL AFTER THIS AFTERNOON, BUT REALLY
7 THAT IT BE MODIFIED WHEN WE HAVE A GOOD HANDLE.

8 MAYBE WE ELIMINATE A SCENARIO, OKAY, OR TWO
9 BECAUSE WE'LL HAVE A BETTER HANDLE. YOU HAD TO PICK --
10 FOR EXAMPLE, YOU PICKED -- YOU RAN A SCENARIO WITH THE
11 DIVERSION RATE 1990 OF ZERO. BASED ON THE DATA THAT
12 PAUL'S COMMITTEE HAS DEVELOPED, I EXPECT THAT THAT'S
13 REALLY NOT A SCENARIO THAT IS IN TOUCH WITH THE DATA THAT
14 WE HAVE.

15 BOARD MEMBER CHESBRO: WELL, THAT MAY BE TRUE,
16 BUT ON THE OTHER HAND, I THINK COMPARING IT WITH
17 PROJECTED GOALS DOES DEMONSTRATE, THEN, THE IMPACT THAT
18 DIVERSION HAS ON THE CAPACITY QUESTION, YOU KNOW, SHOWING
19 A RANGE OF ZERO TO --

20 MS. FRIEDMAN: THAT'S WHY WE SELECT --

21 BOARD MEMBER HUFF: THAT'S A FACT. IT'S A
22 FACTUAL MATTER.

23 BOARD MEMBER RELIS: IT SHOULD BE INSERTED -- OR
24 TO QUALIFY FURTHER THE ANALYSIS HERE. IS THAT --

25 BOARD MEMBER HUFF: WELL, WHAT I'M SAYING IS IF



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1 YOU LOOK AT 156, YOU SEE THAT ON 156 THE ASSUMPTION WAS
2 THAT WE ACHIEVE THE DIVERSION GOALS, BUT THAT OUR
3 STARTING POINT WAS ZERO IN 1990.

4 AND THEN IF YOU LOOK AT 157, THERE THE
5 ASSUMPTION IS WE ACHIEVED THE DIVERSION GOALS, BUT THE
6 ASSUMPTION IS THAT IN 1990 WE'RE AT 16.5 PERCENT,
7 DIFFERENCE IS THREE YEARS. OKAY. YOU HAVE THREE YEARS
8 LESS CAPACITY. OKAY.

9 NOW, I EXPECT THAT THE AUTHORS OF 939 -- I
10 KNOW THAT THE AUTHORS OF 939 THOUGHT THAT WE WERE
11 SOMEWHERE BETWEEN 10 AND 12 PERCENT DIVERSION. SO I
12 WOULD GUESS THAT IF YOU RAN A SCENARIO ON THAT, IT WOULD
13 SHOW AS OF 1992 WE PROBABLY HAVE SOMEWHERE AROUND 17 OR
14 18 YEARS OF CAPACITY LEFT. AND THAT -- THAT'S A
15 REASONABLE NUMBER FOR US TO KEEP IN OUR MINDS. OKAY.

16 I'M JUST SUGGESTING. I THINK IT'S GOOD TO
17 SHOW THE IMPACT OF THE ACHIEVEMENT OF FUTURE DIVERSION
18 GOALS ON LANDFILL CAPACITY.

19 BOARD MEMBER CHESBRO: BUT YOU'RE TALKING ABOUT
20 THE BASE YEAR?

21 BOARD MEMBER HUFF: I'M TALKING ABOUT THE BASE
22 YEAR.

23 BOARD MEMBER CHESBRO: I UNDERSTAND.

24 BOARD MEMBER RELIS: ARE YOU THINKING, THEN,
25 THAT WE PROPOSE TO INSERT ONE OTHER THAT WOULD SAY, "AND



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1 THIS IS WHERE WE THINK WE ARE BASED ON" ?

2 BOARD MEMBER HUFF: I WOULD PUT THAT IN WHERE WE
3 THINK WE ARE AND ELIMINATE THE ONES WHERE WE DON'T THINK
4 WE ARE IN TERMS OF BASE YEAR.

5 BOARD MEMBER RELIS: RIGHT.

6 MS. FRIEDMAN: IF THERE AREN'T ANY FURTHER
7 QUESTIONS, WE COULD CONTINUE ON WITH OUR PRESENTATION.

8 BOARD MEMBER NEAL: ONE MORE COMMENT.

9 PRIOR TO ISSUING THE REPORT, I'D LIKE YOU
10 TO BE REAL CLEAR, I GUESS, IN THE INTRODUCTION, PERHAPS
11 THE EXECUTIVE SUMMARY, THAT THIS IS A SNAPSHOT. AND MAKE
12 SURE THAT ANYONE READING THE REPORT REALLY UNDERSTANDS
13 WHAT THE INFORMATION IS THAT THEY'RE LOOKING AT.

14 AS I LOOK THROUGH, I DON'T GET THAT SO FAR,
15 SO THAT MAY REQUIRE INCLUSION OF ADDITIONAL LANGUAGE.

16 MS. FRIEDMAN: OKAY. IF YOU WOULD LIKE ME TO
17 CONTINUE ON WITH OUR PRESENTATION, WE'RE GOING TO GO
18 THROUGH THE FINDINGS AND CONCLUSIONS OF THE REPORT. WE
19 COULD JUMP AHEAD A LITTLE BIT.

20 CHAIRMAN FROST: GO AHEAD.

21 MS. FRIEDMAN: OKAY. THANK YOU.

22 I WOULD LIKE TO TURN THIS OVER TO TRACY
23 HARPER. SHE'LL GO THROUGH THE FINDINGS.

24 MS. HARPER: GOOD MORNING, CHAIRMAN FROST AND
25 BOARD MEMBERS. THIS MORNING WE'LL BE PRESENTING THE



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1 FINDINGS OF THE LANDFILL CAPACITY REPORT.

2 FIRST, I'LL PRESENT SOME STATEWIDE FACTS
3 AND FIGURES. THEN I'LL GO INTO SOME MORE DETAIL ON A
4 REGIONAL AND COUNTYWIDE LEVEL. THE FIRST SET OF FACTS
5 AND FIGURES HAVE TO DO WITH WASTE LOADING OF WASTE
6 DISPOSED OF IN LANDFILLS. THEN WE'LL TALK ABOUT
7 REMAINING LANDFILL CAPACITY.

8 SOME GENERAL OBSERVATIONS CAN BE MADE BY
9 LOOKING AT THIS REPORT. FIRST, THE SHORTAGE OF LANDFILL
10 CAPACITY IS BOTH A RURAL AND URBAN PHENOMENON. ALSO, THE
11 SHORTAGE OF LANDFILL CAPACITY AFFECTS COUNTIES FROM THE
12 OREGON BORDER ALL THE WAY TO THE MEXICAN BORDER. IT'S
13 NOT CONFINED TO ONE REGION OF THE STATE. SEVENTY PERCENT
14 OF THE POPULATION RESIDES IN COUNTIES WITH LESS THAN 15
15 YEARS REMAINING LANDFILL DISPOSAL CAPACITY.

16 NOW I'LL PRESENT SOME STATISTICS FOR
17 PURPOSES OF COMPARISON. DAILY, THE AMOUNT OF SOLID WASTE
18 DISPOSED OF PER PERSON IN THE STATE ROSE TO 7.9 POUNDS
19 PER PERSON AS OF JANUARY 1990, UP FROM 7.4 POUNDS PER
20 PERSON AT THE END OF JUNE 1985.

21 STATEWIDE, WE ARE EXCEEDING PAST
22 PROJECTIONS FOR THE AMOUNT OF WASTE WHICH IS DISPOSED OF
23 ANNUALLY. FOR EXAMPLE, IN 1987 A REPORT PROJECTED THAT
24 ANNUAL DISPOSAL WOULD BE 39 MILLION TONS STATEWIDE IN
25 1991. HOWEVER, WE FOUND THAT THE TOTAL AMOUNT OF SOLID



1 WASTE DISPOSED WAS 42 AND A HALF MILLION TONS AS OF
2 JANUARY 1990. THIS IS 9 PERCENT OR THREE AND A HALF
3 MILLION TONS MORE THAN EXPECTED. SO AS YOU CAN SEE,
4 WASTE DISPOSAL IS GROWING FASTER THAN PROJECTED.

5 IN 1985 THE REPORT INDICATED THAT 30
6 MILLION TONS WERE BEING DISPOSED OF ANNUALLY AT THAT
7 TIME. THAT MEANS THAT IN FIVE YEARS THE AMOUNT OF WASTE
8 DISPOSED HAS RISEN 12 AND A HALF MILLION TONS OR 40
9 PERCENT. PAGE 2 OF THE EXECUTIVE SUMMARY PRESENTS THESE
10 STATISTICS.

11 NOW, WE'RE TALKING ABOUT REMAINING
12 PERMITTED LANDFILL DISPOSAL CAPACITY. FIRST, WE'LL GO
13 OVER SOME STATEWIDE NUMBERS, THEN WE'LL TAKE A CLOSER
14 LOOK AT REGIONAL STATISTICS.

15 THE TOTAL AMOUNT OF REMAINING PERMITTED
16 LANDFILL DISPOSAL CAPACITY IN CALIFORNIA IS APPROXIMATELY
17 670 MILLION TONS AS OF JANUARY 1990. IN 1986, 587
18 MILLION TONS OF CAPACITY EXISTED. IN THREE YEARS
19 CAPACITY INCREASED BY 82 MILLION TONS OR 14 PERCENT,
20 WHILE DISPOSAL GREW BY ALMOST 15 PERCENT.

21 IN TERMS OF YEARS REMAINING, WE LOOKED AT
22 SEVEN POSSIBLE SCENARIOS. USING THE ACTUAL POPULATION
23 GROWTH RATE WHICH OCCURRED BETWEEN THE YEARS OF 1989 AND
24 1991, WHICH WAS 2.7 PERCENT, AND APPLYING THAT TO GROWTH
25 AND DISPOSAL, WE DISCOVERED THAT THERE WERE 13 YEARS OF



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1 REMAINING CAPACITY.

2 USING THE DEPARTMENT OF FINANCE PROJECTIONS
3 FOR STATEWIDE POPULATION GROWTH, OR 2 PERCENT, AND
4 APPLYING THAT TO ANNUAL GROWTH AND DISPOSAL, WE FOUND
5 13.5 YEARS REMAINING CAPACITY. THOSE ARE SCENARIOS 1-A
6 AND 1-B.

7 SCENARIO 1-C ASSUMES THE ANNUAL DISPOSAL
8 REMAINS CONSTANT AND FOUND THAT THERE WERE 16 YEARS
9 REMAINING CAPACITY STATEWIDE IN THAT INSTANCE. THESE
10 SCENARIOS, 1-A, B, AND C, DON'T TAKE INTO ACCOUNT
11 DIVERSION.

12 IN RESPONSE TO COMMITTEE MEMBERS' REQUESTS
13 AT THE FEBRUARY 20TH WORKSHOP, WE WENT BACK AND PREPARED
14 ADDITIONAL SCENARIOS WHICH DEMONSTRATE THE EFFECT OF
15 ACHIEVING VARIOUS RATES OF WASTE DIVERSION ON REMAINING
16 LANDFILL CAPACITY. WE CREATED SEVEN NEW SCENARIOS IN
17 ORDER TO SEE THOSE EFFECTS.

18 AS A RESULT OF COMMENTS RECEIVED AT THE
19 POLICY, RESEARCH AND TECHNICAL ASSISTANCE COMMITTEE
20 MEETING ON MARCH 10TH, WE ELIMINATED A COUPLE OF THOSE
21 SCENARIOS.

22 NOW, IN THE REPORT WE HAVE ADDITIONAL
23 SCENARIOS 2-A, B, 3 AND 4, WHICH ARE ON PAGE 25 OF THE
24 REPORT.

25 SCENARIO 2-A ASSUMES NO GROWTH IN ANNUAL



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1 DISPOSAL AND ACHIEVEMENT OF AB 939 DIVERSION GOALS. IN
2 THAT CASE, STATEWIDE, AS OF 1990, WE HAD 21 YEARS
3 REMAINING LANDFILL DISPOSAL CAPACITY.

4 SCENARIOS 2-B, 3 AND 4 ALL ASSUME A
5 BASELINE OF 16.5 PERCENT DIVERSION WITH VARYING RATES OF
6 DIVERSION GOALS ACHIEVED.

7 IF AB 939 GOALS ARE ACHIEVED, ASSUMING A
8 16.5 PERCENT BASELINE, 18 YEARS REMAINING IS THE BOTTOM
9 LINE FOR REMAINING LANDFILL DISPOSAL CAPACITY AS OF 1990.

10 THE BOTTOM LINE IS THAT BY ACHIEVING WASTE
11 DIVERSION GOALS AS MANDATED BY AB 939, THE REMAINING
12 LANDFILL CAPACITY IN THE YEARS INCREASED BY FIVE TO SEVEN
13 YEARS.

14 FOR THIS REPORT, AND TO BE CONSISTENT WITH
15 PREVIOUS REPORTS, WE DIVIDED THE STATE INTO FOUR REGIONS.

16 REGION 1, NORTHERN CALIFORNIA, CONTAINS
17 SACRAMENTO COUNTY AND ALL COUNTIES NORTH TO THE OREGON
18 BORDER.

19 REGION 2 IS THE BAY AREA AND CONTAINS
20 CONTRA COSTA AND SAN FRANCISCO COUNTIES.

21 REGION 3 IS CENTRAL CALIFORNIA AND CONTAINS
22 THE CENTRAL VALLEY BEGINNING SOUTH OF SACRAMENTO AND THE
23 SAN JOAQUIN VALLEY SOUTH TO LOS ANGELES.

24 REGION 4 IS SOUTHERN CALIFORNIA AND
25 CONTAINS LOS ANGELES COUNTY.



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1 ON PAGE 4 OF THE EXECUTIVE SUMMARY OF THE
2 REPORT, TABLE 1 LISTS THE REMAINING PERMITTED LANDFILL
3 DISPOSAL CAPACITY BY COUNTY AND REGION IN ORDER OF THE
4 YEARS REMAINING. YOU CAN SEE THAT THE NEED FOR LANDFILL
5 CAPACITY TOUCHES BOTH URBAN AND RURAL REGIONS.

6 ON PAGE 6, THE EXECUTIVE SUMMARY, TABLE 2,
7 YOU HAVE AN ALPHABETICAL LISTING OF THAT SAME
8 INFORMATION.

9 WE ALSO LOOKED AT HOW EACH REGION'S
10 REMAINING LANDFILL CAPACITY COMPARED TO THE POPULATION.
11 THE NORTHERN REGION OF THE STATE REPRESENTS 8 PERCENT OF
12 THE POPULATION AND CONTAINS 8 PERCENT OF THE REMAINING
13 DISPOSAL CAPACITY.

14 THE BAY AREA, WHILE REPRESENTING 20 PERCENT
15 OF THE STATE, ACCOUNTS FOR 12.5 PERCENT OF THE REMAINING
16 DISPOSAL CAPACITY.

17 CENTRAL CALIFORNIA ACCOUNTS FOR 14 PERCENT
18 OF THE STATE'S POPULATION AND CONTAINS 21 PERCENT OF THE
19 STATE'S REMAINING CAPACITY.

20 LASTLY, SOUTHERN CALIFORNIA, WHILE
21 ACCOUNTING FOR 58 PERCENT OF THE POPULATION, ACCOUNTS FOR
22 58 PERCENT OF THE STATE'S REMAINING CAPACITY.

23 NOW WE'LL TURN TO THE MAP. THOSE COUNTIES
24 ON THIS MAP THAT ARE SHADED RED HAVE LESS THAN FIVE YEARS
25 REMAINING CAPACITY AS OF JANUARY 1990. THESE COUNTIES



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1 ARE: NEVADA WITH ZERO, MEDERA WITH ONE, DEL NORTE AND
2 KINGS WITH TWO, CONTRA COSTA AND TUOLUMNE WITH THREE, LOS
3 ANGELES, MERCED, NAPA, AND SAN MATEO EACH WITH FOUR.

4 AND THERE WAS ONE COUNTY WITH FIVE TO EIGHT
5 YEARS REMAINING CAPACITY. EL DORADO HAD FIVE YEARS
6 REMAINING CAPACITY AS OF JANUARY 1990.

7 NOW, THERE ARE 18 COUNTIES WITH 9 TO 15
8 YEARS OF REMAINING CAPACITY. THESE COUNTIES ARE SHADED
9 PURPLE IN THE OVERLAY. THIS CATEGORY REPRESENTS ALMOST A
10 THIRD OF THE STATE'S COUNTIES. THESE COUNTIES INCLUDED
11 HUMBOLDT, SACRAMENTO, VENTURA. SO BOTH RURAL AND URBAN
12 COUNTIES ARE REPRESENTED IN THIS CATEGORY.

13 TWENTY-NINE COUNTIES OR ONE-HALF OF THE
14 STATE'S COUNTIES HAVE 15 YEARS OR LESS OF CAPACITY
15 REMAINING AS OF JANUARY 1990. THESE 29 COUNTIES CONTAIN
16 ABOUT 70 PERCENT OF THE STATE'S POPULATION.

17 NOW, THE GREEN OVERLAY SHOWS THOSE COUNTIES
18 WITH MORE THAN 15 YEARS REMAINING CAPACITY. THESE
19 COUNTIES INCLUDED SAN JOAQUIN WITH 25 YEARS AND SANTA
20 BARBARA WITH 30 YEARS.

21 I'D LIKE TO SUMMARIZE THE FINDINGS WE HAVE.
22 WE FOUND THAT THE SHORTAGE OF LANDFILL DISPOSAL CAPACITY
23 IS NOT AN ISOLATED PHENOMENON. IT AFFECTS LARGE AND
24 SMALL COUNTIES, URBAN OR RURAL, LOCATED THROUGHOUT THE
25 STATE.



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1 NOW, JOHN NUFFER WILL PRESENT SOME
2 CONCLUSIONS TO THE REPORT..

3 MR. NUFFER: THANK YOU. BEFORE I GET INTO THE
4 CONCLUSIONS, I WANT TO MENTION ONE THING TO -- JUST MR.
5 CHESBRO'S QUESTION EARLIER, I DIDN'T HAVE A CHANCE TO
6 ANSWER YOUR QUESTION.

7 IN SOME OF THE CHARTS WHERE WE COMPILED ALL
8 THE DATA FOR EACH OF THE COUNTIES, THERE WERE FIGURES FOR
9 TONS, CUBIC YARDS, AND YEARS. THERE WERE INSTANCES WHERE
10 THE FIGURES THE COUNTY GAVE US IN TERMS OF TONS OR CUBIC
11 YARDS DIDN'T NECESSARILY MATCH THE FIGURE THEY GAVE US
12 FOR YEARS. AND WE DIDN'T ALWAYS HAVE THE OPPORTUNITY TO
13 FIND OUT FROM THEM HOW THEY CALCULATED THE DIFFERENCE.

14 BOARD MEMBER CHESBRO: WELL, THEN IT SEEMS TO ME
15 THAT WE NEED TO, FOR THE SAKE OF SOMEONE READING THIS AND
16 THE CREDIBILITY, OUR CREDIBILITY, WE NEED TO FIGURE OUT
17 WHAT THE PRESUMPTION IS FOR THAT COUNTY AND THEN PRESENT
18 THE NUMBER AS THE SAME IN DIFFERENT PLACES IN THE REPORT.

19 I'M JUST WORRIED ABOUT IT APPEARING THAT WE
20 DON'T -- THAT WE HAVE INCONSISTENCIES IN OUR NUMBERS,
21 YOU KNOW, AND THERE'S NO EXPLANATION OF THOSE
22 INCONSISTENCIES THAT I FOUND.

23 SO IF THERE'S -- MAYBE THE ALTERNATIVE
24 WOULD BE IF THERE'S A GOOD REASON FOR THEM. TO PUT EITHER
25 FOOTNOTES OR SOME EXPLANATIONS IN THE INTRODUCTION THAT



1 EXPLAINS THAT SO THAT PEOPLE DON'T THINK THAT WE DON'T
2 HAVE OUR ACT TOGETHER.

3 MR. NUFFER: WELL, WE DID HAVE A LITTLE
4 PARAGRAPH THAT EXPLAINED THAT GENERALLY. AND WITH THE
5 CONTRACT THAT WE'RE LETTING -- WE INTENDED THAT -- WE
6 SHOULD KNOW FROM EACH OF THE COUNTIES HOW THEY DETERMINE
7 THEIR FIGURES. SO WE WILL KNOW HOW EACH OF THE COUNTIES
8 GOT THEIR FIGURES. WE JUST DIDN'T HAVE TIME TO DO THAT
9 IN THIS REPORT.

10 BOARD MEMBER CHESBRO: OKAY. WELL, JUST
11 SOMEBODY WHO'S STILL LOOKING AT THE CHARTS AND THE
12 NUMBERS, IF THERE'S SOME THINGS THAT DON'T ADD UP, YOU
13 KNOW.

14 LIKE I SAID, MAYBE IF YOU'RE GOING THROUGH
15 SOME MORE CAREFUL NUMBER LOOK, I CAN GIVE YOU THE
16 EXAMPLES THAT I CAME ACROSS. AND THEN, YOU KNOW, YOU CAN
17 GIVE ME THE FEEDBACK ABOUT WHETHER THERE'S A GOOD REASON
18 FOR IT AND WHETHER IT SHOULD SOMEHOW BE ASTERISKED OR
19 EXPLAINED IN SOME WAY JUST IN CASE ANYBODY ELSE HAS THE
20 SAME OBSERVATION, THAT IT APPEARS INCONSISTENT.

21 BOARD MEMBER EGIGIAN: MR. CHAIRMAN.

22 CHAIRMAN FROST: YES.

23 BOARD MEMBER EGIGIAN: I THINK ONE OF THE THINGS
24 THAT I FIND IN THE CONCLUSIONS HERE THAT IN THE AREA THAT
25 70 PERCENT OF THE POPULATION LIVES, ACCORDING TO THE



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1 FIGURES GIVEN HERE. THERE'S A 15-YEAR CAPACITY, BUT IN
2 THE LOS ANGELES AREA THERE'S 5-PERCENT CAPACITY.

3 BOARD MEMBER CHESBRO: FIVE YEARS CAPACITY.

4 BOARD MEMBER EGIGIAN: YEAH. TWO OF THE MOST
5 RECENT SITED LANDFILLS INCLUDED BEE CANYON IN ORANGE
6 COUNTY AND ROCK CREEK IN CALAVERAS COUNTY. IT TOOK 14
7 YEARS FOR THE COUNTY OF ORANGE TO OBTAIN ALL THE PERMITS
8 REQUIRED FOR BEE CANYON FACILITY. ROCK CREEK TOOK ABOUT
9 TEN YEARS. CONTRA COSTA COUNTY, ON THE OTHER HAND, IS
10 CONTINUING ITS EFFORTS TO SITE NEW LANDFILLS AFTER MORE
11 THAN TEN YEARS.

12 SO THIS POINTS OUT THAT, ALTHOUGH THE
13 REPORT DOESN'T LOOK LIKE WE'RE REACHING A CRISIS AREA
14 TOMORROW, BUT IN THE VERY NEAR FUTURE IN SOME OF THESE
15 AREAS WILL BE A CRISIS PROBLEM UNLESS WE DO SOMETHING
16 ABOUT -- OR ENCOURAGE DOING SOMETHING ABOUT THE
17 PERMITTING.

18 CHAIRMAN FROST: THANK YOU.

19 MR. NUFFER: I'D LIKE TO, WITH YOUR PERMISSION,
20 FINISH THE CONCLUSION SECTION, AND THAT WILL BE THE END
21 OF OUR PRESENTATION.

22 CHAIRMAN FROST: OKAY.

23 MR. NUFFER: FIRST, LET'S START BY IDENTIFYING
24 WHAT WE'VE FOUND OUT IN THESE -- AND THERE ARE A COUPLE
25 THINGS. THAT IT TAKES -- AND THIS WAS PARTLY THROUGH THE



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1 WORKSHOP WE HELD, THAT IT CAN TAKE 10 TO 14, 15 YEARS TO
2 SITE A NEW LANDFILL AND, ALSO, THAT AT LEAST HALF OF THE
3 COUNTIES HAD LESS THAN 15 YEARS REMAINING CAPACITY AS OF
4 JANUARY 1, 1990. SO NOW MOST OF THE COUNTIES HAVE MORE
5 LIKE 13 YEARS REMAINING CAPACITY.

6 BASED ON THAT INFORMATION AND IN THESE
7 CONCLUSIONS, WHAT WE TRIED TO DO IS TAKE THE INFORMATION
8 WE HAD GENERATED AND TRANSLATE IT INTO CURRENT
9 INFORMATION.

10 BASED ON THAT INFORMATION, THAT IT TAKES A
11 LONG TIME TO SITE A NEW LANDFILL AND THAT MOST OF THE
12 COUNTIES NOW MAYBE HAVE MORE LIKE 13 YEARS, IF DIVERSION
13 EFFORTS GET STUCK BECAUSE OF LACK OF MARKETS OR FOR OTHER
14 REASONS OR IF NEW LANDFILLS AREN'T SITED OR AREN'T SITED
15 IN A TIMELY MANNER IN THE NEXT -- WITHIN AB 939 PLANNING
16 TIME FRAME, THE STATE WOULD BE FACING A SERIOUS SHORTAGE
17 OF CAPACITY.

18 TAKING A LOOK AT CAPACITY FROM ANOTHER
19 PERSPECTIVE, IF YOU ASSUME THAT THE POPULATION OF
20 CALIFORNIA WILL CONTINUE TO GROW AT THE 2 PERCENT OR
21 GENERATION WILL ALSO GROW AT ABOUT THAT RATE. THEN YOU
22 ASSUME THAT THERE WAS EXISTING DIVERSION AS OF 1990, AS
23 THE INTERIM DATABASE INDICATES, AND THAT WE ONLY ACHIEVE
24 A 25 PERCENT -- OR THE 1995 GOAL OF 25 PERCENT DIVERSION,
25 THEN THE STATE HAS MORE LIKE 12 OR 13 YEARS OF CAPACITY,



1 WHICH SORT OF CONFIRMS THE EARLIER EXAMPLE I MENTIONED.

2 AND FROM ANOTHER PERSPECTIVE, IF WE ACHIEVE
3 THE DIVERSION GOALS OF 25 PERCENT BY 1995 AND 50 PERCENT
4 BY THE YEAR 2000. CURRENTLY WE SHOULD HAVE SOMETHING LIKE
5 16 YEARS OF REMAINING CAPACITY.

6 NOW, IN SUMMARY, IT APPEARS FROM WHAT WE
7 FOUND THAT -- AND USING THE ASSUMPTIONS WE'VE USED --
8 THAT THERE'S ANYWHERE BETWEEN 13 AND 16 YEARS OF CAPACITY
9 REMAINING. AND IF YOU USE A DIFFERENT ASSUMPTION FOR
10 1990 DIVERSION, AS MR. HUFF INDICATED WE SHOULD LOOK AT,
11 THEN THAT FIGURE MIGHT CHANGE SOMEWHAT.

12 BUT I THINK IN THE BALLPARK, IF WE PICK A
13 MEDIAN FIGURE OF 15 YEARS, I THINK THAT'S A REASONABLE
14 FIGURE GIVEN ALL THE ASSUMPTIONS THAT YOU CAN MAKE AND
15 ALL THE VARIABLES INVOLVED IN EACH OF THE COUNTIES'
16 OPERATIONS.

17 THAT CONCLUDES MY PRESENTATION.

18 CHAIRMAN FROST: OKAY. THANK YOU.

19 NOW, ARE THERE ANY FURTHER QUESTIONS,
20 DISCUSSION BY THE BOARD ON THIS ITEM?

21 BOARD MEMBER HUFF: WELL, MY QUESTION IS WHERE
22 DO WE GO FROM HERE WITH THIS?

23 BOARD MEMBER EGIGIAN: MR. CHAIRMAN, I HAVE A
24 SUGGESTION.

25 CHAIRMAN FROST: MR. EGIGIAN.



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1 BOARD MEMBER EGIGIAN: I WOULD SUGGEST WE ADOPT
2 THE REPORT AND ANY REVISIONS THAT HAVE TO BE MADE BE
3 HANDLED THROUGH THE POLICY, RESEARCH COMMITTEE, AND WE
4 WILL MAKE SURE THAT THEY ARE DONE IN THE WAY THAT BOARD
5 MEMBERS ARE LOOKING FORWARD TO SEE THE CORRECTIONS AND
6 REVISIONS.

7 CHAIRMAN FROST: OKAY. SO YOU'RE SUGGESTING THE
8 MOTION BE THAT WE ADOPT THE REPORT, REFER IT TO POLICY
9 COMMITTEE FOR REVISIONS THAT HAVE BEEN DISCUSSED HERE
10 TODAY?

11 BOARD MEMBER EGIGIAN: CORRECT.

12 CHAIRMAN FROST: AND THEN ISSUE -- AND THE
13 REPORT BE ISSUED BY THE BOARD?

14 BOARD MEMBER EGIGIAN: YES.

15 CHAIRMAN FROST: IS THAT A MOTION?

16 BOARD MEMBER EGIGIAN: THAT'S A MOTION.

17 CHAIRMAN FROST: ANY DISCUSSION OF THAT MOTION?

18 BOARD MEMBER HUFF: YEAH, THERE IS SOME.

19 I AM CONCERNED THAT THIS REPORT BE
20 INTERNALLY AS CONSISTENT AS POSSIBLE. AND MY CONCERN IS
21 BORN OF A DESIRE THAT THIS REPORT BE TAKEN SERIOUSLY. MY
22 FEAR IS THAT IF INTERNAL INCONSISTENCIES ARE -- TABLES
23 PRESENT INFORMATION IN A WAY THAT IS NOT CREDIBLE OR CAN
24 BE CRITICIZED, THAT THAT WILL WASH OVER THE REPORT
25 ITSELF.

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1 I CONCUR THAT IT NEEDS TO HAVE SOME SORT OF
2 OVERSIGHT THAT MAKES SURE THAT IT'S TIGHTENED UP. I'M
3 WONDERING, THEN, IF WE OUGHT NOT INVOLVE PERHAPS BOARD
4 MEMBER ADVISORS MORE IN THAT PROCESS. AND I'M ALSO
5 WONDERING IF WE OUGHT NOT ALLOW OURSELVES, LET'S SAY,
6 PERHAPS A MONTH'S TIME IN THAT PROCESS.

7 AND I WOULD SAY THAT WE SHOULD COMMIT TO
8 ISSUING THIS REPORT, BUT THAT WE SHOULD ADOPT A TIMETABLE
9 OF ISSUANCE THAT FULLY FACILITATES ANY CORRECTIONS THAT
10 NEED TO BE MADE.

11 BOARD MEMBER RELIS: MR. CHAIRMAN.

12 CHAIRMAN FROST: LET ME SEE IF I UNDERSTAND.
13 YOU'RE SAYING THAT THESE --

14 BOARD MEMBER HUFF: I DON'T WANT TO SIDE TRACK
15 THIS THING. I WANT TO MAKE IT BETTER.

16 CHAIRMAN FROST: YOU WANT IT REFERRED TO THE
17 ADVISORS.

18 BOARD MEMBER HUFF: I WANT THE ADVISORS IN A
19 FORMAL WAY TO BE INVOLVED WITH THE PROCESS OF DEVELOPING
20 ANY CORRECTIONS OR REVISIONS THAT ARE NECESSARY.

21 BOARD MEMBER NEAL: I HAD SOME COMMENTS.

22 I AGREE WITH MR. HUFF. WE DON'T WANT TO
23 SIDE TRACK THIS REPORT. I THINK IT'S VERY IMPORTANT
24 INFORMATION TO GET OUT. I WOULD -- I THINK RIGHT NOW,
25 GIVEN SOME OF THE REVISIONS THAT WE'VE DISCUSSED, PERHAPS



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1 REFER THE REPORT BACK TO COMMITTEE TO ACCOMPLISH THOSE
2 REVISIONS AND THEN BRING IT BACK TO THE BOARD TO ADOPT AT
3 THE TIME THAT THOSE REVISIONS HAVE BEEN MADE. I THINK
4 THAT THAT IS A SOUNDER APPROACH IN TERMS OF HOW WE HANDLE
5 INFORMATION AND HOW WE HANDLE ITS DISSEMINATION.

6 CHAIRMAN FROST: DOES THAT MEET YOUR STANDARD,
7 MR. HUFF?

8 BOARD MEMBER HUFF: I'D LIKE TO HEAR MR.
9 EGIGIAN'S REACTION. YOU SEE I DIDN'T HAVE THE SECOND
10 STEP OF BRINGING IT BACK TO THE BOARD.

11 CHAIRMAN FROST: OKAY. LET ME ASK, MR. RELIS,
12 DID YOU HAVE A COMMENT?

13 BOARD MEMBER RELIS: NO. I -- I JUST WANTED TO
14 SUPPORT WHAT JESS WAS SAYING. I THINK THAT WE DO NEED
15 THIS TO BE VERY TIGHT. WE'VE GOT SOME DATA FROM THE
16 PLANNING SIDE OF THINGS. WE JUST WANT TO MAKE SURE IT'S
17 ALL CROSS-REFERENCED SO THAT EVERY DOCUMENT THAT WE DO
18 PRODUCE IS INTERNALLY CONSISTENT.

19 AND SO I THINK YOUR POINTS ARE VERY WELL
20 TAKEN, AND IT'S COMPLICATED BECAUSE WE DO HAVE THESE
21 CHANGING REFERENCES. AND SO THAT'S ALL.

