

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

--oOo--

COPY

City Hall Council Chambers
333 West Ocean Boulevard
Long Beach, California

--oOo--

WEDNESDAY, JULY 29, 1992

10:00 A.M.

--oOo--

Kathleen Barney, CSR, RPR
Certified Shorthand Reporter
License Number 5698

A P P E A R A N C E S

COMMITTEE MEMBERS:

Michael Frost, Chair

Wesley Chesbro, Vice Chair

Sam Egigian, Board Member

Jesse Huff, Board Member

Kathy Neal, Board Member

Paul Relis, Board Member

STAFF PRESENT:

Robert Conheim, Chief Legal Counsel

Don Wallace, Deputy Executive Director

I N D E X

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

Roll Call
Agenda Item No. 1
Agenda Item No. 2
Agenda Item No. 3
Agenda Item No. 4
Agenda Item No. 6
Agenda Item No. 7
Adjournment

Page

4
7
8
16
17
80
107
168

1 P R O C E E D I N G S

2 --oOo--

3
4 BOARD CHAIRMAN FROST: Good morning and
5 welcome to the meeting of the California Integrated
6 Waste Management Board. We're happy to hold this
7 meeting this Monday in Long Beach and I'd like to thank
8 the City Council and their staff for the use of the
9 council chambers. And, in fact, they've done such a
10 good job that we're planning on meeting in Long Beach
11 every month.

12 Could we please call the roll.

13 BOARD SECRETARY: Board member Chesbro.

14 BOARD MEMBER CHESBRO: Present.

15 BOARD SECRETARY: Huff.

16 BOARD MEMBER HUFF: Present.

17 BOARD SECRETARY: Egigian.

18 BOARD MEMBER EGIGIAN: Here.

19 BOARD SECRETARY: Neal.

20 BOARD MEMBER NEAL: Here.

21 BOARD SECRETARY: Relis.

22 BOARD MEMBER RELIS: Here.

23 BOARD SECRETARY: Chairman Frost.

24 BOARD CHAIRMAN FROST: Here.

25 Thank you.

1 Now, Mr. Conheim, do you have any ex parte
2 announcements to make?

3 MR. CONHEIM: Mr. Chairman and members and
4 members of the public, I don't think I'm on the
5 microphone, so I'll just shout loudly just for a second.

6 The members of the Integrated Waste
7 Management Board comply with Public Resources Code
8 Section 40412 which requires the disclosure in writing
9 of communications made to or with board members outside
10 of these proceedings. Board members do this and those
11 written disclosures of such communications are public
12 record held by the Board which members of the public can
13 review upon written request.

14 At this time in overcompliance with the
15 law, members occasionally have such communications for
16 which written disclosures have not yet been made, or
17 there has not been time to make them. And at this
18 point, Mr. Chairman, it would be appropriate if there
19 are any of those, for the board members to make such
20 oral disclosures on this record.

21 BOARD CHAIRMAN FROST: Okay.

22 Mr. Chesbro.

23 BOARD MEMBER CHESBRO: Mr. Chairman, over
24 the last several days I have met with approximately 300
25 people to discuss AB 939 and all of its related issues

1 with the CRRA, so can I inclusively just do one ex parte
2 here?

3 BOARD MEMBER NEAL: Can you inclusively
4 just put all our names on it?

5 MR. CONHEIM: It should be noted for the
6 record that this meeting is being held contemporaneously
7 with the CRRA conference and issues of business before
8 this Board certainly have come up.

9 BOARD MEMBER CHESBRO: I suppose to be
10 safe, I should say probably 500 or 600 just to cover the
11 bases.

12 BOARD CHAIRMAN FROST: Anyone else?

13 Mr. Relis.

14 BOARD MEMBER RELIS: Mr. Chairman, I met on
15 Monday with Calco Plastics in Whittier regarding our
16 loan program and then I also had a very brief discussion
17 with Joe Massey here from ISRI regarding an item before
18 the Board on the staff report.

19 I, too, was -- I don't know how many people
20 I talked to related to the staff report and other issues
21 related to 939 at the conference. So those are my
22 remarks.

23 BOARD CHAIRMAN FROST: Thank you. Anyone
24 else?

25 If we go to today's agenda, one item has

1 been pulled from today's agenda, that is Item 5, federal
2 legislation. This information has been presented to
3 board members at the various committee meetings and
4 there is no need to take it up again at this time.

5 Item 1, consideration of the consent items.
6 Today's consent calendar consists of the following bills
7 from Item 4. All the bills I don't mention here are not
8 on consent and will be taken up later. AB 375, AB 2292,
9 AB 2496, AB 2661, AB 3117 and AB 3789 from Item 4 and
10 Item 8.

11 I'll go through that again. These are the
12 consent items from Item 4, the following bills, all
13 assembly bills: 375, 2292, 2496, 2661, 3117 and 3789.
14 Also Item 8 is on consent.

15 Now, is there anyone who would like to
16 remove any item from the consent calendar?

17 Okay. Hearing none, could we have a
18 motion, please?

19 BOARD MEMBER EGIGIAN: I so move.

20 BOARD MEMBER RELIS: Second.

21 BOARD CHAIRMAN FROST: Moved and seconded.

22 Call roll.

23 BOARD SECRETARY: Board member Chesbro.

24 BOARD MEMBER CHESBRO: Aye.

25 BOARD SECRETARY: Mr. Huff.

1 BOARD MEMBER HUFF: Aye.

2 BOARD SECRETARY: Egigian.

3 BOARD MEMBER EGIGIAN: Aye.

4 BOARD SECRETARY: Neal.

5 BOARD MEMBER NEAL: Aye.

6 BOARD SECRETARY: Relis.

7 BOARD MEMBER RELIS: Aye.

8 BOARD SECRETARY: Chairman Frost.

9 BOARD CHAIRMAN FROST: Aye.

10 Now we'll move to committee reports and
11 start with Ms. Neal. Do you have a report from the
12 Legislation and Public Affairs Committee?

13 BOARD MEMBER NEAL: Yes, we have a report
14 and a short presentation as well. The board members in
15 the past couple of weeks have been covering this state
16 everywhere from -- did you go to Oroville yet?

17 BOARD CHAIRMAN FROST: Not yet.

18 BOARD MEMBER NEAL: Soon. After you do
19 that, we'll have to share our experiences on the road.
20 I drove up to Porterville. That was fun.

21 We have been spreading out presenting
22 certificates for our recycling market development zone
23 program which is now under way. And Tom Estes I think
24 will make a short presentation on what has been
25 happening with publicity on our zones, and we have a

1 short video.

2 MR. ESTES: Good morning. As Kathy
3 mentioned, since the zones were designated on the 24th,
4 we have gone to Ventura, Long Beach, Los Angeles, Contra
5 Costa County, Aqua Mansa, which is in the Riverside, San
6 Bernardino County area, and Porterville, and presented
7 the certificates. And I just wanted to inform the Board
8 members that your presence coming down to the local
9 level has been extremely well received. The comments,
10 they generally appreciate you coming down and validating
11 the program, if you will.

12 The basic purpose of going out on the road
13 is to inform and educate local officials, prospective
14 businesses and the media. And to that end, there have
15 been approximately 30 newspaper articles, several TV
16 news stories, and about three or four editorials we have
17 received in the last two or three weeks.

18 I have a few video clips that I'd like to
19 show you. You'll have to turn around and look at the
20 big screen. This monitor here doesn't work.

21 (Video played.)

22 MR. ESTES: You'll have to change the tape.
23 There are two more.

24 (Video played.)

25 MR. ESTES: On this next clip you'll find

1 Sacramento has found a new use for plastics, so pay
2 attention.

3 (Video played.)

4 MR. ESTES: That takes care of my report.
5 Thank you.

6 BOARD CHAIRMAN FROST: Thank you.

7 BOARD MEMBER NEAL: I think we can all be
8 very pleased and proud of the kind of attention that our
9 zone program is getting. And I'm particularly pleased
10 that they put a lot of the segments in the business, a
11 lot of the information in the business segment. I think
12 that people are finally beginning to see that there is a
13 connection.

14 Other than that, the balance of our
15 committee activities relative to legislation will be
16 taken up in a separate item.

17 BOARD CHAIRMAN FROST: Thank you very much.

18 Mr. Huff, could you report from the
19 Permitting and Enforcement Committee.

20 BOARD MEMBER HUFF: I'd be glad to. I have
21 three things on our committee report. First of all, to
22 bring the Board up to date on the issue regarding the
23 "Gap" period and the finding of prevention or
24 substantial impairment of the achievement of those
25 goals.

1 We have had discussions a couple months ago
2 between several Board members and Assembly Member
3 Cortese. Staff as a result of those discussions has
4 drafted language to revise the current regulation.

5 The new language calls for the local
6 enforcement agencies to provide information about flow
7 control or other financing agreements when submitting a
8 permit application to this Board. These amendments have
9 been put out for a 45-day comment period and then will
10 come back to the committee and ultimately to the Board
11 for final approval in the next few weeks.

12 Secondly, on compost, at our last committee
13 meeting we discussed the time frame for compost
14 regulations, and I think Board members will remember
15 that I have held to the position that we need to have
16 compost regulations in place by the beginning of this
17 year. In order to do that, we have split the process
18 into two parts.

19 For green waste compost, which is the area
20 that has received the most attention initially, we will
21 have regulations in place, and we have a calendar
22 delineated on this, completed by the end of the year.

23 On cold composting regulations, they are on
24 a slightly slower track and they will be developed in
25 conjunction with the contractor and will be completed in

1 April of next year. So we will have a completed compost
2 regulation package, and the most pressing area of
3 compost, the green area, we will have by the end of this
4 year. And that will be followed shortly by the cold
5 compost. Direct compost regulations have been completed
6 for green waste and will be discussed at the next
7 meeting of the Compost Advisory Panel on August 10
8 before going up for public notice, so we're looking at
9 public notice in the very near future.

10 The third thing, the August permit
11 committee meeting has been changed and split. We will
12 have two meetings in August, one on August 5 and one on
13 August 19. Both meetings will be held in Sacramento.
14 Thank you.

15 BOARD CHAIRMAN FROST: Thank you, Mr. Huff.
16 Mr. Egigian, do you have a report?

17 BOARD MEMBER EGIGIAN: Nothing from the
18 committee. However, as Kathy already reported, I went
19 to City of Los Angeles joined by Kathy and Mr. Paul
20 Relis and we awarded that recycling manufacturing
21 development zone certificate to the Mayor. However, we
22 were left out of the film, so I think we should do
23 something about that.

24 BOARD MEMBER NEAL: If you look closely,
25 you see us walking in at the very last.

1 BOARD MEMBER CHESBRO: I was glad to see
2 Paul and Kathy in the video, though.

3 BOARD CHAIRMAN FROST: Thank you, Sam.

4 Mr. Chesbro, chairman of both the
5 Administration and Market Development Committee, do you
6 have a report?

7 BOARD MEMBER CHESBRO: Yes. We again have
8 had ongoing discussions about the low interest loan
9 regulations. They were briefly discussed, but will be
10 coming up, I'm told, for consideration and
11 recommendation to the full Board finally at the August 6
12 meeting. I understand a lot of work has gone into the
13 staff, the divisional staff and the legal staff,
14 including outside legal counsel, and I hate to make
15 predictions, but I hope that we're moving towards
16 conclusion of that discussion.

17 The market development strategy was
18 discussed at the Market Development Committee and will
19 be handled as Item 6.

20 The Administration Committee didn't hold a
21 meeting.

22 BOARD CHAIRMAN FROST: Thank you.

23 And, Mr. Relis from the Planning Committee.

24 BOARD MEMBER RELIS: I'd like to begin by
25 just noting that we had a report from Ms. Fettig from

1 the legislative staff on the current version of RCRA and
2 the significant implications it has for a 939 planing
3 process in California. There is a requirement that all
4 facilities be identified in that law, solid waste
5 facilities, including materials recovery and other such
6 facilities, and it also may affect our Subtitle D
7 planning effort with the EPA. That was noted.

8 From the planning and assistance on the
9 status of the SRREs and the HHWEs, household waste
10 elements -- I always have trouble with that one -- we
11 have received about 85 percent now of both elements. I
12 think that represents outstanding compliance by local
13 jurisdictions for the planning phase of 939. And we
14 have asked, and I know this is part of a broader effort,
15 that our planning staff publicize this as far as we can
16 possibly do.

17 We began discussions of a somewhat new
18 issue, how to allocate disposable and diversion credit
19 for regional programs and facilities. It is somewhat
20 related to the staff proposal that we'll be taking up
21 today on regionalization, but focused again on
22 identifying problems with specific materials. And we'll
23 continue working on this.

24 We approved the petition for reduction of
25 the SRRE diversion and planning requirements for the

1 City of Biggs, a rural community. Under our provisions
2 we are allowed to relax those standards subject to our
3 regulations.

4 We also noted we have acted on six
5 petitions which we felt may be perceived as establishing
6 some policy precedence, so we directed the staff to
7 review the petitions to D to suggest specific criteria
8 for evaluating the worthiness of petitions and returning
9 in the fall with recommendations.

10 And then finally we approved formal
11 noticing for used oil recycling regulations, so we'll
12 bring these to the Board after comments and revisions,
13 if necessary; and, if necessary, second noticing.

14 I should conclude by saying the major focus
15 of our work is a subject that we'll take up later today,
16 which is the staff proposal on improvements to AB 939.

17 BOARD CHAIRMAN FROST: Thank you, Paul.

18 I'd like to point out Biggs is not a rural
19 community. They consider East Biggs a rural committee.

20 BOARD MEMBER RELIS: Oh, I'm sorry. I'm
21 not fully familiar with the territory.

22 BOARD CHAIRMAN FROST: Our next item is
23 Item 3, consideration of contracts and interagency
24 agreements. Dennis Meyers of our staff will present
25 this item.

1 MR. WALLACE: Mr. Chairman, I don't believe
2 Mr. Meyers is here, so I'll have to handle this.

3 What we have is just one contract for you
4 today and that's an amendment to extend, a no-cost time
5 extension to the contract we have with the CSU trustees
6 who do drafting services under that particular contract.
7 So we'd like to extend that to December 31 of 1992.

8 BOARD CHAIRMAN FROST: Any questions or
9 comments? Could we have a motion?

10 BOARD MEMBER NEAL: Move approval.

11 BOARD MEMBER HUFF: Second.

12 BOARD CHAIRMAN FROST: Moved and second.
13 Call the roll, please.

14 BOARD SECRETARY: Board Member Chesbro.

15 Absent.

16 Huff.

17 BOARD MEMBER HUFF: Aye.

18 BOARD SECRETARY: Egigian.

19 BOARD MEMBER EGIGIAN: 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 BOARD CHAIRMAN FROZE: Aye.

1 Item 4 is consideration of state
2 legislation. Dorothy Fettig, our legislative director,
3 will present this item.

4 DIRECTOR FETTIG: Mr. Chairman, Board
5 members, I'm Dorothy Fettig with your legislative
6 office. We have a handful of bills before you today for
7 adoption of positions in addition to those which are on
8 the consent calendar.