22 CHAIRMAN FROST: OKAY. WELL, IF WE WERE TO
23 REFER IT BACK TO COMMITTEE AND ASK THAT IT BE PRESENTED
24 AGAIN AT NEXT MONTH'S BOARD MEETING IN OAKLAND. AND IN
25 THE MEANTIME, THE ADVISORS COULD MEET ON THE REPORT AND



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1 GIVE WHATEVER FEEDBACK COMES OUT OF THAT TO THE COMMITTEE
2 FOR THEIR CONSIDERATION,

3 BOARD MEMBER NEAL: DOES THAT PRECLUDE BOARD
4 MEMBERS FROM PROVIDING FEEDBACK?

5 CHAIRMAN FROST: YES, IT WOULD, ABSOLUTELY.

6 BOARD MEMBER HUFF: UNLESS THEY'RE ACTING LIKE
7 AN ADVISOR.

8 CHAIRMAN FROST: RIGHT. THAT WE COULD -- WOULD
9 THAT -- DOES THAT MEET WITH YOUR APPROVAL, MR. EGIGIAN?

10 BOARD MEMBER EGIGIAN: WELL, I'M NOT OBJECTING
11 TO A LOT OF SUGGESTIONS. HOWEVER, YOU HAVE TO REMEMBER
12 THIS REPORT WAS MADE IN 1990, AND THE PLANS ARE NOT ALL
13 IN. AND WE DON'T HAVE ALL THE INFORMATION. AND WHAT
14 WE'RE ASKING FOR NOW IS UP-TO-DATE INFORMATION, WHICH IS
15 VERY DIFFICULT TO GET UNTIL ALL OF THE PLANS ARE IN.

16 SO I DON'T WANT TO STAND IN THE WAY OF
17 PROGRESS HERE; HOWEVER, IT SPELLS OUT 1990 IS THE AREA
18 WHAT WE'RE TALKING ABOUT.

19 CHAIRMAN FROST: AS THE YEAR. AND I DON'T
20 THINK, IF I UNDERSTAND THE COMMENTS, WE'RE NOT TALKING
21 ABOUT CHANGING ANY OR UPDATING ANY OF DATA FROM ITS 1990
22 BASE. WE'RE ONLY TALKING ABOUT THE METHOD BY WHICH IT'S
23 PRESENTED AND THE CONSISTENCY WITH OTHER BOARD FINDINGS,
24 SOME OF WHICH WE WILL PROBABLY BE MAKING THIS AFTERNOON.

25 BOARD MEMBER CHESBRO: THE ONLY TWO THINGS I'VE



1 HEARD THAT WOULD BE CONSIDERATIONS. I THINK. ARE, ONE,
2 THE QUESTION OF WHAT IS THE BASE YEAR DIVERSION THAT
3 WE'RE GOING TO CONSIDER. AND I THINK THAT MAY BE
4 ADDRESSED THIS AFTERNOON.

5 AND THE SECOND ONE HAS TO DO WITH INTERNAL
6 CONSISTENCIES TO MAKE SURE THE NUMBERS ARE EITHER CLEARLY
7 CONSISTENT OR, IF THEY APPEAR TO BE INCONSISTENT, OR
8 SOMEHOW QUALIFIED WITH LANGUAGE WHICH EXPLAINS THE
9 APPEARANCE OF INCONSISTENCY.

10 BOARD MEMBER EGIGIAN: MY ONLY QUESTION IS WE'RE
11 LOOKING FOR UP-TO-DATE INFORMATION.

12 CHAIRMAN FROST: NO, I DON'T THINK SO, SAM. I
13 THINK WE'RE NOT LOOKING FOR -- WE MAY HAVE SOME
14 UP-TO-DATE INFORMATION IN TERMS OF THE BOARD'S
15 ASSUMPTIONS ABOUT DIVERSION, AND THAT MAY BE DONE THIS
16 AFTERNOON.

17 BUT I DON'T THINK ANY OF IT WOULD CHANGE
18 THE DATA THAT'S BEEN COLLECTED FOR THIS REPORT. IT MAY
19 CHANGE HOW IT'S CHARACTERIZED OR PRESENTED. AND IT MAY
20 AFFECT THE NUMBER OF YEARS OF CAPACITY DEPENDING ON THE
21 ASSUMPTIONS YOU MAKE ABOUT DIVERSION.

22 BOARD MEMBER HUFF: IN FACT, I WOULD LIKE TO SEE
23 THE REPORT, AND THIS IS MY OWN PREFERENCE. SAY, ONE
24 NUMBER -- NOT SAY FROM 11 TO 19 AS IT DOES NOW, FOR
25 EXAMPLE, WHICH I THINK, TO THE COMMUNITY AT LARGE, IS



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1 PROBABLY A WIDER RANGE THAN THEY REALLY FIND USEFUL.

2 I WOULD LIKE THE REPORT TO SAY, GIVEN
3 ACHIEVEMENT OF THE DIVERSION GOALS IN 939, GIVEN THE BASE
4 YEAR DIVERSION OF X. WHICH WE WILL KNOW, OUR LANDFILL
5 CAPACITY IS A SET NUMBER.

6 BOARD MEMBER NEAL: AND MY QUESTION IS JUST ONE
7 WITH THE APPROPRIATE PROCESS. DO WE, IN FACT, ADOPT A
8 REPORT THAT IS GOING BACK TO HAVE THESE KINDS OF CHANGES?

9 I THINK THE POINT THAT THE BOARD ADOPTS A
10 REPORT TAKES A FORMAL ACTION OF ADOPTION, IT OUGHT TO BE
11 IN ITS FINAL FORM.

12 BOARD MEMBER EGIGIAN: MR. CHAIRMAN, I SEE THAT
13 THERE'S NOT A LOT OF BACKING FOR WHAT I WANT, SO I'LL
14 WITHDRAW MY MOTION.

15 CHAIRMAN FROST: OKAY. LET'S -- SAM, HOW ABOUT
16 A MOTION THAT REFERS IT TO THE PERMITTING COMMITTEE -- OR
17 THE POLICY COMMITTEE, EXCUSE ME. REFERS IT TO THE POLICY
18 COMMITTEE, ASKS ALL BOARD MEMBERS AND ADVISORS TO GIVE
19 THEIR INPUT TO THAT COMMITTEE PRIOR TO OR DURING THEIR
20 MEETING, AND THAT THOSE REVISIONS BE INCORPORATED IN THE
21 REPORT AND RETURNED TO THE OAKLAND MEETING OF THE BOARD
22 FOR ADOPTION?

23 BOARD MEMBER EGIGIAN: I'LL GO ALONG WITH THAT.

24 CHAIRMAN FROST: ALL RIGHT. THAT'S -- SAM MADE
25 THAT MOTION.



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1 BOARD MEMBER NEAL: I'LL SECOND.

2 CHAIRMAN FROST: AND SECOND.

3 BOARD MEMBER CHESBRO: MR. CHAIRMAN, FIRST, MAY
4 I JUST SAY, AS I DID EARLIER WITH MR. RELIS' COMMITTEE, I
5 THINK SAM'S PERSISTENCE ON THIS HAS BROUGHT IT FORWARD,
6 AND IT'S GOOD THAT HE HAS FOCUSED ON THIS THE WAY HE HAS.
7 AND EVEN THOUGH WE'VE HAD SOME QUESTIONS ABOUT SOME OF
8 THE WAY THE NUMBERS ARE PRESENTED, I THINK THE STAFF HAS
9 DONE A VERY GOOD JOB, TOO. SO ONCE AGAIN, I COMPLIMENT
10 ALL THE WORK THAT'S GONE INTO THIS.

11 CHAIRMAN FROST: OKAY. IT'S A MOTION AND A
12 SECOND. ANY FURTHER DISCUSSION? CALL THE ROLL, PLEASE.

13 BOARD SECRETARY: BOARD MEMBERS CHESBRO?

14 BOARD MEMBER CHESBRO: AYE.

15 BOARD SECRETARY: EGIGIAN?

16 BOARD MEMBER EGIGIAN: AYE.

17 BOARD SECRETARY: HUFF?

18 BOARD MEMBER HUFF: AYE.

19 BOARD SECRETARY: NEAL?

20 BOARD MEMBER NEAL: AYE.

21 BOARD SECRETARY: RELIS?

22 BOARD MEMBER RELIS: AYE.

23 BOARD SECRETARY: CHAIRMAN FROST?

24 CHAIRMAN FROST: AYE.

25 OKAY. THANK YOU. NOW, WE HAVE THE HOUR OF



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1 11:30 HAVING ARRIVED. WE WILL MOVE TO THE OPEN DISCUSSION
2 ITEM. WELL. WE'RE GOING TO DO THIS AND THEN TAKE A LUNCH
3 BREAK. WELL. OKAY. FINE, WE'LL BREAK.

4 (A BREAK WAS TAKEN.)

5 CHAIRMAN FROST: THAT'S ABOUT AS CLOSE TO A
6 FIVE-MINUTE BREAK AS WE'VE EVER TAKEN.

7 GO TO THE -- OKAY. WE'LL NOW MOVE TO THE
8 OPEN DISCUSSION ITEM, WHICH WAS SET AS A SPECIAL ORDER
9 FOR 11:30 A.M.

10 AT THE LAST ADMINISTRATION COMMITTEE
11 MEETING, MEMBERS REQUESTED A BRIEFING ON THE DEPARTMENT
12 OF CONSERVATION DIVISION OF RECYCLING PROCESSING FEE AS
13 IT RELATES TO THE BOTTLE BILL. THIS IS AN INFORMATIONAL
14 ITEM ONLY.

15 AND WE HAVE FROM THE DEPARTMENT OF
16 CONSERVATION MR. BILL ARMSTRONG AND MR. MICHAEL BERN, WHO
17 WE WISH TO THANK BOTH OF YOU FOR COMING UP HERE TO OUR
18 REDDING BOARD MEETING. I KNOW IT'S A TERRIBLE
19 INCONVENIENCE TO HAVE TO COME TO REDDING AND NOT STAY IN
20 SACRAMENTO, SO WE THANK YOU FOR COMING TO OUR REDDING
21 BOARD MEETING AND GIVING US BACKGROUND INFORMATION ON ANY
22 POTENTIAL IMPACT YOUR PROGRAMS MAY HAVE ON OUR DIVERSION
23 GOALS AND AN OVERVIEW OF YOUR UPCOMING LEGISLATIVE
24 PROPOSALS, AND WHATEVER ELSE YOU'D LIKE TO SAY.

25 MR. BERN: WELL, GOOD MORNING, CHAIRMAN FROST



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1 AND MEMBERS OF THE BOARD, AND EVERYONE ELSE. I SEE SO
2 MANY FAMILIAR FACES HERE, IT'S LIKE OLD HOME WEEK FOR ME.
3 I STARTED OUT IN 1984, 1985, AS THE FINANCE BUDGET
4 ANALYST WORKING FOR JESS AND MIKE THAT HAD THE WASTE
5 MANAGEMENT BOARD, SO I'VE BEEN WITH A FEW OF YOU BEFORE.

6 WELL, I HAVE SOME CHARTS HERE; AND BEFORE
7 WE GO INTO THE DISCUSSION OF WHAT WE'RE DOING AND WHAT
8 HAS OCCURRED RECENTLY, LET ME TAKE YOU THROUGH SOME
9 NUMBERS ON THESE CHARTS. I COULDN'T THINK OF APPEARING
10 BEFORE JESS HUFF AND MIKE FROST WITHOUT HAVING CHARTS AND
11 NUMBERS.

12 CHAIRMAN FROST: COLORED CHARTS.

13 MR. BERN: COLORED CHARTS, YEAH.

14 BUT IN THE MAIN THEME OF THE AUSTERITY AND
15 EVERYTHING ELSE, THEY'RE ALL HAND DRAWN, YOU KNOW.

16 THE FIRST CHART WE HAVE IS -- CONCERNS
17 GLASS RECYCLING. AND IF YOU LOOK AT THE HANDOUTS -- DID
18 EVERYBODY GET A COPY OF THIS, YEAH -- THE HANDOUTS.

19 WE GOT IN 1989 YOU WOULD SEE THAT ALMOST A
20 BILLION TONS OF -- A BILLION BOTTLES THAT WERE CALIFORNIA
21 REDEMPTION WERE RECYCLED AND YET ONLY ABOUT 200 MILLION
22 WERE RECYCLED THAT WEREN'T CRV. AND I GUESS IN 1989
23 THERE WERE A FEW CURBSIDE PROGRAMS.

24 BUT SINCE THEN, AS YOU GO FROM 1990, '91,
25 AND WHAT WE EXTRAPOLATE WILL HAPPEN IN 1992. WE'RE



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1 GETTING TO A POINT WHERE THE NONCRV GLASS IS GOING TO BE
2 RECYCLED AT ALMOST AN EQUIVALENT LEVEL OF THE CRV GLASS.
3 AND THIS HAS, OF COURSE, A MAJOR IMPACT ON REDEMPTION
4 VALUE AS IT'S PAID TO THE CURBSIDE AND THE REDEMPTION
5 PROGRAMS, AND ALSO TO THE FUNDING OF THE ENTIRE PROGRAM.

6 I'LL BRING THESE CHARTS BACK. JUST WANT TO
7 GO THROUGH THEM VERY QUICKLY.

8 THE NEXT CHART WE TRIED TO CUT THE PIE TO
9 GIVE YOU AN IDEA OF WHAT'S BEING RECYCLED AND WHAT'S
10 BEING RECYCLED THAT HAS FUNDING ATTACHED TO IT.

11 IN 1991 ABOUT 48 PERCENT OF THE GLASS BEING
12 SOLD TO THE STATE IS NOT BEING RECYCLED. AND THAT COMES
13 FROM THE NONCRV. AN ADDITIONAL 16 PERCENT OF GLASS IS
14 NOT BEING RECYCLED, AND THAT'S CRV GLASS.

15 WHAT WE ARE RECYCLING IS HALF A BILLION
16 DOLLARS WORTH -- A HALF A BILLION -- IS THAT BOTTLES OR
17 TONS -- HALF A BILLION CONTAINERS OF NONCRV AND 1.8
18 BILLION OF CRV.

19 WE ESTIMATE, WITH THE CURBSIDES AND THE
20 EXPANDED RECYCLING OPPORTUNITIES, THAT THE NONCRV THAT'S
21 NOT BEING REDEEMED IS GOING TO DROP DRASTICALLY AND --
22 NOT SO MUCH AS THE NONCRV, BUT THE CRV ALSO IS GOING
23 TO -- NOT BE REDEEMED. SO WE CAN SEE HERE THAT HALF THE
24 GLASS THAT'S SOLD IN THE STATE, WHETHER IT BE IN THE
25 CALIFORNIA BEVERAGE CONTAINER PROGRAM OR NOT, IS GOING TO



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1 BE RECYCLED.

2 THIS LEADS ME TO OUR CURRENT GLASS
3 PROCESSING FEE. NOW, UNDER CURRENT LAW WE GO THROUGH A
4 COMPUTATION FOR GLASS THAT'S IN THE PROGRAM. THE CRV
5 GLASS, CALIFORNIA REDEMPTION VALUE GLASS, AND WE ESTIMATE
6 WHAT IS THE COST -- THE AVERAGE COST STATEWIDE TO RECYCLE
7 PER TON. AND RIGHT NOW THAT NUMBER IS \$98.

8 AND THEN WE COMPUTE WHAT THE AVERAGE SCRAP
9 VALUE IS BEING PAID PER TON AND SUBTRACT THE TWO AND COME
10 UP WITH A PROCESSING FEE. THE PROCESSING FEE, YOU KNOW,
11 IS INTENDED TO FULLY FUND THE COST OF RECYCLING OF THIS
12 GLASS IN THE STATE OF CALIFORNIA.

13 BUT WE'VE FOUND THAT IT HAS SOME PROPERTIES
14 IN IT, BECAUSE OF THIS COMPUTATION, THAT HAVE A NEGATIVE
15 IMPACT ON THE SUPPORTING OF RECYCLING IN THE STATE. AND
16 THE NEGATIVE IMPACT WE FEEL IS THIS CALCULATION.

17 AND THE PROBLEM IS THAT, AS WE RAISE THE
18 PROCESSING FEE TO CONSIDER REDUCTIONS IN SCRAP, THE
19 PEOPLE THAT PURCHASE THE SCRAP REACT IN KIND BECAUSE
20 THEY'RE THE SAME ONE THAT PAY THE PROCESSING FEE AND
21 ARTIFICIALLY FORCE THE VALUE OF SCRAP DOWN.

22 AND SO IF WE WERE TO RAISE THE PROCESSING
23 FEE, SAY, \$5 NEXT MONTH, WE FULLY ANTICIPATE THAT THE \$59
24 WOULD GO DOWN TO 54 IN RESPONSE. NOW, WE DON'T HAVE
25 ENOUGH HISTORY TO KNOW WHEN THAT WOULD LEVEL OUT, THE



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1 PUSHING AND THE SHOVING, WHEN WOULD IT STOP AND WHEN
2 WOULD THE SCRAP VALUE REMAIN CONSTANT. BUT WE THINK WE
3 HAVE QUITE A WAYS TO GO BEFORE WE'D EVER HIT THAT
4 MID-POINT.

5 WHAT THIS MEANS IS THAT WITH THIS
6 CALCULATION, AS WE ARTIFICIALLY FORCE SCRAP VALUE
7 DOWNWARD, WE UNDERFUND RECYCLING OF THE GLASS THAT ISN'T
8 IN THE PROGRAM.

9 THE CURBSIDES, BASED ON OUR LATEST
10 COMMINGLED RATE STUDIES, 65 PERCENT OF THE GLASS THAT
11 THEY RECYCLE IS NONCRV. AND THAT GLASS IS TOTALLY
12 DEPENDENT ON WHAT THEY GET AS SCRAP VALUE, THE FUNDS THAT
13 COST THROUGH THE SYSTEM. AND AS THE PROGRAM IS IN PLACE
14 RIGHT NOW ARTIFICIALLY FORCES THAT SCRAP DOWNWARD, WE
15 UNDERFUND THE COST OF RECYCLING IN THE STATE.

16 IN FACT, WE HIRED A PRIVATE CONSULTANT IN
17 THE STATE THAT HAS A LOT OF EXPERIENCE WITH THE
18 CALIFORNIA PROGRAM, AND HE ESTIMATES THAT UNTIL WE HIT
19 THAT POINT WHERE THINGS LEVEL OUT, FOR EVERY DOLLAR WE
20 RAISE PROCESSING FEE UP, IT COSTS THE RECYCLER \$1.65 IN
21 RESPONSE.

22 BOARD MEMBER CHESBRO: BUT AREN'T YOU ALSO
23 PAYING LESS TO THE CURBSIDE PROGRAMS WHO ARE PROPOSING TO
24 PAY LESS TO CURBSIDE PROGRAMS FOR THE CRV?

25 MR. BERN: WE'LL EXPLAIN -- WE'LL GET TO THAT.



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1 SO WHAT WE'VE DONE IS PROPOSE FOR THE
2 LEGISLATURE IN A BILL THAT IS VERY, I'D SAY, EMBRYONIC IN
3 THAT IT'S JUST THE FIRST FLUSH OF WHAT WE WANT TO DISCUSS
4 WITH THE SEVEN-SIDED TABLE THAT DISCUSSES THIS ISSUE, BUT
5 WE'VE SUGGESTED THAT IF WE COULD SEPARATE THIS
6 CALCULATION, SEPARATE THE PROCESSING FEE FROM THE
7 CONSIDERATION OF SCRAP, THAT WE COULD ALLOW SCRAP TO GO
8 BACK TO A FREE MARKET, WHAT IT'S WORTH, VALUE, AND GET
9 AWAY FROM THIS ARTIFICIALLY FORCING IT DOWN.

10 I KNOW THAT ISSUE IS NOT BEFORE YOU TODAY,
11 BUT I FELT IT WAS IMPORTANT ENOUGH THAT OUR TWO PROGRAMS
12 ARE SUFFICIENTLY LINKED, THAT IT WOULD BE IMPORTANT FOR
13 YOU TO KNOW THIS.

14 WHEN RALPH CALLED ME LAST WEEK, HE SAID
15 THAT THERE WAS SOME CONCERN ON OUR COMMINGLED RATE, THAT
16 THE RATES WE CAME OUT WITH WERE NOT FULLY UNDERSTOOD, AND
17 IT WOULD BE BENEFICIAL FOR US TO EXPLAIN WHAT HAD
18 HAPPENED.

19 AND I BROUGHT SOMEBODY THAT KNOWS WHAT HE'S
20 TALKING ABOUT, BILL ARMSTRONG WITH ME, THE HEAD OF OUR
21 PROCESSING FEE BRANCH. AND HE'S GOT COPIES OF THE ACTUAL
22 COMMINGLED RATE STUDY THAT WAS THE BASIS FOR THAT
23 REDUCTION.

24 TO GIVE YOU A LITTLE HISTORY OF WHAT HAD
25 OCCURRED, WHEN AB 2212 WAS BEING CONSIDERED BY THE



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1 LEGISLATURE LATE LAST SESSION, THERE WAS CONCERN THAT THE
2 COMMINGLED RATE WAS NOT ACCURATE ANYMORE, THAT TOO MUCH
3 MONEY WAS BEING PAID OUT OF THE FUND BECAUSE OF -- IT WAS
4 BEING BASED ON OLD STUDIES.

5 SO AB 2212 INCLUDED A PROVISION THAT
6 REQUIRED THE DEPARTMENT OF CONSERVATION TO GO OUT AND
7 STUDY WHAT THE ACTUAL COMMINGLED RATES WERE.

8 AND WE CONTRACTED WITH A PRIVATE
9 CORPORATION, PETE MARWICK, A WORLD RENOWN ORGANIZATION,
10 TO GO OUT AND STUDY THIS VERY FACT. THEY DID THEIR
11 STUDY. BILL WILL PRESENT IT TO YOU. AND WHEN WE LOOKED
12 AT THE REASONABLENESS OF THEIR ANSWERS, YOU KNOW, AND
13 AGREED WITH WHAT THEY CAME UP WITH. AND THAT WAS THE
14 BASIS FOR OUR DECISION TO ISSUE THESE NEW RATES.

15 BOARD MEMBER RELIS: A QUESTION ON THAT, JUST TO
16 REFRESH MY MEMORY, BUT THE COST, \$98 A TON, IF I RECALL,
17 THAT'S BASED ON A SURVEY YOU MAKE OF THE PROCESSORS -- OR
18 NOT THE -- YEAH, I THINK THE --

19 MR. BERN: IT'S --

20 BOARD MEMBER RELIS: -- DOES THAT INCLUDE, JUST
21 FOR INFORMATION, WOULD THAT INCLUDE BUY-BACK? THAT'S
22 BUY-BACK AND CURBSIDE OR EXCLUDES CURBSIDE?

23 MR. BERN: NONCONVENIENCE BUY-BACKS.

24 BOARD MEMBER RELIS: OKAY. I'D LIKE JUST A
25 FURTHER DESCRIPTION.



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1 MR. BERN: WHY DON'T I TURN IT OVER TO BILL NOW,
2 AND HE CAN GET INTO THAT.

3 MR. ARMSTRONG: NO. 1, YOU BROUGHT UP THIS
4 PARTICULAR ITEM HERE, THE \$98, THAT'S ACTUALLY SET IN
5 STATUTE. THE COST THAT WE CAME UP WITH BASED ON OUR
6 SURVEY WAS SLIGHTLY OVER THIS.

7 WITH RESPECT TO WHO WE SURVEY, WE SURVEY
8 PROCESSORS AND BUY-BACK TYPE RECYCLERS. ANYBODY THAT
9 GETS A CONVENIENCE INCENTIVE PAYMENT WOULD BE EXCLUDED
10 FROM THE CALCULATION OF COST FOR SCRAP.

11 THE SCRAP VALUES THEMSELVES THAT WE'RE
12 MONITORING ARE BETWEEN PROCESSORS AND WILLING PURCHASERS.
13 THERE'S CERTAIN RESTRICTIONS BY STATUTE THAT WE CAN'T
14 LOOK AT THE SCRAP VALUE FOR THREE-COLOR MIX, AS AN
15 EXAMPLE. THAT'S JUST SOMETHING ELSE THAT'S IN STATUTE.

16 THERE'S A LOT OF THINGS THAT ARE IN STATUTE
17 THAT MAKE IT VERY DIFFICULT FOR US TO COME UP WITH
18 SOMETHING THAT EVERYBODY AGREES TO, NO MATTER WHAT WE DO.

19 BOARD MEMBER CHESBRO: BUT WHEN YOU SAY THAT --
20 YOU DON'T MEAN THAT FIGURE IS IN STATUTE. YOU MEAN THE
21 PROCESS BY WHICH THE FIGURE WAS ARRIVED AT?

22 MR. ARMSTRONG: CERTAINLY THE PROCESS, BUT EVERY
23 YEAR THEY ADD TO THAT PROCESS SOME LITTLE THING LIKE YOU
24 CAN'T LOOK AT THREE-COLOR MIX SCRAP.

25 BOARD MEMBER CHESBRO: THE STATUTE DOESN'T SAY



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1 \$98 A TON.

2 MR. ARMSTRONG: IT DOES.

3 BOARD MEMBER CHESBRO: OH, IT DOES.

4 MR. ARMSTRONG: IT SAYS \$98 A TON.

5 BOARD MEMBER RELIS: BUT THE ISSUE ISN'T THIS,
6 AT LEAST, WHAT'S COME TO OUR ATTENTION IS -- OKAY.

7 YOU DO THE STUDY AND THE STUDY TRIGGERS THE
8 REVISION IN THE PAYMENT OR THE VALUE. AND THE LOCAL
9 GOVERNMENTS HAVE BEEN -- WHO HAVE PUT IN PLACE, FOR
10 INSTANCE, MANY OF THE CURBSIDE PROGRAMS, HAD REVENUE
11 ASSUMPTIONS THAT ARE NOW UNDERMINED BY THE -- IN -- IN --
12 LIKE THAT. AND SO THEY'RE THE ONES THAT HAVE CONTACTED
13 US WHAT'S GOING ON HERE. WE JUST HAVE TO COME UP WITH AN
14 EXTRA \$70,000 OR 80 OR WHATEVER. THAT'S WHAT WE'RE
15 SEEING OUT THERE, AND THERE'S A LOT OF CONCERN, BIG
16 CONCERN.

17 MR. BERN: I DON'T KNOW TOO MUCH ABOUT THE
18 CURRENT INTEGRATED WASTE MANAGEMENT BOARD PROGRAMS, BUT I
19 THINK YOU DO HAVE SIMILAR TYPE OF PROBLEMS WHERE YOU
20 ADJUST THE FEES OR SOMETHING BASED ON -- OH, YOU DON'T
21 HAVE THAT?

22 BOARD MEMBER RELIS: NO, WE DON'T.

23 MR. BERN: AS BEST YOU CAN STAY AWAY FROM IT
24 BECAUSE IT BECOMES --

25 BOARD MEMBER RELIS: WE'RE IN THE MARKET --



1 MR. BERN: IT BECOMES A LOSE-LOSE SITUATION
2 BECAUSE YOU CAN'T DO ANYTHING WITHOUT RIPPLING THROUGH
3 THE SYSTEM. YOU CAN'T -- YOU CAN'T -- LIKE I USED IN OUR
4 EXAMPLE, YOU CAN'T INCREASE PROCESSING FEE WITHOUT IT
5 RIPPLING ON SCRAP. NOT ONLY SCRAP WITHIN THE PROGRAM,
6 BUT SCRAP THAT'S OUTSIDE THE PROGRAM. YOU CAN'T GO OUT
7 AND ADJUST A COMMINGLED RATE WITHOUT UNDERFUNDING SOME
8 KIND OF A COST IN THE PROGRAM.

9 BOARD MEMBER RELIS: WE UNDERSTAND THAT, BUT THE
10 PROBLEM THAT COULD RELATE TO OUR WORK DIRECTLY IS THAT
11 IF, LET'S SAY, A CURBSIDE PROGRAM IS BASED ON A CERTAIN
12 BASE REVENUE ASSUMPTION AND THEN THAT FALLS THROUGH THE
13 FLOOR, AND THEN IT FORCES THE CITY OR COUNTY TO
14 RECONSIDER CAN THEY CONTINUE DOING THIS, AND THEN WE'RE
15 COUNTING ON THAT AS A DIVERSION PROGRAM, AND IT DOESN'T
16 HAPPEN.

17 MR. BERN: I UNDERSTAND THAT PROBLEM. WE GET
18 PHONE CALLS ALL THE TIME, IN FACT, RINGING OFF THE HOOK,
19 YOU KNOW.

20 THE -- BUT, YOU KNOW, BILL WILL GET INTO
21 THE SPECIFICS ABOUT IT, BUT THE CONSULTANT WENT OUT IN
22 THE FIELD, YOU KNOW, PICKED UP 100 BOTTLES, YOU KNOW, OUT
23 OF A VAN AND 35 OF THEM WERE CRV AND 65 WERE NOT CRV.

24 YOU KNOW, THAT'S NOT SOMETHING THAT WE
25 SUPPORTED OR WAS OPPOSED AGAINST. IT WAS JUST THE



1 NUMBERS THAT THE STUDY CAME THROUGH.

2 NOW, I PERSONALLY FEEL THAT THAT'S A MAJOR
3 PROBLEM WITH THE PROGRAM IS THAT THERE'S TOO MUCH OF THE
4 GLASS THAT NEEDS TO STAY OUT OF LANDFILLS HAS TO DEPEND
5 UPON THE FUNDING MECHANISMS THAT ARE BUILT INTO THE GLASS
6 THAT IS IN THE PROGRAM.

7 AND THE ANSWER, I BELIEVE, YOU KNOW, LIKE I
8 SAY, IS TO SEPARATE THE CALCULATION FROM SCRAP AND LET
9 SCRAP RETURN TO ITS MARKET VALUE.

10 CALIFORNIA HAS ONE OF THE LOWEST SCRAP
11 VALUES IN THE NATION FOR ITS GLASS BECAUSE WE
12 ARTIFICIALLY IMPACT IT.

13 BOARD MEMBER RELIS: HOW MANY JUST BUYERS OF
14 GLASS DO WE HAVE? I MEAN IN THE SENSE OF -- IF I'M NOT
15 MISTAKEN, ISN'T THERE SORT OF A CONSORTIUM ON THE BUYING?

16 MR. BERN: QUITE CORRECT. THERE'S -- THE BEST
17 THING FOR THE PROGRAM IS, OF COURSE, TO HAVE THE GLASS BE
18 PURCHASED AT THE HIGHEST PRICE. AND THAT'S BASICALLY,
19 YOU KNOW, YOUR GLASS MANUFACTURERS.

20 PEOPLE BUYING IT FOR ROAD BASE OR WHATEVER
21 ARE NOT GOING TO PAY ANYTHING MORE THAN A FEW DOLLARS A
22 TON. SO YOU HAVE TO RELY UPON GLASS MANUFACTURERS.
23 WELL, WE HAVE FOUR OR FIVE IN THE STATE. BUT FOR THE
24 MOST PART, IT'S ONE OR TWO THAT REALLY PURCHASE THE BULK
25 OF THE MATERIAL.

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1 AND I BELIEVE NOW THAT THEY'RE BUYING AS
2 MUCH AS COMES THROUGH THE YARD, ALTHOUGH THEY DO HAVE AN
3 ARRANGEMENT WITH ONE PROCESSOR, YOU KNOW, ON HOW MUCH
4 MONEY THEY'LL PAY FOR IT OR WHATEVER.

5 THAT'S THE FREE MARKET. WE DON'T -- OUR
6 DEPARTMENT DOESN'T IMPACT WHAT OCCURS THERE. THERE'S A
7 LOT OF GLASS GOING TO MEXICO ALSO. I DON'T THINK AS MUCH
8 GOES ANYMORE.

9 BOARD MEMBER CHESBRO: DO YOU HAVE ANY FIGURES
10 ON WHAT PROPORTION OF THE GLASS CONTAINERS OF THE CRV
11 CONTAINERS THAT ARE BEING RECYCLED ARE BEING RECYCLED
12 THROUGH NONREDEMPTION PROGRAMS LIKE CURBSIDE?

13 MR. ARMSTRONG: YES, WE'VE GOT THAT.

14 BOARD MEMBER CHESBRO: I'M TRYING TO FIGURE OUT
15 THE ROLE THE CURBSIDE PLAYS IN THE RELATIVELY POSITIVE
16 FIGURES THAT HAVE BEEN GENERATED BY THE PROGRAM.

17 MR. BERN: THERE'S BETWEEN 2000 AND 2500
18 RECYCLING OPPORTUNITIES IN THE STATE, CURBSIDES,
19 CONVENIENCE, BUY-BACKS.

20 BOARD MEMBER CHESBRO: IN EXISTENCE?

21 MR. BERN: IN EXISTENCE, YES. CERTIFIED, THAT
22 HAVE A CERTIFICATE FROM THE DEPARTMENT.

23 SEVEN HUNDRED AND ELEVEN OF THOSE, WHICH I
24 THINK ARE MADE UP BY THE BULK OF THE OLD LINE FACILITIES,
25 RECYCLE 90 PERCENT OF THE BEVERAGE CONTAINERS IN THE



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1 STATE. AND THE REMAINING, THE CURBSIDES, CONVENIENCE
2 OWNED, THE DROP-OFFS, RECYCLE THE REMAINING 10 PERCENT.

3 BOARD MEMBER CHESBRO: WHEN YOU CITE THAT
4 2500 --

5 MR. BERN: I THINK 2300 IS THE ACTUAL NUMBER.

6 BOARD MEMBER CHESBRO: MAYBE I MISUNDERSTOOD YOU
7 OR WASN'T LISTENING CLOSE. BUT WHERE IN THOSE FIGURES,
8 WHICH CATEGORIES DID YOU PUT THE CURBSIDE PROGRAM IN? IS
9 IT ONE --

10 MR. BERN: CURBSIDE IS PART OF THE 10 PERCENT
11 FIGURE.

12 SEVEN HUNDRED AND ELEVEN RECYCLING CENTERS,
13 WHICH ARE MAINLY OLD LINERS, RECYCLE 90 PERCENT OF THE
14 BEVERAGE CONTAINERS. AND THE REMAINING 1600 OR WHATEVER,
15 WHICH INCLUDES CURBSIDES AND DROP-OFF AND CONVENIENCE
16 OWNED, RECYCLE THE REMAINING 10 PERCENT.