9 The first bill before you that is not on
10 the consent calendar is Assembly Bill 260 by Assemblyman
11 Epple. The recommendation from the Legislation and
12 Public Affairs Committee -- there wasn't one due to the
13 fact that there were amendments pending at that time.
14 The bill before the Legislation Committee had some
15 language in it relating to sharing of diversion credit
16 for recycling of ash that comes out of a waste energy
17 facility.

18 Staff, myself, and program staff met with
19 representatives of the author's office and the sponsor
20 of the bill, which is the City of Lakewood, regarding
21 using a different approach to resolving their concern
22 that they wouldn't be able to meet the 25 and 50 percent
23 diversion requirements because they use the SERRF
24 facility in Long Beach to manage their waste.

25 The current version of the bill simply

1 revises the current law procedure under which a city or
2 county would petition the Board for a reduction in the
3 goals if they sent 75 percent or more of their waste to
4 a transformation facility, and they have to have been
5 doing so since January 1, 1990, and meet one of the two
6 particular criteria.

7 | What is being done on the bill right now is
8 revising the entry requirements for petitioning the
9 Board for a reduction in order to enable the City of
10 Lakewood to do so. Our understanding from my having
11 discussed this with our staff is that the bill at this
12 point only affects the City of Lakewood. No other city
13 or county utilizing a waste energy facility is able to
14 use this process. No one else meets the entry level
15 requirements.

16 It's further my understanding that the City
17 of Long Beach will be meeting with the City of Lakewood
18 to discuss this bill. One concern might be precisely
19 what I just said, the way it is drafted it is only the
20 City of Lakewood and, of course, there are other cities
21 and counties that utilize the three waste energy plants
22 operating in the state.

23 BOARD CHAIRMAN FROST: Are you suggesting a
24 position on this?

25 DIRECTOR FETTIG: Well, the City has been

1 very cooperative in working with the staff on removing
2 the language relating to sharing a credit for ash
3 recycling. However, there is a concern that the
4 language is quite narrowly drafted so that it does only
5 exist in the City of Lakewood. There may be concern
6 that perhaps discussions should continue to make it
7 available where it is appropriate to other cities and
8 counties. At this point it might be appropriate, if the
9 Board wishes, to consider either a neutral or a no
10 position based on the very limited impact of the bill.

11 BOARD CHAIRMAN FROST: Aren't we going to
12 be asked, though, to take a position on this bill?

13 DIRECTOR FETTIG: Yes.

14 BOARD CHAIRMAN FROST: I assume this is a
15 district bill; correct?

16 DIRECTOR FETTIG: Absolutely.

17 BOARD MEMBER HUFF: It's already in the A
18 Committee?

19 DIRECTOR FETTIG: Yes.

20 BOARD MEMBER HUFF: So it's gone through
21 policy?

22 DIRECTOR FETTIG: Yes.

23 BOARD MEMBER HUFF: So the next time we're
24 really going to be asked to take a position.

25 DIRECTOR FETTIG: When it goes to the

1 Governor. It came out of the Senate Governmental
2 Organizational Committee with the understanding that
3 Lakewood and Long Beach would work this out, that the
4 bill would not go forward if it were not written in a
5 manner that was acceptable to the City of Long Beach.
6 So I understand those discussions are still ongoing.

7 BOARD MEMBER NEAL: And because all of
8 these discussions were taking place, the Committee did
9 not feel that we should recommend a position to this
10 Board at this time. And in light of the ongoing
11 discussions, in fact, apparently Lakewood and Long Beach
12 would work this out and it may be inappropriate to take
13 a position.

14 BOARD CHAIRMAN FROST: If we do that, it
15 probably will go to the Governor before we meet again.
16 So what are you saying?

17 DIRECTOR FETTIG: We could have a
18 stipulation, if it assists, of no position at this time,
19 but if any disagreement between the two cities is
20 resolved, the Board would be supportive of the bill.

21 BOARD MEMBER HUFF: But what is the
22 amendment?

23 DIRECTOR FETTIG:- That is why I would say
24 stay neutral or no position now but we would change our
25 position if it is brought to our attention that it is

1 acceptable to both parties.

2 BOARD MEMBER HUFF: First of all, no one is
3 going to ask our opinion right now. It is a district
4 bill and they're going to work it out. Neutral implies
5 that when it goes to the Governor, we will be favorable.

6 DIRECTOR FETTIG: Right.

7 BOARD MEMBER HUFF: Whereas no position
8 doesn't carry that --

9 BOARD MEMBER NEAL: Then I'd recommend
10 neutral.

11 BOARD MEMBER HUFF: Second.

12 BOARD CHAIRMAN FROST: That doesn't tie
13 your hands at all with respect to the EDR?

14 DIRECTOR FETTIG: It means we would ask for
15 signature.

16 BOARD CHAIRMAN FROST: It's been moved and
17 seconded that we take a neutral position on AB 260,
18 Epple. Call the roll, please.

19 BOARD SECRETARY: Board member Chesbro.

20 BOARD MEMBER CHESRO: Aye.

21 BOARD SECRETARY: Huff.

22 BOARD MEMBER HUFF: Aye.

23 BOARD SECRETARY: Egigian.

24 BOARD MEMBER EGIGIAN: Aye.

25 BOARD SECRETARY: Neal.

1 BOARD MEMBER NEAL: Aye.

2 BOARD SECRETARY: Relis.

3 BOARD MEMBER RELIS: Aye.

4 BOARD SECRETARY: Chairman Frost.

5 BOARD CHAIRMAN FROST: Aye.

6 DIRECTOR FETTIG: I guess the next bill

7 before you is AB 3001 and this will be a shared

8 presentation and I'll go in the back for a minute.

9 MR. CHANDLER: Mr. Chairman, I'm going to
10 introduce this item, so if I could, I'll step forward.

11 Not only can Dorothy hear me in the back,
12 but she will come out and we'll continue the
13 presentation on this bill as we get into the specifics
14 of where we are with the discussion on the proposed
15 amendments. I'm simply going to assist, I hope, this
16 morning in placing the upcoming discussion in
17 prospective. And I want to provide some brief
18 background on the issues that we're dealing with on
19 the bill.

20 To frame the issue, I'd like to use the
21 assistance of the overhead so you can see behind you,
22 and, if I could, take about five minutes to frame the
23 issues that we have.

24 Essentially, as staff sees it, we have two
25 main issues which the bill is centered on. Those being,

1 number one, the nature of conformance findings of solid
2 waste facilities within solid waste management plans,
3 the old county solid waste CoSWMP plans, and now the
4 County Integrated Waste Management Plans, or the CIWMPs.

5 The second primary issue is whether all
6 solid waste facilities should be required to be included
7 in the local solid waste plans.

8 I think it is important to remember that
9 the County Integrated Waste Management Plans or the
10 CIWMPs are essentially a compilation of a number of
11 documents as follows: We have the county-wide summary
12 plan, the county siting element, all city and county
13 source reduction and recycling elements, or SRREs, and
14 all city and county household hazardous waste elements,
15 HHWES.

16 BOARD MEMBER NEAL: Excuse me. Do you want
17 questions reserved until after the slides?

18 MR. CHANDLER: If that would -- whatever
19 suits the Board. I think it would be easier if I could
20 present the six overheads and then I'll entertain
21 questions and Dorothy will be back after that point.

22 The regulations for preparation of the
23 County Integrated Waste Management Plans and the various
24 elements of the plans have been brought to the Board for
25 approval in stages as follows: We have the source

1 reduction and recycling regulations, which were adopted
2 a year ago, July of '91. We have the household
3 hazardous waste regulations, which were adopted in
4 April, this spring. And then the county-wide siting
5 elements, which are currently under development. And
6 lastly, the county integrated waste management plan
7 regulations, which are pending.

8 I think the schedule is important because
9 it reflects the staff and the Board's understanding
10 under the plan for how these various elements of the
11 county integrated waste management plan in fact fit
12 together to form an overall integrated waste management
13 document.

14 The SRRE regulations as adopted by the
15 board do not require detailed information in the SRREs
16 themselves on solid waste facilities which will be
17 needed in a city or a county to meet their 25 and 50
18 percent waste diversion requirements. As a result, the
19 draft SRREs, which have been reviewed by the Board staff
20 and to date we've reviewed approximately 500 of those,
21 do not contain this information.

22 The county-wide siting element regulations,
23 as I just indicated are under development, were intended
24 to address the siting of solid waste facilities needed
25 to provide disposal capacity as well as the siting of

1 needed diversion facilities. It has been proposed in
2 these draft regulations that the siting elements include
3 all solid waste facilities.

4 What is the statutory basis for this?
5 Statutory authority for the Board that require all solid
6 waste facilities be included in the siting elements
7 stems primarily from two sections of the law, as seen on
8 the overhead.

9 Public Resource Code Section 41700 requires
10 the county-wide siting element describe areas to be used
11 for the development of adequate transformation and
12 disposal capacity, and that this is to be done in
13 concurrence and consistent with the development and
14 implementation of the county and city source reduction
15 recycling element.

16 Second, Public Resource Code 50001
17 prohibits the siting of any solid waste facility unless
18 that facility is in conformance with the Board's
19 approved county-wide integrated waste management plans.

20 I think it can also be argued that it might
21 have been more appropriate to require that this
22 facility's specific information be included in the
23 SRREs. Here again, statutory authority for including
24 facility information in the SRREs is as follows: We've
25 got the Public Resource Code Section 41053, 073 and 203,

1 all requiring cities to include their source reduction,
2 recycling and composting components in the source plans,
3 both new and expanded, and Public Resource Code 41353,
4 373, 403, again requiring counties to include source
5 reduction, recycling and compost components in their
6 SRREs.

7 Prior to AB 939 all solid waste facilities
8 were required to be in conformance with the county solid
9 waste management plans, the old CoSWMPs. What you have
10 before you is a brief history on how conformance finding
11 requirements have changed over the years.

12 With Assembly Bill 939 in 1989, we saw the
13 repeal of the Government Code relating to conformance of
14 facilities with the old CoSWMPs. And they did not
15 revise any conformance procedures.

16 Assembly Bill 2295, also in 1989, by
17 Assemblyman Cortese enacted Section 50001 of the Public
18 Resources Code, which required that all solid waste
19 facilities as a condition of being established be in
20 conformance with the Board's approved county integrated
21 waste management plan.

22 Similarly we have AB 2296 in 1990 by
23 Assemblyman Cortese that enacted the Gap language on the
24 conformance procedures prior to the adoption of the
25 county plans and on the authority of the Board to deny

1 permits based upon determination that the facility would
2 both prevent or substantially impair achievement with
3 the AB 939 diversion mandates.

4 There was no legislation during the 1991
5 legislative session, and that brings us to the bill
6 before us today, Assembly Bill 3001 by Senator Cortese,
7 which deletes any conformance requirement for facilities
8 other than landfill and transformation and for other
9 facilities such as transfer stations, MRFs, composting
10 facilities, and requires only that they receive review
11 and comment at the local task force level.

12 I think the significance of AB 3001 is as
13 follows: The background information that I just
14 discussed and that we've seen in the overhead is
15 provided to essentially present a context in which
16 Assembly Bill 3001 in its current form should be
17 reviewed. The bill requires conformance findings for
18 landfills and transformation facilities only and removes
19 the Board's authority to require the facilities other
20 than landfill and transformation included in the
21 county-wide siting element.

22 I think this later point, in staff's view,
23 is of great significance because the SRREs as noted
24 earlier do not contain sufficient information on
25 facilities. If this information is not in the SRREs and

1 cannot be required of the county-wide siting elements,
2 it simply will not be in the county plans.

3 Among other things, this means that when
4 the county plans come before the Board, in staff's
5 opinion it may be very difficult for the Board to judge
6 whether the programs and actions described in the SRREs
7 are likely to be successful in achieving the 25 to 50
8 percent diversion requirement. In other words, a
9 significant piece of the picture of those facilities
10 that will divert waste from disposal will simply be
11 missing.

12 Lastly, it is our understanding that it is
13 the intent of AB 939 that information on diversion
14 facilities and the role they would play in meeting the
15 diversion requirements was intended to be an integral
16 part of the integrated planning and implementation
17 process.

18 As many Board members are aware, this bill
19 has been the subject of much review and discussion among
20 Board members themselves as well as proponents of the
21 bill, members from the author's office and our
22 legislative staff and executive office. We have, I
23 believe, moved the discussion along, and before I bring
24 Dorothy back to describe where we are in those
25 negotiations and discussions, I want to open the floor

1 for questions as alluded to earlier.

2 BOARD MEMBER CHESBRO: Do any Board members
3 have questions?

4 BOARD MEMBER NEAL: I have a few.

5 I know that some of the Board members have
6 been involved in discussions in support of this, so
7 we're sort of up to date, but I'd like to get a little
8 bit more insight on what some of staff's thinking is on
9 this. I'm trying to get a grip on what staff's feelings
10 are in that the regulations aren't in place yet and --

11 MR. CHANDLER: We do have regulations in
12 place for SRREs.

13 BOARD MEMBER NEAL: I'm talking about the
14 broad --

15 MR. CHANDLER: The sitings? I think it was
16 again staff's view that it took all of these elements,
17 these components, that when brought together under the
18 county-wide integrated waste management plan would
19 essentially complete the entire picture for that plan,
20 not only on the disposal and transformation capacity
21 needed and the identification of those facilities, again
22 as required in law, identify the siting element, but
23 there would also be sufficient information on diversion
24 facilities that we're going to get local jurisdictions
25 in that county plan to do their 25 and 50 percent.

1 And this would be done in two areas. The
2 first would be general discussion in the SRREs
3 themselves and they would be more specific in the siting
4 elements under development now.

5 As I attempted to try to show in the
6 overhead, from my perspective I see a broader statutory
7 authority for having that specific information having
8 been included in the source reduction recycling
9 elements, which we did not do a year ago. And I think
10 it was staff's position that that specific information
11 would come forward in the siting component of the
12 overall plan.

13 BOARD MEMBER NEAL: I'm still -- help me
14 out a little bit. I'm not quite clear if this is being
15 viewed as just a compilation of what is happening with
16 the local jurisdictions or is it the perception or
17 belief that the overall siting element ought to somehow
18 affect integration?

19 MR. CHANDLER: I think where there seems to
20 be a difference in perception between staff and
21 proponents of the bill, I heard one proponent last week
22 say there is nothing integrated by the county-wide
23 integrated waste management plan. They were never
24 intended to be integrated and they are individual plans
25 for city and individual plans for the county.

1 I think staff took the perspective a little
2 differently. We saw the individual components being
3 integrated into the county plan. And you will hear, I'm
4 sure this morning, their rationale for why bringing
5 those individual plans in under one umbrella presents
6 difficulties at the local level specific to the cities
7 moving forward and being vetoed or blocked by
8 surrounding cities or counties.