17 BOARD MEMBER RELIS: THAT IS A REALLY CRUCIAL --
18 WHAT YOU JUST SAID, I THINK, SPEAKS TO ONE OF THE
19 PROBLEMS INHERENT IN AB 2020, WHICH IS THAT WE CREATED,
20 AND I WAS INVOLVED IN ARGUING AGAINST THIS, THE NUMBER OF
21 REDEMPTION CENTERS IS EXCESSIVE, FOR THE COST FOR THE
22 ECONOMICS OF THIS SYSTEM. AND IT HAS CREATED OR
23 CONTRIBUTED TO A VERY HIGH COST STRUCTURE FOR THE
24 RECOVERY.

25 BECAUSE YOU JUST POINTED OUT THAT MANY OF



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1 THE PREEXISTING CENTERS THAT WERE RECOVERING, SINCE MUCH
2 OF THE GLASS COMES IN BY SCAVENGER AND IT'S NOW A SOURCE
3 OF LIVELIHOOD FOR PEOPLE, THAT WE HAVE 790 DOING THE
4 BULK, AND THEN WE'VE GOT THIS 1600 ON TOP OF THAT THAT
5 WE'RE PAYING FOR, THAT THE SYSTEM IS SUBSIDIZING, AND
6 THAT ALL GETS REFLECTED.

7 MR. BERN: IN FACT, THE WAY THE NUMBERS WORK,
8 THOSE 711 FACILITIES COST ABOUT \$45 MILLION BETWEEN
9 DEPOSITING FEE AND OTHER TYPE OF SUBSIDIZED COST. THE
10 REMAINING 1600, WHICH RECYCLE ONLY 10 PERCENT OF THAT,
11 COST ABOUT 20 MILLION.

12 BOARD MEMBER RELIS: YEAH. I MEAN, IT'S --
13 WELL, I WON'T USE THE TERM, BUT IT SHOULD BE CORRECTED.

14 MR. BERN: WE'RE TRYING TO ADDRESS THAT WITH
15 LEGISLATION RIGHT NOW.

16 CHAIRMAN FROST: THAT'S WHAT LEGISLATION WILL
17 TRY TO DO.

18 BOARD MEMBER CHESBRO: IS CURBSIDE -- I MEAN, I
19 WOULD ASSUME THAT CURBSIDE IS PLAYING AN INCREASING ROLE,
20 THOUGH, AS --

21 MR. BERN: THAT'S THE '92 IS THE -- YOU LOOK AT
22 THE GREEN BAR THERE.

23 BOARD MEMBER CHESBRO: YEAH. BUT I'M NOT
24 TALKING ABOUT THE NONCRV. I'M TALKING ABOUT THE
25 PERCENTAGE OF YOUR CRV CONTAINERS THAT GET RECYCLED. BUT



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1 AS CONVENIENCE BECOMES AVAILABLE TO PEOPLE THAT, YOU
2 KNOW, TO SET THE STUFF OUT. THAT THE TRADE-OFF BETWEEN
3 SAVING IT AND HAULING IT TO REDEMPTION CENTER VERSUS
4 PUTTING IT OUT ON THE CURB WEEKLY. THAT'S GOING TO BEGIN
5 TO CHANGE THOSE NUMBERS.

6 MR. BERN: I DON'T THINK IT'S GOING TO HAVE THAT
7 BIG OF AN IMPACT ON THE CRV AS IT DOES ON THE NONCRV. I
8 THINK WHAT HAPPENS IS CURBSIDES DRAW A LOT OF THE NONCRV
9 MATERIAL THROUGH THE SYSTEM.

10 BOARD MEMBER RELIS: THAT'S RIGHT BECAUSE WITH
11 THE VALUE NOW ON GLASS, AND JUST AN OBSERVER OF THIS, WE
12 NEVER USED TO SEE GLASS BEING SCAVENGED BEFORE THE LAW
13 WENT INTO EFFECT. NOW WE SEE GLASS RECOVERED ALMOST LIKE
14 ALUMINUM. I MEAN, PEOPLE ARE SURVIVING ON IT.

15 MR. BERN: I HEAR IT EVERY TUESDAY MORNING IN
16 FRONT OF MY HOUSE.

17 BOARD MEMBER RELIS: PEOPLE ARE GOING BY EVERY
18 CONTAINER AND PULLING IT OUT, SO THE RETURN RATES ARE
19 PHENOMENAL ON THAT. BUT IT DOESN'T AS MUCH INTO THE
20 CURBSIDE SYSTEM.

21 MR. BERN: AND THAT'S WHAT WE'RE DEFINITELY
22 AFRAID OF IS THAT WITH THESE NONCRV NUMBERS RISING AS
23 MUCH AS THEY ARE. IF WE DON'T DO SOMETHING TO PROTECT THE
24 SCRAP VALUE OF THE MATERIAL, WHAT'S GOING TO HAPPEN, I'M
25 FULLY CONVINCED. IS THAT SOMEWHERE DOWN THE ROAD PEOPLE



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1 ARE GOING TO SAY, OKAY, IT MAY BE GOOD FOR THE
2 ENVIRONMENT, BUT I'M NOT GOING TO TAKE THAT NONCRV
3 ANYMORE BECAUSE IT JUST CAN'T FUND ITS WAY THROUGH THE
4 SYSTEM, AND I THINK WE HAVE TO CHANGE TODAY.

5 BOARD MEMBER CHESBRO: WELL, MR. CHAIRMAN, YOU
6 MAY RECALL AT THE ADMINISTRATION COMMITTEE --

7 CHAIRMAN FROST: I DON'T. I WASN'T AT THAT
8 MEETING, SO I DON'T RECALL.

9 BOARD MEMBER CHESBRO: THE COMMITTEE MADE A
10 REQUEST FOR AN AGENDA ITEM, AND THERE WERE TWO OR THREE
11 PARTS OF THE REQUEST. ONE WAS IT BE AGENDIZED. TWO,
12 THAT WE ISSUE AN INVITATION, WHICH WAS INVITED. AND
13 THREE WAS THAT WE GET SOME SORT OF STAFF ANALYSIS OR
14 RESPONSE FROM OUR STAFF IN TERMS OF ITS IMPACT.

15 WHAT WE WOUND UP WITH WAS ONE PART OF THAT
16 IN TERMS OF HAVING YOUR PRESENCE. AND I APPRECIATE YOUR
17 COMING UP.

18 I AM CONCERNED, EVEN THOUGH IT WASN'T
19 LISTED ON THE AGENDA, THAT WE MAKE SURE THAT -- BECAUSE
20 WE DID DIRECT THAT IT BE AGENDIZED AT A COMMITTEE
21 MEETING, THERE MAY BE SOME FOLKS WHO HAVE COME AND WOULD
22 LIKE THE OPPORTUNITY TO PRESENT SOME PERSPECTIVES ON
23 THIS. ON THE OTHER HAND, THERE MAY NOT BE.

24 BUT ONCE WE'VE COMPLETED THE PRESENTATION
25 FROM DOC, I WANT TO MAKE SURE THAT, IF ANYBODY ELSE WANTS



1 TO ADDRESS THE BOARD ON THE SUBJECT, THAT THAT
2 OPPORTUNITY BE GIVEN.

3 I HAVE TO TELL YOU THIS IS -- I'M SORT OF
4 THE RIP VAN WINKLE OF RECYCLING. I LEFT DIRECT
5 INVOLVEMENT WITH RECYCLING BEFORE THIS LAW CAME INTO
6 EFFECT AND THEN CAME BACK TO IT AFTERWARDS, AND IT'S VERY
7 COMPLICATED. AND I'M JUST BEGINNING TO UNDERSTAND IT
8 MYSELF.

9 MR. BERN: I RECENTLY HAD A MEETING WITH KATE
10 KREBBS, TOOK A TOUR OF THE FACILITY, YOU KNOW. I WAS
11 QUITE IMPRESSED WITH THE LOCAL COMMUNITY INVOLVEMENT WITH
12 RECYCLING. IN FACT, THE COMMINGLED RATES, YOU KNOW, WE
13 GET THEM FROM ALL OVER THE STATE, AND THEY BECOME A PART
14 OF THE STUDY. AND IT'S REALLY IMPRESSIVE ON HOW MUCH
15 GLASS IS BEING RECYCLED UP IN THAT PART OF THE STATE THAT
16 THERE'S NO MONEY FOR IT. YOU KNOW, THE PEOPLE THERE ARE
17 VERY DEDICATED TO IT.

18 BOARD MEMBER CHESBRO: WELL, TRYING TO
19 UNDERSTAND HOW ALL THESE THINGS INTERACT IS AN EFFORT.
20 AND LIKE I SAID, I'M JUST BEGINNING TO UNDERSTAND. IT'S
21 A LOT MORE COMPLICATED THAN IT WAS WHEN I LEFT THE
22 BUSINESS. AND SO -- BUT I DO THINK THAT WE NEED TO BE,
23 AS A BOARD, VERY COGNIZANT OF THE INTERPLAY BETWEEN THE
24 TWO PROGRAMS.

25 MR. BERN: I AGREE.



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1 BOARD MEMBER CHESBRO: IT IS -- IT'S GOING TO
2 HAVE A GREAT IMPACT ON LOCAL COMMUNITIES AND LOCAL
3 BUSINESSES' ABILITY TO CONTRIBUTE TO US MEETING OUR
4 STATEWIDE AS WELL AS THE LOCAL GOALS.

5 MR. BERN: YEAH, DIVERSION GOALS.

6 CHAIRMAN FROST: FROM OUR STANDPOINT, I MEAN,
7 WE'D LIKE TO SEE THE SCRAP VALUE AS HIGH AS POSSIBLE.
8 AND, OBVIOUSLY, WHAT YOU'RE SAYING IS SOME OF THE EFFECTS
9 OF YOUR PROGRAMS ARE TO LOWER THE SCRAP VALUE.

10 MR. BERN: EXACTLY.

11 CHAIRMAN FROST: I THINK YOU HAVE LEGISLATIVE
12 PROPOSALS -- IT'S BEEN EXPLAINED TO ME THAT YOU HAVE
13 LEGISLATIVE PROPOSALS TO DEAL WITH THAT.

14 MR. BERN: YEAH. YOU KNOW -- AND IN DEFENSE OF
15 ALL THE PEOPLE THAT WORKED ON THIS PROGRAM, IT'S A HIGHLY
16 SUCCESSFUL PROGRAM. YOU KNOW OUR RECYCLING RATES ARE UP
17 TO 80 PERCENT. I THINK IT'S A NATIONAL MODEL AND
18 EVERYTHING ELSE, BUT IN THEIR DEFENSE, SOME OF THE THINGS
19 THAT OCCUR HERE ARE NOT SOMETHING THEY CAN PLAN FOR.
20 SOME OF THESE DARN THINGS YOU PUSH IT IN HERE AND IT POPS
21 OUT THERE AND YOU NEVER EXPECT IT.

22 BOARD MEMBER CHESBRO: LAW OF UNINTENDED
23 CONSEQUENCES.

24 MR. BERN: RIGHT. BUT YOU HAVE TO DEAL WITH
25 THEM. WE HAVE TO DEAL WITH THEM AS THEY COME ALONG.



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1 CHAIRMAN FROST: WELL, I WORKED ON THE
2 DEVELOPMENT OF THIS LAW. AND THE IDEA WAS TO TRY TO GET
3 THIS MATERIAL RECYCLED WHERE IT HADN'T BEEN BEFORE.
4 WELL, IT'S BEEN FABULOUSLY SUCCESSFUL AT THAT, BUT IT HAS
5 CREATED SOME OTHER ISSUES THAT NEED TO BE --

6 MR. BERN: IN FACT, IT'S BEEN SO SUCCESSFUL
7 WE'LL PROBABLY HAVE TO TAKE A FEW LESSONS FROM PEOPLE IN
8 ANOTHER CAPITOL ON HOW TO PAY THE BILLS FOR A WHILE.

9 CHAIRMAN FROST: OKAY. ANY OTHER DISCUSSION OR
10 QUESTIONS, COMMENTS?

11 BOARD MEMBER CHESBRO: IF THERE'S NO QUESTIONS
12 FOR THESE GENTLEMEN, I'D LIKE TO ASK YOU TO OPEN IT UP
13 AND SEE IF THERE'S ANYBODY WHO WANTS TO ADDRESS THE
14 BOARD.

15 CHAIRMAN FROST: IS THERE ANYONE WHO WANTS TO
16 ADDRESS THE BOARD ON THIS QUESTION? OKAY.

17 MS. DELMATIER: MR. CHAIRMAN AND MEMBERS OF THE
18 BOARD, DENISE DELMATIER WITH THE GUALCO GROUP ON BEHALF
19 OF THE NORCAL WASTE SYSTEMS.

20 NORCAL IS IN THE UNIQUE POSITION OF BEING
21 THE ONLY WASTE MANAGEMENT COMPANY IN THE STATE, THAT I'M
22 AWARE OF, THAT OPERATES BOTH CURBSIDE PROGRAMS AS WELL AS
23 BUY-BACK CENTERS UNDER THE 2020 PROGRAM. SO WE'RE OFTEN
24 CALLED UPON IN THE LEGISLATURE TO COMMENT ON HOW THESE
25 TWO PROGRAMS FIT TOGETHER.



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1 WE DO HAVE SOME CONCERNS REGARDING BOTH THE
2 DOC'S LEGISLATIVE PROPOSAL WITH -- SPECIFICALLY WITH THE
3 ELIMINATION OF THE PROCESSING FEE FOR CURBSIDE PROGRAMS
4 AND THEN THE RECENT CALCULATION ON THE COMMINGLED RATE.

5 WE HAVE HAD CONVERSATIONS WITH DEPARTMENT
6 STAFF ON THESE TWO ISSUES. AND WE ARE ENCOURAGED THAT
7 THOSE DISCUSSIONS, ALONG WITH OTHER REPRESENTATIVES OF
8 WASTE INDUSTRY AND LOCAL GOVERNMENT, ARE PROCEEDING
9 ACCORDINGLY, BUT I THINK IT'S IMPORTANT TO BRING A COUPLE
10 OF ISSUES TO THE ATTENTION OF THE BOARD THIS MORNING.

11 THE DOC PROPOSAL, SPECIFICALLY, AGAIN,
12 ELIMINATES -- WOULD ELIMINATE THE PROCESSING FEE FOR
13 CURBSIDE PROGRAMS. THAT PROCESSING FEE THAT WAS
14 DISCUSSED EARLIER IS AN IMPORTANT COMPONENT AS FAR AS
15 COVERING COSTS FOR THE RECYCLING OF CRV VALUE MATERIAL.
16 AND THE DOC PROPOSAL WOULD ELIMINATE THAT PROCESSING FEE
17 TO CZ CENTERS, CONVENIENCE ZONE CENTERS ONLY, SO THAT
18 WOULD BE AN IMPORTANT REDUCTION IN FUNDING FOR 939
19 MANDATED PROGRAMS AND SPECIFICALLY CURBSIDE PROGRAMS, SO
20 WE HAVE A CONCERN THERE.

21 MR. BERN: COULD I INTERRUPT, PLEASE?

22 THE -- OUR LEGISLATIVE PROPOSAL WAS A
23 RESULT OF ABOUT SIX MONTHS WORTH OF STUDY THAT A GROUP
24 CALLED THE BLUE RIBBON TASK FORCE ON PROCESSING FEES THAT
25 WAS CHAIRED BY MYSELF ADDRESSED.



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1 AND ONE OF THE RECOMMENDATIONS WAS THAT
2 THERE WAS A FEELING ON CERTAIN MEMBERS THAT THERE WAS A
3 DOUBLE DIPPING GETTING THE REDEMPTION MONIES GOING TO THE
4 CURBSIDE AND THE PROCESSING FEE PAID OUT.

5 SO OUR INITIAL RECOMMENDATION, THE ONE
6 THAT'S PUBLIC NOW, DOES CONSIDER ELIMINATING THE
7 PROCESSING FEE FROM CURBSIDES; HOWEVER, THE DIRECTOR OF
8 THE DEPARTMENT OF CONSERVATION, ED HEIDIG, HAS ASKED TO
9 RELOOK AT THAT ISSUE. AND I THINK I CAN PRETTY MUCH
10 COMMIT THAT WE'RE WILLING TO WORK WITH THE CURBSIDE AND
11 THE LOCAL GOVERNMENT PEOPLE THAT ARE IMPACTED BY THIS,
12 AND I THINK WE CAN PASS SOMETHING TO EVERYBODY'S MUTUAL
13 AGREEMENT.

14 MS. DELMATIER: OKAY. I KNOW CERTAINLY
15 ASSEMBLYMEMBER SHER IS VERY INTERESTED IN THE PROJECT,
16 AND HE HAS A PROPOSAL, AB 3293, WHICH --

17 MR. BERN: I THINK OUT OF ALL THE POINTS OF OUR
18 PROPOSAL, THIS WILL BE THE EASIEST ONE TO TAKE CARE OF.

19 MS. DELMATIER: OKAY. I'M GLAD TO HEAR THAT.

20 ALSO, ONE ISSUE THAT -- IN LOOKING AT THE
21 DOC PROPOSAL, THAT'S OF CONCERN IF THE CRV VALUE THAT'S
22 PAID OUT TO CURBSIDE UNDER THE COMMINGLED RATE RUNS
23 SHORT, HOW WOULD THE PROCESSING FEE BE ASSESSED AS FAR AS
24 OUR PRIORITY TO CZ CENTERS? IN OTHER WORDS, IS THERE A
25 TRADE-OFF OR IS THERE A PRIORITY SET?



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1 MR. BERN: IF WE TAKE CARE OF THE OTHER CONCERN,
2 THEN I DON'T BELIEVE YOU HAVE ANY ADDITIONAL PROBLEMS
3 WITH OUR PROPOSAL THAN YOU HAVE UNDER CURRENT LAW.

4 IF YOU HAVE -- YOU KNOW. SAY, THE CURBSIDE
5 RATE -- THE COMMINGLED RATE RIGHT NOW IS 35 PERCENT, BE
6 IT 35, BE IT 45, BE IT 25, WHATEVER IT IS, THAT'S HOW
7 MUCH YOU'LL GET PAID UNDER OUR PROPOSAL FROM THE CRV
8 MONIES. SO THERE WON'T BE ANY RUNNING OUT OR THERE WON'T
9 BE ANY SHORTING OF THE CURBSIDES TO PAY THE CONVENIENCE
10 ZONES.

11 MS. DELMATIER: OKAY. THAT'S GOOD TO HEAR AS
12 WELL.

13 FINALLY, ON THE COMMINGLED RATE, RECENTLY
14 THE DEPARTMENT, OF COURSE, ESTABLISHED, EFFECTIVE MARCH
15 1ST, REVISED NUMBERS OF WASTE INDUSTRY, LOCAL GOVERNMENT,
16 AND ENVIRONMENTAL COMMUNITY HAS TALKED TO DEPARTMENT
17 STAFF ON THAT CALCULATION METHODOLOGY.

18 SPECIFICALLY, WE HAVE QUESTIONED, AS FAR AS
19 GLASS IS CONCERNED, THE ASSESSMENT OR THE CALCULATION
20 BASED ON WHOLE CONTAINERS ONLY RATHER THAN DOING THE
21 SAMPLING AT THE CURB.

22 OBVIOUSLY, WHEN YOU PICK UP GLASS AT THE
23 CURB, DUMP IT UP OVER A TRUCK INTO A METAL TRUCK, THERE'S
24 BREAKAGE. WHEN YOU THEN TAKE THAT TRUCK AND DUMP IT OUT
25 ON THE FLOOR OF A PROCESSING CENTER, THERE'S ADDITIONAL



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1 BREAKAGE. WHEN YOU SCOOP IT UP WITH A SCOOPER AND THEN
2 SET IT OVER TO THE SIDE TO DO THE ADDITIONAL SAMPLING ON
3 THE FLOOR, THERE'S MORE BREAKAGE.

4 THE SMALLER CRV CONTAINERS ARE GOING TO
5 BREAK FIRST AS OPPOSED TO LARGER WINE BOTTLES, DISTILLED
6 SPIRIT BOTTLES, MAYONNAISE JARS, ETC., SO THERE WAS SOME
7 CONCERN AS FAR AS SAMPLING WHOLE CONTAINERS ONLY, AS FAR
8 AS ASSESSING WHAT IS THE COMMINGLED RATE FOR GLASS.

9 CONVERSELY, FOR PLASTIC IT'S THE REVERSE.
10 LOCAL GOVERNMENT AND THE WASTE INDUSTRY HAVE BEEN FOR
11 SOME TIME SEPARATING AND SORTING OUT CRV PET PLASTIC ONLY
12 AS OPPOSED TO -- AND THAT'S BECAUSE OF THE END USER
13 MARKET ON CRV PET PLASTIC. AND WHAT HAPPENED WITH THE
14 SAMPLING METHOD, IT WAS ASSESSED AT THE CURB INSTEAD OF
15 AFTER THE SORT WAS DONE.

16 SO THERE'S A LOT OF CONCERN THERE. I JUST
17 WANTED TO BRING THAT TO THE ATTENTION OF THE BOARD, THAT
18 THAT CERTAINLY HAS BEEN -- WE ARE WORKING WITH THE
19 DEPARTMENT AS FAR AS A LEGISLATIVE PROPOSAL. AND WE HAVE
20 HAD CONVERSATIONS AS FAR AS ESTABLISHING SOME MORE
21 CREDIBLE METHODOLOGY FOR SAMPLING SO THAT THE COMMINGLED
22 RATE CAN BE ESTABLISHED AT A MORE EQUITABLE LEVEL.

23 AND THEN FINALLY, I WOULD JUST, WHILE WE'RE
24 HERE, ASK THE DEPARTMENT IF THERE'S A POSITION ON
25 EXPANDING THE APPLICATION OF THE 2020 PROGRAM TO

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1 ADDITIONAL CONTAINERS.

2 CHAIRMAN FROST: WE APPRECIATE YOUR LETTING US
3 SIT IN ON YOUR MEETING WITH THE DEPARTMENT, BUT I THINK
4 YOU CAN MEET SEPARATELY FOR -- I MEAN, IF YOU HAVE SOME
5 ISSUES YOU WANT TO ADDRESS SPECIFICALLY TO US. I THINK
6 ON THEIR PROPOSAL YOU CAN MEET WITH THEM SEPARATELY. I
7 DON'T THINK WE NEED TO DO IT AT A PUBLIC HEARING.

8 BUT IS THERE ANYTHING ELSE YOU WANT TO
9 ADDRESS JUST SPECIFICALLY TO OUR BOARD?

10 MS. DELMATIER: NO.

11 CHAIRMAN FROST: OKAY. I WOULD SUGGEST YOU GET
12 TOGETHER WITH CONSERVATION THEN --

13 MS. DELMATIER: THANK YOU.

14 CHAIRMAN FROST: -- AND DISCUSS THESE ITEMS.

15 OKAY. ANYTHING ELSE ON THIS ITEM?

16 BOARD MEMBER CHESBRO: I DON'T KNOW IF THERE'S
17 ANYONE ELSE.

18 CHAIRMAN FROST: IS THERE ANYONE ELSE THAT WANTS
19 TO ADDRESS THE BOARD ON THIS?

20 BOARD MEMBER CHESBRO: MR. CHAIRMAN, MY GENERAL
21 COMMENT WOULD BE THAT -- AND THIS IS PROBABLY UNDER THE
22 PRIVILEGE OF LEGISLATIVE COMMITTEE. I WOULD PRESUME. THAT
23 WE MIGHT WANT TO ASK STAFF TO TAKE A LOOK AT THOSE BILLS.
24 NOT FROM THE STANDPOINT OF THE UNIVERSE OF ISSUES BECAUSE
25 IT'S VERY COMPLICATED, BUT FROM THE STANDPOINT OF THE



1 QUESTION OF POTENTIAL FINANCIAL IMPACTS ON LOCAL
2 PROGRAMS, AND CONSIDER BRINGING TO THE LEGISLATIVE
3 COMMITTEE ANY PROPOSALS THAT -- THAT WOULD INVOLVE US IN
4 TRYING TO MAKE SURE THAT LOCAL RECYCLING PROGRAMS ARE NOT
5 SHUNTED ASIDE, IF YOU WILL, OR SHOVED ASIDE IN THE
6 PROCESS OF RESOLVING THESE ISSUES.

7 CHAIRMAN FROST: WELL, I AGREE WITH THAT. BUT I
8 WOULD SAY THIS, THAT THE DEPARTMENT OF CONSERVATION HAS A
9 VERY SERIOUS PROBLEM BORN OUT OF THEIR SUCCESS BECAUSE
10 THEY HAVE -- WE'RE NOW RECYCLING AT SUCH A HIGH RATE THAT
11 THE ADDITIONAL MONEY THAT HAS BEEN AVAILABLE IN THE PAST
12 IS NO LONGER AVAILABLE FOR THEM.

13 AND THEY'RE GOING TO HAVE TO DO SOMETHING
14 RATHER DRAMATIC TO ADDRESS IT. AND I THINK WE NEED TO BE
15 AWARE THAT THEY HAVE TO DO THAT, AND WE SHOULD TRY TO BE
16 SUPPORTIVE OF THEIR EFFORTS TO DO SO.

17 BOARD MEMBER CHESBRO: WELL, I AGREE THAT THE
18 SUCCESS OF THE PROGRAM IS -- CONTINUED SUCCESS OF THE
19 PROGRAM IS NECESSARY FOR WHAT I WAS JUST TALKING ABOUT,
20 WHICH IS FOR OUR PROGRAMS TO SUCCEED. SO I'M NOT TALKING
21 ABOUT TAKING POSITIONS WHICH WOULD UNDERCUT THEIR ABILITY
22 TO BE SOLVENT AND -- AND CARRY OUT THEIR PROGRAM.

23 ON THE OTHER HAND, I THINK PART OF OUR
24 RESPONSIBILITY IS TO ADVOCATE ON BEHALF OF THE PROGRAMS
25 THAT WE ARE ASKING LOCAL GOVERNMENTS AND PRIVATE INDUSTRY



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1 TO SET UP. AND I THINK WE SHOULD AT LEAST COMMENT WHEN
2 WE THINK THERE'S GOING TO BE AN IMPACT WITHOUT
3 NECESSARILY TRYING TO DO DOC'S BUSINESS FOR THEM. AND
4 I'M NOT ADVOCATING THAT AT ALL. I STILL -- I THINK WE
5 JUST HAVE A ROLE IN RELATIONSHIP WITH DOC TO HAVE
6 DISCUSSIONS WITH THEM ABOUT THAT.

7 CHAIRMAN FROST: OKAY. ANY FURTHER DISCUSSION?

8 OKAY. WE WILL THEN BREAK. AND I WOULD
9 LIKE TO -- WE STILL HAVE A CONSIDERABLE AMOUNT OF
10 BUSINESS BEFORE THE BOARD TODAY. SO LET'S TRY TO MAKE IT
11 BACK AT 1:45. WOULD THAT ACCEPTABLE TO EVERYONE, 1:45.

12 (A BREAK WAS TAKEN.)

13 CHAIRMAN FROST: OKAY. THE BOARD WILL BE BACK
14 IN SESSION. THE CHAIR RECOGNIZES THE QUORUM IS STILL
15 PRESENT.

16 NOW, ITEM -- LET'S DO THIS. LET'S GO TO
17 ITEM 13, WHICH IS CONSIDERATION OF ADOPTION OF STATEWIDE
18 BOARD OBJECTIVES FOR THE SECOND RECYCLING MARKET
19 DEVELOPMENT ZONE DESIGNATION CYCLE.

20 AND SHAWN PITTARD WILL MAKE STAFF
21 PRESENTATION.

22 MR. PITTARD: MR. CHAIRMAN AND MEMBERS OF THE
23 BOARD, IT'S A PLEASURE TO BE HERE. MY NAME IS SHAWN
24 PITTARD. AND I'M WITH THE MARKETS DEVELOPMENT BRANCH.
25 AND AS YOUR AGENDA ITEM 13 HAS TOLD YOU, WE'RE READY TO



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1 GET OUR SECOND RECYCLING MARKET DEVELOPMENT ZONE
2 DESIGNATION CYCLE UNDERWAY.

3 OUR FIRST DESIGNATION CYCLE'S APPLICATIONS
4 ARE DUE TO US BY THIS SUNDAY, BY THE 29TH. THAT'S THE
5 END OF THE APPLICATION PERIOD FOR THIS CYCLE.

6 AND FOR THE EIGHT ZONES THAT WE'RE GOING TO
7 DESIGNATE, WE HAVE NEARLY 20 ON THE WAY. WE'VE GOT SOME
8 GREAT APPLICATIONS AND SOME GREAT LOCAL COMMUNITY
9 DEVELOPMENT PLANS COMING OUR WAY.

10 OUR REGULATIONS REQUIRE THAT PRIOR TO
11 BEGINNING EACH DESIGNATION CYCLE, BY MARCH 31ST WE MAKE A
12 DETERMINATION ON THE STATEWIDE OBJECTIVES FOR THE
13 UPCOMING CYCLE, THE NUMBER OF ZONES IT WILL DESIGNATE,
14 AND THE DATE WE WILL BEGIN THAT DESIGNATION CYCLE.

15 AND WHAT WE'VE ASKED THE MARKET DEVELOPMENT
16 COMMITTEE'S APPROVAL TO DO AND WHAT WE'RE ASKING YOU FOR
17 TODAY IS TO STAY WITH EIGHT ZONES FOR THE SECOND
18 DESIGNATION CYCLE. START THE DESIGNATION CYCLE ON AUGUST
19 1ST, AND ALSO TO STICK WITH THE STATEWIDE OBJECTIVES THAT
20 WE'RE USING IN OUR FIRST DESIGNATION CYCLE.

21 WE FEEL THAT THE OBJECTIVES FROM OUR FIRST
22 CYCLE ARE APPROPRIATE FOR THE SECOND CYCLE. AND WE HAVE
23 A NUMBER OF COMMUNITIES, ABOUT 35 AT THIS POINT, THAT
24 WE'VE TALKED TO WHO ARE DEVELOPING PLANS FOR BOTH THE
25 FIRST AND SECOND CYCLES THAT ARE BASED UPON THE



1 OBJECTIVES THAT WE'VE USED IN THE FIRST CYCLE.

2 IF YOU HAVE ANY QUESTIONS, IF YOU'D LIKE ME
3 TO GO THROUGH THE OBJECTIVES, I'D BE HAPPY TO DO THAT. I
4 DON'T KNOW WHAT YOUR TIME CONCERNS ARE.

5 CHAIRMAN FROST: I HAVE A QUESTION. THE -- LET
6 ME SEE IF I UNDERSTAND. WE HAD EIGHT SLOTS, BASICALLY,
7 IN THE FIRST DESIGNATION, AND THEY'RE ALL -- ARE THEY ALL
8 COMMITTED NOW?

9 MR. PITTARD: WHAT WE WILL BE DOING IS THERE'S A
10 LITTLE BIT OF OVERLAP ON THE TWO -- ON WHAT WE NEED TO DO
11 FOR EACH CYCLE.

12 OUR FIRST DESIGNATION CYCLE, THE
13 APPLICATIONS ARE DUE TO US ON MARCH 29TH, WHICH IS THIS
14 SUNDAY. THEN THERE WILL BE A PERIOD OF 90 TO 120 DAYS
15 WHERE WE SELECT EIGHT FROM AMONG THOSE THAT WE RECEIVE.

16 BUT WE NEED -- WE'RE KIND OF DOING THE LEAD
17 WORK NOW FOR THE SECOND CYCLE. SO WHAT WE'RE DOING NOW,
18 BY REGULATION, WE HAVE A REQUIREMENT BY MARCH 31ST THAT
19 WE DECIDE WHAT WE'RE GOING TO DO, SO THE POPULATION KNOWS
20 WHAT'S COMING UP AND WHEN IT'S COMING UP BEFORE IT
21 STARTS.

22 CHAIRMAN FROST: OKAY. WHEN YOU INDICATED 20
23 APPLICANTS. WAS THAT 20 FOR THE FIRST CYCLE?

24 MR. PITTARD: YES, WE HAVE ABOUT 20 COMING IN.

25 CHAIRMAN FROST: YOU'RE GOING TO DESIGNATE



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1 EIGHT?

2 MR. PITTARD: YES.

3 CHAIRMAN FROST: DOES THAT MEAN THAT THE OTHER
4 12 ROLL OVER TO THE SECOND CYCLE OR --

5 MR. PITTARD: THEY CAN APPLY FOR THE SECOND.

6 AND ONE THING THAT WE'VE DONE WITH THE
7 SECOND CYCLE IS WE'VE SET IT UP TO START QUICKLY AFTER
8 WE'VE MADE OUR FIRST EIGHT SELECTIONS TO ENCOURAGE THOSE
9 THAT WEREN'T SELECTED IN THE FIRST CYCLE TO MAINTAIN
10 THEIR MOMENTUM AND MOVE FORWARD INTO THE SECOND
11 DESIGNATION CYCLE.

12 CHAIRMAN FROST: OKAY. NOW, THESE OBJECTIVES
13 THAT ARE HERE ARE THE SAME ONE YOU USED FROM THE FIRST
14 DESIGNATION CYCLE?

15 MR. PITTARD: YES, THEY ARE.

16 CHAIRMAN FROST: THE ONLY THING THAT I DON'T SEE
17 HERE, AND YOU CAN TELL ME HOW YOU ARE DOING THIS, BUT I
18 DON'T SEE A SPECIFIC OBJECTIVE RELATED TO THE ABILITY OF
19 THE -- OR THE VIABILITY OF THE ZONE AND THE PEOPLE
20 OPERATING IT; IN OTHER WORDS, THE QUALITY OF THE ZONE
21 ITSELF.

22 MR. PITTARD: YEAH. LET ME EXPLAIN THAT.

23 THE WAY WE EVALUATE RECYCLING MARKET
24 DEVELOPMENT ZONE APPLICATIONS IS IN KIND OF A TWO-PHASE
25 EVALUATION.



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1 THE FIRST EVALUATION WE GIVE EACH ZONE
2 APPLICATION IS TO LOOK AT THEIR PLAN. THEY SUBMIT A
3 RECYCLING MARKET DEVELOPMENT ZONE PLAN. AND IN THAT PLAN
4 THEY DESCRIBE THE MATERIALS THEY'RE GOING TO USE, THE
5 TYPE OF BUSINESSES THAT WILL USE THEM, HOW THEY'LL
6 ADMINISTER THE ZONE, THE FINANCING THAT SUPPORTS THE
7 ZONE, THE INCENTIVES THEY'RE GOING TO PROVIDE, THE
8 AVAILABILITY OF LAND AND PROPERTY TO ACCOMPLISH WHAT IT
9 IS THEY WANT TO ACCOMPLISH.

10 ALL OF THOSE THINGS COME TO US IN A PLAN.
11 AND THE FIRST REVIEW THAT WE CONDUCT OR THE FIRST
12 EVALUATION WE MAKE IS SET UP IN A PASS/FAIL MODE: DOES
13 THIS PLAN WORK. AND IF THAT PLAN WORKS, THEN THEY MOVE
14 INTO A SECOND EVALUATION, WHICH IS AGAINST THE
15 OBJECTIVES. AND THAT'S WHERE WE COMPARE ONE TO ANOTHER
16 WITH SCORES.

17 CHAIRMAN FROST: THE ONE THAT I'M FAMILIAR WITH,
18 IT'S ALREADY AN ENTERPRISE ZONE. IT'S ALREADY BEEN
19 DESIGNATED AS AN ENTERPRISE ZONE BY THE STATE FOR JUST
20 INDUSTRIAL PURPOSES, TAX PURPOSES. SO IT'S ALREADY -- I
21 GUESS, IT'S ALREADY ESTABLISHED.

22 AND NOW THEY'RE ASKING FOR US -- FURTHER
23 DESIGNATION BY US. AND, YOU KNOW, IN LOOKING AT IT, IT
24 WOULD LOOK LIKE THAT ONE IS ALREADY UP AND RUNNING, IS AT
25 LEAST -- IT'S MORE CERTAIN THAT THEY'RE GOING TO BE



1 THERE AND BE ABLE TO TAKE ADVANTAGE OF THIS PROGRAM THAN
2 SOMEBODY THAT'S TRYING TO START OUT NEW.

3 MR. PITTARD: RIGHT. THERE ARE SEVERAL
4 ENTERPRISE ZONES THAT WILL BE APPLYING TO BE RECYCLING
5 MARKET DEVELOPMENT ZONES.

6 THE FUNCTION OF AN ENTERPRISE ZONE OR THE
7 GOALS OF AN ENTERPRISE ZONE MATCH VERY WELL TO WHAT WE
8 WANT TO DO IN RECYCLING MARKET DEVELOPMENT ZONES, BUT
9 THEY SERVE A DIFFERENT OVERALL PURPOSE.

10 OURS IS TO ESTABLISH A SECONDARY BUSINESS
11 INDUSTRY WITHIN THESE ZONE AREAS. AND WHAT WE WILL BE
12 LOOKING FOR IN AN ENTERPRISE ZONE -- FROM AN ENTERPRISE
13 ZONE THAT APPLIES TO BE A RECYCLING MARKET DEVELOPMENT
14 ZONE IS THAT THEY SPECIFICALLY ADDRESS THAT ISSUE AND
15 THAT THEY DEMONSTRATE THAT THEY WILL BE WORKING TO
16 ACCOMPLISH THAT. AND AN ENTERPRISE ZONE ALONE, AS AN
17 ENTERPRISE ZONE, IS NOT A RECYCLING MARKET DEVELOPMENT
18 ZONE.

19 CHAIRMAN FROST: I UNDERSTAND THAT. AND I
20 ASSUME THAT WHEN YOU'RE WORKING WITH THESE VARIOUS
21 ENTERPRISE ZONE APPLICANTS, YOU'RE MAKING THAT CLEAR TO
22 THEM AS TO WHAT YOU NEED FROM THEM IN ORDER TO QUALIFY.

23 MR. PITTARD: YES. AND OUR STAFF, MARTHA DIAZ
24 AND JERRY HENDERSON, HAVE SPENT CONSIDERABLE TIME IN THE
25 FIELD WITH ALL THE APPLICANTS AS THEY'VE BEEN DEVELOPING



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1 THEIR PLANS. AND WE HAD CONSIDERABLE FIELD EXPERIENCE
2 WITH THEM.

3 CHAIRMAN FROST: OKAY. THANK YOU.

4 ANY OTHER QUESTIONS?

5 BOARD MEMBER CHESBRO: I JUST WANT TO MAKE A FEW
6 COMMENTS. AND I DO THINK WE'RE READY TO ACT UNLESS SOME
7 OF THE OTHER BOARD MEMBERS HAVE ADDITIONAL QUESTIONS.

8 I EXPRESSED AT THE MARKET DEVELOPMENT
9 COMMITTEE MEETING SOME RESERVATIONS ABOUT ADOPTING THE
10 SAME OBJECTIVES FOR THE SECOND YEAR UNTIL WE HAVE HAD A
11 CHANCE, AS A COMMITTEE AND A BOARD, TO REVIEW THE FIRST
12 SET OF APPLICANTS, SO WE KNOW HOW CLOSE WE'VE MET OUR
13 TARGET. WE HIT WHAT WE INTENDED TO HIT IN TERMS OF
14 OBJECTIVES.

15 HOWEVER, I SPENT QUITE A BIT OF TIME WITH
16 STAFF TALKING ABOUT THIS. AND THESE FIRST TWO CYCLES ARE
17 UNIQUE BECAUSE THEY'RE VERY -- THEY'RE CONSTRICTED,
18 THEY'RE JAMMED TOGETHER. AND IN ADDITION TO THAT,
19 PRACTICALLY SPEAKING, THEY ARE -- EVEN THOUGH THEY'RE TWO
20 SEPARATE CYCLES, THEY'RE REALLY ONE GROUP OF APPLICANTS
21 AND WE'RE REALLY DESIGNATING, HOW MANY, 16 IN TWO YEARS?

22 MR. PITTARD: IT WILL BE 16 EVERY TWO YEARS.

23 BOARD MEMBER CHESBRO: SO FOR PRACTICAL
24 PURPOSES. WE'RE TALKING ABOUT TWO PHASES OF ONE PROCESS
25 BECAUSE IT WAS JUST OUT OF THE SHOOT AND THE FIRST ONE IS



1 MUCH MORE CONSTRICTED. AND, UNDOUBTEDLY, THE SECOND
2 GROUP WILL BE LARGELY THE GROUP OF APPLICANTS WHO DIDN'T
3 GET DESIGNATED THE FIRST TIME.

4 SO THAT HAS, YOU KNOW, CONVINCED ME EVEN
5 THOUGH I HAD SOME DISCOMFORT. I'M ALSO RELYING UPON THE
6 STAFF'S ASSURANCES, EVEN THOUGH WE HAVEN'T SEEN THE
7 APPLICATIONS AND HAVEN'T HAD A CHANCE TO REALLY REVIEW
8 HOW WELL THEY MEET THIS CRITERIA, THE STAFF HAS STRONGLY
9 ASSURED ME THAT THEY DO MEET THESE CRITERIA AND THAT
10 THERE'S NOT SOME MAJOR GAP OR HOLE THAT WOULD NEED TO BE
11 ADJUSTED IN RESPONSE TO THE FIRST SET OF APPLICATIONS.

12 I THINK, THOUGH, IN THE FUTURE, IN FUTURE
13 YEARS, AND THERE WILL BE MORE TIME, IT'S GOING TO BE VERY
14 IMPORTANT FOR THE COMMITTEE, AFTER IT HAS RECEIVED THE
15 APPLICATIONS FOR THE CURRENT CYCLE AND IS ABLE TO KIND OF
16 LOOK AT THEM, TO THEN TAKE ANOTHER LOOK AT THE OBJECTIVES
17 AND DECIDE WHETHER OR NOT THERE'S ANY AREA OR GOAL THAT
18 ISN'T BEING MET BY THE APPLICATIONS AND DESIGNATIONS THAT
19 HAVE TAKEN PLACE TODAY.

20 CHAIRMAN FROST: WELL, IS IT THE INTENT THAT THE
21 COMMITTEE WILL REVIEW THE APPLICATIONS AND --

22 BOARD MEMBER CHESBRO: MAKE A RECOMMENDATION TO
23 THE BOARD, YES, THAT'S THE PLAN.

24 CHAIRMAN FROST: WELL, WHAT -- IS THE STAFF
25 MAKING A RECOMMENDATION?



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1 MR. PITTARD: YES. THE STAFF WILL SCORE AND
2 TAKE THE RECOMMENDATIONS TO THE COMMITTEE AND THEN TO THE
3 BOARD.

4 BOARD MEMBER CHESBRO: THEY WILL BE REVIEWED BY
5 THE COMMITTEE FOR RECOMMENDATION TO THE BOARD. THAT'S
6 THE PLAN.

7 SO I'LL ASK IF THERE'S, YOU KNOW, WAIT AND
8 SEE IF THERE'S ANY MORE QUESTIONS, BUT IF THERE AREN'T,
9 I'M READY TO MAKE A MOTION.

10 CHAIRMAN FROST: GO AHEAD AND MAKE IT.

11 BOARD MEMBER CHESBRO: I WILL MOVE THAT WE
12 APPROVE THE OBJECTIVES FOR THE 1992-'93 DESIGNATION
13 CYCLE.

14 BOARD MEMBER NEAL: SECOND.

15 CHAIRMAN FROST: MOVED AND SECONDED.

16 CALL THE ROLL.

17 BOARD SECRETARY: BOARD MEMBERS CHESBRO?

18 BOARD MEMBER CHESBRO: AYE.

19 BOARD SECRETARY: EGIGIAN?

20 BOARD MEMBER EGIGIAN: AYE.

21 BOARD SECRETARY: HUFF?

22 BOARD MEMBER HUFF: AYE.

23 BOARD SECRETARY: NEAL?

24 BOARD MEMBER NEAL: AYE.

25 BOARD SECRETARY: RELIS?



1 BOARD MEMBER RELIS: AYE.

2 BOARD SECRETARY: CHAIRMAN FROST?

3 CHAIRMAN FROST: AYE.

4 OKAY. NOW, WE HAVE -- I KNOW WE HAVE A
5 SPECIAL ORDER OF BUSINESS AT 2 O'CLOCK, BUT IT'S NOT
6 QUITE 2 O'CLOCK LEGISLATIVE TIME, SO WE JUST HAVE TIME TO
7 TAKE UP ITEM 15.

8 BOARD MEMBER CHESBRO: ADMINISTRATION TIME. YOU
9 SAID LEGISLATIVE.

10 CHAIRMAN FROST: YOU HAVEN'T BEEN AROUND THE
11 LEGISLATURE.

12 BOARD MEMBER CHESBRO: I FEEL BY APPOINTING
13 AUTHORITY I'LL --

14 BOARD MEMBER NEAL: ANY --

15 CHAIRMAN FROST: ITEM 15, DOROTHY FETTIG.

16 MS. FETTIG: CHAIRMAN FROST, BOARD MEMBERS, THIS
17 ITEM HAS TWO PARTS. IT SHOULD BE FAIRLY BRIEF, AND I'LL
18 TRY TO KEEP IT THAT WAY.

19 THERE SHOULD BE AN ANALYSIS AND A COPY IN
20 YOUR BINDERS, PROBABLY AT THE VERY BACK OF THE ITEM,
21 ASSEMBLY BILL 2696, AUTHORED -- OH, IT'S AT THE
22 BEGINNING. IN MINE IT'S AT THE BACK, SORRY -- AUTHORED
23 BY ASSEMBLYWOMAN KATHY WRIGHT. THIS IS A BOARD SPONSORED
24 AND GOVERNOR'S OFFICE APPROVED BILL THAT ASSEMBLYWOMAN
25 WRIGHT IS CARRYING FOR THE BOARD.



1 IT IS BASICALLY A STRENGTHENING OF CURRENT
2 LAW REGARDING TRADE SECRET PROTECTION FOR INFORMATION
3 SUBMITTED IN PLANS, APPLICATIONS, DOCUMENTS TO THE BOARD
4 BY PRIVATE PARTIES AND JUST TO ENSURE THAT WE HAVE A
5 MECHANISM THAT WORKS TO PROTECT THAT INFORMATION WHICH
6 SHOULD BE PROTECTED. AND THIS IS BECOMING MORE IMPORTANT
7 TO THE BOARD AS WE DEVELOP PROGRAMS WHERE WE NEED TO HAVE
8 ACCURATE INFORMATION FROM THE INDUSTRY, FOR EXAMPLE, ON
9 MINIMUM CONTENT LAWS OR MARKET DEVELOPMENT PROGRAMS,
10 WHERE THEY MIGHT BE RELUCTANT TO RELEASE THAT TYPE OF
11 INFORMATION TO US WITHOUT THESE PROVISIONS.

12 THE BILL WAS APPROVED BY THE ASSEMBLY
13 NATURAL RESOURCES COMMITTEE THIS MONDAY AND SO IS NOW IN
14 ASSEMBLY WAYS AND MEANS.

15 AND THE LEGISLATIVE COMMITTEE LAST WEEK --
16 WEEK BEFORE, THEY'RE ALL RUNNING TOGETHER -- AT THE MARCH
17 MEETING OF THE LEGISLATION AND PUBLIC AFFAIRS COMMITTEE,
18 THE COMMITTEE ADOPTED THE SUPPORT POSITION ON THE BILL.
19 AND IT'S RECOMMENDING IT TO THE BOARD.

20 CHAIRMAN FROST: OKAY. ANY QUESTIONS, COMMENTS?

21 BOARD MEMBER NEAL: I MOVE THE COMMITTEE'S
22 RECOMMENDATIONS.

23 BOARD MEMBER CHESBRO: SECOND.

24 CHAIRMAN FROST: MOVED AND SECONDED.

25 HOW DID WE HAPPEN TO SELECT THE AUTHOR?



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1 MS. FETTIG: GENERALLY, WE ARE ASSISTED IN THAT
2 SELECTION BY CAL-EPA AND THE GOVERNOR'S OFFICE.

3 CHAIRMAN FROST: OKAY. SORRY I ASKED.

4 BOARD MEMBER CHESBRO: SAME QUESTION I ASKED.

5 CHAIRMAN FROST: WOULD YOU CALL THE ROLL,
6 PLEASE?

7 BOARD SECRETARY: BOARD MEMBERS CHESBRO?

8 BOARD MEMBER CHESBRO: AYE.

9 BOARD SECRETARY: EGIGIAN?

10 BOARD MEMBER EGIGIAN: AYE.

11 BOARD SECRETARY: HUFF?

12 BOARD MEMBER HUFF: AYE.

13 BOARD SECRETARY: NEAL?

14 BOARD MEMBER NEAL: AYE.

15 BOARD SECRETARY: RELIS?

16 BOARD MEMBER RELIS: AYE.

17 BOARD SECRETARY: CHAIRMAN FROST?

18 CHAIRMAN FROST: AYE.

19 THANK YOU. NOW --

20 MS. FETTIG: SECONDLY, I'D LIKE TO GIVE JUST A
21 VERY BRIEF UPDATE ON A COUPLE OF BILLS. I KNOW THAT
22 WE'RE SHORT OF TIME, BUT WE ARE APPROACHING IN THE
23 LEGISLATURE THE POLICY COMMITTEE DEADLINE, WHICH IS APRIL
24 9TH.

25 SO A NUMBER OF THE BILLS THAT I KNOW ARE OF



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1 CONCERN TO YOU ARE BEING DEVELOPED AT THIS TIME AND
2 RECEIVING ONE OF THEIR MORE IMPORTANT HEARINGS IN THE
3 LEGISLATURE. AND THE DOCUMENT THAT'S IN YOUR BINDER
4 SHOULD HELP US JUST TO QUICKLY GIVE YOU A REFERENCE POINT
5 ON A COUPLE OF THESE.

6 I DON'T HAVE AN ANALYSIS ON THESE BILLS. I
7 JUST WANTED TO GIVE YOU A QUICK UPDATE ON A COUPLE.

8 FIRST OF ALL, ON PAGE 1 OF THE STATUS
9 REPORT, WHICH I THINK STARTS IN THE BACK OF YOUR AGENDA
10 ITEM, OF COURSE, AB 2092 BY ASSEMBLYMAN SHER, WHICH WE
11 WILL DISCUSS IN MORE DETAIL UNDER ITEM 20, IS STILL IN
12 THE SENATE INACTIVE FILE, AND WE ARE ACTIVELY INVOLVED
13 WITH THE AUTHOR'S OFFICE IN DISCUSSING PROPOSED
14 AMENDMENTS TO THE BILL.

15 ON THAT SAME PAGE, AB 2211, ALSO AUTHORED
16 BY ASSEMBLYMAN SHER, IS A GENERAL CODE CLEAN-UP MEASURE
17 WHERE, AGAIN, AS HE DID LAST YEAR, THE ASSEMBLYMAN HAS
18 OFFERED THE BOARD TO USE THIS AS A VEHICLE FOR ANY NEEDED
19 TECHNICAL CLEANUP THAT WE HAVE. AND I WILL BE WORKING
20 WITH HIS OFFICE TO INCORPORATE ANY CHANGES THAT ARE
21 BROUGHT TO ME THAT APPEAR TO BE NONCONTROVERSIAL AND
22 TECHNICAL.

23 ON PAGE 2, I WANTED TO POINT OUT TO YOU THE
24 TOP OF THE PAGE AB 2494 BY ASSEMBLYMAN SHER, WHICH AT
25 THIS POINT IS A SPOT BILL RELATING TO REGIONAL APPROACH



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1 TO PLANNING. THE BILL IS SET FOR HEARING IN THE ASSEMBLY
2 NATURAL RESOURCES COMMITTEE NEXT MONDAY. MAY BE PUT OVER
3 TO THE FOLLOWING MONDAY.

4 WE ARE WORKING WITH THE AUTHOR'S OFFICE ON
5 SUBSTANTIAL AMENDMENTS TO THIS BILL TO INCORPORATE A
6 NUMBER OF THE ISSUES WHICH HAVE BEEN DISCUSSED BY BOARD
7 MEMBERS AND STAFF, AND WHICH SOME ANALYSIS OF WHICH HAS
8 BEEN BROUGHT TO THE PLANNING COMMITTEE.

9 I'M REFERRING TO BEEFING UP THE REGIONAL
10 LANGUAGE THAT'S IN THE BILL NOW, ALSO LANGUAGE RELATING
11 TO INCREASED STATE ASSISTANCE ON SUCH THINGS AS PUBLIC
12 EDUCATION COMPONENTS, SOURCE REDUCTION COMPONENTS, MARKET
13 DEVELOPMENT ACTIVITIES, AND ALSO POSSIBLY LOOKING AT THE
14 SHIFT TO DISPOSAL COUNTING IN THIS BILL.

15 SO IN THE NEAR FUTURE, THIS COULD BE AN
16 IMPORTANT MEASURE FOR THE BOARD TO LOOK AT. AND AS SOON
17 AS WE HAVE THE AMENDMENTS, WE WILL BRING THEM TO THE
18 LEGISLATIVE COMMITTEE AND THE BOARD TO REVIEW.

19 ALSO ON THAT PAGE. AB 3001 BY ASSEMBLYMAN
20 CORTESE, AT THIS POINT IS ALSO SET FOR HEARING IN
21 ASSEMBLY NATURAL RESOURCES ON THE 30TH. NEXT MONDAY.

22 AS I UNDERSTAND IT, WE HAVEN'T DONE AN
23 ANALYSIS YET, BUT THIS BILL REVISES THE CONFORMANCE
24 FINDING FOR SOLID WASTE FACILITIES TO ONLY APPLY TO
25 DISPOSAL AND TRANSFORMATION FACILITIES -- EXCUSE ME --

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1 AND TO REQUIRE ONLY CONFORMANCE FINDING WITH THE
2 COUNTYWIDE SITING ELEMENT AS OPPOSED TO THE OVERALL
3 COUNTYWIDE WASTE MANAGEMENT PLAN AS IS SPECIFIED IN
4 CURRENT LAW.

5 AND WE HAVE PROPOSED TO BRING THAT BILL TO
6 THE LEGISLATIVE COMMITTEE NEXT WEDNESDAY, APRIL 1ST, FOR
7 DISCUSSION, BRING AN ANALYSIS OF IT TO THE COMMITTEE.

8 ON PAGE 3 IS SB 1668 BY SENATOR BEVERLY,
9 WHICH IS AN EXTENSION BILL FOR THE SOURCE REDUCTION AND
10 RECYCLING ELEMENTS AND THE COUNTYWIDE INTEGRATED WASTE
11 MANAGEMENT PLANS SIMILAR TO WHAT AB 2092 STARTED OUT AS
12 LAST YEAR. AND THAT IS UP IN SENATE GO ON GOVERNMENTAL
13 REGULATION COMMITTEE ON APRIL 7TH.

14 ALSO ON THAT PAGE IS SENATE BILL 1955 BY
15 SENATOR MORGAN, WHICH, AS YOU KNOW, IS A COMPREHENSIVE
16 BILL REVISING MANY OF THE COMPONENTS OF AB 939. IT IS
17 ALSO SET FOR HEARING IN THE SENATE GOVERNMENTAL
18 ORGANIZATION COMMITTEE ON APRIL 7TH.

19 AND WE WILL ATTEMPT TO BRING AN ANALYSIS OF
20 IT TO THE COMMITTEE AS SOON AS WE CAN, RECOGNIZING THE
21 IMPORTANCE OF THE BILL AND THE NEED FOR THE BOARD TO LOOK
22 AT THAT.

23 ON -- SKIPPING NOW TO PAGE 11, I KNOW THAT
24 A NUMBER OF BOARD MEMBERS HAVE EXPRESSED CONCERN ABOUT
25 SENATE BILL 1523 BY SENATOR KILLEA RELATING TO PERMITTING



1 PROCEDURES FOR COMPOSTING FACILITIES.

2 I WANTED TO LET YOU KNOW, FIRST OF ALL, AT
3 THIS POINT THE BILL IS SET FOR HEARING AGAIN IN THE
4 SENATE GOVERNMENTAL ORGANIZATION COMMITTEE ON MARCH 31ST,
5 ALTHOUGH IT MAY BE THAT IT'S PUT OVER.

6 WE JUST HAVE RECEIVED A MOCK-UP TO REVIEW
7 OF CONSIDERABLE AMENDMENTS TO THE BILL, WHICH BASICALLY
8 REQUIRE THE BOARD TO ADOPT REGS SETTING OUT MINIMUM
9 REQUIREMENTS FOR PERMITTING, OPERATION, AND CLOSURE OF
10 COMPOST, CO-COMPOST, AND MULCHING FACILITIES, AND
11 AUTHORIZING SUCH REGULATIONS TO DISTINGUISH BETWEEN TYPES
12 OF FACILITIES BASED UPON WASTE INPUT AND VOLUME.

13 THE BILL, AS IT'S PROPOSED TO BE AMENDED,
14 WOULD ALSO LIMIT THESE PERMIT REQUIREMENTS ONLY TO
15 OFF-SITE COMMERCIAL FACILITIES WHICH ACCUMULATE
16 SIGNIFICANT QUANTITIES OF SOLID WASTE.

17 THE AMENDMENTS FURTHER STRIKE OUT ALL THE
18 PROVISIONS THAT ARE NOW IN THE BILL WHICH SET OUT
19 SPECIFIC REQUIREMENTS THAT FACILITIES HAVE TO MEET, SO
20 IT'S JUST A GENERAL AUTHORIZATION TO DO REGS AND A
21 GENERAL AUTHORIZATION TO DISTINGUISH IN THE REGS BETWEEN
22 TYPES OF FACILITIES. IT'S VERY GENERIC, THE MOCK-UP THAT
23 WE RECEIVED. AND IT'S OUR UNDERSTANDING THAT THAT'S WHAT
24 IS GOING TO BE TAKEN TO COMMITTEE.

25 THE LAST BILL THAT I WANTED TO BRING TO



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1 YOUR ATTENTION IS ON PAGE 13. IT'S AB 3348 BY
2 ASSEMBLYWOMAN DELAINE EASTIN. AT THIS POINT IT'S A SPOT
3 BILL RELATING TO HOUSEHOLD HAZARDOUS WASTE GRANTS THAT
4 THIS BOARD ISSUES.

5 WE ARE REVIEWING AMENDMENTS THAT ARE GOING
6 TO BE HEARD ON APRIL 6TH IN ASSEMBLY NATURAL RESOURCES
7 COMMITTEE. THIS BILL IS GOING TO INCORPORATE SOME
8 CONSIDERABLE CHANGES TO HOW THE FUNDS IN THE EASTIN FUND,
9 THE SOLID WASTE DISPOSAL SITE CLEANUP AND MAINTENANCE
10 ACCOUNT ARE NOW UNDER LAW REQUIRED TO BE DIVVIED UP.

11 UNDER THE AMENDMENTS THAT ASSEMBLYWOMAN
12 EASTIN HAS PROPOSED, THE PROPORTION OF THE FUNDS THAT
13 GOES TO HOUSEHOLD HAZARDOUS WASTE GRANTS WOULD BE UPPED
14 FROM 20 PERCENT TO 35 PERCENT.

15 ADDITIONALLY, SHE IS LOOKING AT GIVING THE
16 WATER BOARD SOMETHING IN THE AREA OF A MILLION DOLLARS.
17 THIS IS IN ADDITION TO THE MILLION DOLLARS THAT'S ALREADY
18 AUTHORIZED IN CURRENT LAW FOR THE REVIEW OF THE SWAT
19 TESTS.

20 SHE'S ALSO LOOKING AT A GRANT TO THE
21 DEPARTMENT OF TOXIC SUBSTANCES CONTROL TO MAINTAIN A DATA
22 BASE ON HOUSEHOLD HAZARDOUS WASTE FACILITIES. IS GOING
23 TO PUT OUR REQUESTED LOAN TO START UP THE USED OIL
24 RECYCLING PROGRAM IN THIS BILL.

25 AND, LASTLY, REMOVE THE SPECIFICATION THAT



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1 25 PERCENT OF THESE FUNDS BE SET ASIDE FOR THE LOAN
2 GUARANTEE PROGRAM. NOT REMOVING THE AUTHORIZATION FOR THE
3 LOAN GUARANTEE PROGRAM, JUST THE REQUIREMENT THAT A
4 CERTAIN AMOUNT OF MONEY BE SET ASIDE FOR THAT.

5 SO WE HAVEN'T SEEN AN ACTUAL DRAFT OF
6 AMENDMENTS, BUT THOSE ARE THE ISSUES THAT HER STAFF TOLD
7 ME ARE GOING INTO THIS BILL FOR HEARING WEEK AFTER NEXT.

8 THOSE WERE THE BILLS THAT I WANTED TO
9 HIGHLIGHT FOR YOU BECAUSE I THOUGHT THEY WERE FAIRLY
10 SIGNIFICANT. I'D BE HAPPY TO ADDRESS ANY OTHER.

11 CHAIRMAN FROST: ON THAT LAST BILL, WHAT WOULD
12 BE THE AUTHORITY OF THE SOLID WASTE CLEANUP AND
13 MAINTENANCE ADVISORY COMMITTEE?

14 MS. FETTIG: ONE OF THE AMENDMENTS THAT WE, AS
15 STAFF, HAD SUGGESTED TO ASSEMBLYWOMAN EASTIN, AND SHE'S
16 GOING TO BE AMENDING THIS LAW. IS TO REMOVE THE COMMITTEE
17 FROM THE LAW AND THE REPORTING REQUIREMENT FOR THE
18 COMMITTEE.

19 IT'S OUR UNDERSTANDING THAT THE ADVISORS
20 HAVE MET ON THIS ISSUE, AND AS THE COMMITTEE HAS NOT MET
21 IN SOME TIME, AND THE INITIAL ROLE FOR IT WHICH WAS SET
22 OUT IN THE STATUTE HAS BEEN MET.

23 I THINK THEY WERE REQUIRED TO REVIEW THE
24 ORIGINAL REGS FOR THE GRANT, THE HOUSEHOLD HAZARDOUS
25 WASTE GRANT PROGRAM, AND THE LOAN GUARANTEE PROGRAM.



1 THOSE TWO ITEMS HAVE BEEN DONE.

2 THERE ARE NO ADDITIONAL REQUIREMENTS FOR
3 THE COMMITTEE IN THE LAW. AND, OF COURSE, IT'S THE
4 DIRECTORS OF STATE AGENCIES, SO I DON'T THINK WE'D
5 LIGHTLY PULL THEM TOGETHER.

6 SO THAT WAS THE SUGGESTION.

7 CHAIRMAN FROST: OKAY. ANY OTHER QUESTIONS,
8 COMMENTS?

9 OKAY. THANK YOU VERY MUCH.

10 BOARD MEMBER CHESBRO: MR. CHAIRMAN, BEFORE WE
11 BEGIN THE NEXT ITEM, I JUST WANTED TO ACKNOWLEDGE THE
12 PRESENCE OF ANOTHER LOCAL ELECTED OFFICIAL WHO IS WITH
13 US, SUPERVISOR FRANCES SULLIVAN FROM THE SHASTA COUNTY
14 BOARD OF SUPERVISORS IS WITH US.

15 IT'S NICE TO BE IN SHASTA COUNTY.

16 CHAIRMAN FROST: NOW, THE HOUR OF 2 O'CLOCK
17 HAVING ARRIVED, WE WILL MOVE TO ITEM 20 AND START WITH
18 THE STAFF PRESENTATION.

19 MR. RIETZ: CHAIRMAN FROST AND MEMBERS, MY NAME
20 IS TOM RIETZ, DEPUTY DIRECTOR FOR PLANNING AND
21 ASSISTANCE.

22 THE PURPOSE OF THIS AGENDA ITEM IS TO REACH
23 CLOSURE ON WHAT BOARD ACTION SHOULD BE TAKEN REGARDING
24 WHAT WASTE MATERIALS SHOULD BE COUNTED TOWARD ACHIEVEMENT
25 OF THE 25 -AND 50-PERCENT DIVERSION GOALS OUTLINED IN AB



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1 939.

2 THIS IS VERY COMPLEX AND DETAILED, AND WE
3 DO HAVE A NUMBER OF STAFF MEMBERS HERE AVAILABLE TO MAKE
4 PRESENTATIONS. WE DO UNDERSTAND THE TIME FRAMES
5 INVOLVED, AND WE'LL TRY TO FOCUS ON THOSE ISSUES THAT ARE
6 MOST IMPORTANT TO YOU IN TERMS OF IDENTIFYING ADDITIONAL
7 INFORMATION THAT MAY COME UP IN TERMS OF DISCUSSION.

8 HOWEVER, WITH THAT, THE PRESENTATION FORMAT
9 WOULD BE AS FOLLOWS: DOROTHY FETTIG WOULD LEAD OFF WITH
10 A BRIEF REVIEW OF THE BACKGROUND THAT INITIATED YOUR
11 REQUEST FOR OUR STAFF ANALYSIS AND RECOMMENDED OPTIONS
12 FOR CHANGE.

13 WE WOULD THEN GO INTO THREE OF THE FOUR
14 TASKS THAT MR. RELIS, AS CHAIRMAN OF THE PLANNING
15 COMMITTEE, HAS ASKED US TO LOOK INTO IN TERMS OF THE
16 REVIEW OF HIGH INERTS AND OTHER PROBLEMATIC WASTE
17 MATERIALS, A DISCUSSION OF POTENTIAL REGULATORY CHANGES
18 THAT WE MIGHT WANT TO INCLUDE. THEN MOVING INTO VARIOUS
19 OPTIONS FOR RESTRICTING CERTAIN WASTE MATERIALS, SUCH AS
20 SCRAP METALS, AGRICULTURAL WASTE, AND HIGH INERT SOLIDS.

21 AFTER THAT I'LL BRIEFLY SUMMARIZE THE STAFF
22 COMMENTS AND DEFER TO BOARD MEMBER RELIS, AS CHAIRMAN OF
23 THE PLANNING COMMITTEE, TO RECOMMEND A PROPOSED COURSE OF
24 ACTION AS APPROVED BY THE PLANNING COMMITTEE.

25 THE FOURTH TASK THAT WE WERE ASKED FOR BY



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1 THE PLANNING COMMITTEE WAS THE ISSUE OF LONG-RANGE
2 SOLUTIONS. AND WE ARE AVAILABLE TO PRESENT THAT TODAY,
3 BUT AS BOARD MEMBER RELIS INDICATED, WE HAVE BEEN ASKED
4 TO IDENTIFY AS PART OF OUR ACTION IN APRIL INFORMATION TO
5 BE SENT TO THE PUBLIC REQUESTING FOR PUBLIC RESPONSE WITH
6 INFORMATION TO BE GIVEN AND SUBMITTED TO THE PLANNING
7 COMMITTEE IN MAY OR JUNE.

8 SO WE WOULD RECOMMEND THAT THAT INFORMATION
9 IS AVAILABLE AND STAFF IS READY TO PRESENT, BUT WOULD
10 RECOMMEND IT NOT BE DISCUSSED AT THIS POINT IN TIME GIVEN
11 THE TIME FRAMES.

12 IF THAT PRESENTATION FORMAT IS ACCEPTABLE
13 TO YOU, WE WOULD BEGIN WITH OUR DISCUSSION WITH DOROTHY.

14 THANK YOU.

15 MS. FETTIG: CHAIRMAN FROST, BOARD MEMBERS, AS
16 TOM INDICATED, I'M JUST GOING TO GIVE A REAL BRIEF
17 BACKGROUND ON THIS ISSUE AND HOW WE CAME TO BE TALKING
18 ABOUT IT TODAY.