9 And it does present a very real problem for
10 them, but I think the nexus was that staff saw the
11 overall county plan being a compilation of how the
12 individual cities would get to their diversion goals.
13 And I think the proponents saw them being much more
14 separate and much more individual and that the true
15 integration of 939 was not a bringing together of all
16 individual plans, but more an integration of source
17 reduction and composting technologies or diversion
18 programs that needed to be integrated along with the
19 transformation.

20 BOARD MEMBER NEAL: We don't need to wait
21 for staff to share with us more detailed information.
22 You said we'd hear from staff later on?

23 MR. CHANDLER: As I indicated in my opening
24 remarks, I'd like Dorothy now to bring the Board up to
25 speed on where we are with discussions that have gone on

1 with proposed amendments or dialogue that has ensued
2 between proponents and the author's office on what I
3 hope to be a compromised position.

4 BOARD MEMBER NEAL: I do have a couple more
5 questions.

6 You did make note, I think, on the second
7 overhead that perhaps if our regulations had been
8 handled in a different order, it might have been more
9 appropriate, more from the general to the specific, and
10 I want to know what you think the effect might have been
11 had that happened, if they had been in the reverse
12 order.

13 MR. CHANDLER: I think the most obvious
14 effect is that the discussion we are having here today
15 would have happened a year or so ago. In other words,
16 staff felt comfortable and I would assume -- I'd been
17 here essentially three weeks when the Board adopted
18 this, but as I understand it, there was an understanding
19 at the staff level, and I assumed at the Board level,
20 that they saw this overall building of the various
21 components and regulatory packages behind them as coming
22 kind of from the bottom up in source reduction,
23 household, county-wide siting elements, the overall plan
24 itself. Your question being maybe we should have looked
25 at the overall plan regulations first and brought it

1 down.

2 It has been acknowledged and I think you
3 need to keep in mind that the SRREs were the most
4 intensive and costly component, and many cities and
5 counties were out developing their plans very early on
6 and were looking for guidance on what those SRREs should
7 in fact include and entail. And I think we were driven
8 by needs of the local governments for more explanation
9 on what those plans should include.

10 But the obvious answer is the discussion
11 we're having today as to what should the siting elements
12 entail would have occurred much earlier and this debate
13 would have been settled much earlier.

14 BOARD MEMBER NEAL: One more question on
15 the last overhead where you addressed the legislative
16 history of conformance. It's my understanding that in
17 part 939 was involved in an effort to break away from
18 the old CoSWMP notion of conformance findings. And I'm
19 wondering right now how the notion of conformance
20 findings has factored into the current staff proposal.

21 MR. CHANDLER: Well, I think the notion of
22 conformance findings at the county level was in fact,
23 with the old CoSWMPs, was in fact agreed upon as being a
24 real stumbling block for local individual cities to
25 carry out their programs with 939 placing individual

1 responsibilities if diversion goals are not met at the
2 local level and individually at the city level. It was
3 acknowledged that the county-wide approach, the
4 county-wide CoSWMP was simply not working in this case.

5 And what I am pleased to see is we're
6 moving this dialogue along with the proponents and we're
7 beginning to see some movement in recognizing that we
8 need the individual identification of individual
9 diversion programs but still leaving autonomy at the
10 local level that would prevent the community outside the
11 city boundary or county itself of blocking those plans.

12 But it's always been, and I believe it's
13 the author's intent as expressed to us last week, that
14 the specific information on the diversion programs was
15 to be included in the source reduction element, probably
16 more specifically there, if not in the siting element.

17 BOARD CHAIRMAN FROST: Okay. Do you want
18 to continue with your presentation then?

19 MR. CHANDLER: Yes. I'd like to ask
20 Dorothy to step forward and just provide a summary of
21 where we are in some of the proposed discussions for
22 amendments.

23 DIRECTOR FETTIG: Thank you. As you know,
24 the current version of the bill contains a number of
25 elements that are of concern to the Board, a number of

1 the Board members, and a concern to staff.

2 The bill amends the section of law that was
3 shown in the overhead as one of our main points of
4 reference in requiring that all facilities be in the
5 siting element. And the way the bill does that is by
6 saying that for only landfill and transformation
7 facilities would there be a required conformance finding
8 and those facilities would be in the siting element,
9 which is subject to majority/majority vote of counties
10 and cities within the county.

11 In working on trying to find a suitable
12 compromise for the bill, staff tried to keep in mind two
13 thoughts that we thought were the ultimate desire to the
14 Board on this issue.

15 Number one, that facilities should be in
16 the plan somewhere, be it siting element, SRREs, or
17 something new. And number two, that when new facilities
18 come along and are before the Board for permit review,
19 that the Board would like to know that issues that
20 should be addressed locally have been addressed, such as
21 looking at any regional impacts and knowing that in
22 knowledge the city that is proposing the project make
23 some kind of finding or determination that yes, this
24 facility is what we meant when we wrote our SRRE. This
25 is one of the facilities that is going to help us reach

1 the goals.

2 So with those two thoughts in mind, a
3 number of meetings have been held and we've been working
4 with proponents of the bill, Board members, and the
5 author's office to try to come to some acceptable
6 compromise.

7 There is one set of amendments with your
8 analysis in the packet, and then since that time that
9 approach was developed which basically calls for some
10 kind of a locally determined process for making
11 conformance findings that would be representative of all
12 the cities and the counties. That approach was not well
13 received by the proponents of the bill nor the author's
14 office.

15 So we went back to work and a proposal was
16 developed by the proponents and I understand the staff
17 of the Natural Resources Committee and I believe the
18 author's office, as well, and you have a brief
19 description from me of what I understand that proposal
20 to be. And my understanding of it is that it calls for
21 the county-wide siting element to be just landfill and
22 transformation and subject to the majority/majority vote
23 as it is now.

24 Other facilities, what you might call
25 diversion or recycling facilities, those facilities that

1 relate to meeting the goals directly would be in some
2 kind of a separate document or dealt with separately
3 from the siting element, and you could call it diversion
4 facility siting element for an individual city, you
5 might call it anything you want, but that is the general
6 idea. And it does accomplish, I believe, the two goals
7 that we tried to keep foremost in our minds, that the
8 facilities are in the plan somewhere, either as some
9 kind of individual siting element, or as an addendum to
10 the SRRE, whatever it might be, because the language has
11 not been drafted.

12 But the idea is that each city and county
13 would have their own description of the facilities that
14 they wish to propose to meet the goals, what their
15 thinking is, and would not be subject to any other city
16 or county vote. It would be a city document that is
17 forwarded with the county-wide plan when all the
18 elements are put together.

19 And additionally when new facilities come
20 forward that are not in that initial listing prepared by
21 the individual cities and counties, there would be some
22 kind of an amendment procedure which would be similar to
23 the amendments to the SRREs where they would be adopted
24 by that city or county and come to the Board for
25 approval. So that when permits are before you, you

1 would know either it is in the plan or there is an
2 amendment to put it in the plan.

3 BOARD CHAIRMAN FROST: And we would have an
4 opportunity to comment on those facilities? Would there
5 be an opportunity for our staff to comment?

6 DIRECTOR FETTIG: At the time that you
7 receive the permits to concur or noncondur, you would
8 know as one of the required findings that it was either
9 in the city or county plan. It was the facility they
10 envisioned or they are processing an amendment to put it
11 in there.

12 Some of the mechanics haven't been worked
13 out because I haven't seen any language, but the brief
14 memo before you tries to describe my understanding of
15 it, and we'll work on language when we get back to the
16 office.

17 BOARD CHAIRMAN FROST: Any further
18 discussion?

19 BOARD MEMBER NEAL: Can you tell us what
20 the current status is of the bill?

21 DIRECTOR FETTIG: The current bill that is
22 in print and in the Senate Appropriations Committee, I
23 think is set for the 10th of August. The current
24 version of the bill still for any facility other than
25 land disposal or transformation, the only requirement in

1 the bill is that there be review and comment by the
2 local task force in some kind of a letter in the record.
3 No need for any cities or counties to make any kind of
4 determination that this is appropriate and no
5 requirement that there be any follow-up on the local
6 task force's findings should they be negative.

7 BOARD MEMBER NEAL: And I would think the
8 situation with this bill would be the same as the one
9 previous where we really would not have an opportunity
10 beyond this meeting to take a position?

11 DIRECTOR FETTIG: This is probably the best
12 opportunity.

13 BOARD CHAIRMAN FROST: This is probably our
14 best opportunity.

15 DIRECTOR FETTIG: Staff certainly has some
16 very strong concerns about the current version of the
17 bill. We're very optimistic about the approach that's
18 being taken and hope that it will all be worked out.
19 But in the absence of language, you can never be sure
20 what exactly is going to come out.

21 BOARD MEMBER NEAL: And I think with that
22 in mind, we may need to frame whatever our position is
23 based on the current bill and what we would like to see
24 happen, but understanding that this will be our last
25 opportunity to provide some direction should the

1 amendments happen or not happen. So I think there is
2 someone who wants to speak on that.

3 BOARD CHAIRMAN FROST: I have one request
4 to speak on this item. Denise Delmatier on behalf of
5 NorCal Waste Systems.

6 MS. DELMATIER: Mr. Chairman, members of
7 the Board, Denise Delmatier on behalf of NorCal Waste
8 Systems.

9 I did want to comment on the proposed
10 amendments that Ms. Fettig was discussing. I, first of
11 all, wanted to compliment her on working extremely well
12 with us. We've had some very good spirited discussions
13 on this subject and we appreciate her willingness to sit
14 down with all of us and in representing the Board has
15 done an excellent job and I wanted to compliment her on
16 that.

17 First of all, I want to mention I had a
18 conversation with the author's office this morning and
19 they have concerns that the proposed amendments as
20 outlined in the analysis have not been approved either
21 in concept or, in fact, in any fashion by the author's
22 office. Though we think we've come a long way and we're
23 very close to a compromise that I think all of the
24 proponents can live with, and I think consistent with
25 the intent of the Board's concerns on the current

1 version of AB 3001. The author's office was concerned.
2 that and wanted to make sure that the Board understood
3 that they have not approved this at all. They may, in
4 fact, do so within a day or two, but certainly at this
5 point that just hasn't occurred.

6 BOARD CHAIRMAN FROST: Who is sponsoring
7 the bill?

8 MS. DELMATIER: That is a good question and
9 I hesitate because I'm not quite sure how to answer
10 that. The author's office will probably say that they
11 are the sponsor of the bill. I know that Waste
12 Management, Inc. has been -- brought the initial
13 language to the author's office, but I would venture to
14 say that the author's office is the sponsor of the bill.
15 They will have final say, naturally, on any language
16 that goes in the bill whether we agree with any language
17 as far as industry is concerned, whether we agree with
18 any language or not. They've made that very clear.

19 I want to make it real clear, too, because
20 I know there has been concerns voiced through
21 discussions with the Board staff that this bill may have
22 been introduced as a potential end run, if you will, of
23 the facility siting element regulations. I want to make
24 it real clear that that was not the case at all and this
25 bill was introduced, as previously destined to be

1 introduced, when we got close to the time when under
2 previous deadlines the first wave of county-wide plans
3 were to be submitted to the Board and to be approved by
4 the Board. That was under previous deadlines '92 and
5 this was the year to do the bill, and as we reached time
6 in December and everybody knew, hey, we've got to put
7 this bill together and have it introduced.

8 I'd like to walk through just a couple of
9 points in the outline to make it clear where NorCal is
10 as far as some of the concerns on the proposed
11 amendments.

12 Under the first bullet, the language
13 states, "Amend the county-wide siting element through a
14 two-tiered approach." We want to be real clear that in
15 proposing language for 3001, that we're really not
16 contemplating amending the facility siting element at
17 all. What we're doing is setting up a separate element
18 for diversion facilities. And what we want to call
19 that, in conversation on Friday with Mr. Lipper in
20 Mr. Sher's office, I think we were thinking about a
21 composting and diversion facility element. And whatever
22 we call it, a rose by any other name, but we'll make it
23 clear that we're not contemplating amending the existing
24 facility siting element at all, setting up a separate
25 element.

1 BOARD MEMBER CHESBRO: You mentioned
2 transformation facilities. I assume you're also
3 talking -- I'm sorry, diversion facilities, but I assume
4 you're also talking about transfer stations?

5 MS. DELMATIER: All other facilities other
6 than transformation facilities.

7 BOARD MEMBER CHESBRO: I just wanted to
8 make sure.

9 MS. DELMATIER: All solid waste facilities.
10 And eventually we get to the point of what constitutes a
11 solid waste facility, but all other solid waste
12 facilities, whatever those may be.

13 The criteria that is mentioned, moving down
14 to bullet four, the criteria mentioned in the proposed
15 amendment analysis, as I understand it, under the
16 existing facility siting element regulations as well as
17 through conversations with Board staff, it is the intent
18 to require siting criteria in the facility siting
19 element regulations. That siting criteria would be
20 subject to majority/majority approval. And to require
21 that same criteria to be established for this separate
22 element we're talking about in effect you could have a
23 de facto majority/majority approval of diversion
24 facilities. And let me just throw out an example.

25 If a county wanted to establish siting

1 criteria by which to prohibit a city within their county
2 from siting a competing MRF, they could write that
3 criteria so as to restrict the ability to site that MRF.
4 They could then get a couple of other cities to go along
5 with them because they bought into that county MRF, and
6 write that criteria any way they want to so as to
7 prohibit that competing MRF.

8 By doing that they would then be subjecting
9 that potential competing MRF to the majority/majority
10 approval process. So we want to be real clear that
11 siting criteria for facility siting elements is limited
12 to transformation and disposal facilities, but that
13 majority/majority approval of siting criteria for
14 diversion facilities would not be required.

15 And I see some raised hands.

16 BOARD MEMBER HUFF: Understanding that the
17 pending siting element regs in your view are not the
18 genesis of this bill, nonetheless you did reference them
19 as a concern in terms of formulating this compromise,
20 and I just want to say that we ought to be careful about
21 looking over our shoulder at the regulation process and
22 drafting legislation. Regulations should follow
23 legislation and not precede it. And those siting
24 elements and the regulations in fact haven't come before
25 me and I'm going to have some definite views about them,

1 and I really think we shouldn't drag them very far into
2 this conversation really.

3 MS. DELMATIER: Well taken. I'm simply
4 commenting on conversations that I have had with Board
5 staff, so we can certainly deal with that at the
6 appropriate time.

7 BOARD MEMBER HUFF: And we will.

8 MS. DELMATIER: Sure.

9 DIRECTOR FETTIG: I just wanted to clarify
10 on that last point, and I know this was quickly drafted,
11 but what I meant by siting criteria were the city's own,
12 not the county siting criteria, but in other words if
13 there were a separate city document that dealt with
14 diversion facilities, they would develop siting criteria
15 for where they want MRFs, et cetera, not subject to a
16 majority/majority vote. That's what I meant to express.