19 OVERALL, THIS ITEM THAT STAFF WILL BE
20 PRESENTING RESPONDS TO AND SEEKS TO PROVIDE THE BOARD
21 WITH THE INFORMATION NEEDED TO DEVELOP A POSITION ON THE
22 "WHAT COUNTS" ISSUE. BY "WHAT COUNTS," WE MEAN WHAT
23 DIVERSION ACTIVITIES AND WHICH DIVERTED WASTE TYPES
24 SHOULD BE ALLOWED TO COUNT TOWARD THE AB 939 DIVERSION
25 REQUIREMENTS OF 25 PERCENT BY 1995 AND 50 PERCENT BY THE



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1 YEAR 2000.

2 THE CURRENT DEBATE ON THIS ISSUE AND,
3 THEREFORE, ALL OF THE OPTIONS THAT ARE PRESENTED IN THIS
4 ITEM TODAY IS NOW FOCUSED OR LIMITED TO JUST WHICH
5 PRE-1990 OR EXISTING DIVERSION ACTIVITIES SHOULD BE
6 ALLOWED TO COUNT TOWARDS THE BASE FROM WHICH DIVERSION
7 PROGRESS WILL BE MEASURED.

8 AS YOU KNOW, ASSEMBLYMAN SHER'S ASSEMBLY
9 BILL 2092 RAISED THESE ISSUES LAST YEAR, BUT CLEARLY THAT
10 BILL WAS A CONTINUATION OF AN ONGOING DEBATE WHICH BEGAN
11 WHEN AB 939 WAS ENACTED INITIALLY.

12 BY WAY OF A VERY BRIEF HISTORY, AB 939 IN
13 1989 EXCLUDED AGRICULTURAL WASTES, INERT SOLIDS, AND
14 OTHER WASTE WHICH WOULD NOT NORMALLY BE DISPOSED OF AT A
15 LANDFILL FROM THE BASE RATE OF SOLID WASTE FROM WHICH
16 RECYCLING LEVELS WOULD BE CALCULATED.

17 THE FOLLOWING YEAR, 1990, AB 1820 AND THEN
18 AB 3992 FURTHER AMENDED THIS SECTION OF LAW WHICH
19 SPECIFIES HOW THE BASE FROM WHICH DIVERSION PROGRESS IS
20 MEASURED OR CALCULATED IS TO BE ARRIVED AT.

21 IN THIS 1990 LEGISLATION, THE LIST OF WHAT
22 HAVE COME TO BE CALLED OR REFERRED TO AS THE AB 1820
23 WASTE WAS ESTABLISHED IN STATUTE AS AGRICULTURAL WASTES,
24 INERT SOLIDS, SCRAP METALS, AND APPLIANCES, EXCEPT WHERE
25 THESE WASTES WERE DISPOSED OF AT A PERMITTED DISPOSAL



1 FACILITY AS OF JANUARY 1, 1990.

2 IT IS FAIRLY CLEAR THAT AB 939 AND THE
3 SUBSEQUENT LEGISLATION SOUGHT TO EXCLUDE THE DIVERSION OF
4 SOME WASTE TYPES FROM COUNTING TOWARDS THE BASE RATE. IT
5 IS ALSO CLEAR THAT THIS SAME SECTION OF LAW, IN BOTH
6 AB 939 AND THE SUBSEQUENT LEGISLATION, SOUGHT TO SANCTION
7 THE PREEXISTING DIVERSION OF WASTE TYPES OTHER THAN THE
8 SO-CALLED AB 1820 WASTES.

9 IN OTHER WORDS, THIS SECTION OF LAW HAS
10 CONSISTENTLY SOUGHT TO DISTINGUISH BETWEEN AND ESTABLISH
11 DIFFERING REQUIREMENTS FOR HOW EXISTING DIVERSION OF SOME
12 WASTES, MEANING AG WASTE, SCRAP METALS, INERTS, ETC., AND
13 OTHER EXISTING DIVERSION WOULD COUNT TOWARDS THE BASE
14 RATE FROM WHICH DIVERSION SUCCESS IS TO BE MEASURED.

15 IT IS STAFF'S UNDERSTANDING THAT THIS
16 DISTINCTION IN THE LAW BETWEEN HOW DIVERSION OF THESE
17 SPECIFIED WASTES WOULD BE REGARDED CAME ABOUT, AT LEAST
18 IN PART, BECAUSE OF THE BELIEF THAT IN MANY INSTANCES
19 THESE TARGETED MATERIALS HAD NOT BEEN DIVERTED FROM
20 PERMITTED DISPOSAL FACILITIES AND PERHAPS HAD NOT BEEN
21 MANAGED AS PART OF THE WASTESTREAM FOR SOME TIME.

22 IN OTHER WORDS, THEY WERE MATERIALS IN THE
23 STREAM OF COMMERCE THAT WERE MANAGED APART FROM THE
24 WASTESTREAM AND, THEREFORE, APART FROM THE BASIC AB 939
25 PREMISE AND INTENT OF REDUCING DISPOSAL TO PERMITTED

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1 FACILITIES BY 25 AND 50 PERCENT.

2 AS YOU KNOW, PROCEEDING ON A MORE OR LESS
3 PARALLEL TRACK WITH THE 1989 AND THEN 1990 LEGISLATION
4 THAT I BRIEFLY DESCRIBED, WAS THE DEVELOPMENT OF BOARD
5 REGULATIONS IMPLEMENTING THE PLANNING AND DIVERSION
6 MANDATES OF AB 939 AS AMENDMENT.

7 IT IS MY UNDERSTANDING THAT THESE
8 REGULATIONS WERE INITIATED FOLLOWING AB 939 ENACTMENT AND
9 ULTIMATELY ADOPTED BY THE BOARD FOLLOWING ENACTMENT OF
10 THE TWO 1990 BILLS.

11 THESE REGULATIONS DO NOT ESTABLISH
12 DIFFERENT REQUIREMENTS FOR HOW DIVERSION OF AB 1820
13 WASTES AND OTHER EXISTING DIVERSION WILL COUNT TOWARDS
14 THE BASE RATE. THE REGULATIONS DO LINK ALL ACCOUNTABLE
15 DIVERSION TO A REGULATORY DEFINITION OF SOLID WASTE,
16 WHICH ARE NORMALLY DISPOSED OF AT PERMITTED SOLID WASTE
17 FACILITIES.

18 THE TERM "NORMALLY DISPOSED" IS DEFINED IN
19 OUR REGULATIONS WITH A VERY LOW THRESHOLD, AS I'M SURE
20 YOU KNOW, OF .001 PERCENT. THE END RESULT IS THAT,
21 ALTHOUGH WE HAVE A LIST OF SO-CALLED AB 1820 WASTE IN THE
22 LAW AND SOME PRESUMPTION THAT THEIR PRE-1990 DIVERSION IS
23 TO BE COUNTED DIFFERENTLY THAN OTHER EXISTING DIVERSION,
24 INTERPRETATION OF THE LAW AND OUR REGULATIONS HAS
25 RESULTED IN THERE BEING NO DISTINCTION AT THIS TIME.



1 PRE-1990 DIVERSION OF AB 1820 WASTE IS
2 COUNTED NO DIFFERENTLY THAN ANY OTHER EXISTING DIVERSION
3 IN OUR STAFF'S REVIEW OF THE SOURCE REDUCTION AND
4 RECYCLING ELEMENTS THAT HAVE BEEN RECEIVED.

5 ANECDOTAL INFORMATION THAT SURFACED LAST
6 YEAR REGARDING THE CONTENTS OF THE SRRE'S RENEWED IN
7 AB 2092 THE DEBATE OVER WHAT EFFECT AB 1820 WASTE
8 DIVERSION IS HAVING ON AB 939 IMPLEMENTATION, AND
9 PROMPTED THE BOARD DATA BASE EFFORT TO QUANTIFY DIVERSION
10 CLAIMS BY WASTE TYPE.

11 STEVE AULT AND JOHN SITTS, I BELIEVE, WILL
12 NOW GO INTO MORE DETAIL ON THE FINDINGS OF THAT DATA BASE
13 EFFORT AS IT RELATES TO THIS "WHAT COUNTS" QUESTION.

14 MR. AULT: GOOD AFTERNOON, CHAIRMAN FROST AND
15 BOARD MEMBERS. I WILL BE PRESENTING, TOGETHER WITH JOHN
16 SITTS, A DISCUSSION OF TWO TASKS WHICH WE WERE ASKED TO
17 PURSUE.

18 FIRST IS IDENTIFICATION OF THOSE WASTES
19 WHICH WERE IN THE BASE YEAR, 1990, BEING DIVERTED AT HIGH
20 LEVELS. AND I WANT TO QUICKLY SUMMARIZE WHAT WE FOUND IN
21 THAT THROUGH THE USE OF SEVERAL TRANSPARENCIES.

22 IN PAGE 320 OF YOUR PACKET, YOU MAY RECALL
23 THIS PARTICULAR PIE CHART, WHICH INDICATES THAT IN THE
24 BASE YEAR, 1990, ABOUT 43 PERCENT OF THE SOLID WASTES
25 WHICH ARE BEING CLAIMED BY JURISDICTIONS FOR DIVERSION



1 WERE INERT SOLIDS, FOLLOWED BY CORRUGATED CARDBOARD AND
2 BROWN PAPER BAGS AT 10 PERCENT, NEWSPAPER AND SO ON DOWN
3 THE LINE.

4 SO YOU CAN SEE RIGHT AWAY, VISUALLY, INERT
5 SOLIDS ARE BEING CLAIMED AT VERY HIGH RATES TOWARDS THE
6 DIVERSION BASELINE.

7 THIS IS SHOWN IN A DIFFERENT MANNER HERE
8 WHERE THE BAR THAT IS LABELED ONE REPRESENTS THE INERT
9 SOLIDS, AND THE WHITE PART REPRESENTS THAT PROPORTION OF
10 ALL INERT SOLIDS WHICH ARE GENERATED IN THE STATE AND
11 WHICH ARE BEING DIVERTED. SO YOU CAN SEE THAT'S QUITE AN
12 OVERWHELMING AMOUNT COMPARED TO ALL THE OTHER 36 OR SO
13 WASTE TYPES THAT WE SHOW HERE. AND, THUS, WE IDENTIFIED
14 IT AS A POSSIBLE WASTE OF CONCERN.

15 INTERESTINGLY, WHEN WE LOOKED AT WHICH
16 JURISDICTIONS WERE CLAIMING INERT SOLIDS AT QUITE HIGH
17 LEVELS. IT TURNS OUT THAT IN GENERAL THE URBAN AREAS OF
18 BOTH THE CITIES AND AREAS -- THE INCORPORATED AREAS WERE
19 RELYING QUITE HEAVILY ON INERT SOLIDS. AND THIS IS SHOWN
20 IN THIS PARTICULAR FIGURE HERE. THIS IS A FIGURE THAT IS
21 ON PAGE 341 OF YOUR BOARD PACKET.

22 INTERESTINGLY ALSO, RURAL JURISDICTIONS
23 CLAIMED DIFFERENT OTHER WASTES. FOR INSTANCE, CARDBOARD
24 AND WOODWASTE WERE CLAIMED AS THE NO. 1 WASTE TOWARDS
25 DIVERSION IN MANY OF THE RURAL AREAS, FOLLOWED BY



1 REDEMPTION VALUE GLASS AND CARDBOARD.

2 SO WE HAVE IDENTIFIED THAT INERT SOLIDS DO
3 REPRESENT VERY HIGH CLAIMS TOWARDS DIVERSION AND THAT
4 THIS PROBLEM IS FOCUSED PRIMARILY IN URBAN AREAS.

5 IN THE COURSE OF THIS WORK FOR THE PLANNING
6 SUBCOMMITTEE, WE ALSO HAVE LOOKED AT SEVERAL OTHER WASTE
7 TYPES, SOME OF THE AB 1820 WASTES -- SO-CALLED AB 1820
8 WASTES AND A COUPLE OF OTHER WASTES WHICH WE WERE
9 INTERESTED IN AS WELL.

10 A SIMILAR TABLE TO THIS, THIS PARTICULAR
11 ONE IS FOUND IN PAGE 343 OF YOUR AGENDA PACKET.

12 BUT WHAT I WANTED TO POINT OUT HERE, AND
13 WHICH WE BELIEVE IS QUITE A CRITICAL MATTER, THIS
14 PARTICULAR TABLE SHOWS THAT IF WE TAKE A LOOK AT THE
15 THREE OF THE AB 1820 WASTES, INERT SOLIDS, SCRAP METALS,
16 AND AGRICULTURE WASTES, IF YOU LOOK AT THE TOTAL WASTE
17 GENERATED OF THESE PARTICULAR WASTE TYPES IN 1990, INERT
18 SOLIDS, FOR INSTANCE, CONSTITUTED ABOUT 16 PERCENT OF THE
19 TOTAL WASTE GENERATED IN THE STATE. SCRAP METALS
20 CONSTITUTED ABOUT 5 PERCENT, AND AGRICULTURAL WASTES A
21 LITTLE MORE THAN 1 PERCENT.

22 HOWEVER, WHEN WE LOOK AT THESE THREE WASTES
23 IN TERMS OF DIVERSION, WE FIND THAT OF THE TOTAL WASTES
24 GENERATED IN THE STATE WHICH WERE DIVERTED -- BEING
25 CLAIMED FOR DIVERSION, INERT SOLIDS REPRESENTS 43 PERCENT



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1 OF THAT, AS I MENTIONED, SCRAP METALS CONSTITUTES A
2 LITTLE OVER 7 PERCENT, AND AGRICULTURAL WASTES A LITTLE
3 OVER 3 PERCENT.

4 IF YOU SUM ALL THESE TOGETHER, THESE THREE
5 WASTE TYPES IN TERMS OF THEIR CONTRIBUTION TOWARDS
6 GENERATION CONSTITUTE 22 PERCENT OF THE TOTAL WASTE
7 GENERATED IN THE STATE, BUT THEY CONSTITUTE NEARLY 54
8 PERCENT OF THE TOTAL WASTE BEING CLAIMED FOR DIVERSION.

9 NOW, IF WE CONTRAST THAT TO A COUPLE OF THE
10 OTHER AB 1820 WASTES OF INTEREST, WE SEE SOME DIFFERENCE.
11 WHITE GOODS GENERATED AT ABOUT HALF A PERCENT AND BEING
12 CLAIMED FOR DIVERSION AT ABOUT .3 PERCENT.

13 SLUDGE AGAIN BEING GENERATED ABOUT .1
14 PERCENT, THEY CLAIMED FOR DIVERSION AT ABOUT .1 PERCENT.

15 CORRUGATED CARDBOARD, NEWSPAPER, AND
16 WOODWASTE ARE ALSO SHOWN HERE BEING GENERATED AT 8
17 PERCENT, 5 PERCENT, 7 PERCENT, RESPECTIVELY. BEING
18 DIVERTED AT 10 PERCENT, 7 PERCENT, AND ABOUT 4 PERCENT,
19 RESPECTIVELY.

20 WHAT IS OF VERY GREAT INTEREST TO US IS THE
21 GREAT DIFFERENCE BETWEEN THIS PARTICULAR RATIO OF WASTE
22 GENERATED TO THE RATIO OF WASTE DIVERTED. AND ON THIS
23 BASIS, WE'VE IDENTIFIED THESE PARTICULAR WASTES, THESE
24 THREE WASTES, INERT SOLIDS, SCRAP METAL, AND AGRICULTURAL
25 WASTE, DO INDEED CONSTITUTE WASTES UPON WHICH



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1 JURISDICTIONS ARE RELYING QUITE HEAVILY TOWARDS DIVERSION
2 CREDIT.

3 BOARD MEMBER CHESBRO: CAN I ASK YOU -- I THINK
4 I ASKED THIS AT THE COMMITTEE, TOO, BUT SO MANY NUMBERS I
5 NEED TO CLEARLY UNDERSTAND.

6 IN THE SECOND COLUMN, THAT PERCENT TOTAL
7 DIVERTED, IS THAT THE PERCENT OF --

8 MR. AULT: OF ALL THE WASTE DIVERTED IN THE
9 STATE.

10 BOARD MEMBER CHESBRO: OKAY. SO OF ALL THE
11 WASTE DIVERTED IN THE STATE, INERT SOLIDS ARE 43.1
12 PERCENT?

13 MR. AULT: THAT'S CORRECT.

14 CHAIRMAN FROST: OFF THE SRRE?

15 MR. AULT: RIGHT. THIS DATA IS BASED ON
16 PRELIMINARY SRRE'S RECEIVED BY THE BOARD, REVIEWED BY
17 STAFF, AND PROJECTIONS MADE ON A STRAIGHT DEMOGRAPHIC
18 BASIS.

19 WE WERE ALSO ASKED TO LOOK AT THE
20 POSSIBILITY OF CHANGING THE DEFINITION OF "NORMALLY
21 DISPOSED OF." THAT IS A REGULATORY CHANGE, WHICH THE
22 QUESTION WAS WOULD OR WOULD IT NOT CORRECT THE ANOMALIES
23 THAT WE'VE IDENTIFIED, PARTICULARLY WITH INERT SOLIDS.

24 AND WHAT WE FOUND AND WHAT WE PRESENTED AT
25 THE JANUARY COMMITTEE MEETING IS THAT IF WE WERE TO



1 CHANGE THE THRESHOLD LEVEL OF NORMALLY DISPOSED OF THAT
2 IS IN REGULATIONS CURRENTLY. AND THAT PERCENTAGE IS .001
3 PERCENT. AS DOROTHY MENTIONED, WE FIND THAT THERE WOULD
4 BE QUITE A FEW OTHER WASTE TYPES WHICH WOULD BE SEVERELY
5 DISADVANTAGED. THAT IS, THEY WOULD NOT BE ABLE TO BE
6 COUNTED TOWARDS DIVERSION AT ALL IF WE MOVE THE THRESHOLD
7 FROM .001 PERCENT TO A HIGHER VALUE.

8 FOR INSTANCE, IF WE TAKE A LOOK AT HDPE,
9 AND LET'S SAY WE TRIED TO MOVE THAT THRESHOLD TO -- FROM
10 .001 PERCENT TO 1 PERCENT. WE SEE THAT THERE WOULD BE 113
11 JURISDICTIONS OUT OF THE SAMPLE OF 164 JURISDICTIONS,
12 WHICH WE LOOKED AT, WHICH WOULD NOT BE ABLE TO COUNT HDPE
13 TOWARDS THEIR BASELINE DIVERSION.

14 PET PLASTICS, SIMILARLY, 137 OUT OF 164 AT
15 THE 1 PERCENT LEVEL. AS WE INCREASE THE PERCENTAGE, OF
16 COURSE, THIS BECOMES MORE DRAMATIC SUCH THAT IN THE CASE
17 OF ALUMINUM CANS, IF WE INCREASE THE THRESHOLD TO 5
18 PERCENT, WE FIND THAT WELL OVER 90 PERCENT; THAT IS, 144
19 OUT OF 164 JURISDICTIONS, WOULD NOT BE ABLE TO COUNT
20 ALUMINUM CANS TOWARDS DIVERSION IN THE BASELINE.

21 SO BASED ON THIS ANALYSIS, WE FOUND THAT,
22 EVEN THOUGH IT WOULD BE POSSIBLE TO CONTROL THE CLAIMS
23 FOR INERTS TO A CERTAIN DEGREE, IT WOULD ADVERSELY AFFECT
24 SEVERAL OTHER VERY IMPORTANT WASTE TYPES WHICH HAVE BEEN
25 TRADITIONALLY RECYCLED BY COMMUNITIES. BY LOCAL



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1 ENVIRONMENTAL GROUPS, BY LOCAL GOVERNMENT, ETC.

2 WITH THAT, THEN, WHAT I'D LIKE TO DO IS TO
3 CONCLUDE MY PORTION OF THE PRESENTATION, UNLESS YOU WOULD
4 LIKE TO ASK SOME QUESTIONS AT THIS POINT, AND THEN WE CAN
5 MOVE TO DISCUSSION OF TASK 3.

6 BOARD MEMBER HUFF: OKAY. MAYBE THIS IS THE
7 RIGHT TIME FOR MY QUESTION. MAYBE IT ISN'T. BUT AS I
8 UNDERSTOOD IT, YOUR PORTION OF THIS PRESENTATION WAS THE
9 DATA.

10 MR. AULT: YES, IN PART. JOHN SITTS IS ALSO
11 GOING TO BE DISCUSSING IT IN PART WITH LORRAINE VAN
12 KEKERIX WHEN WE TALK ABOUT TASK 3, WHICH IS THE
13 IDENTIFICATION OF OPTIONS TO ADDRESS THE PROBLEM THAT
14 WE'VE IDENTIFIED HERE.

15 BOARD MEMBER HUFF: OKAY. WELL, THEN MAYBE IT'S
16 APPROPRIATE TO ASK THIS QUESTION NOW UNLESS IT'S
17 ANTICIPATING HIS COMMENTS.

18 BUT I WAS LOOKING AT PAGE 335, WHICH IS
19 TITLED "ESTIMATED AVERAGE COMPOSITION OF THE CALIFORNIA
20 WASTESTREAM," AND THIS IS BASED, AS I UNDERSTAND IT, ON
21 279 JURISDICTIONS WHO ACCOUNT FOR 69 PERCENT OF THE
22 STATE'S POPULATION. SO IT'S PRETTY -- IT'S MORE THAN
23 JUST A SAMPLE SURVEY.

24 MR. AULT: YES, IT IS.

25 BOARD MEMBER HUFF: AND I FIND THAT -- I GATHER



1 THAT THIS, THEN, IS A PROJECTION OF THIS -- THESE
2 JURISDICTIONS TO A STATEWIDE TOTAL?

3 MR. AULT: THAT'S CORRECT. BASED ON A STRAIGHT
4 DEMOGRAPHIC PROJECTION.

5 BOARD MEMBER HUFF: THAT'S RIGHT. AND IN
6 LOOKING, THEN, AT THE TOP NUMBER, I FIND THAT THE NUMBER
7 21 PERCENT BEING REPRESENTATIVE OF THE AGGREGATE
8 STATEWIDE DIVERSION OF THE BASE YEAR; IS THAT CORRECT?

9 MR. AULT: THIS IS AN AGGREGATE THAT IS BASED ON
10 THE TOTAL TONNAGES OF WASTE DIVERTED IN THE STATE, BUT IT
11 IS A DIFFERENT QUESTION THAN ASKING WHAT IS THE AVERAGE
12 DIVERSION. THE DIVERSION RATE OF THE AVERAGE
13 JURISDICTION.

14 BOARD MEMBER HUFF: THAT IS TRUE. THIS NUMBER
15 IS MORE RELEVANT TO ME, MAY NOT BE MORE RELEVANT TO OTHER
16 PEOPLE. BUT WHEN YOU ASK IT IN TERMS OF THE AVERAGE
17 DIVERSION, THE DIVERSION OF THE AVERAGE JURISDICTION,
18 YOU'RE AVERAGING SAN ARDO WITH LOS ANGELES; WHEREAS --
19 THAT'S AN INTERESTING CONCEPT, TOO.

20 BOARD MEMBER CHESBRO: IMPRESSED WITH YOUR
21 CHOICE OF CONTRAST.

22 BOARD MEMBER HUFF: SAN ARDO IS MONTEREY COUNTY,
23 I BELIEVE. IS IT NOT? IT'S ALONG THE COAST. IT'S ALONG
24 101. YES.

25 CHAIRMAN FROST: I THINK IT'S IN NEVADA COUNTY.



1 BOARD MEMBER HUFF: OKAY. WHEREAS, THIS NUMBER
2 TALKS ABOUT HOW MUCH AGGREGATE.

3 MR. AULT: RIGHT. THE 21 PERCENT FIGURE
4 REPRESENTS WHAT WE MIGHT REFER TO AS A WEIGHTED AVERAGE
5 OF --

6 BOARD MEMBER HUFF: WEIGHTED AVERAGE, THAT'S
7 ANOTHER WAY OF CALLING IT, YES.

8 MR. AULT: RIGHT. WHEREAS, THE AVERAGE
9 DIVERSION RATE OF THE AVERAGE JURISDICTION WOULD BE
10 CONSIDERED UNWEIGHTED AVERAGE, WHICH IS A LOWER FIGURE.

11 MY STAFF MEMBER, JOHN SITTS, HAS INDEED
12 ANTICIPATED THIS PARTICULAR QUESTION. AND IF YOU WISH,
13 WE CAN SHOW YOU THE DIFFERENCE BETWEEN THESE TWO AND WHY
14 WE HAVE BEEN USING THE FIGURE OF 16.5 PERCENT AS THE MORE
15 IMPORTANT OF THE TWO PERCENTAGE FIGURES. SO WE'RE
16 PREPARED TO SHOW THAT TO THE BOARD IF THE BOARD WISHES.

17 BOARD MEMBER HUFF: WELL, I'LL LEAVE THAT TO THE
18 CHAIR. JUST -- I'D LIKE TO LODGE THAT I REALLY THINK
19 THAT THE 21 PERCENT, THE WEIGHTED AVERAGE, IS, IN FACT,
20 SOMETHING THAT PROBABLY TO A LAY PERSON MORE TYPIFIES AN
21 ANSWER TO THE QUESTION OF HOW MUCH DIVERSION IS GOING ON
22 IN THE STATE OF CALIFORNIA.

23 AND I WOULD INCLUDE IN MY CONCEPT OF LAY
24 PEOPLE, MEMBERS OF THE LEGISLATURE, WHO ALSO MIGHT BE
25 INTERESTED IN KNOWING. I THINK THEY PROBABLY RELATE MORE



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1 QUICKLY TO THE 21 PERCENT FIGURE.

2 MR. AULT: RIGHT.

3 CHAIRMAN FROST: IN FACT, THE 16 PERCENT, IN
4 ANSWER TO THAT QUESTION, WOULD BE AN INCORRECT ANSWER.

5 MR. AULT: IT DEPENDS ON THE QUESTION THAT
6 YOU'RE ASKING. IF YOU'RE INTERESTED IN STATEWIDE TONNAGE
7 FIGURES, YOU WOULD BE INTERESTED IN THE 21 PERCENT
8 FIGURE.

9 HOWEVER, IF WE TURN BACK TO STATUTE, AND WE
10 LOOK AT THE STATUTORY REQUIREMENT WHERE THE INDIVIDUAL
11 JURISDICTION IS REQUIRED TO MEET THE 25-PERCENT DIVERSION
12 RATE BY 1995, AND WE LOOK AT WHAT THEY ARE DIVERTING ON
13 THE AVERAGE NOW AS AN INDIVIDUAL JURISDICTION, WE SHOW
14 THAT PARTICULAR AVERAGE AS 16.5 PERCENT.

15 SO WHAT JURISDICTIONS WILL BE INTERESTED IN
16 IS THE LOWER FIGURE, MIGHT BE INTERESTED ON OTHER POLICY
17 LEVEL IS 21 PERCENT.

18 BOARD MEMBER HUFF: I HAVE SAID, AND IT'S NO
19 SECRET, I HAVE SAID EVER SINCE THIS CONVERSATION WAS
20 JOINED ABOUT THIS DATA BASE, THAT WHAT IS GOING TO BE OF
21 INTEREST TO CALIFORNIANS, IN GENERAL, IS WHAT, IN FACT,
22 IS THE WEIGHTED AVERAGE FIGURE, HOW MUCH DIVERSION IS
23 GOING ON IN THE STATE OF CALIFORNIA.

24 ONE CAN CONTEMPLATE THAT IF YOU HAVE 20 SAN
25 ARDO'S ALL DIVERTING 26 PERCENT AND YOU HAVE ONE LOS



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1 ANGELES, FOR EXAMPLE -- NOT PICKING ON LOS ANGELES --
2 DIVERTING ZERO. OKAY, YOU CAN SAY THAT YOU KNOW THE
3 AVERAGE FOR THE JURISDICTIONS IS 25 PERCENT. BUT IN
4 TERMS OF HOW MUCH REAL DIVERSION IS GOING ON, THE ANSWER
5 IS GOING TO BE A LOT CLOSER TO ZERO.

6 MY EXPERIENCE IS THAT WHEN YOU TAKE
7 AVERAGES AND TAKE A MACRO PERSPECTIVE, YOU SHOULD USE
8 WEIGHTED AVERAGES.

9 MR. AULT: AGAIN, I WOULD SUGGEST THAT IT
10 DEPENDS ON THE POLICY QUESTION THAT YOU'RE INTERESTED IN.
11 INDEED IT IS RELEVANT IN THAT CONTEXT.

12 IF WE LOOK AT THE MEANING OF THE TERM
13 "WEIGHTED," THOUGH, IN THIS SENSE, WHAT IS HIGHLY
14 WEIGHTING THE STATEWIDE DIVERSION RATE IS, INDEED, INERT
15 SOLIDS AND A COUPLE OF THE OTHER WASTES, BUT PARTICULARLY
16 INERT SOLIDS.

17 AND THIS WILL BE A FOCUS OF A PORTION OF
18 THE DISCUSSION IN TASK 3. SO I ANTICIPATE THAT WE MAY BE
19 REVISITING THAT FOR YOU SHORTLY.

20 MR. SITTS: I THINK IT'S ALSO IMPORTANT TO NOTE
21 THAT WITH THE 21 PERCENT, YOU CAN'T LOOK AT IT AND SAY
22 ALL WE HAVE IS 4 PERCENT MORE TO GO TO 25 PERCENT.
23 BECAUSE, IN ESSENCE, JURISDICTIONS CAN'T SHARE DIVERSION.
24 IF YOU'RE OVER 25 PERCENT, YOU CAN'T --

25 BOARD MEMBER HUFF: AN INTERESTING CONCEPT,



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1 THOUGH. WE MIGHT SUGGEST THAT TO THE LEGISLATURE,
2 DIVERSION CREDITS ARE MARKETABLE.

3 MR. SITTS: SO UNDER EXISTING CONDITIONS --

4 BOARD MEMBER HUFF: THEY CAN SELL SMOG CREDITS.

5 BOARD MEMBER CHESBRO: THINGS ARE COMPLICATED
6 ENOUGH. LET'S NOT COMPLICATE THEM ANYMORE.

7 MR. SITTS: UNDER EXISTING CONDITIONS, IF YOU --
8 IF ALL THE JURISDICTIONS MET THEIR GOALS RIGHT NOW, THE
9 STATEWIDE DIVERSION LEVEL WOULD BE 29 PERCENT.

10 CHAIRMAN FROST: I UNDERSTAND WHAT YOU'RE
11 SAYING.

12 BOARD MEMBER RELIS: WOULD YOU REPEAT THAT
13 AGAIN?

14 MR. SITTS: IF ALL THE JURISDICTIONS MEET THEIR
15 DIVERSION GOALS IN '95, THE PROJECTED DIVERSION LEVEL
16 WOULD BE 29 PERCENT. SO IT WOULD GO FROM 21 TO 29 RATHER
17 THAN FROM 21 TO 24.

18 CHAIRMAN FROST: I UNDERSTAND WHAT YOU'RE SAYING
19 ABOUT NOT BEING ABLE TO SHARE DIVERSION CREDIT. BUT WHY
20 WOULD A JURISDICTION, FOR EXAMPLE, TELL US NOW THAT THEY
21 ARE AT 48 PERCENT, WHEN THEY ARE NOT REQUIRED TO MEET,
22 THAT UNTIL THE YEAR -- WHAT BENEFIT IS IT FOR THEM TO
23 TELL US NOW THAT THEY'RE AT THAT OTHER THAN TO PUT UP A
24 RED FLAG TO SAY THAT -- WHICH IS WHAT IT'S DONE -- TO SAY
25 THAT SOMETHING IS WRONG OUT THERE IF SOMEBODY IS MEETING



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1 48 PERCENT AND HAS NOT BEEN PARTICULARLY NOTED AS A
2 LEADER IN RECYCLING AND DIVERSION IN THE PAST.

3 MR. AULT: WELL, MOST LIKELY IN MANY OF THOSE
4 CASES, YOU'LL FIND THAT THE REASON THEY'RE ABLE TO CLAIM
5 SUCH A HIGH DIVERSION IN THE BASELINE IS THE FACT THAT
6 THEY'RE RELYING ON INERT SOLIDS.

7 CHAIRMAN FROST: NO. THAT'S NOT MY QUESTION.

8 BOARD MEMBER HUFF: LET ME TAKE A STAB AND
9 ANSWER YOUR QUESTION, MR. FROST, BECAUSE YOU ASKED THIS
10 OF ME THE OTHER DAY WHEN YOU AND I WERE JUST DISCUSSING
11 THIS.

12 AND THE ANSWER, I THINK, IS -- AND CORRECT
13 ME IF I'M WRONG -- THEY HAVE TO ESTABLISH A BASE YEAR, A
14 BENCH MARK. AND HAVING ESTABLISHED IT, THAT'S IT. YOU
15 DON'T GET TO -- YOU REALLY HAVE TO ARGUE IF YOU ARE GOING
16 TO GET IT CHANGED.

17 MR. AULT: YOU CAN'T REVISE THAT BASELINE
18 EASILY, IF AT ALL.

19 BOARD MEMBER CHESBRO: OKAY. SO HOW DO YOU GET
20 THE BASE YEAR?

21 BOARD MEMBER HUFF: YOU HAVE TO LIVE WITH IT,
22 BASICALLY. AND THAT DETERMINES WHAT YOU ARE GOING TO DO
23 FOR THE NEXT EIGHT YEARS NOW.

24 CHAIRMAN FROST: WELL, I UNDERSTAND THAT. BUT
25 SOME COMMUNITIES ARE TELLING US THEY DON'T HAVE TO DO



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1 ANYTHING FOR THE NEXT EIGHT YEARS.

2 BOARD MEMBER HUFF: WELL, THAT'S RIGHT. THAT'S
3 WHAT THEY WANT TO DO.

4 CHAIRMAN FROST: WELL, BUT IT SEEMS TO ME THAT
5 ALL THEY'VE DONE IS RED FLAG A PROBLEM.

6 BOARD MEMBER HUFF: BUT THEY'RE COUNTING ON NONE
7 OF THE OTHER COMMUNITIES DOING THAT. THEY WILL BE THE
8 ONLY ONE. THEY'LL BE ABLE TO SNEAK THROUGH, CALLED LOW
9 BALL.