17 MS. DELMATIER: As mentioned earlier,
18 Ms. Fettig's office was very helpful in this regard and
19 we would certainly concur with that.

20 We would also support the CEQA section for
21 the planning amendment process. We would not want to
22 see CEQA exemptions obviously for any proposed facility
23 or permit application but would support the exemptions
24 for the plans themselves.

25 And in talking with Mr. Lipper in

1 Mr. Sher's office, on the second page in the description
2 under the note, he has made it very clear with us that
3 it was his opinion and his contention that probably, and
4 what was mentioned earlier, that probably the best place
5 to have the identification and description of diversion
6 facilities should have been in the SRRE regulations.

7 And there is specific language, as was
8 pointed out to you by Mr. Chandler, that we all require
9 that, but apparently some of the SRREs that are coming
10 in and looking at the regulations have not been as
11 descriptive as they should have been in our assessment
12 or could have been. And to go back at this point in
13 time and revise the SRREs, of course, every city and
14 county to revise SRREs might be very time consuming and
15 not the best efforts for all of us, whereas in 20-20
16 hindsight, we weren't here either. We have to admit we
17 weren't here asking for that and didn't catch that at
18 the time as well.

19 BOARD MEMBER HUFF: If that did occur, we'd
20 probably still be waiting for most of the SRREs at this
21 point in time.

22 MS. DELMATIER: Good likelihood, sure.

23 Okay. I guess one final point; Mr. Frost,
24 in answer to Mr. Frost's comment earlier, it is
25 certainly the intent of the proponents of 3001 to

1 welcome any Board comment either through the new element
2 process and, of course, during the permit application
3 process as well.

4 During a discussion on these latest
5 proposed amendments, it was certainly alluded to that
6 the Board staff may have very relevant information
7 available to them that a city or county within a
8 particular JPA may not have. And that is they are
9 planning to site a MRF within their jurisdiction and the
10 Board staff may have knowledge of a contiguous city or
11 adjacent county that has plans to do the same. Folks
12 may not be talking to one another, but certainly Board
13 staff would have that information available to them and
14 that would be very valuable information to any proponent
15 coming forward with a permit application. So if at any
16 point in time during the permit process or the planning
17 process Board involvement, through staff or whatever
18 level, would be very, very welcome. And certainly the
19 intent of the proponents is to welcome that information.

20 And finally, I guess in trying to come up
21 with a recommendation on what to do today, obviously the
22 bill in print is not acceptable, as I foresee it, it is
23 not acceptable to this Board. And I think that the
24 discussions and negotiations that have brought it to the
25 point where we're now looking at these amendments, at

1 least in concept. I think that it might be relevant to
2 support the proposed amendments, support in concept and
3 take a position equally on whatever is deemed
4 appropriate on the bill itself in its current form, but
5 it might be helpful if the Board saw fit to take a
6 position on the proposed amendments. And we'd welcome a
7 support in concept position.

8 BOARD CHAIRMAN FROST: I have a couple of
9 comments. I think all of us recognize whenever the
10 budget is settled that local government is going to get
11 hit very hard, and whatever solution happens, it's going
12 to be very difficult on cities and counties. And our
13 approach is going to be that we're going to try to do
14 our best not to make it any more difficult on them, try
15 to work with them to make things as -- facilitate things
16 in a way that does not increase their cost and hopefully
17 do some things to reduce their costs because we're very
18 aware of the pressures on local government as this
19 budget is signed.

20 Secondly, I want to thank you and the
21 people who have been working with Dorothy to come up
22 with amendments to this bill. I think the amendments
23 probably are acceptable to the Board and I would
24 certainly like to see them enacted.

25 When you say you talked to the author's

1 staff, I know the author understands it, but his staff
2 doesn't, that his chances of having this bill signed are
3 greatly enhanced if Cal/EPA and the Waste Board ask for
4 signature other than veto.

5 As you know, the governor will get two or
6 three minutes to deal with this bill because he is going
7 to be dealing with 1500 of them and that will be a
8 critical factor. So I hope -- and I know Mr. Cortese
9 understands this if his staff doesn't, so I hope that
10 everybody will continue to work together so that we can
11 make this bill acceptable to everyone and so that we can
12 be in a position of having the governor sign the bill,
13 which is where we would like to be.

14 MS. DELMATIER: As we would, of course.
15 And I'm sure that that process will continue and to work
16 with the author's office on this.

17 BOARD CHAIRMAN FROST: Mr. Relis.

18 BOARD MEMBER RELIS: I'd like to add that
19 this subject has been of great concern to me and I feel
20 that the progress being made is very encouraging and I
21 think we've come a long way from where we were a few
22 weeks ago where I think critical and important concerns
23 of the Board were really not reflected in the bill.

24 At the present time it seems to me the
25 bill -- we do have to act on what the bill states, and

1 thus it would be difficult I think to act on just the
2 changes in the bill now because we don't know what those
3 are. And so I think as it stands, the bill prevents the
4 Board or inhibits the Board from its appropriate
5 oversight function and from the previous authority
6 contained as was mentioned by Mr. Chandler in his
7 review. And thus it would be difficult for me to
8 support the bill, the present bill. So I just wanted to
9 make those points.

10 MS. DELMATIER: What I was suggesting,
11 Mr. Relis, is two positions, one on the bill and one on
12 the proposed amendments.

13 BOARD MEMBER RELIS: As long as we're clear
14 on distinguishing those two.

15 BOARD MEMBER NEAL: I would recommend the
16 same thing. It sounds like we have a couple of
17 decisions to make here. One is where the Board is on
18 the amendments, and perhaps we need to deal with that
19 first. And then second, as you know, the recommendation
20 that came forward from committee was support if amended,
21 and we did that to indicate that we really wanted to
22 move forward in a positive cooperative manner and I
23 think that it has had that result and I am very pleased
24 with that, but Mr. Relis is entirely correct that what
25 we do have before us now at the Board meeting is a bill

1 in its current form and I think with our second decision
2 we have to keep that in mind. If the amendments are not
3 taken, then what direction we are leaving to discussion.

4 BOARD MEMBER CHESBRO: Where would that
5 leave us relative to the Governor's desk should the
6 bill --

7 BOARD CHAIRMAN FROST: I have to say first
8 there is not a difference between support if amended or
9 opposed unless amended. It's semantics. The difference
10 is irrelevant whether we say support if amended or
11 opposed unless amended. If it isn't amended the way we
12 want it, then we obviously are opposed and we'd ask for
13 veto. And the same thing if opposed unless amended. So
14 there really isn't that much difference between the two.

15 BOARD MEMBER CHESBRO: The reaction that
16 Kathy and I got in committee is that some people think
17 there is a difference.

18 DIRECTOR FETTIG: I think there is a
19 distinction, Mr. Chairman, in that a support if amended
20 might imply if we don't get the amendments, we'd be
21 neutral on the bill. And opposed unless amended implies
22 if you don't get your amendments, you are definitely not
23 neutral, you're in opposition.

24 BOARD MEMBER CHESBRO: So what position
25 will send the best message?

1 DIRECTOR FETTIG: Opposed unless amended.

2 BOARD MEMBER HUFF: There's something else
3 I want to throw in here. Ms. Delmatier mentioned
4 earlier that when people were discussing legislation
5 last December, one of the reasons why this bill was
6 thrown in the hopper is because we were approaching a
7 time frame where it would be necessary. But that time
8 frame now has been changed, hasn't it? So that if for
9 some reason final compromise can't be reached, the time
10 frame impetus to all of this has changed and we could
11 still deal with this in the early part of next year if
12 need be.

13 MS. DELMATIER: That's true.

14 BOARD MEMBER HUFF: And that's different
15 than the situation six, seven, eight months ago.

16 MS. DELMATIER: Yes, absolutely. We do
17 have a window that was created.

18 BOARD MEMBER HUFF: The window has been
19 opened a little bit.

20 MS. DELMATIER: Yes.

21 BOARD MEMBER NEAL: Do we know where we are
22 on the proposed amendments?

23 BOARD CHAIRMAN FROST: Well, I suppose we
24 ought to move on it.

25 BOARD MEMBER NEAL: I'll move to support in

1 concept the proposed amendments.

2 BOARD MEMBER HUFF: Second.

3 BOARD CHAIRMAN FROST: Moved and seconded
4 that we support the amendments in concept. Call the
5 roll, please.

6 BOARD SECRETARY: Board member Chesbro.

7 BOARD MEMBER CHESBRO: Aye.

8 BOARD SECRETARY: Huff.

9 BOARD MEMBER HUFF: Aye.

10 BOARD SECRETARY: Egigian.

11 BOARD MEMBER EGIGIAN: Aye.

12 BOARD SECRETARY: Neal.

13 BOARD MEMBER NEAL: Aye.

14 BOARD SECRETARY: Relis.

15 BOARD MEMBER RELIS: Aye.

16 BOARD SECRETARY: Chairman Frost.

17 BOARD CHAIRMAN FROST: Aye.

18 CHAIRMAN FROST: We need a position on the
19 bill.

20 BOARD MEMBER NEAL: On a position on the
21 bill, taking in mind that we do have to react to the
22 bill in its current form, I would move that we not
23 follow the committee's direction at this point and take
24 an oppose unless amended position.

25 BOARD MEMBER CHESBRO: I'll second it.

1 BOARD CHAIRMAN FROST: It's moved and
2 seconded that we take the oppose unless amended. Call
3 the roll, please.

4 BOARD SECRETARY: Board member Chesbro.

5 BOARD MEMBER CHESBRO: Aye.

6 BOARD SECRETARY: Huff.

7 BOARD MEMBER HUFF: What is it, opposed
8 unless amended?

9 BOARD CHAIRMAN FROST: Yes.

10 BOARD MEMBER HUFF: Aye.

11 BOARD SECRETARY: Egigian.

12 BOARD MEMBER EGIGIAN: I don't think I can
13 take that. I want to go for the bill as it is now.

14 BOARD CHAIRMAN FROST: So then you are a
15 no?

16 BOARD MEMBER EGIGIAN: No.

17 BOARD SECRETARY: Neal.

18 BOARD MEMBER NEAL: Aye.

19 BOARD SECRETARY: Relis.

20 BOARD MEMBER RELIS: Aye.

21 BOARD SECRETARY: Chairman Frost.

22 BOARD CHAIRMAN FROST: Aye.

23 Okay, that disposes of 3001. And we would
24 like to take a 10-minute and a 48-second break.

25 (Recess.)

1 BOARD CHAIRMAN FROST: Okay, we will return
2 to order. We're on Item 4.

3 Ms. Fettig, would you like to continue?

4 DIRECTOR FETTIG: The next bill before you
5 is Assembly Bill 3024 by Assemblywoman Roybal-Allard.
6 As the analysis in your packet indicates, the bill would
7 prohibit public agencies from accepting certain project
8 applications as complete unless a description of the
9 project site demographics has been submitted by the
10 applicant for the project and filed with the Office of
11 Planning and Research. The types of facilities affected
12 are hazardous waste facilities, facilities with toxic
13 air emission impact and solid waste facilities.

14 And as indicated on the cover of your
15 analysis, the recommendation from the Legislation and
16 Public Affairs Committee was support.

17 BOARD CHAIRMAN FROST: Ms. Neal.

18 BOARD MEMBER NEAL: I would like to move
19 the committee's position and make some comments and also
20 share with you a letter that I received from
21 Assemblywoman Roybal-Allard.

22 First, I will not read the entire letter, I
23 will pass it down and you can read it as we're
24 discussing this, but I would like to point out a few
25 highlights of the letter.

1 The letter is asking that the Board go on
2 record supporting this legislation. She does note in
3 her letter that this bill is consistent with the
4 recommendations contained in a report from the United
5 States Environmental Protection Agency and that it was
6 drafted in such a manner to avoid imposing any
7 additional unnecessary regulatory burdens on the
8 business community.

9 It would not be required by the applicant
10 to make any additional independent demographic studies
11 and any of the required information is available at very
12 minimal cost from a local Census Bureau and can be
13 readily reduced to a one-page chart that would be
14 attached.

15 It also does not require the lead agency to
16 take any specific action in response to that data, only
17 that that data be provided.

18 I will pass this letter down so that you
19 can read it. As you are aware, there was similar
20 legislation in the last legislative session and that
21 legislation, although passed by the legislature, was
22 vetoed by the Governor.

23 I will note that the Governor in his veto
24 message stated a belief that environmental quality
25 questions are currently addressed in the CEQA process

1 and through public hearings. However, I will note that
2 unfortunately CEQA does not currently address or provide
3 any concrete data relative to this issue. So I think it
4 is incumbent upon us in keeping with our
5 responsibilities to make sure that that kind of
6 clarifying information is provided when any action on
7 this legislation is considered.

8 I think quite frankly that the approach
9 being proposed in this legislation will finally provide
10 any empirical data which is really necessary to either
11 support or refute allegations of environmental inequity.

12 As the assemblywoman stated in her letter,
13 Federal EPA does recommend local agencies should review
14 and where appropriate revise their permit processes to
15 address the question of environmental equity. In
16 addition to that, Cal/EPA has communicated to the
17 environmental boards, as well as to the departments
18 reporting to Cal/EPA, a desire to do what is necessary
19 to alleviate any concerns relative to environmental
20 equity.

21 I would also like to bring to your
22 attention, if you're not aware of it, there was a report
23 that was prepared not by our Board but by our
24 predecessor Board, California Waste Management Board,
25 in, I think it was 19 -- I'm not sure of the date, '85

1 perhaps, and the report addressed the siting of
2 specifically waste energy plants, but I think much to
3 that Board's discredit provides a blueprint and
4 instructions that if you want to, in California, site
5 any of these what are considered high-impact facilities,
6 the way to do it is to plop them down in the middle of
7 low income communities with a high proportion of
8 undereducated and basically less empowered citizens.

9 I'm pleased that our Board did not do this.
10 I'm very embarrassed for the previous Waste Management
11 Board that they would put this kind of information out
12 in a report sanctioned by their Board. And I hope that
13 we can do something to sort of rehabilitate the fact
14 that the State would support this kind of approach.

15 I think if there is some feeling on the
16 part of some Board members that this legislation should
17 not be supported, basically what that is saying is that
18 there is no concern about environmental equity. This
19 bill is not asking for any special treatment of any
20 particular communities. This is not an affirmative
21 action issue. It is about basic evenness and fairness.
22 And if that is not worth supporting, I'm not sure what
23 is.

24 BOARD CHAIRMAN FROST: Mr. Huff.

25 BOARD MEMBER HUFF: That is an interesting

1 report. As I understood it, that report was sanctioned
2 by the old Board, and let me underline the word "old".