10 CHAIRMAN FROST: I'M AFRAID IT DIDN'T WORK.

11 BOARD MEMBER CHESBRO: BEING THE NEVER ENDING
12 CHAMPION OF LOCAL GOVERNMENT.

13 BOARD MEMBER HUFF: LOCAL GOVERNMENT HAS NO
14 BETTER FRIEND ON THIS BOARD.

15 BOARD MEMBER CHESBRO: NO. NO. THIS TIME I WAS
16 TALKING ABOUT ME, NOT YOU. THIS TIME I WAS TALKING ABOUT
17 ME, MR. HUFF.

18 I JUST WANT TO SAY IT'S REAL IMPORTANT FOR
19 ALL OF US TO REMEMBER WHAT PERCENTAGE ARE WE TALKING
20 ABOUT WHO HAVE SIGNIFICANTLY ATTEMPTED TO COUNT
21 PREVIOUS -- 30 PERCENT? -- 30 PERCENT OF COMMUNITIES
22 THAT -- SOMEWHERE?

23 MR. AULT: I'M SORRY.

24 BOARD MEMBER RELIS: IN THE ANALYSIS.

25 MR. AULT: WELL, RIGHT NOW THE -- BOTH THE 21



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1 PERCENT FIGURE AND THE 16.5 PERCENT FIGURE ARE BASED ON
2 AN ANALYSIS OF 279 JURISDICTIONS IN THE STATE.

3 BOARD MEMBER CHESBRO: WE'RE TALKING ABOUT THE
4 PROPORTION OF COMMUNITIES WHO ARE CLAIMING HIGH DIVERSION
5 RATES BECAUSE OF INERTS.

6 MR. AULT: YES, IT'S APPROXIMATELY 30 PERCENT.

7 BOARD MEMBER CHESBRO: OKAY. THEN JUST REMIND
8 EVERYBODY THAT THE OTHER 70 PERCENT ISN'T DOING THAT. SO
9 IT'S NOT A REASON FOR US NOT TO DO ANYTHING. I'M NOT
10 TRYING TO START THE ARGUMENT, BUT I JUST THINK IT'S -- IN
11 TERMS OF LOCAL GOVERNMENT'S CREDIBILITY, I WANT TO PUT
12 THAT BACK OUT THERE. 70 PERCENT IS --

13 BOARD MEMBER HUFF: SEVENTY PERCENT DESERVE AN
14 ATTA-BOY.

15 BOARD MEMBER CHESBRO: THAT'S ALL I WAS SAYING.
16 THANK YOU VERY MUCH.

17 BOARD MEMBER HUFF: ATTA-GIRL.

18 BOARD MEMBER NEAL: ATTA-PERSON.

19 BOARD MEMBER CHESBRO: ATTA-COMMUNITY.

20 MR. AULT: ALL RIGHT. IF THERE ARE NO FURTHER
21 QUESTIONS OF ME AT THE MOMENT, PERHAPS IF YOU WISH, MR.
22 CHAIRMAN, WE CAN TURN TO TASK 3.

23 CHAIRMAN FROST: ALL RIGHT.

24 MS. VAN KEKERIX: MY NAME IS LORRAINE VAN

25 KEKERIX. AND I'M HERE TO PRESENT TO YOU OPTIONS THAT THE



1 STAFF HAS COME UP WITH FOR ADDRESSING THE PROBLEM.

2 FIRST OF ALL, I'LL LET YOU KNOW WHAT THE
3 PREMISES WERE FOR THE --

4 CHAIRMAN FROST: I THINK ALL THE BOARD MEMBERS
5 ARE FAMILIAR WITH THE OPTIONS. I DON'T THINK IT'S
6 NECESSARY TO GO THROUGH THEM SPECIFICALLY.

7 MS. VAN KEKERIX: I JUST THOUGHT I WOULD PUT IT
8 UP FOR REFERENCE PURPOSES. I KNOW THAT YOU HAVE IT IN
9 YOUR PACKET.

10 I JUST WANTED TO BRIEFLY GO OVER THE
11 PREMISES FOR THE OPTIONS AND THEN TURN THE MIKE OVER TO
12 JOHN SITTS, WHO WILL PRESENT SOME INFORMATION ON THE
13 NUMBERS OF JURISDICTIONS WHICH WOULD BE IMPACTED BY THE
14 VARIOUS OPTIONS AND THE TONNAGE DATA.

15 CHAIRMAN FROST: LET ME ASK THE --

16 BOARD MEMBER NEAL: WELL, WE DO HAVE A COMMITTEE
17 RECOMMENDATION?

18 CHAIRMAN FROST: YEAH.

19 MR. SITTS: DO YOU WANT ME TO GO THOUGH --

20 BOARD MEMBER HUFF: I DON'T.

21 CHAIRMAN FROST: ANYONE? I THINK WE'RE ALL
22 PRETTY FAMILIAR WITH THE BASIS OF THAT. I THINK IT WOULD
23 BE HELPFUL ON OPTION 3, WHICH IS THE ONE THE COMMITTEE IS
24 RECOMMENDING, TO TELL US HOW JURISDICTIONS WOULD BE
25 AFFECTED BY THAT.



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1 MS. VAN KEKERIX: YOU'D BE INTERESTED IN THE
2 IMPLEMENTATION ISSUES OR THE NUMBER OF JURISDICTIONS
3 IMPACTED?

4 CHAIRMAN FROST: THE NUMBERS. JUST THE NUMBERS
5 AND IN TERMS OF HOW IT WOULD AFFECT JURISDICTIONS IF IT
6 WERE ADOPTED.

7 MR. SITTS: ALL RIGHT. THIS IS A TABLE ON PAGE
8 344 IN THE AGENDA PACKET. AND BASICALLY, WE'RE TALKING
9 ABOUT EXCLUSION UNLESS THE CRITERIA ARE MET, WHICH IS
10 OPTION 3.

11 AND TO GO BACK A LITTLE BIT, THESE ARE ALL
12 BASED ON THE INTERIM DATA BASE, AS WE SAID BEFORE, AND
13 THIS IS AN ESTIMATE ON ALL CALIFORNIA JURISDICTIONS.
14 BASED ON THE 279 WE'VE PROJECTED OUT, IT'S BASED ON THE
15 EFFECTS ON THE ONES THAT ARE IN THE DATA BASE.

16 SO OUT OF ALL THE JURISDICTIONS IN
17 CALIFORNIA, WE'RE MAKING AN ESTIMATE OF THE IMPACT. SO
18 FOR EXCLUSION UNLESS THE CRITERIA ARE MET, WE CAN'T
19 REALLY COME UP WITH A NUMBER BECAUSE WE DON'T KNOW HOW
20 MANY WILL MEET THE CRITERIA, BUT WE CAN LOOK AT EXCLUSION
21 WITH NO CRITERIA.

22 SO IF THERE WAS NO CRITERIA, AND YOU JUST
23 HAD PLAIN EXCLUSION, 454 JURISDICTIONS OUT OF 517 WOULD
24 HAVE THEIR EXISTING DIVERSION CLAIM REDUCED BY SOME
25 AMOUNT.



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1 MORE SIGNIFICANTLY, THOUGH, IF WE MOVE THIS
2 WAY TO SEE WHAT THAT REALLY MEANS, THE NUMBER OF
3 JURISDICTIONS WITH THEIR CLAIMS REDUCED BY 1 PERCENT OR
4 MORE IS -- WOULD BE 302. SO WE'VE ALREADY GOTTEN RID OF
5 QUITE A FEW FROM THE 454.

6 AND IF YOU LOOK AT THE -- SO UNDER THE
7 EXCLUSION UNLESS THE CRITERIA ARE MET, UP TO 302 COULD
8 APPEAL. I'M GUESSING THAT BETWEEN NO. 302 AND 454, SINCE
9 THEY'RE LOSING LESS THAN ONE PERCENTAGE POINT, ARE NOT
10 VERY LIKELY TO APPEAL UNLESS, OF COURSE, THEY'RE AT 24.5
11 PERCENT, AND THEY REALLY WANT TO MAKE THAT GOAL.

12 SO UP TO 302 MAY APPEAL. AND THEN IF YOU
13 LOOK AT THE NUMBER OF JURISDICTIONS THAT WOULD HAVE THEIR
14 DIVERSION CLAIM REDUCED BY 5 PERCENT OR MORE, SO A
15 SIGNIFICANT CHUNK OF DIVERSION TAKEN OUT, THEN WHAT
16 YOU'RE LOOKING AT IS UP TO 163 JURISDICTIONS THAT WOULD
17 BE FAIRLY LIKELY TO APPEAL.

18 CHAIRMAN FROST: OUT OF HOW MANY?

19 MR. SITTS: OUT OF 517.

20 SO AGAIN, YOU'RE TALKING ABOUT --

21 BOARD MEMBER HUFF: THAT'S ABOUT A THIRD.

22 MR. SITTS: AND IF YOU LOOK AT THE EXISTING
23 DIVERSION CLAIM OF -- THIS IS AVERAGE DIVERSION OF 16.5,
24 WHICH WOULD RELATE TO 21 PERCENT ON THE OTHER CHART, IT
25 WOULD END UP BEING BETWEEN 11 AND 16.5 PERCENT. AND THE



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1 STATEWIDE TONNAGE WOULD COME DOWN, IF YOU EXCLUDED THEM
2 TOTALLY, WOULD BE 11.1 PERCENT.

3 SO YOU CAN SEE THAT THE GAP BETWEEN THE
4 16.5 AND 21 IS DUE TO THESE THREE WASTE TYPES, WHICH WE
5 INCLUDED INERT SOLIDS, SCRAP METALS, AND AG WASTE.

6 CHAIRMAN FROST: THIS IS WHERE THAT STATISTIC IS
7 LOSING ME A LITTLE BIT.

8 YOU'RE SAYING 16.5 IS THE AVERAGE OF ALL
9 THE JURISDICTIONS, BUT IN TERMS OF THE 21 PERCENT
10 DIVERSION RATE THAT'S NOW BEING CLAIMED, WHAT HAPPENS IF
11 WE ADOPT OPTION 3 TO THE 21 PERCENT?

12 MR. SITTS: IT WOULD GO DOWN TO -- IT WOULD BE
13 BETWEEN 11.1 AND 21 PERCENT, DEPENDING ON HOW MANY
14 JURISDICTIONS MET THE CRITERIA.

15 BOARD MEMBER HUFF: LET ME TAKE IT A FURTHER
16 STEP.

17 IN GENERAL, THE TENDENCY WILL BE TO MAKE
18 THE 16.5 AND THE 21 COME CLOSER TOGETHER BECAUSE THE
19 THING THAT CREATES THE DIFFERENCE BETWEEN THE 16.5 AND
20 THE 21 IS THE USE BY SOME URBAN -- AT LEAST THE TENDENCY
21 IS URBAN JURISDICTIONS TO USE HIGH INERTS. OKAY.

22 AND THAT'S WHAT PROPELLED THAT NUMBER UP TO
23 21. IF YOU START TAKING THAT OUT, THEN YOU START
24 BRINGING THAT NUMBER BACK TO EVERYONE ELSE'S AVERAGE,
25 WHICH IS 16.5. AND IT WILL BRING THE 16.5 DOWN, TOO, BUT



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1 THE 21 COMES DOWN FASTER, SO THE NUMBERS TEND TO COME
2 TOGETHER.

3 MR. SITTS: SO IF THE CRITERIA WERE NOT MET BY
4 VERY MANY JURISDICTIONS, YOU WOULD BE CLOSE TO 11.1.

5 CHAIRMAN FROST: WHEN YOU SAY THE 21 WOULD COME
6 DOWN TO BETWEEN 11 AND 21 --

7 MR. SITTS: IT DEPENDS ON HOW HARSH THE CRITERIA
8 ARE.

9 CHAIRMAN FROST: IT'S GOT TO BE -- IF YOU'RE AT
10 21 AND YOU TAKE THIS ACTION, IT'S GOT TO COME DOWN. IT'S
11 NOT GOING TO BE BETWEEN 11 AND 21.

12 BOARD MEMBER HUFF: OPTION 3 HAS SOME
13 FLEXIBILITY TO IT. THAT'S WHY HE CAN'T GIVE YOU A
14 SPECIFIC NUMBER.

15 BOARD MEMBER CHESBRO: IT'S BASED ON THE
16 ASSUMPTION THAT --

17 CHAIRMAN FROST: IF WE TAKE THIS ACTION -- IF WE
18 TOOK THIS ACTION, AND IT STILL CAME OUT 21, THEN --

19 BOARD MEMBER HUFF: IT WON'T UNLESS OUR
20 CRITERIA -- UNLESS IT'S OUR FAULT, OKAY.

21 THE CRITERIA AND THE ULTIMATE APPEALS WOULD
22 BE THE THINGS THAT WOULD PUT IT HIGHER. OKAY. BUT WE
23 DON'T EXPECT THAT. THE FACT IS THAT THE NUMBER WOULD BE
24 MUCH CLOSER TO 11 THAN IT WOULD BE TO 21, IN ALL
25 LIKELIHOOD.



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1 CHAIRMAN FROST: WELL, I GUESS IF YOU CAN
2 CALCULATE HOW MANY JURISDICTIONS WOULD BE REDUCED BY 1
3 PERCENT AND HOW MANY JURISDICTIONS WOULD BE REDUCED BY 5
4 PERCENT, THAT'S BASED ON SOME SORT OF CRITERIA. YOU
5 CAN'T COME UP WITH THAT NUMBER BY SAYING, WELL, THERE'S A
6 LOT OF FLEXIBILITY IN THE REGS. YOU MADE SOME
7 ASSUMPTIONS TO COME UP WITH THAT NUMBER. AND SO USING
8 WHATEVER THOSE ASSUMPTIONS WERE, WHAT WOULD THE 21
9 PERCENT BE REDUCED TO?

10 MR. SITTS: THE REASON THAT THESE NUMBERS, LIKE
11 FOR NO. 2, IT'S A STRONG 302. THEY'RE CLAIMING UP TO 1
12 PERCENT OF THEIR CURRENT DIVERSION OF ONE OF THOSE THREE
13 WASTES. THAT'S WHY THE NO. 3 IT SAYS UP TO 302. WE
14 DON'T HOW MANY OF THOSE JURISDICTIONS WOULD ACTUALLY
15 APPEAL OR HOW MANY WOULD BE SUCCESSFUL.

16 CHAIRMAN FROST: BUT YOU KNOW HOW MANY OF THEM
17 ARE OVER 1 PERCENT AND YOU KNOW HOW MANY OF THEM ARE OVER
18 5 PERCENT. IN ORDER TO DO THAT, YOU HAD TO HAVE SOME
19 CRITERIA TO JUDGE WHERE 5 PERCENT CUTS OFF. IN OTHER
20 WORDS, YOU HAD TO APPLY SOME SORT OF CRITERIA.

21 MR. SITTS: IT WAS JUST A MATHEMATICAL THING.
22 IF THEY'RE CLAIMING 10 PERCENT OVERALL DIVERSION, LOOK AT
23 HOW MUCH OF THAT DIVERSION IS MADE UP OF THESE THREE
24 WASTE TYPES. SO IT WAS STRICTLY A MATHEMATICAL FORMULA
25 OF IF THEY ARE CLAIMING OVER 1 PERCENT OUT OF THE 25



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1 DIVERSION CREDITS THAT THEY'RE SUPPOSED TO REACH IN '95,
2 IF ONE OF THOSE CREDITS WAS, OR MORE, WAS DUE TO THESE
3 THREE WASTE TYPES, THEN THEY FALL INTO THIS CATEGORY.
4 AND IF FIVE OF THOSE WERE DUE TO THOSE WASTE TYPES, THEY
5 FALL INTO THIS CATEGORY.

6 SO WE DON'T KNOW HOW MUCH THEY WOULD BE
7 ABLE TO CLAIM AFTER THE PETITION OR THE APPEAL PROCESS.

8 BOARD MEMBER HUFF: LET ME -- OPTION 3 IS
9 APPROVE IT.

10 MR. SITTS: AND JUST VERY QUICKLY, ON PAGE 346,
11 ACTUALLY IT'S THE EXTRA HANDOUT, HAS A FEW -- IT'S THE
12 COLUMN CHART HERE.

13 THIS SHOWS WHAT HAPPENS UNDER DIFFERENT
14 SCENARIOS. I THINK FOR THE BIG PICTURE TYPE OF APPROACH,
15 THIS IS THE ONE THAT YOU MIGHT WANT TO LOOK AT. IT
16 CORRESPONDS TO THE TABLE ON PAGE 345, BUT THIS IS JUST A
17 LITTLE EASIER WAY TO LOOK AT IT.

18 UNDER -- THIS IS THE PROJECTION OF WHAT
19 WOULD HAPPEN IN 1995 UNDER THREE -- WELL, FOUR DIFFERENT
20 OPTIONS. BUT UNDER EXISTING CONDITIONS, THE PRESENT
21 SYSTEM WILL BE DISPOSING OF APPROXIMATELY 35 MILLION
22 TONS. WE'LL BE ABLE TO COUNT 10.5 MILLION TONS OF
23 EXISTING DIVERSION, AND THE JURISDICTION WILL HAVE TO
24 COME UP WITH APPROXIMATELY 3.8 MILLION TONS OF ADDITIONAL
25 DIVERSION. SO THIS IS AN ESTIMATE OF WHAT WILL HAPPEN.



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1 EXCLUSION, WHICH IS OPTION 2. OR EXCLUSION
2 WITH CRITERIA WOULD GIVE YOU A COLUMN SIMILAR TO THE
3 SECOND COLUMN OVER, IN WHICH YOU CAN SEE THERE IS A
4 REDUCTION IN THE DISPOSAL AMOUNT, AND THERE'S AN INCREASE
5 IN THE GRAY AREA, WHICH IS THE NEW DIVERSION THAT'S
6 NEEDED.

7 SO EXCLUSION WITH CRITERIA, DEPENDING ON
8 HOW MANY MET THAT CRITERIA, THESE TWO WOULD BE SIMILAR.
9 IF ALL OF THEM MET THE CRITERIA, YOU'D HAVE THIS GRAPH.
10 IF NONE OF THEM MET THE CRITERIA, YOU'D HAVE THIS GRAPH.
11 SO WHAT YOU'RE LOOKING AT IS SOMEWHERE IN BETWEEN THOSE
12 TWO.

13 THIS IS JUST THE MAXIMUM ALLOWANCE OPTION,
14 OPTION 4 AND THEN 5. IF YOU COMPARED TO DISPOSAL BASE,
15 WHERE YOU JUST SAY 25 PERCENT OF THE AMOUNT GOING IN THE
16 LANDFILL RIGHT NOW HAS TO BE REDUCED, SO YOU CAN GET AN
17 IDEA OF THE DIFFERENT IMPACTS OF THESE DIFFERENT
18 PROGRAMS.

19 CHAIRMAN FROST: OKAY.

20 MR. SITTS: ONE OTHER THING THAT I WOULD LIKE TO
21 MENTION, AND THAT IS THE NUMBER OF JURISDICTIONS THAT
22 WOULD BE CLAIMING 25 PERCENT OR MORE RIGHT NOW, EXISTING
23 DIVERSION.

24 IN THE PRESENT SYSTEM THERE'S 112
25 JURISDICTIONS, APPROXIMATELY. THAT WILL BE OVER 25



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1 PERCENT RIGHT NOW. IF WE GO TO TOTAL EXCLUSION, IT WOULD
2 BE 32 JURISDICTIONS. SO THAT NUMBER IS CUT SIGNIFICANTLY
3 DOWN.

4 AND THEN EXCLUSION WITH CRITERIA, AGAIN, IT
5 WOULD BE SOMEWHERE BETWEEN 32 AND 112. AND ASSUMING THAT
6 WE'VE GOT STRICT CRITERIA, IT WOULD BE MORE TOWARD THE 32
7 END. AND THAT'S IT.

8 CHAIRMAN FROST: IS IT YOUR OPINION THAT THE
9 32 -- HAVE WE LOOKED AT THEM TO THE EXTENT THAT WE COULD
10 SAY THAT THE 32 PROBABLY DO, IN FACT, MEET THE 25
11 PERCENT?

12 MR. SITTS: ACTUALLY, SOME OF THEM, BECAUSE OF
13 THE QUALITY OF THE DATA IN THE PRELIMINARY DRAFT STUDIES,
14 IT'S VERY DIFFICULT TO SAY IN SOME CASES WHAT MATERIALS
15 THESE JURISDICTIONS WERE DIVERTING. WE'LL HAVE A HIGH
16 AMOUNT OF REMAINDER OR OTHER WASTES THAT THEY CLAIM FOR
17 DIVERSION.

18 IN THE -- AND WE'VE MENTIONED THAT IN OUR
19 COMMENTS, SO THAT IN THE REVISED VERSION, WE'LL SEE IF
20 THOSE, INDEED, ARE INERT SOLIDS OR SCRAP METALS. SO I
21 SUSPECT THAT SOME OF THOSE WILL AS WELL COME OUT.

22 CHAIRMAN FROST: THANK YOU. NOW, DOES THAT
23 COMPLETE YOUR PART OF THE PRESENTATION?

24 MR. RIETZ: YES. THAT COMPLETE -- ESSENTIALLY
25 JUST TO QUICKLY SUMMARIZE THE STAFF PRESENTATION, THERE



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1 IS A PROBLEM. THERE'S A DISPROPORTIONATE AMOUNT OF THOSE
2 THREE WASTE TYPES BEING COUNTED TOWARDS DIVERSION. WE
3 BELIEVE THAT ACTION IS NECESSARY AND WOULD DEFER TO BOARD
4 MEMBER RELIS FOR THE RECOMMENDATION OF THE PLANNING
5 COMMITTEE.

6 CHAIRMAN FROST: THANK YOU.

7 NOW I'LL CALL ON MR. CONHEIM TO COMPLETE
8 HIS PART OF THE STAFF PRESENTATION.

9 ATTORNEY CONHEIM: THE QUESTION HAS ARISEN AS TO
10 WHAT THE AUTHORITY OF THE BOARD IS IN IMPLEMENTING A
11 POLICY DECISION SHOULD YOU CHOOSE TO MAKE ONE TODAY.

12 I THINK AFTER WEEKS OF DISCUSSING THIS, I
13 CAN DISTILL IT IN A SENTENCE OR TWO, UNCHARACTERISTIC FOR
14 MY PRESENTATIONS, BUT I'LL TRY TO.

15 THE BOARD HAS A RATHER LARGE AMOUNT OF
16 AUTHORITY UNDER PUBLIC RESOURCES CODE SECTION 40502 TO
17 ADOPT RULES AND REGULATIONS. IT HAS PLENARY AUTHORITY TO
18 ADOPT ALL RULES AND REGULATIONS AS NECESSARY TO CARRY OUT
19 THIS DIVISION, THE ENTIRE CALIFORNIA INTEGRATED WASTE
20 MANAGEMENT ACT.

21 THE STATUTE THAT IS THE SUBJECT OF OUR
22 DISCUSSION, THE AB 1820 STATUTE, PUBLIC RESOURCES CODE
23 SECTION 41781, AS CURRENTLY IN EFFECT, EXCLUDES THE WASTE
24 TYPES WHICH WE HAVE BEEN DISCUSSING, INCLUDING
25 AGRICULTURAL WASTES, INERTS, SCRAP, AND WHITE-COATED



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1 MAJOR APPLIANCES, AND ANY OTHER WASTE PRODUCT WHICH WOULD
2 NOT NORMALLY BE DISPOSED OF UNLESS CERTAIN CRITERIA,
3 CERTAIN EXCEPTIONS ARE MET.

4 AND IT IS THOSE -- IT IS THAT LANGUAGE OF
5 EXCEPTION WHICH REALLY CRIES OUT FOR REGULATORY SOLUTION.

6 AND SO IT'S MY OPINION THAT THIS STATUTE IS
7 A CLASSIC CASE OF BEING APPROPRIATE FOR IMPLEMENTATION BY
8 REGULATION BY THE BOARD. THE REAL IMPORTANT QUESTION IS
9 THE ONE YOU'RE FACING, THE POLICY QUESTION.

10 CHANGES CAN ALWAYS BE IMPLEMENTED OR A
11 POLICY CAN ALWAYS BE IMPLEMENTED EITHER BY A STATUTE OR
12 BY REGULATION, BUT YOU'VE GOT A STATUTE HERE WHICH IS
13 IMMEDIATELY REGULATABLE. AND I THINK I'LL STOP THERE
14 BECAUSE THE STATUTE, IN MY OPINION, IS -- MUST BE READ TO
15 BE INTERNALLY CONSISTENT AND REALLY DOES. IF YOU'RE
16 GOING IN THE DIRECTION OF OPTION NO. 3, IT REALLY IS
17 SUITABLE FOR YOUR DIRECTION TO US TO CLARIFY AND
18 IMPLEMENT THIS BY REGULATION, IF YOU SO CHOOSE.

19 CHAIRMAN FROST: OKAY. IT SEEMS TO ME, MR.
20 CONHEIM, THAT THAT OPINION IS CONSISTENT WITH TWO
21 PRINCIPLES OF STATUTORY CONSTRUCTION. NUMBER ONE THAT A
22 SPECIFIC STATUTE TAKES PRECEDENCE OVER A GENERAL STATUTE
23 AND A LATER ENACTED STATUTE TAKES PRECEDENCE OVER AN
24 EARLIER ENACTED STATUTE.

25 ATTORNEY CONHEIM: I CAN GET INTO THAT ASPECT OF



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1 IT, IF YOU WANT TO.

2 CHAIRMAN FROST: NO. I JUST THINK THAT -- THAT
3 BOTH EXIST HERE IN PART OF THE -- PARTLY RESULTS IN YOUR
4 INTERPRETATION.

5 ATTORNEY CONHEIM: WHAT I'M SAYING IS THAT
6 SUBDIVISION B IS REALLY -- MUST BE READ AS A LATER
7 ENACTED VERSION TO BE IN FULL FORCE AND EFFECT, AND IT IS
8 THE SPECIFIC DIRECTION OF POLICY BY THE LEGISLATURE;
9 WHEREAS, OTHERS HAVE ARGUED THAT OTHER PARTS OF THE
10 STATUTE SEEM TO BE MORE GENERAL OR HAVE BROADER POLICY
11 STATEMENTS.

12 SO I THINK THAT'S WHAT YOU'RE REFERRING TO,
13 AND THAT ALSO FORMS THE BASIS FOR MY OPINION.

14 CHAIRMAN FROST: THANK YOU.

15 MR. HUFF.

16 BOARD MEMBER HUFF: TO CARRY THAT ONE STEP
17 FURTHER, THE LEGISLATURE, WHEN IT ENACTS STATUTES, THE
18 BILL CONTAINS THE ENTIRE SECTION BEING DISCUSSED BY THAT
19 LAW CHANGE.

20 ATTORNEY CONHEIM: YES.

21 BOARD MEMBER HUFF: AND SO SECTION 41781, WHEN
22 THE LEGISLATURE AMENDED THAT SECTION WITH -- VIA AB 1820,
23 THE ENTIRE TEXT OF THAT SECTION WAS BEFORE THE
24 LEGISLATURE FOR CONSIDERATION.

25 ATTORNEY CONHEIM: YES.



1 BOARD MEMBER HUFF: AND A FURTHER PRINCIPLE OF
2 STATUTORY CONSTRUCTION IS THAT ONE SHOULD ASSUME THAT THE
3 LEGISLATURE, IN ENACTING LEGISLATION, BARRING SOME OTHER
4 SITUATION, KNEW WHAT IT WAS DOING.

5 ATTORNEY CONHEIM: AND TO AMPLIFY THAT FURTHER,
6 A JUDGE WOULD TAKE A LOOK AT A STATUTE WHICH PEOPLE WERE
7 CHALLENGING, PERHAPS CHALLENGING FOR BEING, OH, I DON'T
8 KNOW, CONFUSING OR INCONSISTENT, AND THE JUDGE WOULD BE
9 REQUIRED BY LAW TO RESOLVE INCONSISTENCIES TO GIVE FULL
10 PURPOSE AND EFFECT TO ANY PARTS OF THE STATUTE WHICH, NO.
11 1, HAD PLAIN MEANING AND TO THE OVERALL PURPOSE OF THE
12 STATUTE. THEN YOU HAVE TO DRAW ON THE LATER ENACTED
13 PRINCIPLE AND THE SPECIFIC MODIFYING THE GENERAL.

14 SO A JUDGE WOULD HAVE TO TRY EVERYTHING IN
15 HIS OR HER POWER TO RESOLVE INCONSISTENCIES AND GIVE FULL
16 FORCE AND EFFECT.

17 NOW, I'M TALKING LEGAL THEORY, AND WE'RE
18 DOING THIS BECAUSE WE'VE HAD A LOT OF DISCUSSION IN THE
19 PUBLIC AND AMONG BOARD MEMBERS, ADVISORS, AND STAFF, SO
20 THAT I WANT TO STATE FOR THE RECORD MY LEGAL ANALYSIS OF
21 THIS. AND I WANT TO LEAVE YOU WITH THAT SO THAT YOU FEEL
22 AS EMPOWERED AS YOU POSSIBLY CAN WITH THIS ADVICE TO GO
23 AHEAD AND MAKE A POLICY DECISION WHICH WE CAN ATTEMPT TO
24 IMPLEMENT UNDER YOUR AUTHORITY AS A REGULATOR.

25 BOARD MEMBER HUFF: SO YOU'RE SAYING, REALLY,



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1 THEN, THAT WE SHOULD APPROACH THIS FROM THE POINT OF VIEW
2 A LEGAL MIGHT, THAT 41781(A) THROUGH (D) SHOULD BE READ
3 AS A SINGLE ENTITY INTENDED BY THE LEGISLATURE TO MAKE
4 SENSE AND TO BE IMPLEMENTED?

5 ATTORNEY CONHEIM: YOU MUST DO THAT. AND IN
6 ORDER TO FOCUS THIS A LITTLE MORE SPECIFICALLY, LET ME
7 SIMPLY SAY THAT, FOR PURPOSES OF THIS SECTION, AND I'M
8 ACTUALLY PARAPHRASING OR QUOTING SUBDIVISION B, SOLID
9 WASTE EVERYWHERE IN THIS SECTION CAN ONLY INCLUDE WASTES
10 EXCEPT FOR THE FOUR OR FIVE TYPES WHICH ARE LISTED. IT
11 MUST EXCLUDE THOSE WASTE TYPES SUBJECT TO THE EXCEPTIONS
12 OF SUBDIVISION B.

13 AND THOSE ARE THE THINGS THAT YOU ARE
14 TALKING ABOUT CLARIFYING AND IMPLEMENTING WITH -- THEY'RE
15 NOT THERE ANYMORE, OPTION NO. 3 OR SOME OTHER OPTION.

16 BOARD MEMBER HUFF: IT'S CLEAR TO ME, MR.
17 CHAIRMAN.

18 CHAIRMAN FROST: THANK YOU VERY MUCH.

19 NOW, I HAVE REQUESTS FOR PEOPLE FROM THE
20 AUDIENCE TO ADDRESS THIS ITEM. I HAVE THREE REQUESTS
21 HERE. OKAY. SO IF THERE'S ANY OTHER, YOU NEED TO FILL
22 OUT A FORM THERE. YOU CAN GET UP FRONT HERE.

23 (BREAK TAKEN.)

24 CHAIRMAN FROST: THANK YOU. NOW, WE'LL TAKE
25 SOME TESTIMONY IN THE ORDER THAT I RECEIVED THEM.



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1 THE FIRST ONE IS STRANGE, TELLY SAVALAS --
2 OH, NO, IT'S TIM FLANIGAN. TIM FLANIGAN, SORRY. I JUST
3 READ IT WRONG, TIM.

4 MR. FLANIGAN: I NEVER ARGUE WITH A CHAIRMAN OR
5 EX-CHIEF OF STAFF.

6 CHAIRMAN FROST: NEVER ARGUE WITH BT?

7 MR. FLANIGAN: I ARGUE WITH HIM ALL THE TIME.

8 MR. CHAIRMAN AND MEMBERS OF THE BOARD, MY
9 NAME IS TIM FLANIGAN, AND I'M A PARTNER IN THE SACRAMENTO
10 LAW FIRM OF FLANIGAN AND FLANIGAN. AND I'M HERE TODAY
11 REPRESENTING THE CALIFORNIA CHAPTERS OF THE INSTITUTE OF
12 SCRAP RECYCLING INDUSTRIES, OTHERWISE KNOWN AS ISRI.

13 ISRI IS A TRADE ASSOCIATION REPRESENTING
14 APPROXIMATELY 1800 COMPANIES NATIONWIDE OF WHICH 10
15 PERCENT ARE LOCATED IN CALIFORNIA.

16 ITS MEMBERS PROCESS, BROKER, AND CONSUME
17 SCRAP COMMODITIES. THEY ARE EXPERTS IN THE HANDLING,
18 PROCESSING, SHIPPING, AND/OR RECYCLING OF RECYCLABLE
19 SCRAP COMMODITIES.

20 ISRI WAS ACTIVELY INVOLVED DURING THE 1990
21 LEGISLATIVE SESSION WITH THE LANGUAGE AND PASSAGE OF
22 AB 1820, BUT ADDED THE CURRENT SECTION 41781 OF THE
23 PUBLIC RESOURCES CODE.

24 AS I UNDERSTAND THE HISTORY BEHIND THAT
25 MEASURE, ISRI'S AMENDMENT WAS TO EXEMPT SCRAP METALS AND



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1 WHITE GOODS, SUCH AS REFRIGERATORS, STOVES, AND THE LIKE,
2 FROM THE DEFINITION OF SOLID WASTE FOR THE PURPOSES OF
3 DETERMINING THE BASE RATE OF SOLID WASTE.