3 BOARD MEMBER NEAL: I made that very clear.

4 BOARD MEMBER HUFF: But the actual drafting
5 of language was done by a contractor.

6 BOARD MEMBER NEAL: Yes, Joe Sorrell.

7 BOARD MEMBER HUFF: Does he need
8 rehabilitation?

9 BOARD MEMBER NEAL: Probably so.

10 BOARD MEMBER HUFF: I truly believe that
11 Joe does need some rehabilitation.

12 BOARD MEMBER NEAL: Perhaps he is getting
13 on in age, I don't know.

14 BOARD MEMBER HUFF: Paul is asking me who
15 he is.

16 BOARD CHAIRMAN FROST: We'll tell you
17 later.

18 BOARD MEMBER HUFF: But beyond that, we'll
19 leave Joe Sorrell out of this now. Wish we could leave
20 him out of other things.

21 BOARD MEMBER NEAL: So do I.

22 BOARD MEMBER HUFF: As I understand it, the
23 Governor did veto the bill last year, and while I've
24 listened to you, Ms. Neal, discussing this issue and I
25 have some receptivity to your discussion, I think that

1 this is an issue that needs to be, if the Governor is
2 going to veto, decided at higher councils than our
3 particular council. And so to perhaps even further
4 that, I would suggest to Board members who want to
5 listen to my suggestions that perhaps we simply take no
6 position on this bill and, therefore, facilitate that
7 discussion by not prejudicing higher level discussions
8 and perhaps abstain on the motion.

9 BOARD MEMBER NEAL: Let me, if I might
10 respond. True, this will be decided ultimately at a
11 higher level. But I think that we are placed on this
12 Board to, forgive me for using this term or this phrase,
13 exercise some independent judgment and decision making.
14 And I think relative to legislative matters, as we have
15 discussed with all the bills previously this morning, we
16 are crafting our positions to provide some guidance and
17 some information when the bills reach the desk at that
18 higher level. And if we're not put here to exercise
19 that kind of decision making and provide that kind of
20 thought process and input and just defer our decisions
21 to a higher level because that is where it is being
22 decided, then I don't know why we waste our time
23 discussing any of this stuff. This does not make sense.

24 I quite frankly think that that is sort of
25 a weak excuse for not taking a position on this, and I

1 think that the only reason that is credible in terms of
2 not taking a position on it is that you don't think the
3 bill is a good idea.

4 BOARD CHAIRMAN FROST: Well, I do. I think
5 the bill is not a good idea. I agree with the Governor.
6 I think that the Governor's primary objection to the
7 bill is the fact that it adds additional requirements to
8 CEQA. I think he said in his veto message that he would
9 support a bill that dealt with the fairness and equity
10 question but he does not want to add additional
11 requirements to CEQA, an issue on which I agree with
12 him. I agree we should not be adding additional
13 requirements to CEQA.

14 If there were a bill or if we could support
15 a bill that dealt with the equity question separate from
16 CEQA, I would probably support it. And if this bill
17 dealt with that question separately from CEQA, I would
18 probably support it. But I think our alternatives now
19 are to do what Mr. Huff suggests and abstain, which will
20 probably end up with us taking no position on the bill
21 or --

22 BOARD MEMBER NEAL: If I might respond to
23 that as well. I have a copy of the Governor's veto
24 message here and in it he makes absolutely no mention of
25 any intent to support any other legislation relative to

1 the impact on CEQA at all.

2 Now, my understanding of this particular
3 bill is that it would not impact the CEQA process
4 whatsoever. I may need to defer to our legal counsel on
5 that, but that is my reading, that this does not impact
6 CEQA at all.

7 BOARD CHAIRMAN FROST: It adds a
8 requirement to CEQA that is not there now.

9 BOARD MEMBER NEAL: My understanding is
10 that it did not, but I don't know if Ms. Fettig or
11 Mr. Conheim can -- I know I'm putting you on the spot.

12 MR. CONHEIM: Not at all, Ms. Neal.

13 Mr. Chairman, the bill adds these
14 requirements to the project development side of the
15 Government Code. It adds sections that are wholly
16 unrelated to CEQA and have no legal connection to the
17 CEQA. And I'm only guessing that that is, that was done
18 so that there would be in fact no legal nexus to CEQA.

19 My reading of the bill is that it doesn't
20 add any requirements to the CEQA analysis itself. It
21 merely provides information which at some point, once
22 provided, if available at the time the CEQA analysis is
23 done would presumably be in some record and would be
24 considered. But CEQA is in the Public Resources Code at
25 Section 21000. This is at the Government Code Section

1 65940.

2 BOARD MEMBER NEAL: Given that, and since
3 you've just stated that you would support such
4 legislation if it didn't impact CEQA, can I take that as
5 your aye vote?

6 BOARD CHAIRMAN FROST: I don't agree it
7 doesn't impact CEQA. I think the fact is this is one of
8 the findings that has to be made prior to the approval
9 of the CEQA finding, and I think it does.

10 I think the other thing is that the
11 Governor did veto this bill and if he is going to change
12 his mind, it probably won't be because of what the Waste
13 Board does.

14 BOARD MEMBER NEAL: If that is the case,
15 then I think the Waste Board ought to do what it sees as
16 appropriate.

17 Let me ask you one more question. We have
18 heard from our legal counsel that it does not impact
19 CEQA. I have been in contact with the author's office
20 and have gotten the same information. What would it
21 take to convince you that it does not?

22 BOARD CHAIRMAN FROST: Do you have a copy
23 of the bill?

24 MR. CONHEIM: It is here. And I think the
25 part that Mr. Frost is concerned about is that, while it

1 doesn't require any analysis under CEQA, the CEQA
2 process isn't complete until a notice has been filed
3 that this demographic statement was submitted and
4 published. And it does make a reference to Section
5 21092 of the PRC. Although it doesn't require any
6 substantive analysis, it requires a procedural addition.

7 Mr. Frost, do you want a copy?

8 BOARD CHAIRMAN FROST: No, I have a copy.

9 Mr. Relis.

10 BOARD MEMBER RELIS: I just wanted to state
11 that while I'm sympathetic to certainly not wanting to
12 burden the regulatory process further, this bill, when I
13 came on the Board I supported it because of the
14 sensitivity within the environmental community to
15 concerns about not taking these issues into
16 consideration on siting, and so for that reason and the
17 strong environmental support for the bill, I would be in
18 support of Ms. Neal's motion.

19 And I also would like to state for the
20 record that I don't believe our Board, based on
21 discussions we have had on landfill matters here, could
22 be viewed as not being sensitive to the siting question.
23 So I want that understood. It's more out of the overall
24 concern I think in the environmental community about
25 this particular matter.

1 BOARD MEMBER EGIGIAN: Mr. Chairman.

2 BOARD CHAIRMAN FROST: Yes, Mr. Egigian.

3 BOARD MEMBER EGIGIAN: I'm -- at one time I
4 might have voted for this. However, looking back on the
5 Keller Canyon situation where the issue was -- the issue
6 tried to be brought into a minority racial situation and
7 the facts later told us that 52 percent of the people in
8 there were not of the minority situation. I believe
9 that this bill, if we support it, it's going to be a
10 crutch for people that are opposed to any kind of
11 establishment of a landfill, a transfer station, a MRF
12 or anything. And then again being recently reappointed
13 by Governor Wilson to my post, I don't think that I want
14 to offend the Governor. I'm not going to go for this
15 bill.

16 BOARD MEMBER NEAL: Sam, let me suggest
17 something since you bring up Keller Canyon. Yes, that
18 issue was raised. Ultimately not until we sort of went
19 out individually and did our own independent sort of
20 eyeball investigation of what we thought the situation
21 was did we determine whether or not we felt that that
22 was a valid complaint relative to the siting of this
23 facility. Had this bill been in place, that information
24 would have been available very early in the process and
25 that entire issue would have been put to bed before it

1 even reached the level that it did.

2 BOARD CHAIRMAN FROST: Mr. Chesbro.

3 BOARD MEMBER CHESBRO: I feel the bill is
4 necessary, not because it imposes or directs the
5 decision-making process, it simply requires certain
6 questions to be asked and data provided to answer those
7 questions. And I think that is an extremely reasonable
8 proposal. It is not an attempt to say there is a
9 problem in all or even in most cases in siting. It is
10 simply to say let's determine in an individual case
11 whether there is based on some sort of factual data or
12 basis.

13 And I think the author has attempted to
14 provide for this information to be developed in a very
15 unobtrusive way in the decision-making process and has
16 been very sensitive to not creating another obstacle.
17 So I must agree with the bill.

18 BOARD MEMBER NEAL: I think it is
19 unfortunate that maybe there is a misperception that
20 this bill is intended to preclude siting of facilities.
21 Like Sam said, in the Keller Canyon situation had this
22 bill been in place, we would not have even had, I
23 believe, the debate that we did. And it may not have
24 reached some of the contentious levels that it did.

25 All this does is provide an empirical base

1 which tells you exactly what is happening so that people
2 cannot just go in and suppose what the situation is.

3 BOARD CHAIRMAN FROST: I want to take a
4 one-minute break for a conference.

5 (Brief recess.)

6 BOARD CHAIRMAN FROST: Our recess is over.

7 There is a motion and a second made --
8 motion made by Ms. Neal and seconded by Mr. Chesbro that
9 we take a support position on this bill.

10 Call the roll, please.

11 BOARD SECRETARY: Board member Chesbro.

12 BOARD MEMBER CHESBRO: I didn't hear the
13 motion.

14 BOARD CHAIRMAN FROST: You seconded it.

15 BOARD MEMBER CHESBRO: Oh. I vote aye.

16 BOARD SECRETARY: Huff?

17 BOARD MEMBER HUFF: Abstain. When I lean
18 back, I abstain.

19 BOARD SECRETARY: Egigian.

20 BOARD MEMBER EGIGIAN: No.

21 BOARD SECRETARY: Neal.

22 BOARD MEMBER NEAL: Aye.

23 BOARD SECRETARY: Relis.

24 BOARD MEMBER RELIS: Aye.

25 BOARD SECRETARY: Chairman Frost.

1 BOARD CHAIRMAN FROST: Abstain.

2 We're back to where we were last year, we
3 have no position on the bill.

4 Do you have other bills, Ms. Fettig?

5 DIRECTOR FETTIG: There are two more.

6 BOARD CHAIRMAN FROST: Okay.

7 DIRECTOR FETTIG: The next bill is Senate
8 Bill 610 by Senator Calderon.

9 The bill deals with appropriate
10 mechanisms for providing financial assurances for
11 closure/postclosure costs at landfills. The current
12 version of the bill would require the Board to authorize
13 use of any mechanism authorized under federal
14 regulations. And I believe the issue here is insurance
15 and appropriate mechanisms for providing coverage for
16 closure/postclosure costs.

17 BOARD CHAIRMAN FROST: Mr. Huff.

18 BOARD MEMBER HUFF: Yes, I've had some
19 conversations with Ms. Fettig about this bill. The
20 bottom line really is that this is an argument between
21 Waste Management and Department of Insurance. I have no
22 desire that this Board become another Department of
23 Insurance trying to figure out what is an insurance
24 mechanism and what is a surety bond or anything else.
25 The Department of Insurance has responded to our letter

1 to them asking for guidance. We have also received
2 verbal guidance from them, and I'm quite satisfied that
3 the Department of Insurance has addressed the issues.

4 What needs to be done, I think, is that
5 this bill has to reflect legislative policy making
6 directed at the Department of Insurance to make sure
7 that this bill goes in that direction.

8 I would move that we adopt an oppose unless
9 amended position on the bill. And the amendment would
10 be that the Board shall not authorize the use of
11 liability insurance to provide evidence of financial
12 ability to meet closure and postclosure maintenance
13 costs unless the State Department of Insurance
14 determines that its use for this purpose is appropriate.
15 It's the language you gave me.

16 And then that again frames the question in
17 terms of this is an insurance issue, not a waste
18 management issue, and we're probably going to be talking
19 to Department of Insurance and John Garamendi.

20 BOARD MEMBER NEAL: I do have a question.
21 Has the Governor called you and told you what he intends
22 to do with this so you know how to vote?

23 BOARD MEMBER HUFF: The Governor hasn't
24 called me on anything, but if he did, he would probably
25 ask the question how the hell did we manage to hide

1 eleven billion dollars.

2 BOARD CHAIRMAN FROST: We didn't hide it,
3 we just lost it. Okay.

4 BOARD MEMBER HUFF: It's all right, we're
5 in Long Beach.

6 BOARD MEMBER CHESBRO: I'll second.

7 CHAIRMAN FROST: Okay. It's been moved and
8 seconded that we oppose unless amended.

9 Call the role, please.

10 BOARD SECRETARY: Board member Chesbro.

11 BOARD MEMBER CHESBRO: Aye.

12 BOARD SECRETARY: Huff.

13 BOARD MEMBER HUFF: Aye.

14 BOARD SECRETARY: Egigian.

15 BOARD MEMBER EGIGIAN: Aye.

16 BOARD SECRETARY: Neal.

17 BOARD MEMBER NEAL: I don't know, the
18 governor hasn't called me either. What should I do,
19 Jesse?

20 BOARD MEMBER HUFF: Vote your conscience.

21 BOARD MEMBER NEAL: Aye.

22 BOARD SECRETARY: Relis.

23 BOARD MEMBER RELIS: Aye.

24 BOARD SECRETARY: Chairman Frost.

25 BOARD CHAIRMAN FROST: Aye.

1 Okay, the last one.

2 DIRECTOR FETTIG: The last bill is Senate
3 Bill 2061 by Senator Leslie.

4 The bill came out of the Legislation and
5 Public Affairs Committee with a recommendation of
6 support if amended. The bill kind of deals with two
7 separate issues. It has some provisions relating to
8 increased assistance by the Board for rural
9 jurisdictions who may have difficulties in implementing
10 provisions of 939.

11 A separate provision was added to the bill
12 on June 23 relating to landfills that accept woodwaste
13 only, and the language in the bill, which was discussed
14 by the Legislation Committee, requires the Board to
15 adopt regulations for the operation of nonhazardous
16 woodwaste landfills that recognize that these facilities
17 have a lower potential for environmental damage and
18 therefore our regulation should be less stringent.

19 The discussion at the committee kind of
20 went to the thought that while they may be different,
21 staff weren't ready to concede that there is a lesser
22 standard required of these facilities, perhaps just a
23 different standard. Based on the committee's
24 recommendation of support if amended to revise the
25 language on woodwaste, and there is some language

1 suggested on the back page of the analysis which instead
2 of saying that the standards should be less stringent,
3 it just says the regulations should recognize that the
4 operational requirements for landfills should
5 distinguish between woodwaste landfills and others.

6 BOARD MEMBER CHESBRO: I think I can speak
7 for the members of the legislative committee that were
8 there that we felt that there certainly was a clear case
9 and the staff indicated there was a clear difference
10 between woodwaste sites and other landfills. However,
11 it was inappropriate to assume that it was a lesser or
12 greater impact without factual basis.

13 And so the committee members, I think, took
14 the position based on a desire to have the regulations
15 adopted on that basis. And I don't know that it was
16 firm, but I got the sense from the representative from
17 the timber industry at the meeting that that was at
18 least in the ballpark of acceptability. I don't know if
19 any commitment has been made by her or the author, but I
20 felt it was a positive response. So I think there is a
21 good chance that the bill is mutually acceptable. So I
22 would move support if amended.

23 BOARD MEMBER HUFF: Mr. Chairman.

24 BOARD CHAIRMAN FROST: Mr. Huff.

25 BOARD MEMBER HUFF: A question, perhaps to

1 counsel. The bill requires the Waste Board to adopt
2 regulations for the operation of the facilities, et
3 cetera. Don't we have that authority now? We can
4 establish whatever standard we want.

5 MR. CONHEIM: Yes, Mr. Huff, we have that
6 authority.

7 BOARD MEMBER HUFF: So the bill does more
8 than just that, doesn't it?

9 DIRECTOR FETTIG: The other provisions bear
10 no relation to this and have to do with just providing
11 assistance to rural jurisdictions in meeting the 939
12 mandates. This is one provision relating to woodwaste
13 that was just added in.

14 BOARD MEMBER HUFF: Just recently added in?

15 DIRECTOR FETTIG: Yes.

16 BOARD MEMBER HUFF: So it wasn't in the
17 original bill?

18 DIRECTOR FETTIG: No.

19 BOARD MEMBER HUFF: Is this somebody's
20 reaction to flatulating termites?

21 DIRECTOR FETTIG: It's the same party that
22 reacted to that subject.

23 BOARD MEMBER HUFF: Political party or same
24 lobbyists?

25 DIRECTOR FETTIG: Yes, that's correct.

1 BOARD MEMBER HUFF: So that is what we're
2 seeing. The original bill didn't have this stuff in it.

3 DIRECTOR FETTIG: Right. The bill
4 essentially has two sponsors, one working on assisting
5 rural jurisdictions and one working on woodwaste.

6 BOARD MEMBER HUFF: I'm a great fan of
7 assisting rural jurisdictions, but the second aspect of
8 the bill I have problems with. Just like I have
9 problems with the Clay bill and the compost where there
10 is legislation spelling out for us what we already have
11 the authority to do ourselves. I really don't think
12 that is appropriate. We don't need to write
13 redundancies into the law, you don't need to write
14 regulations into statute.

15 Now, the amendment we're seeking, is it to
16 totally delete this?

17 BOARD MEMBER CHESBRO: No. It is written
18 on page 47.

19 DIRECTOR FETTIG: It simply removes the
20 language they had in the bill saying that the regulation
21 should provide for less stringent requirements and says
22 instead that they should just recognize the differences.

23 BOARD MEMBER RELIS: It basically just
24 states that we can regulate what we can already
25 regulate.

1 DIRECTOR FETTIG: It also mandates that we
2 do these regulations. It says the Board shall adopt
3 regulations.

4 BOARD MEMBER HUFF: So it requires a
5 separate regulation package that addresses operation of
6 solid waste landfills which accept only nonhazardous
7 waste. We would have to do a separate regulation
8 package for that. Seems like a lot of nonsense.

9 DIRECTOR FETTIG: It is certainly a very
10 similar issue to the one on the composting

11 BOARD MEMBER CHESBRO: The argument goes
12 that we're talking about a monofill type of operation,
13 which is a single type of material, at least if it is
14 being operated properly. So as a result the impacts are
15 significantly different. While on a statewide scale of
16 things this might not seem important to folks who aren't
17 involved, the fact of the matter is there is a great
18 deal of regulation, just as with a composting facility,
19 which was designed for landfills, for mixed waste
20 landfills, which is entirely inappropriate.

21 I guess it is a question of priority, but I
22 happen to think there is an industry that is being
23 unduly impacted and we ought to be sensitive and
24 concerned about that. I criticize them on just about
25 everything else that they do, but I have to say in this

1 case I think they have a legitimate concern.

2 BOARD MEMBER RELIS: Mr. Chesbro, isn't it
3 true we can be sensitive and concerned within our due
4 regulatory process rather than setting up a special case
5 with a special track and all the attendant costs?

6 BOARD MEMBER CHESBRO: Well, let me ask of
7 either Dorothy or the permitting staff, does this of
8 necessity mean a complete new set of regulations or can
9 it be a subset of the landfill regulations that applies
10 specifically to the requirements of forest products?

11 DIRECTOR FETTIG: I think if you wanted to
12 accomplish that, you might want to change the wording
13 somewhat, that the Board shall adopt regulations for the
14 operation of woodwaste landfills. You might want to
15 authorize the Board to look at appropriate distinctions
16 within the regulations that we have.

17 It is also my understanding from permitting
18 staff, and they may want to clarify, that it is current
19 practice to provide some distinguishing between types of
20 facilities in terms of which particular operational
21 requirements you impose upon them. And apparently they
22 do that already, and in particular recognize that many
23 of these woodwaste facilities are in extremely rural
24 areas with no human operator, no power, and naturally we
25 can't require the all the same things that we require

1 for other types of landfills. And I believe that is
2 accommodated to some degree already. They may want to
3 provide further detail, but that was my understanding
4 from when Martha Vasquez provided information to the
5 Legislation Committee.

6 BOARD MEMBER CHESBRO: I just don't think
7 you can accommodate a concern that is expressed through
8 the legislative process.

9 MR. CONHEIM: Mr. Chairman.

10 Mr. Chesbro, to the extent it can be
11 wrapped into other regulatory work, fine, except that
12 this has a deadline also. So notwithstanding the fact
13 that there might not be a substantive conflict, this
14 would have to be done by a date certain and if the other
15 wasn't ready to go, then this would have to be done
16 anyway as a separate process.

17 BOARD MEMBER HUFF: I just don't think it
18 is necessary. I like Mr. Leslie's bill as he originally
19 introduced it.

20 BOARD CHAIRMAN FROST: We have a motion to
21 support if amended the amendment that Mr. Chesbro
22 referred to. Do we have a second on that motion?

23 BOARD MEMBER NEAL: I'll second it.

24 BOARD CHAIRMAN FROST: Now, Mr. Huff, did
25 you -- are you satisfied to vote on this motion?

1 BOARD MEMBER HUFF: Yes, because I'll vote
2 no.

3 BOARD CHAIRMAN FROST: All right. Let's
4 call the roll on this one.

5 BOARD SECRETARY: Board member Chesbro.

6 BOARD MEMBER CHESBRO: Aye.

7 BOARD SECRETARY: Huff.

8 BOARD MEMBER HUFF: No.

9 BOARD SECRETARY: Egigian.

10 BOARD MEMBER EGIGIAN: No.

11 BOARD SECRETARY: Neal.

12 BOARD MEMBER NEAL: Aye.

13 BOARD SECRETARY: Relis.

14 BOARD MEMBER RELIS: No.

15 BOARD SECRETARY: Chairman Frost.

16 BOARD CHAIRMAN FROST: No.

17 BOARD SECRETARY: Motion defeated.

18 BOARD CHAIRMAN FROST: Mr. Huff, would you
19 like to make a motion?

20 BOARD MEMBER HUFF: I'd move to support if
21 amended and the specific amendment to be either to
22 delete or make permissive the language with reference to
23 regulation of operation of solid waste facilities and
24 accept nonhazardous woodwaste. I don't want to see a
25 date in there and I don't want to see a mandate that we

1 develop a regulation package. If the compromise is that
2 we take a look at the differences, which we already are
3 doing, but if that does something for egos, then okay,
4 they can re-express what we're already doing, but I
5 don't want any substantive requirements. That's my
6 motion.

7 BOARD CHAIRMAN FROST: Mr. Huff has moved.
8 Is there a second?

9 BOARD MEMBER EGIGIAN: Second.

10 BOARD CHAIRMAN FROST: Call the roll.

11 BOARD SECRETARY: Board member Chesbro.

12 BOARD MEMBER CHESBRO: No.

13 BOARD SECRETARY: Huff.

14 BOARD MEMBER HUFF: Aye.

15 BOARD SECRETARY: Egigian.

16 BOARD MEMBER EGIGIAN: Aye.

17 BOARD SECRETARY: Neal.

18 BOARD MEMBER NEAL: Abstain.

19 BOARD SECRETARY: Relis.

20 BOARD MEMBER RELIS: Aye.

21 BOARD SECRETARY: Chairman Frost.

22 BOARD CHAIRMAN FROST: Aye.

23 Okay. Motion adopted. Does that complete

24 Item 4?

25 DIRECTOR FETTIG: Yes, it does.

1 BOARD CHAIRMAN FROST: Thank you. Now,
2 we'll move into Item 6, which is review and
3 consideration of the Board's proposed market development
4 strategy.

5 Mr. Chandler, would you like to open on
6 this?

7 MR. CHANDLER: I think I'll defer to
8 Vice-Chair Chesbro, and if you wanted to make a couple
9 of opening remarks and then we'll introduce the item.

10 BOARD MEMBER CHESBRO: Mr. Chairman,
11 members of the Board, this item represents the first
12 step in the development of the Board's market
13 development strategy. The Board has already approved it
14 in concept, and since that time staff has been
15 meticulously incorporating the recommended changes,
16 distilling the essence of our discussions and reviewing
17 it with all of our statutory requirements.

18 You will notice that the goals and
19 strategies are broadly stated and that is the intent of
20 this document. I'd like to point out that this has been
21 before the public in four different settings, two
22 committee meetings and two Board meetings, and the most
23 recent version was available to the full Board and
24 distributed to the full Board through the committee
25 agenda for its most recent meeting.

1 As we proceed with our strategy development
2 you will see more specifics regarding program
3 objectives. Let me add to that that there are a number
4 of specifics I'm concerned about that are missing from
5 this document because this is by nature a general
6 document. And we will be proceeding with specific
7 implementation and specific language that I hope will
8 incorporate my concerns as well as other concerns of
9 Board members that are not inclusive in this very broad
10 general document.

11 Material specific public workshops will be
12 conducted through September to prepare action plans for
13 secondary materials markets. Recommendations from these
14 action plans will be made part of the overall market
15 development strategy and brought to the Board for
16 approval. We also believe that there is a critical need
17 to move forward swiftly to prepare for the influx of
18 secondary materials that are going to hit the market
19 because of the diversion goals.

20 For this reason the Market Development
21 Committee has selected three materials to put on a fast
22 track strategy. For these three materials, mixed paper,
23 compostables, and I have it qualified to say
24 compostables other than paper, meaning yard waste,
25 kitchen waste and woodwaste, and also high density

1 polyethylene/mixed plastic. Those are the three
2 categories.

3 The Committee will hold workshops in August
4 and September and October to identify what actions must
5 be taken immediately to assure markets exist for the
6 increased supply of secondary materials from local
7 recycling programs. As soon as we develop those action
8 plans, we'll again come to the Board with
9 recommendations.

10 I don't think we can overemphasize the
11 importance of this program and the need to move very
12 rapidly. California's recycling future depends on the
13 success of this endeavor.

14 The effort is also important at challenging
15 at another level, and that is that it provides us the
16 opportunity to contribute significantly to California's
17 economic development needs and help meet the
18 recessionary problems that business and local
19 governments and the state government are facing all over
20 the state. Recycling market development is a
21 significant economic development opportunity.

22 I want to especially thank the staff of the
23 Market Development Branch and Strategic Planning and
24 Policy Development Office for collaborating on this
25 critical effort. I think they have done an exceptional

1 job.

2 Now Mr. Chandler has a few words.

3 MR. CHANDLER: Thank you. Every interest
4 group affected by the fundamental requirements of the
5 Waste Management Act has pointed to the integral role of
6 secondary materials markets in achieving aggressive
7 waste diversion mandates. Our staff must currently
8 respond to a variety of market development mandates.
9 Many of these mandates were developed to address
10 specific concerns which in and of themselves are not
11 sufficient for the successful management of 50 percent
12 of the waste stream.

13 Over the past several months staff observed
14 that the effectiveness of the state-wide market
15 development program may be enhanced if we could take a
16 broad enough view of our current efforts and identify
17 what future measures may be necessary. I believe the
18 market development mission and goals which you are
19 considering today is just the beginning of the analysis
20 and recommendations which will be brought before you
21 over the coming months.

22 Board Member Chesbro previously recognized
23 the activities of the Market Development Branch and its
24 policy office in developing this first component of the
25 plan. I would also like to state that this Board will

1 be affected by this plan and its contents, and that
2 recommendations will be brought before them for their
3 input while we will be soliciting development of this
4 plan throughout the entire process.

5 At this point I'd like to introduce the
6 branch manager, John Smith, of the Market Development
7 Branch to complete the presentation.

8 BOARD CHAIRMAN FROST: We have two Board
9 members who want to ask questions. Do you want to wait?

10 BOARD MEMBER NEAL: Yes.

11 BOARD CHAIRMAN FROST: We'll wait.

12 MR. SMITH: Mr. Chairman and members, Board
13 Member Chesbro and Ralph Chandler have pretty well
14 summarized what I was going to say, so I will be brief
15 so we can get into the market development strategy.

16 I'd just like to say that I appreciate the
17 hard work of Ed Boisson of the Office of Strategic
18 Planning and Policy Development. He has worked very
19 hard and has tried to work very closely with everyone in
20 developing this document.

21 I'd like to now turn the document
22 discussion over to Ed and he can go through the mission,
23 the goals and the strategies and then open it up to
24 questions from particular Board members.

25 Mr. Boisson.

1 MR. BOISSON: Good afternoon. I think just
2 one more quick comment by way of introduction and that
3 is to say, as Mr. Chesbro alluded to, this document that
4 we're presenting today consists of a mission statement,
5 broad goals and strategies concerning our market
6 development approach at the Board.

7 It was heard before the Market Development
8 Committee as well as the Board in June and it has been,
9 as you can see, significantly revised since then. The
10 revised version was heard again at the Market
11 Development Committee and I wanted to touch on the
12 reasons why its structure has changed so much.

13 In general, there is a one-to-one
14 correspondence between the document you saw in June and
15 the one before you today. We changed the wording and we
16 changed the structure, but not the concepts. And as I
17 go through it, I'll try to clarify that a little bit
18 more.

19 This document is meant to do two things in
20 our view. The first thing is market development is
21 clearly very complex. There is a very wide variety of
22 programs addressing many different market sectors and
23 market players. So the first thing we wanted to do was
24 provide a basis for understanding all these different
25 things that are going on and how they relate to one

1 another and how they relate to achieving our overall
2 goals.

3 The second thing, and equally important,
4 is to provide a context for evaluating our ongoing
5 programs, listing and evaluating and ultimately
6 selecting new programs and tying it altogether to meet
7 the objectives which we will be developing over the
8 coming months. With that, I'll go right into the
9 presentation.

10 I'd like to draw the Board's attention to
11 the slides which are behind you. I don't think you have
12 any little screens in front of you here. The first
13 problem we had to start with is just a question of what
14 is market development. And, of course, the marketplace
15 in which recycling occurs is very complex. In each link
16 of the chain there are a large number of players.