4 ON ITS FACE, A CLEAR READING OF SECTION B
5 OF -- OR SUBSECTION B OF SECTION 41781 APPEARS TO
6 ACCOMPLISH ISRI'S PURPOSE. HOWEVER, I UNDERSTAND THAT
7 SOME SEE A CONFLICT OR AT LEAST AN AMBIGUITY, AS WAS
8 DISCUSSED EARLIER HERE, IN SUBSEQUENT LANGUAGE OF THAT
9 SECTION, WHICH THEY CLAIM IN SOME WAY DIMINISHES THE
10 MEANING OF SUBSECTION B.

11 AS A NEWCOMER TO THIS ISSUE AND NOT HAVING
12 THE BENEFIT OR THE BURDEN OF PAST PREJUDICES, I FIND SUCH
13 A CHALLENGE TO THE MEANING OF SUBSECTION B MORE THAN A
14 BIT OF A STRETCH IN BOTH LEGAL INTERPRETATION AND LOGIC,
15 AND I THINK THAT THE STATUTE HAS TO BE READ IN ITS
16 ENTIRETY.

17 THAT BEING AS IT MAY, IT APPEARS THAT THE
18 CLEAR INTENT OF AB 1820 WAS TO COUNT THOSE MATERIALS THAT
19 ACTUALLY COME INTO THE WASTESTREAM AND TO EXCLUDE THOSE
20 THAT DO NOT. SCRAP METAL AND WHITE GOODS HISTORICALLY DO
21 NOT END UP IN THE WASTESTREAM, AND THIS SHOULDN'T BE NEWS
22 TO ANYONE.

23 SOME OF THE MEMBERS OF OUR ASSOCIATION HAVE
24 BEEN RECYCLING SCRAP METAL FOR OVER A CENTURY IN THIS
25 COUNTRY. AS A MATTER OF INTEREST, ONE OF OUR MEMBERS IN



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1 SAN JOSE JUST CELEBRATED ITS 106TH ANNIVERSARY. THIS IS
2 A VERY OLD INDUSTRY.

3 CONSEQUENTLY, IF SCRAP METAL AND WHITE
4 GOODS NEVER END UP IN THE WASTESTREAM, EXCEPT, OF COURSE,
5 IN INSIGNIFICANT AMOUNTS THAT MAY APPEAR HERE AND THERE,
6 THEY SHOULD NOT BE CONSIDERED AS SOLID WASTE EITHER
7 BEFORE OR AFTER JANUARY 1, 1990.

8 IT MAKES NO SENSE TO ACKNOWLEDGE, AS DOES
9 SECTION 41781, THAT SCRAP METAL DOES NOT END UP IN THE
10 WASTESTREAM, BUT THEN TO ACCEPT SOME PUBLIC PROGRAM THAT
11 COUNTED IT AS BEING DIVERTED FROM THE WASTESTREAM PRIOR
12 TO 1990, AS THOUGH THE PROGRAM HAD ANYTHING AT ALL TO DO
13 WITH THE DIVERSION IN THE FIRST PLACE.

14 THUS, ISRI RESPECTFULLY RECOMMENDS THAT
15 THIS BOARD EXCLUDE SCRAP METAL, INCLUDING WHITE GOODS,
16 FROM COUNTING TOWARDS THE BASE RATE OF SOLID WASTE FROM
17 WHICH THE SOURCE REDUCTION AND RECYCLING AND COMPOSTING
18 LEVELS WILL BE CALCULATED, AND TO DO SO WITHOUT AN APPEAL
19 TO CRITERIA BASED UPON DIVERSION PROGRAMS IN EFFECT PRIOR
20 TO 1990.

21 THANK YOU VERY MUCH FOR YOUR CONSIDERATION.

22 CHAIRMAN FROST: THANK YOU. MAY I ASK A
23 QUESTION OF TIM?

24 FIRST OF ALL, YOU CONVINCED ME. BUT COULD
25 YOU TELL ME WHAT THE IMPACT IS ON THE INDUSTRY YOU'RE



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1 REPRESENTING. IF, IN FACT, THOSE ARE COUNTED AS
2 DIVERSIONS?

3 MR. FLANIGAN: THE IMPACT ACTUALLY HAS TO GO TO
4 THE ISSUE OF FLOW CONTROL. AND THE IMPACT IS, IN FACT,
5 IF YOU COUNT GOODS THAT NEVER WENT TO THE WASTESTREAM AND
6 WERE NOT INTENDING TO GO TO THE WASTESTREAM, THERE IS A
7 PUSH ON BY SOME LOCALITIES THROUGHOUT THE STATE TO TRY TO
8 GAIN CONTROL, EXCLUSIVE CONTROL, OF THE COUNT OF
9 RECYCLABLES IN ORDER TO BE ABLE TO DIVERT THEM AS
10 CREDITS.

11 UNIDENTIFIED SPEAKER: I HEARD SOMEBODY SAY
12 THAT'S RIGHT.

13 CHAIRMAN FROST: I'M SURE IT'S RIGHT, I JUST --

14 ATTORNEY CONHEIM: FACTUALLY, I ACCEPT WHAT HE
15 SAID, BUT I'M JUST -- THEORETICALLY THERE'S THAT PRESSURE
16 IF THE LAW -- I KNOW EXACTLY THAT THIS ISSUE IS RISING
17 AND WE'RE STUDYING IT NOW.

18 MR. FLANIGAN: AND THERE'S A REAL PROBLEM THERE
19 BECAUSE IT COMES DOWN TO THE ISSUE OF WHO CONTROLS
20 RECYCLABLES. WE KNOW RECYCLABLES ARE A COMMODITY AND
21 THEREFORE A PERSONAL PROPERTY.

22 ARTICLE 1, SECTION 1 OF THE CALIFORNIA
23 CONSTITUTION PROTECTS THOSE WHO WANT TO POSSESS AND OWN
24 AND CONTROL THEIR OWN PROPERTY. AND THE WASTE MANAGEMENT
25 ACT ALLOWS THOSE WHO HAVE RECYCLABLES TO DISPOSE OF THOSE



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1 RECYCLABLES AS THEY SEE FIT.

2 AND SO ANY LOCAL GOVERNMENT THAT IS NOW
3 COMING IN AND SAYING BECAUSE THEY HAVE CONTROL OF THE
4 ABILITY TO GATHER TRASH OR GATHER RECYCLABLES AT
5 DESIGNATED SPOTS, AND THEN CLAIM IT EXTENDS BEYOND THAT
6 DESIGNATED SPOT, WE CLAIM THAT IS JUST ABSOLUTELY
7 INCORRECT AND IN VIOLATION OF THE CONSTITUTION AND THE
8 LAW.

9 CHAIRMAN FROST: I'M STILL -- LET ME TRY AN
10 EXAMPLE. IF -- THIS MAY NOT BE THE RIGHT TYPE OF
11 BUSINESS, BUT LET'S SAY IT'S AN AUTO DISMANTLER. AND
12 SOME COMMUNITY WANTS TO COUNT AUTOBODIES AS DIVERSION.

13 MR. FLANIGAN: I MEAN AUTOBODIES DON'T END UP IN
14 WASTE SITES. THEY USED TO END UP ALONGSIDE THE ROAD. SO
15 THAT'S A CLASSIC EXAMPLE OF A RECYCLABLE THAT NEVER EVER
16 DID END UP IN THE WASTE SITE. BUT SINCE THERE ARE SO
17 MANY OF THEM, A COMMUNITY WOULD LIKE TO BE ABLE TO COUNT
18 THEM BECAUSE THERE'S A LOT OF SCRAP METAL BEING PROCESSED
19 BY OUR INDUSTRY.

20 CHAIRMAN FROST: I UNDERSTAND THAT. AND THAT'S
21 WHY I USED THAT AS AN EXAMPLE.

22 BUT IF THEY COUNT THEM OR THEY DON'T COUNT
23 THEM, HOW DOES IT AFFECT THE AUTO DISMANTLING INDUSTRY?

24 MR. FLANIGAN: WELL, IT AFFECTS THE AUTO
25 DISMANTLING INDUSTRY, AS I STATED, BECAUSE IT STARTS TO



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1 GET INTO WHO HAS OWNERSHIP OF THE RECYCLABLE. AND HOW
2 CAN YOU SELL -- WELL, FOR INSTANCE, IF I HAVE -- IF I'M
3 AN INDUSTRY, AND I PRODUCE A LOT OF SCRAP STEEL OR SCRAP
4 METAL THAT HAS VALUE, AND I WANT TO SELL THAT VALUE TO
5 THE HIGHEST BIDDER IN THE MARKETPLACE, BUT I'M TOLD BY A
6 LOCALITY THAT, NO, I HAVE TO SELL IT TO THEIR FRANCHISEE
7 AT THEIR STATED RATES, IN OTHER WORDS, THEY MAY JUST GIVE
8 ME A -- THEN WHAT THEY'VE, IN ESSENCE, DONE IS --

9 CHAIRMAN FROST: I SEE. I SEE. ALL RIGHT.
10 THANK YOU.

11 ANY OTHER QUESTIONS?

12 MR. FLANIGAN: THANK YOU VERY MUCH.

13 CHAIRMAN FROST: ALL RIGHT. MR. BOB KOHN.

14 MR. KOHN: GOOD AFTERNOON, CHAIRMAN AND MEMBERS
15 OF THE BOARD. I HAVE BEEN ASKED BY ATSWANA TO ADDRESS
16 ITEM 20 WITH YOU TODAY. AND I'M GOING TO BE BRIEF, SINCE
17 I JUST RECEIVED A FAX THIS MORNING ASKING ME TO DO THIS.
18 I'D FIRST LIKE TO VERIFY THAT THE BOARD HAS
19 RECEIVED TWO LETTERS, ONE FROM THE LEGISLATIVE TASK FORCE
20 DATED MARCH 20TH FROM TOM HORTON AND DAN MILLIGAN.

21 HAS THE BOARD RECEIVED THAT?

22 BOARD MEMBER HUFF: WE HAVE IT.

23 MR. KOHN: ALSO A LETTER FROM LARRY WALKER OF
24 SAN BERNARDINO COUNTY.

25 CHAIRMAN FROST: YES. YES, THAT'S RIGHT.



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1 MR. KOHN: SINCE YOU'VE RECEIVED THESE LETTERS,
2 THAT HELPS ME AND I CAN BE BRIEF. I'D JUST LIKE TO
3 SUMMARIZE ATSWANA'S POSITION RELATING TO ITEM 20.

4 ATSWANA RESPECTFULLY REQUESTS THAT YOU DO
5 NOT ADOPT ANY PROPOSAL THAT WOULD LIMIT WASTE TYPES USED
6 TOWARD DIVERSION CREDITS AND DEFER ANY ACTION ON THIS
7 ITEM UNTIL ALL SRRE'S HAVE BEEN SUBMITTED AND A STRONG
8 MARKETING STRATEGY IS DEVELOPED.

9 THAT'S BASICALLY ALL I HAVE TO SAY ON THAT
10 ITEM.

11 CHAIRMAN FROST: WE HAVE THE LETTER. AND I
12 THINK IT'S CONSISTENT WITH SOME OTHER COUNTIES' COMMENTS,
13 THAT WE SHOULD NOT TAKE ANY ACTION UNTIL MARKETS ARE
14 DEVELOPED FOR THE RECYCLABLE MATERIALS.

15 MR. HUFF.

16 BOARD MEMBER HUFF: I FAIL TO UNDERSTAND, AND
17 I'LL TRY TO ASK IT IN TERMS OF THE QUESTION. IF WE WAIT,
18 OKAY, DEFER ACTION, EVEN THOUGH WE HAVE DATA THAT COVERS
19 70 PERCENT OF THE STATE'S POPULATION NOW, AND THAT TOTAL
20 IS INCREASING EVERY DAY AS WE GO THROUGH THE SRRE'S, IF
21 WE WAIT UNTIL WE HAVE 100 PERCENT OF THE POPULATION
22 COVERED IN 100 PERCENT OF THE JURISDICTIONS AND THEN COME
23 TO THE CONCLUSION THAT THERE'S A PROBLEM, THEN ALL WE'VE
24 DONE IS COMPRESS THE TIME FRAME FOR ALL THESE
25 JURISDICTIONS TO RESPOND AGAINST THE 1995 DEADLINE, HAVE



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1 WE NOT?

2 MR. KOHN: THAT'S CORRECT.

3 BOARD MEMBER HUFF: OKAY.

4 CHAIRMAN FROST: ALL RIGHT. ANY OTHER
5 QUESTIONS, COMMENTS?

6 OKAY. THANK YOU.

7 MR. KOHN: THANK YOU.

8 CHAIRMAN FROST: MR. JOSEPH MASSEY.

9 MR. MASSEY: GOOD AFTERNOON, MR. CHAIRMAN,
10 MEMBERS OF THE BOARD. MY NAME IS JOE MASSEY. I'M
11 EMPLOYED BY ALBERT AND ALBERT IRON AND METAL IN LOS
12 ANGELES, ONE OF THE STATE'S LARGEST SCRAP METAL
13 PROCESSORS. AND I HAVE THE DUBIOUS DISTINCTION OF
14 FOLLOWING TELLY, AND HE STOLE ALL MY THUNDER.

15 I WAS INVOLVED IN 1820 -- MAYBE I CAN JUST
16 DISBURSE WITH THIS PREPARED TEXT I HAVE.

17 WE'VE -- AFTER 939 WAS PASSED, WE
18 ACKNOWLEDGED OR WE DETERMINED THAT THERE WAS CONFUSION
19 ABOUT OUR INDUSTRY AND WHAT WE DID AND HOW WE WOULD BE
20 AFFECTED BY THAT LAW. AND WE ATTEMPTED TO CLARIFY THE
21 CONFUSION BY -- WELL, OUR INDUSTRY DID THROUGH THE TRADE
22 ASSOCIATION BY HAVING SECTION 41781 PASSED THROUGH THE
23 LEGISLATURE.

24 THE EXEMPTION FROM SCRAP METALS AND WHITE
25 GOOD IS OBVIOUS. AND THE REASON THAT WE ACCEPTED



1 SUBSECTION D, WHICH GRANTED PREVIOUS -- OR CREDIT FOR
2 PREEXISTING DIVERSION PROGRAMS, WAS AT THE TIME THOSE
3 PROGRAMS THAT EXISTED DID NOT TARGET THE INDUSTRIAL
4 METALS THAT WE -- THAT ARE THE BASIS FOR OUR BUSINESSES.

5 THOSE PROGRAMS TARGETED ALUMINUM CANS,
6 NEWSPAPER, PLASTIC, AND GLASS BOTTLES. SO WE DID NOT SEE
7 A CONFLICT AT THAT TIME. AND IT WASN'T UNTIL THE
8 REGULATIONS DEFINED "NORMALLY DISPOSED OF" WITH SUCH A
9 MINUSCULE QUANTITIES THAT WE AGAIN BECAME CONCERNED.

10 IT DIDN'T MAKE SENSE TO US THAT IF YOU
11 FOUND 200 TONS OF IRON IN A LANDFILL IN A YEAR, THAT A
12 JURISDICTION COULD OBTAIN CREDIT FOR THE MILLION TONS
13 THAT WAS DIVERTED WITHOUT EVER GOING INTO THE
14 WASTESTREAM.

15 I'VE HEARD ALL YOUR COMMENTS, AND I SEEM TO
16 THINK THAT YOU AGREE WITH THAT PROPOSAL. AND I JUST WANT
17 TO POINT OUT THAT I WAS LOOKING AT THE COMPOSITION OF THE
18 CALIFORNIA WASTE, AND JUST TO GIVE YOU AN IDEA THE SIZE
19 OF OUR FIRM, IF THESE NUMBERS ARE ACCURATE AND THERE ARE
20 949,000 TONS DIVERTED OF METAL IN THE STATE, WE HANDLE
21 OVER 20 PERCENT OF THAT.

22 AND I KNOW OF ANOTHER COMPANY IN L.A. THAT
23 DOES OVER A MILLION TONS A YEAR OF AUTOBODIES AND STEEL
24 ALONE. SO I DON'T WANT TO QUESTION IT. BUT I THINK THESE
25 NUMBERS ARE A LITTLE BIT LOW AS FAR AS DIVERSION IS

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1 CONCERNED.

2 I ALSO WOULD LIKE TO SAY THAT I KNOW THE
3 CITY OF L.A., WHO I KNOW YOU HAVEN'T SEEN THEIR SRRE YET,
4 BUT THEIR INTENT IS TO CLAIM ALL THE DIVERSION FOR ALL
5 THE METALS THAT GO THROUGH THAT CITY TO THE EXTENT THAT
6 YOU ALLOW THEM TO.

7 THANK YOU.

8 CHAIRMAN FROST: THANK YOU. ANY QUESTIONS,
9 COMMENTS?

10 OKAY. THANK YOU VERY MUCH.

11 AND FINALLY, MR. JACK MICHAEL.

12 MR. MICHAEL: CHAIRMAN FROST, MEMBERS OF THE
13 BOARD, I'M JACK MICHAEL, REPRESENTING LOS ANGELES COUNTY.
14 THANK YOU FOR ALLOWING ME TO SAY A FEW WORDS.

15 I'D LIKE TO INDICATE TWO CONCERNS AT THE
16 OUTSET THAT WE HAVE WITH THE NUMBERS THAT HAVE BEEN PUT
17 FORTH AND THE IMPACT THOSE NUMBERS MAY ULTIMATELY HAVE ON
18 THE OVERALL WASTE PROGRAM.

19 I RECOGNIZE THAT MORE SOURCE REDUCTION AND
20 RECYCLING ELEMENTS KEEP COMING IN AND THE DATA BASE KEEPS
21 REPRESENTING A GREATER PART OF CALIFORNIA.

22 HOWEVER, I BELIEVE THE STAFF, AS I HEARD
23 THEM TODAY AND LAST WEEK, HAVE INDICATED THAT, BASED ON
24 THE DATA THEY DO HAVE, THEY'VE PROJECTED STATEWIDE
25 NUMBERS BASICALLY ON A PER CAPITA PREMISE, THAT THERE



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1 ISN'T ANY EVALUATION OF THE WASTES THAT THEY'RE DEALING
2 WITH AND WHAT VARIATIONS MAY OCCUR.

3 AND AS A FOR INSTANCE, BASED ON THAT
4 PROJECTION, THEY ARE PROJECTING THAT IN UNINCORPORATED
5 AREAS, NONRURAL AREAS, EXISTING DIVERSION WOULD BE ABOUT
6 18 PERCENT. AS A MATTER OF FACT, ON THE UNINCORPORATED
7 AREA OF LOS ANGELES COUNTY, THE EXISTING DIVERSION WAS
8 4.7 PERCENT.

9 AND SO THE FACT THAT THERE ARE MAYBE 30
10 PERCENT OF THE AGENCIES ON A DRAFT BASIS THAT ARE MAYBE
11 CLAIMING UNUSUALLY HIGH CREDITS FOR EXISTING DIVERSION OF
12 INERTS, WHAT ACTIONS YOU MAY TAKE TODAY MAY END UP
13 AFFECTING THE OTHER 70 PERCENT IN A NEGATIVE WAY, WHERE
14 THEY ARE NOT NECESSARILY INTENDING TO CLAIM HIGH LEVELS
15 OF DIVERSION, EXISTING DIVERSION.

16 IN THE CASE OF INERTS, AND I ONLY SPEAK AT
17 THIS POINT TO INERTS, I THINK THE STAFF ALSO INDICATED
18 THAT THE PROBLEM OF -- AT LEAST FROM WHAT THEY'VE SEEN
19 WITH THE NUMBERS THEY HAVE FOR HIGH LEVELS OF DIVERSION
20 OF INERTS OCCUR IN THE URBAN AREAS.

21 AND THERE ARE PROBABLY SOME VERY GOOD
22 REASONS WHY THAT IS THE CASE SINCE A LOT OF THE INERT
23 MATERIAL THAT WOULD BE CLAIMED FOR DIVERSION CREDIT AND
24 THAT HAS, IN FACT, BEEN DISPOSED -- NORMALLY DISPOSED OF
25 TO SOME EXTENT IN LANDFILLS IS CONSTRUCTION WASTE.



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1 DEMOLITION DEBRIS, THOSE THINGS THAT ARE MORE DIRECTLY
2 RELATED TO ECONOMIC STRENGTH OR ECONOMIC ACTIVITIES OF A
3 COMMUNITY.

4 WE BELIEVE THAT THE INERT MATERIAL CAN BE
5 DEALT WITH IN A WAY OTHER THAN BEING DISPOSED OF IN A
6 PERMITTED FACILITY. AND THAT IN READING THE ENTIRETY OF
7 THE STATUTE, THE PROVIDING OF PERMITTED DISPOSAL CAPACITY
8 IS IN OUR OPINION OF EQUAL IMPORTANCE TO THE ESTABLISHING
9 OF DIVERSION PROGRAMS.

10 SO TO THE EXTENT THAT DIVERSION CREDIT
11 PROVIDES AN INCENTIVE FOR PRESERVING THAT CAPACITY, WE
12 BELIEVE THAT'S IMPORTANT.

13 IN TERMS OF THE ACTIONS THAT ARE BEING
14 RECOMMENDED TO YOU OR MAY BE RECOMMENDED TO YOU TODAY, WE
15 BELIEVE THAT THOSE ACTIONS SHOULD NOT BE LINKED TO THE
16 NECESSITY OR THE POSSIBILITY OR THE ABILITY TO ACCOMPLISH
17 ANY SORT OF DEADLINE EXTENSIONS LEGISLATIVELY.

18 ASSEMBLYMAN SHER HAS CHOSEN FOR, I THINK,
19 LEGISLATIVE REASONS TO TRY TO LINK THE ISSUES AND DID
20 THAT LAST YEAR. BUT I DO NOT BELIEVE THAT IN THE
21 ULTIMATE ACCOMPLISHMENT OF LEGISLATION THAT THERE NEEDS
22 TO BE A LINK BETWEEN DEALING WITH THE "WHAT COUNTS" ISSUE
23 AND DEADLINE EXTENSIONS.

24 I THINK THEY ARE TWO SEPARATE ISSUES. I DO
25 BELIEVE THAT "WHAT COUNTS" ISSUE, AS IT RELATES TO



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1 PREEXISTING PROGRAMS, WILL END UP BEING LINKED TO
2 ULTIMATELY THE ISSUE OF WHAT COUNTS AND WHAT SORT OF
3 CREDIT OR WHAT SORTS OF MATERIALS MAY RECEIVE CREDIT IN
4 THE PLAN PROGRAMS. AND IT WOULD BE OUR OPINION THAT THE
5 WHOLE ISSUE NEEDS TO BE ADDRESSED WITHIN THE CONTEXT OF
6 THE OTHER DIFFICULTIES THAT EXIST IN IMPLEMENTING THE
7 LAW.

8 SO WE WOULD SUGGEST AT THIS TIME THAT THE
9 BOARD NOT TAKE ACTION AS IT RELATES TO AB 2092; THAT IF
10 THE BOARD IS SUPPORTIVE OF DEADLINE EXTENSIONS, THAT THAT
11 CERTAINLY BE THE CASE, BUT THAT THE ISSUE OF "WHAT
12 COUNTS" ON PREEXISTING PROGRAMS BE PART OF THE DISCUSSION.
13 OF THOSE OTHER BROADER ISSUES THAT ARE GOING TO BE
14 DISCUSSED BY THE PLANNING COMMITTEE. AS CHAIRMAN RELIS
15 INDICATED, IN MAY AND JUNE.

16 WE BELIEVE THAT THERE HASN'T BEEN AN
17 ASSESSMENT OF WHY CERTAIN JURISDICTIONS MAY HAVE INCLUDED
18 HIGH DIVERSION OF INERTS IN THEIR INITIAL DRAFTS. I
19 BELIEVE IT WAS CHAIRMAN FROST ASKED THE QUESTION AS TO
20 WHY SOME WOULD WANT TO DO THAT.

21 THERE MAY BE VERY GOOD REASONS AS TO WHY
22 THEY DID THAT. I THINK WHAT BECOMES MORE CRITICAL IS
23 WHETHER THOSE JURISDICTIONS THAT HAVE INDICATED HIGH
24 EXISTING DIVERSION LEVELS ARE INTENDING OR PLANNING TO DO
25 ANYTHING IN ADDITION TO THAT IN TERMS OF DEVELOPMENT OF



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1 DIVERSION PROGRAMS.

2 I BELIEVE THAT ONE OF THE THINGS THAT THE
3 BOARD DOES HAVE THE AUTHORITY TO DEAL WITH IS THAT IF THE
4 PLANS ULTIMATELY COME IN, AND THERE ARE JURISDICTIONS
5 THAT DO CLAIM HIGH EXISTING LEVELS OF DIVERSION, AND ALSO
6 DO NOT PLAN TO DO ANY OTHER ADDITIONAL DIVERSION
7 PROGRAMS, THAT THERE IS A MECHANISM FOR THE BOARD TO DEAL
8 WITH THOSE AGENCIES.

9 NOW, IF ALL AGENCIES COME IN THAT WAY,
10 OBVIOUSLY, IT WOULD BE A PROBLEM. BUT I DON'T BELIEVE
11 THAT EVEN THE STAFF'S DATA WOULD INDICATE THAT TO BE THE
12 CASE.

13 SO RATHER THAN PUTTING EVERYBODY IN THE
14 BASKET AS BAD APPLES, I THINK THERE IS A MECHANISM
15 ULTIMATELY IN PLAN REVIEW THAT THE BOARD CAN DEAL WITH
16 THOSE COMMUNITIES THAT, FOR WHATEVER REASON, WANT TO
17 CLAIM THEIR EXISTING PROGRAMS AND DO NOTHING IN ADDITION
18 IN TERMS OF DIVERSION.

19 SO MY ULTIMATE RECOMMENDATION IS THAT YOU
20 DON'T TAKE ANY ACTION TODAY WITH REGARD TO THE IMMEDIATE
21 "WHAT COUNTS" ISSUE ON PREEXISTING PROGRAMS.

22 CHAIRMAN FROST: THANK YOU. JACK, I HAVE A
23 COUPLE OF QUESTIONS.

24 FIRST OF ALL, I THINK IN TERMS OF PUTTING
25 EVERYBODY IN WITH THE BAD APPLES. I THINK WE RECOGNIZE



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1 THAT THE MAJORITY OF THE COMMUNITIES HAVE NOT BEEN AND
2 ARE NOT MISUSING THIS PROVISION OF THE LAW. AND THAT I
3 DON'T -- I THINK IF THEY HAVEN'T BEEN, THERE'S NO PENALTY
4 FOR THOSE COMMUNITIES.

5 BUT WHEN YOU LOOK AT -- SITTING FROM OUR
6 SIDE OF IT. AND YOU LOOK AT THE DATA, AND PRIOR TO 1990,
7 22 PERCENT OF THE DIVERSION WAS IN AGRICULTURAL WASTE,
8 METALS, AND INERTS. AND NOW WE LOOK AT THE SRRE'S, AND
9 70 PERCENT OF THE POPULATION IS NOW COVERED BY THESE
10 SRRE'S, AND WE SEE 53 PERCENT CLAIMED AS DIVERSION FOR
11 THOSE THREE ITEMS. THAT'S REALLY A RED FLAG AT SOMETHING
12 I DON'T THINK CAN JUST BE IGNORED. AND IT'S --

13 MR. MICHAEL: I DIDN'T SUGGEST IT BE IGNORED. I
14 BELIEVE IT NEEDS TO BE ADDRESSED IN A DIFFERENT CONTEXT
15 THAN THE ISSUE OF AB 2092. AND, FOR INSTANCE, AS I
16 INDICATED, I DON'T BELIEVE THERE'S BEEN AN EFFORT TO
17 DETERMINE WHAT THE REASON IS FOR COMMUNITIES CLAIMING
18 HIGH LEVELS OF DIVERSION THROUGH EXISTING PROGRAMS ON
19 INERTS PARTICULARLY IS WHAT I'M ADDRESSING.

20 CHAIRMAN FROST: I DON'T THINK WE NECESSARILY
21 DISAGREE THAT 2092 MAY NOT BE THE APPROPRIATE PLACE TO
22 DEAL WITH IT. IT MAY BE. THAT'S A QUESTION OF THE
23 LEGISLATORS AND THEIR STRATEGY.

24 AND SO I'M NOT SURE THAT THE BOARD WOULD
25 SAY 2092 IS THE APPROPRIATE PLACE. AND CERTAINLY THE

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1 BOARD ISN'T GOING TO SAY ANYTHING ABOUT LINKAGE WITH THE
2 QUESTION OF CHANGING DATES.

3 BUT I DO THINK THAT WE ARE OBLIGATED TO
4 RECOGNIZE WHAT IS TO US VERY OBVIOUSLY A PROBLEM AND TAKE
5 SOME SORT OF ACTION TO DEAL WITH IT.

6 BOARD MEMBER CHESBRO: WITH REGARDS TO THE
7 QUESTION OF LINKAGE BETWEEN THE DATE EXTENSIONS AND THIS
8 ISSUE, I BELIEVE I'M CORRECT THAT OUR BOARD ENDORSED 2092
9 LAST YEAR PRIOR TO ALL THIS STUFF HAPPENING SPECIFICALLY
10 BECAUSE OF THE NEED FOR DATE EXTENSIONS. AND I BELIEVE
11 THAT POLICY STANDS. I THINK IT IS THIS BOARD'S POSITION
12 THAT THE DATES SHOULD BE EXTENDED BY THE LEGISLATURE.

13 AND FROM MY POINT OF VIEW, THAT'S AN
14 INDEPENDENT ISSUE FROM THE OTHER ONES. IT'S A POLITICAL
15 ISSUE WHETHER THE LEGISLATURE CHOOSES TO TIE THEM
16 TOGETHER, WHICH I THINK IT WOULD BE WISE FOR US TO STAY
17 AWAY FROM, AND RATHER ADDRESS THE POLICY AND SUBSTANCE
18 QUESTIONS INVOLVED.

19 AND I KNOW YOU ALREADY SAID THAT, I GUESS
20 YOU CALLED THAT A STRATEGY QUESTION, BUT IT'S THE SAME
21 THING.

22 I THINK WE BEST FOCUS IN ON THE
23 PROGRAMMATIC AND POLICY EFFECTS, AND I THINK -- I HOPE
24 THE BOARD WILL CONTINUE TO, IN PRINCIPLE, CONTINUE TO
25 SUPPORT EXTENSIONS WHEREVER THEY'RE PROPOSED



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1 LEGISLATIVELY.

2 CHAIRMAN FROST: OKAY. ANY OTHER QUESTIONS,
3 COMMENTS? OKAY. THANK YOU. THANK YOU, JACK.

4 NOW, I HAVE ONE MORE REQUEST. DENISE
5 DELMATIER.

6 MS. DELMATIER: MR. CHAIRMAN AND MEMBERS OF THE
7 BOARD, DENISE DELMATIER FROM GUALCO GROUP ON BEHALF OF
8 NORCAL WASTE SYSTEMS.

9 OBVIOUSLY, THERE ARE OTHER LEGISLATIVE
10 PROPOSALS OUT THERE THAT WILL BE ADDRESSED IN A DIFFERENT
11 FORM ON ANOTHER DAY. BUT IF THE BOARD DECIDES TO TAKE
12 ACTION ON THIS ITEM TODAY, THERE'S JUST ONE -- OR TWO
13 ITEMS I'D LIKE TO BRING TO THE ATTENTION OF THE BOARD.

14 NORCAL, IN EFFECT, SUPPORTS THE COMPROMISE
15 IN OPTION NO. 3, IF THE ACTION IS TAKEN TODAY.

16 THE ONE QUESTION THAT WE HAVE, HOWEVER, IS
17 ON CRITERIA NO. 2, THE LANGUAGE THAT STATES A DATE OF
18 JANUARY 1, '86, AS A BREAKOFF POINT BY WHICH THOSE 1820
19 WASTES WOULD BE ALLOWED TO BE CREDITED UNDER THE
20 DIVERSION GOALS. AND SO THE QUESTION IS WHY THAT DATE
21 AND IS IT APPROPRIATE?

22 WE WOULD RECOMMEND THAT THAT JANUARY 1,
23 '86, DATE BE DELETED. WE HAVEN'T HEARD THAT IN
24 DISCUSSIONS BEFORE.

25 I THINK THE LEAGUE HAS TESTIFIED PREVIOUSLY

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1 ON THAT SAME ISSUE AND HAS RECOMMENDED THAT INSTEAD OF
2 HAVING THAT DAY JUST DEMONSTRATE THAT BEFORE JANUARY 1,
3 1990. SO WE WOULD CONCUR WITH THE LEAGUE IN THEIR
4 POSITION ON RECOMMENDING THAT THAT DATE BE STRICKEN.

5 AND THEN, SECONDLY, WE CONCUR WITH THE
6 SECOND PART OF THAT CRITERIA AND ADDRESSING ISRI CONCERNS
7 THAT THE AMOUNT OF 1820 WASTES ALLOWED TO BE CREDITED
8 MUST BE DEMONSTRATED BY THE LOCAL AGENCY TO BE IN A
9 QUANTITY REASONABLY CORRESPONDING WITH THE CLAIMED
10 DIVERSION AND THE CLAIMED DISPOSAL. SO THAT THOSE TWO
11 LINKAGES HAVE TO BE MADE AND DEMONSTRATED BY THE LOCAL
12 AGENCY IN ORDER TO RECEIVE CREDIT, SO IT HAS TO BE
13 DEMONSTRATED THAT IT HAS BEEN DISPOSED AND THEN DIVERTED
14 SUBSEQUENTLY.

15 CHAIRMAN FROST: THANK YOU.

16 NOW, I'D LIKE TO CALL ON THE CHAIRMAN OF
17 THE COMMITTEE THAT HEARD THIS ITEM, BOARD MEMBER RELIS.

18 BOARD MEMBER RELIS: THANK YOU, MR. CHAIRMAN.

19 AS WE ALL KNOW, THIS ISSUE HAS BEEN BEFORE
20 THE PLANNING COMMITTEE FOR OVER FOUR MONTHS NOW. AND
21 WE'RE NOW PREPARED AND HAVE ACTED ON THIS BY RECOMMENDING
22 THAT OPTION 3, BASICALLY, BE ADOPTED.

23 BUT BEFORE MOVING A SPECIFIC MOTION, I HAVE
24 A FEW THINGS THAT I WOULD LIKE TO COVER BY WAY OF
25 BACKGROUND THAT I THINK CREATES THE CAUSE/EFFECT SEQUENCE

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1 HERE FOR OUR ACTION.

2 IN DECEMBER OF 1991, THE BOARD ADOPTED A
3 POLICY IN WHICH IT STATED THAT THE INTENT OF THE
4 CALIFORNIA INTEGRATED WASTE MANAGEMENT ACT WAS TO CREATE
5 AND ENCOURAGE NEW AVENUES FOR DIVERSION OF WASTE FROM
6 DISPOSAL FACILITIES.

7 SINCE THAT TIME THE BOARD HAS HAD THE
8 OPPORTUNITY TO REVIEW THIS STATEWIDE DATA. THIS IS
9 DIFFERENT THAN WHERE WE WERE PREVIOUSLY. AND PRIOR TO
10 HAVING THAT INFORMATION, IT WAS MORE DIFFICULT TO
11 DETERMINE JUST WHAT KIND OF PROBLEM THESE 1820 WASTES
12 PRESENTED IN OUR DELIBERATIONS.

13 WE NOW HAVE THAT DATA. AND WE HAVE FOUND
14 THAT EXISTING DIVERSION OF INERTS, AGRICULTURAL WASTES,
15 SCRAP METALS, AND WHITE-COATED METAL APPLIANCES, IN OUR
16 OPINION, COULD INHIBIT THE IMPLEMENTATION OF THE NEW
17 DIVERSION AS MANDATED BY THE ACT AND IMPLICIT IN OUR
18 POLICY STATEMENT OF DECEMBER.

19 FURTHERMORE, AND I THINK THIS IS CONSISTENT
20 WITH OUR CONCERNS ABOUT THIS THAT PRECEDED THE DATA BASE,
21 THAT IN THE REVIEW OF SRRE'S, THE SRRE, THERE'S BEEN A, I
22 BELIEVE, A CONSISTENT POLICY OF OURS TO INDICATE, WHERE
23 HIGH CLAIMS OF DIVERSION OF 1820 WASTES WERE BEING MADE,
24 THAT THIS WAS SUBJECT TO FURTHER CLARIFICATION OF
25 POTENTIALLY BOTH THE REGULATORY AND STATUTORY LEVEL; AND,



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1 THEREFORE, COMMUNITIES HAVE BEEN FOREWARNED THAT THIS
2 ISSUE WAS UNSETTLED.

3 AND I WANT TO UNDERScore THAT POINT BECAUSE
4 IT'S OFTEN MISSED IN OUR DELIBERATIONS THAT NOTHING HAS
5 EVER BEEN SAID ABOUT THIS ISSUE. AND IT'S A NEW ONE
6 THAT'S COME UP IN THE REVIEW OF SRRE'S.

7 NOW, WITH THAT IN MIND, AND THIS AS A
8 PREFACE, I WOULD LIKE TO MOVE THE MOTION BEFORE THE FULL
9 BOARD. AND I WOULD LIKE TO READ THIS MOTION IN ITS
10 ENTIRETY. IT'S A LITTLE LONG, BUT I THINK THE ISSUE
11 MERITS, IN THIS CASE, A LENGTHY MOTION.

12 THE BOARD FINDS THAT IT MAY BE NECESSARY TO
13 EXCLUDE THE DIVERSION OF THESE SPECIFIED WASTES FROM
14 COUNTING TOWARDS THE BASE AMOUNT OF THE SOLID WASTE FROM
15 WHICH SOURCE REDUCTION, RECYCLING, AND COMPOSTING LEVELS
16 ARE TO BE CALCULATED.

17 THESE WASTES, PER PUBLIC RESOURCES CODE, I
18 BELIEVE -- AND CHECK ME IF I'M RIGHT, BOB -- IS THAT
19 41781?

20 ATTORNEY CONHEIM: YES.

21 BOARD MEMBER RELIS: THANK YOU.

22 -- AGRICULTURAL WASTE, INERT SOLIDS, SCRAP
23 METALS, AND WHITE-COATED MAJOR APPLIANCES SHOULD BE
24 EXCLUDED FROM COUNTING UNLESS THESE WASTES WERE DISPOSED
25 OF AT A PERMITTED DISPOSAL FACILITY AS OF JANUARY 1,



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1 1990, AND SUBSEQUENTLY DIVERTED FROM LAND DISPOSAL AND
2 RECYCLED OR REUSED.

3 THE BOARD SHALL PURSUE REVISIONS OR
4 ADDITIONS TO BOARD REGULATIONS TO SPECIFY THE PROCEDURES
5 WHICH WILL BE FOLLOWED BY THE BOARD IN REVIEWING AND
6 APPROVING COUNTYWIDE INTEGRATED WASTE MANAGEMENT PLANS
7 AND SOURCE REDUCTION AND RECYCLING ELEMENTS WITH REGARD
8 TO RESTRICTING DIVERSION OF THE SPECIFIED WASTES FROM
9 COUNTING TOWARDS THE AB 939 DIVERSION REQUIREMENTS.

10 THESE REVISIONS WILL REFERENCE THE STAFF
11 ANALYSIS ENTITLED -- AND IT'S IN YOUR -- IN THE BOARD
12 PACKET -- OPTIONS FOR AMENDING CURRENT LAW TO FURTHER
13 ADDRESS PRE-1990 DIVERSION OF SPECIFIC WASTE TYPES DATED
14 MARCH 25, 1992, WITH SPECIFIC REFERENCE TO OPTION 3 AS
15 ADOPTED BY THE CALIFORNIA INTEGRATED WASTE MANAGEMENT
16 PLANNING COMMITTEE ON MARCH 12, 1992.

17 NOW, JUST TO CLARIFY THAT, OPTION 3
18 EXCLUDES THE PRE-1990 DIVERSION OF INERTS, AG WASTES,
19 SCRAP, AND WHITE-COATED APPLIANCES, AND SCRAP METALS AND
20 WHITE-COATED APPLIANCES FROM COUNTING TOWARDS THE BASE
21 FROM WHICH DIVERSION PROGRESS WILL BE MEASURED UNLESS
22 THREE CRITERIA ARE MET.

23 THE THREE CRITERIA ARE, ONE, THAT THE WASTE
24 WAS DIVERTED AS A RESULT OF A JURISDICTION'S PROGRAM
25 TARGETING THAT WASTE.



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1 TWO, THAT THE JURISDICTION DEMONSTRATES
2 THAT, PRIOR TO JANUARY OF 1990, THE WASTES WERE DISPOSED
3 OF IN QUANTITIES REASONABLY CORRESPONDING WITH THE
4 CLAIMED DIVERSION.

5 AND, THREE, THE JURISDICTION IS AND WILL
6 IMPLEMENT ALL FEASIBLE SOURCE REDUCTION, RECYCLING, AND
7 COMPOSTING PROGRAMS.

8 THE BOARD IS ALSO WILLING TO SUPPORT
9 LEGISLATION CONSISTENT WITH THE POLICY EMBODIED IN THIS
10 MOTION.

11 AND THAT CONSTITUTES THE FULL MOTION.

12 BOARD MEMBER NEAL: SECOND.

13 CHAIRMAN FROST: OKAY. MOVED AND SECONDED.

14 DISCUSSION, MR. CHESBRO.

15 BOARD MEMBER CHESBRO: YEAH, I HAVE A COUPLE OF
16 CONCERNS I WANT TO GET ON THE RECORD. I DON'T THINK IT'S
17 APPROPRIATE NECESSARILY THAT THEY BE IN THE MOTION, BUT I
18 WANT TO GET THEM CLARIFIED VERY EARLY ON SO THERE'S NO
19 MISUNDERSTANDING ABOUT THEM.

20 IF THE STAFF OR ANYBODY ELSE HAS ANY
21 QUESTION ABOUT WHETHER MY PRESUMPTIONS ABOUT THESE ARE
22 CORRECT, I'D LIKE TO KNOW NOW.

23 GETTING BACK TO THE LAW ABOUT UNINTENDED
24 CONSEQUENCES, WHICH WE TRIED STUDIOUSLY TO AVOID, ONE OF
25 THEM IS THE QUESTION OF WHETHER THIS NECESSARILY MEANS A



1 SEPARATE APPEALS PROCESS FOR DETERMINING THIS, OR COULD
2 IT BE AS PART OF THE SRRE ADOPTION PROCESS IN ORDER TO
3 BOTH, FROM OUR STANDPOINT OF ADDITIONAL APPEALS WORKLOAD
4 AND FROM LOCAL GOVERNMENT STANDPOINT OF HAVING PERHAPS TO
5 DEAL WITH A WHOLE SEPARATE PROCESS OF APPROACHING THE
6 BOARD, IS THAT -- IS THERE ANY INTENT TO OR ANY CONCEPT
7 IN ALTERNATIVE 3 THAT WOULD PRECLUDE US FROM COMBINING
8 THE TWO?

9 MS. FETTIG: FROM THE WAY THAT THE OPTION WAS
10 DRAFTED AND SUBSEQUENT LOOKING AT HOW IT MIGHT WORK, IT
11 COULD BE IMPLEMENTED HOWEVER THE BOARD WISHED, EITHER AS
12 A SEPARATE PROCESS OR AS PART OF THE EXISTING PLAN REVIEW
13 AND APPROVAL PROCESS.

14 I THINK FROM THE INPUT THAT WE'VE HAD FROM
15 LOCAL GOVERNMENT, THERE IS A STRONG SENTIMENT THAT ANY
16 REVISIONS TO THE REGULATIONS AT THIS POINT UTILIZE THE
17 EXISTING PROCESS RATHER THAN CREATE A NEW ONE. AND I
18 THINK THAT IT COULD BE INCORPORATED INTO THE CURRENT
19 DEADLINES FOR SUBMITTAL OF PLANS AND THEN REVIEW OF
20 SUBSEQUENT DATA AND TO USE THE EXISTING DEFICIENCY
21 PROCESS THAT'S ALREADY IN THE LAW FOR REVISING ELEMENTS
22 WHERE THEY NEED TO BE REVISED TO ACCOUNT FOR ANY WASTE
23 THAT MIGHT HAVE BEEN EXCLUDED BECAUSE OF A CHANGE IN
24 REGULATION.

25 BOARD MEMBER CHESBRO: OKAY. THAT WAS A



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1 PROCEDURAL PROBLEM THAT I HOPE WE WILL FOCUS ON IS HOW TO
2 SIMPLIFY, BOTH FOR OUR OWN PURPOSES, BUT MORE IMPORTANTLY
3 FOR LOCAL GOVERNMENT PURPOSES. THE NUMBER OF HOOPS THAT
4 THEY HAVE TO GO THROUGH TO ACCOMPLISH THIS IF THEY HAVE
5 LEGITIMATE ABILITY TO CLAIM -- LAY CLAIM TO THIS.

6 ATTORNEY CONHEIM: THIS QUESTION BEGS SEVERAL
7 OTHERS, AND I WOULD LIKE TO ASK YOU IF, BY YOUR MOTION
8 WHICH UNDERWENT MANY ITERATIONS, IF YOU WILL, BY MAKING
9 THIS DECISION, ACCEPT THE REALITY THAT, IN DRAFTING THE
10 REGULATIONS, THERE WILL ALSO BE QUITE A FEW ITERATIONS OF
11 THE REGULATIONS.

12 AND WE WILL SEE AS WE DRAFT THE FLOW
13 PROBLEMS, SCAN PROBLEMS WITH THE REGULATIONS, SO THAT
14 WE'LL BE ABLE TO ADDRESS THE PROBLEM THAT MR. CHESBRO
15 RAISES.

16 AND I ALSO, IN LISTENING TO YOU, PAUL, SEE
17 A POTENTIAL OTHER PROBLEM. I'M SURE YOU DON'T MEAN TO
18 EXCLUDE OUR ESTABLISHING A SET OF SUBSTANTIVE STANDARDS
19 FOR CONTENT OF PLANS AS OPPOSED TO JUST PROCESS FOR THE
20 REVIEW OF PLANS.

21 I DON'T THINK YOU MEAN THAT. AND I JUST
22 WANT TO MAKE SURE THAT ON THE -- THAT AS WE GO TO THIS
23 TASK, WE PUT THESE CRITERIA IN THE RIGHT PLACE IN THE
24 REGULATIONS AND AREN'T BOUND BY THE STATEMENT, THE
25 PROCESS STATEMENT THAT YOU MADE IN THE MOTION TO ONLY PUT



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1 THEM IN THE SECTION THAT RELATES TO REVIEW OF PLANS.

2 I'M NOT QUITE SURE WHERE THEY BELONG RIGHT
3 NOW WITHOUT AN EXTENSIVE AND EXHAUSTIVE REVIEW. WE WANT
4 TO ACCOMPLISH YOUR POLICY DIRECTION. SO THAT QUESTION
5 JUST CAME UP.

6 BOARD MEMBER RELIS: FULLY CONSISTENT.

7 BOARD MEMBER CHESBRO: WELL, PERHAPS I STATED
8 THIS CONCERN WRONG. I DON'T THINK WE CAN RESOLVE IT
9 HERE. I WANT IT ON THE TABLE SO THAT WE WERE
10 CONTEMPLATING IT IN ADVANCE.

11 THE REGULATORY PROCESS, OBVIOUSLY, IS GOING
12 TO HAVE TO WORK OUT THE DETAILS, BUT I HOPE THAT IN ALL
13 OF OUR MINDS, THE STAFF'S AND THE BOARD'S MINDS, THAT WE
14 ARE HOLDING FORTH THE IDEA OF TRYING TO MINIMIZE THE
15 AMOUNT OF EXTRA COMPLEXITY OF THE BUREAUCRATIC MAZE FOR
16 OUR PURPOSES -- I HOPE WE DON'T HAVE ANY PURPOSES, BUT
17 I'LL LEAVE IT AT THAT.

18 BOARD MEMBER EGIGIAN: MR. CHAIRMAN.

19 BOARD MEMBER CHESBRO: I DO HAVE A SECOND POINT.

20 AND THAT WAS I'D LIKE TO BE REASSURED THAT
21 IN THE CASE OF LOCAL GOVERNMENTS, WHERE GOVERNMENTAL
22 ENTITIES OTHER THAN CITIES AND COUNTIES ARE IN CHARGE OF
23 WASTE DISPOSAL AND DIVERSION PROGRAMS, SUCH AS -- AND
24 WE'VE GOTTEN A NUMBER OF CORRESPONDENCES FROM MONTEREY
25 COUNTY, SUCH AS THE MONTEREY WASTE MANAGEMENT DISTRICT, I



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1 BELIEVE VENTURA HAS DISTRICTS, L. A. COUNTY HAS
2 DISTRICTS, THAT IF THE CRITERIA IS OTHERWISE MET, THAT --
3 THAT IS -- THAT WOULD NOT PRECLUDE -- THAT THAT WOULD BE
4 INCLUSIVE OR BE INCLUDED IN THE QUESTION OF LOCAL
5 GOVERNMENT ACTION.

6 THAT, YOU KNOW, AN ENTITY THAT WAS NOT
7 NECESSARILY THE CITY OR THE COUNTY, BUT WAS A
8 GOVERNMENTAL ENTITY THAT HAS BEEN DELEGATED THIS
9 AUTHORITY, HAD TAKEN GOVERNMENTAL ACTION TO IMPLEMENT THE
10 PROGRAM, THAT THAT WOULD NOT BE EXCLUDED FROM THE --

11 BOARD MEMBER RELIS: WOULDN'T THAT BE PART OF
12 OUR CRAFTING OF THE LANGUAGE HERE? AND THEN YOU'RE
13 RAISING THAT THAT'S A CONCERN THAT SHOULD BE FACTORED IN
14 THE --

15 ATTORNEY CONHEIM: WELL, I THINK NOTHING IN
16 THESE REGULATIONS -- IN ANY OF THE REGULATIONS ADOPTED
17 WOULD PREVENT THE DESIGN AND IMPLEMENTATION OF THE
18 PROGRAMS BY SPECIAL DISTRICTS, JOINT POWERS AUTHORITIES.
19 THE STATUTE EVEN REFERENCES THAT.

20 HOWEVER, JUST A POINT FOR THE RECORD IS
21 THAT THE LAW STILL WILL REQUIRE THAT COUNTY INTEGRATED
22 WASTE MANAGEMENT PLANS BE SUBMITTED BY COUNTIES, THAT
23 CITIES AND COUNTIES BEAR THE STATUTORY RESPONSIBILITY FOR
24 THAT PRODUCT AND THE ULTIMATE IMPLEMENTATION, BUT THAT'S
25 ALWAYS BEEN THE CASE. AND NOTHING IN WHAT YOU HAVE



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1 PROPOSED WOULD DISENFRANCHISE OR DISEMPOWER A SPECIAL
2 AUTHORITY OR A SERVICE PROVIDER.

3 BOARD MEMBER CHESBRO: AGAIN, I WANTED THAT ON
4 THE TABLE WITH SOME SORT OF CONSCIOUSNESS ON THE BOARD'S
5 PART THAT WE NOT INADVERTENTLY EXCLUDE THOSE SITUATIONS
6 WHERE OTHER GOVERNMENTAL ENTITIES ARE INVOLVED IN THE
7 CITIES OR COUNTIES.

8 BOARD MEMBER RELIS: I THINK THAT'S WHY WE TRIED
9 TO KEEP THE LANGUAGE SUFFICIENTLY BROAD THAT IT WOULD
10 LEAVE US THE ROOM TO NOT GET BOXED.

11 BOARD MEMBER CHESBRO: WITH REGARDS TO THE
12 MOTION, LET ME SAY THAT WHEN THIS ISSUE WAS FIRST RAISED
13 BY A MEMBER OF THE LEGISLATURE AND SOMEBODY FROM THE
14 ENVIRONMENTAL COMMUNITY BASED ON ANECDOTAL EVIDENCE, I
15 HAD SERIOUS DOUBTS ABOUT WHETHER IT WAS A SIGNIFICANT OR
16 LEGITIMATE CONCERN.

17 AND -- BUT IN RESPONSE TO THE FACT THAT IT
18 HAD BEEN RAISED AS AN ISSUE THAT WE COULDN'T IGNORE, WE
19 WENT AND DID A SIGNIFICANT AMOUNT OF STAFF WORK UNDER THE
20 GUIDANCE OF THE COMMITTEE. AND, FRANKLY, THE FACTS SPEAK
21 FOR THEMSELVES.

22 AND IT WAS NOT AN EASY CONCLUSION FOR ME TO
23 REACH GIVEN ALL THE PROBLEMS THAT LOCAL GOVERNMENTS HAVE
24 TOLD US THEY HAVE WITH IMPLEMENTING DIVERSION PROGRAMS,
25 THAT WE NEEDED SOME CHANGE SUCH AS THIS. BUT I DO THINK



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1 THAT THE FACTS REQUIRE US TO TAKE THIS ACTION. AND SO I
2 WILL BE VOTING IN FAVOR OF THE MOTION.

3 CHAIRMAN FROST: MR. EGIGIAN AND MS. NEAL.

4 BOARD MEMBER EGIGIAN: MR. CHAIRMAN, AT OUR
5 COMMITTEE MEETING, WHEN THE OPTION 3 WAS VOTED ON, AND
6 THE OPTION THAT WAS PRESENTED TO US IN THE MOTION ARE NOT
7 BOTH THE SAME, THEY'RE COMPLETELY DIFFERENT, AND I DON'T
8 KNOW WHETHER OR NOT I UNDERSTAND THE NEW MOTION.

9 THESE HASTILY DRAWN UP MOTIONS THAT COME
10 FORWARD JUST A FEW MINUTES BEFORE WE VOTE ON IT, I WISH
11 THAT WE COULD AVOID.

12 MY FEELING HAS NOT CHANGED. MY PARTICULAR
13 FEELINGS AT THE TIME THAT THEY VOTED ON THIS IN COMMITTEE
14 WAS THAT WE -- I PREFERRED OPTION 5 WITH NO CHANGE AT ALL
15 IN THE MIDDLE OF THE STREAM WITH THE UNDERSTANDING THAT
16 THOSE LOCALITIES THAT WERE ABUSING THIS SITUATION AS FAR
17 AS THE HIGH NUMBERS THAT THEY WERE PUTTING ON IN THE
18 PLANS AS TO WHAT THEY WERE DIVERTING, WE COULD DEAL WITH
19 THOSE PEOPLE INDIVIDUALLY AND INDEPENDENTLY.

20 THERE'S ONE THING I'D LIKE TO ASK OUR
21 ATTORNEY. HE'S TALKED ABOUT WHERE WE STAND AND -- AND
22 THE AREAS WHERE WE CAN CHANGE AND REGULATE.

23 IN DEALING WITH ATTORNEYS, THEY USUALLY
24 GIVE YOU, WELL, IF WE DO THIS, WE'LL WIN \$10 MILLION, BUT
25 IF WE LOSE, WE'RE GOING TO LOSE MAYBE \$20 MILLION. THEY



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1 GIVE YOU THE UPSIDE AND THE DOWNSIDE.

2 WHAT'S THE DOWNSIDE ON THIS? WHAT COULD BE
3 OUR PROBLEMS?

4 ATTORNEY CONHEIM: AS IN ANY --

5 BOARD MEMBER EGIGIAN: I MEAN -- I'M TALKING IF
6 SOMEBODY TAKES US TO TASK AND WE GO TO COURT. HOW DO WE
7 FIGHT THIS?

8 ATTORNEY CONHEIM: WELL, THE PROCESS FOR
9 ADOPTING REGULATIONS HAS AS ITS LYNCH PIN THE APPROVAL,
10 REQUIRED APPROVAL BY THE OFFICE OF ADMINISTRATIVE LAW.
11 AND FOR A VARIETY OF REASONS, INCLUDING EX PARTE
12 COMMUNICATION BY MEMBERS OF THE PUBLIC TO OAL, THAT WE
13 NEVER BECOME AWARE OF, OAL COULD MAKE A DECISION BASED ON
14 THE RIGHT OR THE WRONG REASONS TO DISAPPROVE A REGULATORY
15 UNDERTAKING BY ANY GOVERNMENT AGENCY.

16 AFTER THAT, THERE ARE APPEALS PROCESSES.
17 IF THE BOARD SO CHOSE, IT COULD APPEAL TO THE GOVERNOR
18 AND JUSTIFY WHY THE PROCEEDING WAS CORRECT.

19 SO THE DOWNSIDE IS A VERY SIMPLE ONE. IT'S
20 THE ONE WE FACE IN EVERY REGULATORY UNDERTAKING. YOU
21 MIGHT GET DISAPPROVED. BUT THAT DOESN'T ERODE OUR
22 AUTHORITY TO IMPLEMENT YOUR DIRECTION IN THIS MANNER.

23 BOARD MEMBER EGIGIAN: THANK YOU.

24 BOARD MEMBER NEAL: I WILL YIELD TO MY
25 COLLEAGUE, MR. HUFF.



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1 BOARD MEMBER HUFF: SAM. I THINK THAT YOU AND I
2 SHARE A POINT OF VIEW WITH REGARD TO CHANGING THE RULES
3 MIDSTREAM. I THINK I WOULD ANSWER YOU BY SAYING THAT THE
4 RULES GOT ABUSED MIDSTREAM, AND WE HAVE PINPOINTED THE
5 SOURCE OF THE ABUSE. AND RATHER THAN LET IT CONTINUE,
6 IT'S OUR RESPONSIBILITY TO FIX WHAT'S BROKEN. AND I
7 THINK SOMETHING IS BROKEN HERE.

8 I WOULD NOT LIKE -- I WOULD LIKE TO HAVE
9 ALL OF OUR RULES PERFECT WHEN WE START, BUT I DON'T THINK
10 THAT THIS ONE WAS, AND I DIDN'T REALIZE IT PERSONALLY
11 TILL I SAW THE DATA.

12 WHEN I SAW THE DATA, WHEN I SAW THE 21
13 PERCENT WEIGHTED AVERAGE, AND REALIZED THAT THE
14 LEGISLATURE IN ITS OWN INDIVIDUAL AND COLLECTIVE MIND,
15 THAT'S A CONCEPT, THOUGHT THAT WE WERE SOMEWHERE BETWEEN
16 10 AND 12 PERCENT -- AND I'VE HAD A LOT OF PEOPLE TELL ME
17 THAT -- I VERY QUICKLY CAME TO THE CONCLUSION THAT, IF
18 WE PURSUED THIS COURSE, WE WERE NOT PURSUING WHAT THE
19 INTENT OF THE LAW WAS. IF WE STUCK WITH RULES THAT WE
20 HAD LAID DOWN OR ACTUALLY OUR PREDECESSOR BOARD HAD LAID
21 DOWN, BECAUSE THESE REGULATIONS THAT WE'RE TALKING ABOUT
22 WERE NOT ADOPTED BY THIS BOARD, BUT BY THE BOARD
23 PREDECESSOR TO THIS ONE, AND IF WE STUCK WITH THEM, THAT
24 WE WOULD BE STICKING WITH SOMETHING THAT WAS NOT THE
25 INTENT OF THE LEGISLATURE. NOT THE INTENT OF THE LAW, AND



1 SOMETHING THAT WAS, IN FACT, BROKEN.

2 THAT'S WHY I CAN RATIONALIZE CHANGING RULES
3 AFTER WE'VE ALREADY ESTABLISHED WHAT THE ORIGINAL RULES
4 WERE.

5 CHAIRMAN FROST: OR CLOSING LOOPHOLES.

6 BOARD MEMBER HUFF: OR CLOSING LOOPHOLES. I'M
7 ALL FOR CLOSING LOOPHOLES.

8 CHAIRMAN FROST: MS. NEAL.

9 BOARD MEMBER NEAL: YEAH. ONE THING THAT I
10 THINK WE'RE CONSTANTLY REMINDED OF, AS WELL AS MINDFUL
11 OF, IS SOME OF THE DEADLINE DATES THAT WE'RE FACING AND
12 THE TIME CRUNCH UNDER WHICH EVERYONE IS OPERATING
13 CURRENTLY.

14 AND I'M JUST WONDERING WHAT THE LIKELIHOOD
15 OF, IF, IN FACT, THIS MOTION PASSES, PURSUING THE
16 REGULATIONS AS EMERGENCY REGULATIONS, WHICH I THINK WILL
17 HAVE SOME IMPACT ON THE TIME IN WHICH THEY'RE OUT THERE.

18 ATTORNEY CONHEIM: MS. NEAL, I THINK WE CAN
19 EXPLORE THAT, AND IT WOULD SAVE ABOUT 70 DAYS, BUT THAT'S
20 ALL IT WOULD SAVE. BUT WE CAN EXPLORE THAT.

21 YEAH. OKAY. WE CAN EXPLORE THAT. THERE
22 ARE SOME SEVERE LIMITATIONS ON WHAT YOU CAN CALL AN
23 EMERGENCY. AND WE WILL EXPLORE THEM AND SEE IF WE CAN --

24 BOARD MEMBER NEAL: BECAUSE THERE ARE SOME LOCAL
25 JURISDICTIONS WHO MAY HAVE TO WAIT TO SEE WHAT THE



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1 OUTCOME OF THAT REGULATORY ACTIVITY IS, AND THAT MAY PUT
2 THEM A LITTLE FURTHER BEHIND IN THEIR PLANNING PROCESS.

3 I THINK WE NEED TO PURSUE THAT VIGOROUSLY.

4 ATTORNEY CONHEIM: IF THAT'S THE INTENT OF THE
5 BOARD, WE WILL EXPLORE THAT. AND ABSENT SOME HUGE RED
6 FLAG, THAT'S THE WAY WE'LL PROCEED.

7 BOARD MEMBER CHESBRO: MR. CHAIRMAN, I WOULD
8 LIKE TO STRONGLY SUPPORT THAT BECAUSE THE BIGGEST PROBLEM
9 I SEE WITH THIS ENTIRE DEBATE, AND ONE OF THE REASONS
10 MAYBE I WAS INTO A LITTLE DENIAL LAST FALL ABOUT WHETHER
11 THIS WAS A PROBLEM OR NOT, WAS THAT I'M EXTREMELY
12 CONCERNED ABOUT THE DISTRACTION OF THE REGULATORY PROCESS.
13 RATHER THAN TO FOCUS ON PROGRAMS, GETTING PROGRAMS
14 STARTED.

15 AND THE SOONER WE CAN GET REGULATORY
16 CERTAINTY, THE SOONER LOCAL GOVERNMENTS WILL BE ABLE TO
17 FOCUS ON A PROGRAM IMPLEMENTATION. AND THAT'S -- THAT
18 AND MARKET DEVELOPMENT ARE THE TWO KEYS TO THE SUCCESS OF
19 THIS PROGRAM, NOT OUR REGULATORY PROCESS.

20 CHAIRMAN FROST: I THINK OUR COUNSEL HAS THAT
21 DIRECTION FROM THE BOARD.

22 ATTORNEY CONHEIM: AND THAT'S PART -- WILL BE
23 PART OF YOUR DECISION. I'M OPTIMISTIC. I JUST -- JUST
24 AS THE GUY THAT'S PAID TO WORRY AROUND HERE, I NEEDED TO
25 TELL YOU THAT THERE'S SOME LIMITATIONS.



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1 CHAIRMAN FROST: THANK YOU.

2 ANY FURTHER DISCUSSION?

3 BOARD MEMBER CHESBRO: ONE LAST PIECE I WOULD
4 ADD IS TO REMIND THE BOARD THAT WE DID GET A LETTER FROM
5 THE LEAGUE OF CALIFORNIA CITIES.

6 WHILE IT WAS NOT ENTHUSIASTIC IN
7 ENDORSEMENT, IT DID REFLECT THAT THEY HAVE A TASK FORCE
8 WHICH HAS MET, MADE UP OF LOCAL ELECTED OFFICIALS, AND
9 GONE OVER THIS ISSUE. THEIR BOARD OF DIRECTORS REVIEWED
10 IT. AND THAT THE LETTER INDICATES THAT OPTION 3 IS
11 WITHIN THE PARAMETERS THAT THE BOARD OF DIRECTORS OF THE
12 LEAGUE OF CALIFORNIA CITIES HAD DETERMINED WERE
13 ACCEPTABLE IN THE NEGOTIATING PROCESS OVER THIS ISSUE.

14 SO THAT'S A LONG WAYS FOR THEM TO HAVE
15 COME. I THINK IT'S A SIMILAR TRIP THAT I'VE HAD TO TAKE
16 ON THIS ISSUE, AND IT REFLECTS THE FACT THAT THEY SAW THE
17 DATA AND SAW SIMILAR FACTS THAT WERE DIFFICULT TO DENY IN
18 TERMS OF PROBLEMS WITH IMPLEMENTING THE LAW.

19 BOARD MEMBER RELIS: ONE SHORT COMMENT BEFORE WE
20 VOTE ON THIS MATTER.

21 I JUST WANT TO TAKE A MOMENT, AGAIN, AND
22 THANK THE STAFF FOR MAKING IT POSSIBLE FOR US TO MORE
23 RATIONALLY REVIEW THIS WHOLE ISSUE AND UNPACK IT AND SEE
24 SPECIFICALLY WHERE THE PROBLEMS WERE AND GIVE US A
25 FRAMEWORK FOR TAKING -- DEVELOPING THE OPTION THAT WE



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1 HAVE BEFORE US AND THE BACKGROUND FOR IT.

2 I THINK IT'S HELPED THIS WHOLE BOARD A
3 GREAT DEAL CLARIFY ITS MISSION AS A REGULATORY BOARD.

4 THANK YOU.

5 CHAIRMAN FROST: I THINK A LOT OF CREDIT IS DUE
6 TO YOU, MR. RELIS, BECAUSE YOU ARE THE ONE WHO PURSUED
7 THE DEVELOPMENT OF THIS DATA AND RECOGNIZED THAT IT WAS A
8 VERY GREAT SHORTCOMING THAT THE DATA WASN'T AVAILABLE TO
9 US. AND NOW THAT WE HAVE IT, WE SEE HOW MUCH WE DID NEED
10 IT, IN FACT.

11 BOARD MEMBER RELIS: THANK YOU.

12 CHAIRMAN FROST: OKAY. NO FURTHER DISCUSSION.
13 CALL THE ROLL.

14 BOARD SECRETARY: BOARD MEMBERS CHESBRO?

15 BOARD MEMBER CHESBRO: AYE.

16 BOARD SECRETARY: EGIGIAN?

17 BOARD MEMBER EGIGIAN: ABSTAIN.

18 BOARD SECRETARY: HUFF?

19 BOARD MEMBER HUFF: AYE.

20 BOARD SECRETARY: NEAL?

21 BOARD MEMBER NEAL: AYE.

22 BOARD SECRETARY: RELIS?

23 BOARD MEMBER RELIS: AYE

24 BOARD SECRETARY: CHAIRMAN FROST?

25 CHAIRMAN FROST: AYE.



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OKAY. THE MOTION IS ADOPTED.

NOW, WE HAVE NO FURTHER BUSINESS TO COME
BEFORE THE BOARD IN OPEN SESSION. WE WILL RECESS TO
EXECUTIVE SESSION.

(THE MEETING THEN RECESSED AT 4:05 P.M. TO
EXECUTIVE SESSION, TO BE RECONVENED AT 9 A.M. ON MARCH
26, 1992, THAT SESSION NOT BEING REPORTED, NOT HEREIN
TRANSCRIBED.)



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Reporter's Certificate

* * * * *

I, BETH C. DRAIN hereby certify:

that on the 25th of
MARCH 1992, I did report in
shorthand the testimony and proceedings of the
foregoing hearing;

that at the conclusion of the above entitled
matter, I did transcribe my shorthand notes into
typewriting;

that the foregoing transcript is a true and correct
copy of my shorthand notes thereof.

Beth C. Drain

Certified Shorthand Reporter

Certificate No. 7152



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