17 On the collection and processing side, we
18 have public sector and private sector as well as
19 nonprofit collectors and processors. And in the
20 manufacturing sector, we're dealing with dozens of
21 different commodities and hundreds and perhaps thousands
22 of different products.

23 On the consumption side we have a complex
24 web of brokers, retailers, wholesalers, et cetera,
25 selling their products to the private sector and to the

1 government and other large institutions.

2 The other thing is that within each link
3 there is a very complex set of technical, economic,
4 environmental and attitudinal factors which influence
5 the decisions that are made, and whether or not they
6 support or represent a barrier to recycling.

7 And then finally, of course, each sector is
8 related to the next in the chain so, of course,
9 manufacturers are responding to price and quality
10 signals in the virgin industry, materials industry, as
11 well as the recycling and collection industry.
12 Collection programs are responding to not only state
13 diversion mandates but market signals, price, quality,
14 et cetera. And, of course, on the consumption there is
15 another whole set of factors, whether to purchase or not
16 recycled products.

17 So in that context our goal was to come up
18 with adopting and kind of provide a foundation for the
19 remainder of our market development plan that would make
20 this simple enough to understand but yet not lose track
21 of the complexities and interrelationships of the
22 sectors. So that's what we attempted to do.

23 In that context, we began by formulating a
24 very simple and direct overall mission statement. And
25 as you can see, that is to establish and maintain

1 overall market conditions in which secondary materials
2 generated in California are efficiently recycled into
3 new products. We view this as the ultimate goal. It
4 does not give you a sense of priority, et cetera, as to
5 how we're going to do that. That will be developed
6 through the course of the next next few months as we go
7 through workshops looking at specific materials and
8 getting into more detail on the specific options we have
9 before us.

10 Before I go on, I wanted to make just a
11 couple of observations about what this document does
12 here for us. As I alluded, this is hopefully to make
13 things simple and -- or understandable, I should say, it
14 is definitely not simple, and provide a context for
15 evaluating new programs. But what it doesn't do is
16 provide a sense of priority and the importance of
17 specific activities.

18 Again, as Mr. Chesbro mentioned, there will
19 probably be specific language that each of you are
20 looking for that you may not see. Everything we are
21 presenting today is very broad and I would just like you
22 to remember that. Under each of the strategies I'll be
23 presenting are a large range of ongoing activities and
24 potential activities. And by activities, I mean staff
25 programs, legislation, et cetera.

1 So first we looked at the manufacturing
2 sector and formulated a very broad goal and that is to
3 increase market demand for materials generated by the
4 California recycling programs. This is really -- the
5 strategies under this program are the heart of our, what
6 has been called the local market development or economic
7 development approach to market development.

8 The types of activity that would -- first,
9 the broad strategy is to look at our existing
10 manufacturers, those currently using secondary materials
11 and those which potentially could convert to using
12 secondary materials, if virgin, and take a look at the
13 factors that are either influencing that positively or
14 negatively. Of course, to develop new businesses which
15 consume secondary materials. And, finally, develop
16 alternative uses for, quote, problem materials.

17 And one of the motivating factors for that
18 is the question of a mixed color by-product of
19 processing which occurs in MRFs. It is a material that
20 is out there. Many recycling programs throughout the
21 state deal with it and there are many alternative uses
22 which may or may not qualify as, quote unquote, private
23 sector profitable businesses and yet have many uses
24 available to them.

25 The other thing I need to mention, too, is

1 that I have abbreviated the strategies. They appear in
2 full form in your packet and some are more abbreviated
3 than others, and that was just for the interests of
4 clarity in the presentation.

5 A couple more observations on the goals as
6 I go through them. We really tried to formulate them in
7 such a way that they are mutually reinforcing. They can
8 not only help explain the complexity in the marketplace
9 but take advantage of the relationship already out
10 there. And as I go through it, hopefully that will
11 become apparent.

12 The other thing is that a lot of these
13 strategies at some level, when you are formulating
14 these, it has to become somewhat arbitrary in terms of
15 the categories you choose to describe your program. So
16 some of the strategies will overlap and you'll see that
17 some of the strategies could have appeared elsewhere.

18 Secondly, we looked at the consumption
19 sector and the goal we formulated is simply to increase
20 demand for recycled content products. Two main
21 strategies here: One is to look again at federal, state
22 and local procurement packages, the legislation we have
23 on the books and how effective it's been and what our
24 options are to make it more effective. And secondly to
25 look at promotion of recycled content products in

1 industry and the public through public education,
2 labeling programs, et cetera, whatever options we may
3 have available to us.

4 And finally, we looked at the collection
5 processing sector and formulated the goal to promote the
6 development of efficient local waste diversion systems.
7 And our two main strategies here involve technical
8 assistance to local agencies, as well as facilitating
9 marketing of secondary materials largely through
10 information. And what we're referring to there are like
11 CALMAX, quarterly market reports, we have listings of
12 brokers and buyers of secondary materials, et cetera,
13 whatever it takes to get the information out there to
14 help transactions happen more efficiently.

15 The first strategy in its full form is to
16 provide technical assistance to local agencies to
17 encourage development of self-sustaining recycling
18 operations which are responsive to market conditions.

19 The phrase "self-sustaining" is to convey
20 the fact we are encouraging programs which are based on
21 revenue generated by material sales. And "responsive to
22 market conditions" simply means that there are a wide
23 variety of market signals that the local programs have
24 to respond to in terms of price, quality, et cetera, to
25 the turbulent marketplace, and to the extent possible we

1 want to encourage collection programs which can
2 essentially deal with the change of marketplace.

3 The last goal, as I mentioned earlier, is
4 meant to support all of the other goals. It is
5 formulated as to promote the long-term competitiveness
6 of secondary material collection and use. And what
7 we're recognizing here, I have added two new arrows to
8 the familiar recycling chain, and that is landfill
9 which, of course, there is a competition going on there
10 between diversion and other forms of disposal, and I've
11 also added virgin materials there, and there is, of
12 course, the competition there between secondary
13 materials and virgin materials.

14 It is a very limited representation. Of
15 course, there are many other factors involved.

16 BOARD MEMBER RELIS: I took your virgin
17 materials arrow to mean something different, I guess,
18 which was, well, competitive. You also have the input
19 of virgin materials into the secondary market so that
20 most products won't be made out of 100 percent secondary
21 which have a specific content need of virgin to meet
22 quality standards, so I wasn't sure on that.

23 MR. BOISSON: It is really not meant to
24 convey that specific level of detail. I merely wanted
25 to show that the marketplace is clearly more complex

1 than the recycling marketplace that happens in a vacuum.
2 And, again, there I'm sure are many other factors with
3 this as well. With this goal what we wanted to do was
4 look at the long-term conditions under which recycling
5 is either supported or not supported. And there are
6 many factors there.

7 The three broad strategies that we're
8 looking at are, first, to establish an appropriate mix
9 of incentives, information systems and regulations. As
10 you're all aware, there are a number of existing
11 legislations and legislative initiatives concerning
12 minimum content. We have minimum content for rigid
13 plastic containers which involve source reduction
14 alternatives, source reduction collection programs,
15 usability as well as content use. Advanced disposal
16 fees have been discussed. We have again the bottle bill
17 and its processing features, et cetera, and there are
18 many other proposals coming in the pipe line.

19 Without making any assumptions about the
20 direction the Board may choose to move in, this strategy
21 simply says we will look at what exists, we will look at
22 our options, and in close collaboration with advisors in
23 the Board will ultimately develop the proposals which
24 are deemed appropriate.

25 The second strategy is identify and

1 eliminate inefficiencies within each secondary material
2 market. This is really the heart of what the workshops
3 will be getting at. What are the specific barriers for
4 each secondary material, and we'll start with the
5 priority materials, that are having the most influence
6 in the marketplace and what are our options for
7 adjusting those. And finally to sponsor research and
8 development, major support in the long term for
9 competitiveness of secondary materials.

10 So I've run through those rather quickly.
11 In summary, I'd just like to reiterate that we really
12 view this document as the foundation of the plan which
13 is being prepared. We are working diligently on the
14 next steps, which involve evaluating our ongoing
15 programs within these strategies, looking at specific
16 materials and staff is preparing market status reports
17 on each of those and those will be the basis of the
18 workshops. We're also looking at options for new
19 programs.

20 And I'd like to also mention something
21 we're calling the guiding principles right now. And the
22 motivation for that is as we go through this and discuss
23 these issues with advisors and industry and other
24 interested parties, there is just a very large variety
25 of important aspects of the problem which come up which

1 don't seem to fit neatly into the context we've come up
2 with here, and ultimately down the road we'd like to
3 come forward to the Board with those as well and provide
4 some guidance to staff and others in actually
5 implementing these programs we're coming up with.

6 So that actually concludes my presentation.

7 BOARD CHAIRMAN FROST: Let's hold on a
8 second here. We need to take a break and this is
9 probably the best time to take it before we get into the
10 substantive discussions on the issue. So I think we'll
11 break now for a lunch break and we will reconvene the
12 public session right here at 2:30.

13 (Recess.)

14 BOARD CHAIRMAN FROST: I'd like to call the
15 meeting of the Integrated Waste Management Board back to
16 order. Where we are in the agenda is we have completed
17 our staff presentation on the market development issue
18 and we are now ready for Board discussion.

19 Does staff have anything else they wanted
20 to add this at this time?

21 MR. CHANDLER: Not at this time.

22 BOARD MEMBER NEAL: I want to commend staff
23 on the work they've done on this, the Market Development
24 Committee. We had a presentation this morning on the
25 recycling market development zones and I think what has

1 been done so far with the golden strategies piece is
2 certainly something that is a co-component of our market
3 development activities and certainly this provides very
4 crucial mutual support of that particular activity. And
5 I just wanted to thank both staff as well as the Market
6 Development Committee for the work they've done on this.
7 I think it is great.

8 BOARD CHAIRMAN FROST: Now, we have two
9 members of the public who would like to speak on this
10 item. First Ora Lampman, City of Burbank.

11 Not here? Okay.

12 Then Denise Delmatier.

13 MS. DELMATIER: Yes, Mr. Chairman, members
14 of the Board, Denise Delmatier on behalf of NorCal Waste
15 Systems.

16 We have historically supported strongly all
17 procurement preference bills that have gone before the
18 legislature and will continue to do so. And so in that
19 regard we would encourage the Board to take the
20 strongest lead role possible, both at the state level as
21 well as encouraging local governments at the local
22 level, to do whatever possible to encourage and promote
23 and even provide preferences for recycled products in
24 the marketplace. And we look forward to working with
25 the Board on this one.

1 BOARD CHAIRMAN FROST: Thank you.

2 BOARD MEMBER NEAL: I do have one more
3 question, I guess from the members of the Market
4 Development Committee. My understanding is that we
5 adopt this strategy today but it is a fluid document
6 that we will continue to work with and revise?

7 BOARD MEMBER CHESBRO: Yes. We are viewing
8 it as a working document. We are going to be holding a
9 series of workshops, probably three of them, which I
10 think will give a significant amount of comment that may
11 shift some things, may add to it, may cause us to
12 modify.

13 In addition, I think there are some things
14 that -- it is intended to be broad and there are things
15 that aren't specifically there that I'm concerned about
16 that and I know that some of the Board members have
17 those feelings. So it is a working document. I think
18 Mr. Boisson mentioned there is another document, which
19 is guiding principles, which I think -- I'm not sure
20 when that will come before the Committee or the Board,
21 but it is intended to sort of lay out a series of
22 factors that the Board I hope can agree on. Maybe it
23 will also fill in some of the missing gaps that aren't
24 in the mission statement or the goals and strategies.
25 So it is fluid and there will also be additional more

1 specific documentation that will come along.

2 MR. BOISSON: If I may, I'd like to comment
3 that that will be going before the Market Development
4 Committee on August 6, I believe.

5 BOARD CHAIRMAN FROST: Any other comments?

6 BOARD MEMBER EGIGIAN: Yes, Mr. Chairman.

7 BOARD CHAIRMAN FROST: Yes.

8 BOARD MEMBER EGIGIAN: I'm talking about
9 Item 6 here. As I review this agenda, I have some
10 problems with it. At the May 28 Board meeting we
11 approved the market development strategy in principle
12 with specific amendments to be brought back to the
13 Board. In the item before us the strategy has been
14 completely revised, and as I read it the revision does
15 not adequately reflect the concerns that I expressed at
16 the meeting. I might add neither I nor my advisors were
17 consulted about these revisions nor were we invited to
18 participate in any deliberations about them.

19 This morning I spoke with Mr. Wesley
20 Chesbro about this and told him how I felt about it. We
21 discussed it and thought that maybe we could revise and
22 push this thing through because it is supposed to be on
23 the fast track. But fast track is one thing, having the
24 groundwork done properly is something else. And I don't
25 believe that what I have before me sets the proper

1 groundwork.

2 Now, we thought that maybe we could,
3 between the two of us, come up with some amendments that
4 would make this thing more acceptable so I could support
5 it. And I really want to support it. And after we
6 looked at this together, he didn't think that he wanted
7 to accept these amendments. And so, therefore, I have
8 quite a bit to say about it but I know that we're short
9 on time and I know that there are a lot of people that
10 are going to catch airplanes.

11 So I would recommend that rather than
12 developing the specific language to accommodate these
13 concerns now, I suggest that the strategy be referred
14 back to committee with instructions that advisors and
15 staffs work to incorporate these concerns and bring
16 something back to the full Board that we can all live
17 with.

18 Now, unless there is something else, I'd
19 like to put that into a motion.

20 BOARD CHAIRMAN FROST: Sam, I would -- let
21 me phrase the motion and see if this is acceptable to
22 you. What I would like to see is to have us adopt the
23 report as a working document, not as final adoption, and
24 then incorporate the rest of your motion, which is that
25 the document is going to go back to committee, and I

1 understand it is going anyway on August 6, that it will
2 come back to the Board again and your comments will be
3 considered prior to any final adoption of the document.

4 I would like to just move it along as a
5 working document today but not -- but hold final
6 adoption until all of your comments have been
7 considered.

8 BOARD MEMBER RELIS: Mr. Chairman, I think
9 that is a good suggestion in the sense that the context
10 is we have the Market Committee coming up and the
11 commodity-by-commodity hearing, and so I think we need
12 an umbrella. And as I understand it, that is the way we
13 would look at this now and then there would be
14 flexibility to adjust. I mean even before our next
15 meeting we have our first hearing, so I think it is
16 important we preserve some integrity to that process.

17 BOARD CHAIRMAN FROST: Let me ask
18 Mr. Egigian. Is that acceptable?

19 BOARD MEMBER EGIGIAN: You're saying what
20 we're going to be voting on today?

21 BOARD CHAIRMAN FROST: We will adopt this
22 as a working document prior to its final adoption, which
23 will be at the next Board meeting. And in the meantime
24 the Committee will meet specifically to consider your
25 comments and comments of any other Board member. So

1 this will not be the final adoption, but it will be the
2 adoption as a working document.

3 BOARD MEMBER EGIGIAN: Well, Mr. Chairman,
4 in the interests of cooperating and getting this thing
5 moving along because of the shortness of time, if you
6 tell me that by doing this we will be able to revisit it
7 at our next meeting --

8 BOARD CHAIRMAN FROST: Absolutely.

9 BOARD MEMBER EGIGIAN: -- then I'll go
10 along with it.

11 BOARD MEMBER HUFF: Do I understand that
12 part of this motion is even though this is a working
13 document, these changes will be considered in committee?

14 BOARD CHAIRMAN FROST: Yes, and at the next
15 Board meeting.

16 BOARD MEMBER CHESBRO: Yes, they will be
17 considered, but I'd like to make a few clarifying
18 remarks.

19 First of all, this has been listed on the
20 Market Development Committee agenda both last month and
21 this month. Last month Mr. Egigian did come and make
22 comments. This month again the agenda was distributed
23 to all Board members, as committee agendas are, and I
24 believe backup documents are presented to each Board
25 member's office. And assuming the motion passes, and as

1 in most cases, he will be welcome to propose language
2 and I would hope we would have communication between now
3 and then about that language.

4 But there has been no intent or attempt to
5 prevent any participation by any Board members, I want
6 to make that very, very clear. And it was distributed
7 several weeks ago as part of the committee agenda
8 packet.

9 The only concern I have, I don't know who
10 to direct this to, I guess counsel, it has to do with
11 the deadlines for notice and getting it on the Market
12 Development Committee agenda for August 6.

13 MR. CONHEIM: It's too late.

14 BOARD MEMBER CHESBRO: It's too late. I
15 suppose --

16 BOARD CHAIRMAN FROST: I thought staff
17 said it was already on the agenda.

18 MR. BOISSON: Just to clarify, I don't
19 recall the specific title of the item on the agenda for
20 the 6th, but it is meant to be an update on this
21 process, and what I was referring to was the guiding
22 principle document.

23 BOARD MEMBER CHESBRO: I wonder if the
24 update item as listed could be viewed as an opportunity
25 to --

1 MR. CONHEIM: I think we can look at it
2 broadly. I don't have that in front of me, but we would
3 look at it -- as long as the public is notified of the
4 subject matter in sufficient specificity that a member
5 of the public could submit comments on the -- not a
6 particular document but on the program. I think we
7 could look at it broadly. But we don't have that in
8 front of us.

9 BOARD CHAIRMAN FROST: I think the other
10 thing is we wouldn't adopt anything until the next Board
11 meeting anyway and it will definitely be on the agenda.

12 BOARD MEMBER CHESBRO: I would also like to
13 say that I share Mr. Egigian's concerns as he
14 articulated to me with regards to what isn't here. I
15 spent quite a bit of time discussing and arguing with
16 staff and with my own advisor about whether this is
17 where those concerns belong, about whether they would
18 fit into this particular part of our process. And they
19 were in very broad terms incorporated, not in the
20 specific detail I asked for or Mr. Egigian asked for.

21 I supported this and, incidentally,
22 unanimously the Market Development Committee also
23 supported it with the understanding that there would be
24 other vehicles for some of the more specific language.
25 The guiding principles document presents an opportunity

1 for some of that and it might be that we'll need to link
2 those two so that there is satisfaction on the part of
3 all the Board members that those more specific concerns
4 have been incorporated. Even though they are not on
5 this piece of paper, they will be on another one, I
6 don't know. But I really don't think there is any
7 disagreement in substance and I will be at the
8 committee, you know, also pursuing, I think, probably
9 the same things that I have pursued at the meetings,
10 both at public meetings and in meetings with staff, the
11 same issues that he is concerned about. So I don't
12 think there is any real gap here in substance.

13 BOARD MEMBER EGIGIAN: There is only one
14 gap here. If this was part of the minutes at that
15 meeting and staff took it upon themselves not to do
16 anything about it, then there is a problem. And I do
17 have a problem with fast track situations.

18 BOARD MEMBER CHESBRO: This is not the fast
19 track.

20 BOARD MEMBER EGIGIAN: That is what we went
21 on last month, that is what I'm saying.

22 BOARD MEMBER CHESBRO: Fast track is
23 several materials that have been identified that require
24 special attention. This is not fast track. This is the
25 guidance document for our overall market development

1 efforts. This is not fast track and it has been under
2 discussion for several months. We are way behind the
3 curve on getting market development off the ground, and
4 if it's anything, it is the slow track, and I think that
5 is an embarrassment. It should be a much faster track.

6 MR. BOISSON: May I make a comment?

7 BOARD CHAIRMAN FROST: Yes.

8 MR. BOISSON: Just a point of
9 clarification. We really did make every effort to
10 accommodate the remarks of the last Board meeting. I
11 personally wasn't there, but by working through advisors
12 and I believe we had the transcript in our meetings as
13 well and we really did have the intent of accommodating
14 your needs. It certainly was not an overt --

15 BOARD MEMBER EGIGIAN: You know, my advisor
16 is up there five days a week even though I may not be,
17 and we would like to be involved in this process.

18 BOARD MEMBER CHESBRO: In defense of staff,
19 let me say I think they gave their best efforts on
20 trying to incorporate multiple points of view. And one
21 of the reasons we have public meetings is so that the
22 document gets out there and everyone has a chance to say
23 is that what we meant. And there was a committee
24 meeting where we had a chance to do that and there will
25 be another one where we have another chance to do that.

1 So I really have to defend the process and defend staff
2 and not accept that some sort of exclusionary process
3 has gone on that has left people out of the loop.
4 That's not the case.

5 BOARD MEMBER RELIS: I'd just like to put a
6 positive spin on this. Whatever the differences will be
7 over the final wording here, I think we basically have a
8 framework on track starting with this next month on our
9 hearings on market issues, the mixed waste paper, and I
10 just think we've got to keep our focus on the big
11 picture here. That's what we're all after. So, that's
12 all.

13 BOARD CHAIRMAN FROST: We have a motion by
14 Mr. Egigian. Do we have a second to the motion or do
15 you want me to restate it?

16 BOARD MEMBER NEAL: Yes.

17 BOARD CHAIRMAN FROST: What this is, we
18 will adopt the market development report as a working
19 document so the staff can go ahead with the workshops
20 and other activities they have planned. It will,
21 however, be heard again in the Market Development
22 Committee on August 6th where Board members' comments
23 will specifically be addressed and considered, and then
24 be back on at the Board meeting next month for final
25 adoption.

1 BOARD MEMBER CHESBRO: May I suggest
2 because of the time frame, we have got one week between
3 now and committee meeting and I specifically invite and
4 encourage Board members to bring forward specific
5 proposals and not leave it to chance. I want to make
6 sure this is a formal invitation here so no one can say
7 they were excluded.

8 BOARD CHAIRMAN FROST: Call the roll,
9 please.

10 BOARD SECRETARY: Board member Chesbro.

11 BOARD MEMBER CHESBRO: Aye.

12 BOARD SECRETARY: Huff.

13 BOARD MEMBER HUFF: Aye.

14 BOARD SECRETARY: Egigian.

15 BOARD MEMBER EGIGIAN: Aye.

16 BOARD SECRETARY: Neal.

17 BOARD MEMBER NEAL: Aye.

18 BOARD SECRETARY: Relis.

19 BOARD MEMBER RELIS: Aye.

20 BOARD SECRETARY: Chairman Frost.

21 BOARD CHAIRMAN FROST: Aye.

22 Now we will go to Item 7.

23 Mr. Relis.

24 BOARD MEMBER RELIS: I'd just like to
25 introduce this item a little bit in the sense that we've

1 been working on this, with the proposed changes to
2 strengthen the Integrated Waste Management Act of '89
3 for six months in Planning Committee and this is the
4 product. We heard it for information purposes last --
5 at our last meeting and we have it before us today.

6 Staff I think has done an outstanding job
7 here and I've heard a good number of positive comments
8 over the last few days at the CRA conference and I know
9 there are still concerns here, but I'm happy to find
10 that we finally have this before us in time for the
11 legislative input.

12 BOARD CHAIRMAN FROST: Mr. Chandler.

13 MR. CHANDLER: Thank you, Mr. Chairman,
14 Board members.

15 Over the past several months, Board and
16 staff have developed and administered a comprehensive
17 set of requirements designed to guide what I'll call a
18 revolution in waste management. Considerable effort has
19 been expended by both local governments and our own
20 staff in planning for this change, moving towards a
21 waste management system which focuses on diverting
22 significant quantities of secondary materials from the
23 waste stream while ensuring environmentally safe
24 disposal capacity.

25 Our staff has spent the past several months

1 in working with local governments and industry in
2 implementing these planning requirements. Each of you
3 also has had an opportunity to interact firsthand with
4 staff in implementing the planning program. Members of
5 the Board, especially members of the Planning Committee,
6 have recognized that the progress and success of this
7 program is being hampered by the complexities and costs
8 associated not only with implementation under the
9 requirements but by the law itself.

10 The effort of the Planning Committee has
11 been focused on this issue since late 1991.
12 Considerable committee and staff time has been spent
13 developing a proposed system which will reduce the
14 complexity and costs in waste management planning and
15 implement waste diversion programs. At your July 16
16 meeting in Sacramento you heard in detail of the
17 specific concerns which have led us to consider the
18 staff proposal being presented today.

19 Briefly the four concerns are, number one,
20 that it is difficult to obtain accurate information on
21 the quantities and types of solid waste recycled or
22 otherwise diverted.

23 Number two, that it is difficult to
24 quantify source reduction, which is at the top of the
25 waste management hierarchy.

1 Number three, that jurisdictions must rely
2 upon the voluntary cooperation of the private sector
3 and volunteer groups for information on existing
4 programs.

5 And No. 4, that many jurisdictions have
6 said that the solid waste generation studies and
7 planning activities which are required by law are very
8 costly. The measurement of actual waste diversion is
9 considered by many jurisdictions to be the most costly
10 requirement.

11 For each of the concerns which I have just
12 summarized, many parties have stated that the
13 jurisdiction's specific approach in the law is an
14 impediment to the successful implementation of regional
15 solutions to solve waste management problems.

16 As I stated at the July 16 meeting, I
17 believe that the staff's proposal will reduce the
18 current planning and reporting efforts so that time,
19 effort and funds can be directed to implementing waste
20 diversion programs. Your actions here today will serve
21 to guide both program staff and the legislative director
22 in working to draft appropriate modifications to the
23 law.

24 Once again I would like to take this
25 opportunity to thank staff on their excellent work which

1 resulted in a proposal which we will discuss here today
2 and the time and commitment of many representatives of
3 local government and industry who have worked diligently
4 with the staff and members of the committee.

5 Thank you, Mr. Chairman.

6 BOARD CHAIRMAN FROST: Okay.

7 MS. VAN KEKERIX: Good afternoon, Board
8 members. My name is Lorraine Van Kekerix.

9 Staff will provide proposals to strengthen
10 the Integrated Waste Management Act for discussion and
11 possible adoption here at this meeting. There are
12 copies of the revised staff proposal and the original
13 staff proposal on the table up at the top of the room if
14 anybody needs to get one.

15 The Planning Committee has directed staff
16 to analyze proposals to change the existing planning
17 process and propose a staff diversion quantification
18 system. Staff throughout the Planning and Assistance
19 Divisions have worked cooperatively to prepare the staff
20 proposal.

21 BOARD MEMBER RELIS: Excuse me, Lorraine,
22 are we going to -- since this has come before the full
23 Board, are we going to just highlight the latest issues
24 or changes, whatever is reflected here rather than go
25 through --

1 MS. VAN KEKERIX: If you'd like that.

2 BOARD MEMBER RELIS: I think that is what
3 we want to do.

4 MS. VAN KEKERIX: That's fine. I think we
5 can turn the overhead light off.

6 Would you like to hear what the major
7 components are?

8 BOARD MEMBER RELIS: Yes, just in summary
9 form.

10 MS. VAN KEKERIX: Okay. The four main
11 components of the staff proposed system are a disposal
12 based supporting system, a major reduction in
13 quantification of diversion by local jurisdictions,
14 voluntary waste management planning regions which are
15 responsible for implementing programs and meeting the
16 diversion mandates, and finally, continuing state market
17 development and diversion assistance.

18 Just briefly, the disposal based reporting
19 would keep the 25 and 50 percent goals, would not
20 require quantification of diversion. All future
21 diversion would count and the jurisdictions would be
22 able to use their existing source reduction and
23 recycling elements.

24 Landfill and transformation facilities
25 would need to report the amount of waste disposed in

1 order for us to have accurate records on the amount of
2 disposal.

3 The reduced diversion quantification for
4 local jurisdictions would not require that jurisdictions
5 quantify private sector diversion. Limited information
6 would be needed for market development research and
7 development needs and this information would come from
8 private recyclers and composters who would be required
9 to periodically report to the county the types of
10 materials sold for final transactions.

11 In terms of regionalization, the staff
12 proposal would allow for voluntary regional groupings.
13 They would be required to meet the aggregate disposal
14 goals by adding -- it would be the sum of the disposal
15 amounts contained in their existing source reduction and
16 recycling elements. The Board would want to review
17 portions of the contracts that would set up these
18 regions that related to allocation of fines and what
19 would happen if the region was dissolved.

20 And that is a very brief summary of what
21 the staff recommendations are in terms of the proposal.
22 There were not many changes between the original staff
23 proposal that was sent out in May. We changed from
24 having a Board tracking system to having reports on
25 disposal and diversion delivered to the counties.

1 There were a few items between the July
2 16th Board meeting and today that we caught typos and we
3 made changes, but there has basically been little change
4 between the staff proposal of May 19th and today.

5 BOARD MEMBER RELIS: Is it my understanding
6 this was sent out to 1600?

7 MS. VAN KEKERIX: Yes, it was.

8 BOARD MEMBER RELIS: And we have received
9 about 78?

10 MS. VAN KEKERIX: 79 comments.

11 BOARD MEMBER RELIS: 79 written comments?

12 MS. VAN KEKERIX: Yes. And we made the
13 revisions to change from annual reporting to periodic
14 reporting and to have reporting of disposal and
15 diversion for the counties. That was done in response
16 to the comments which we received.

17 BOARD CHAIRMAN FROST: Okay. Thank you
18 very much.

19 Now, I have several people who would like
20 to testify on this item. So let's start with Mr. John
21 Brand, City of Barstow.

22 MR. BRAND: Thank you, Mr. Chairman and
23 members of the Board. My name is John Brand and I work
24 for the City of Barstow in the Mojave Desert region of
25 San Bernardino County. And I also serve as staff on the

1 Mojave Desert solid waste joint powers authority, which
2 was created to implement AB 939 and related legislation.
3 And the issue regarding the proposed changes that
4 concerns us is restrictions on regionalization.

5 The letter being passed out before you
6 indicates that we see a concern about the restrictions
7 on regionalization in the proposed revised -- in either
8 option submitted. The impediment that we perceive is
9 that it restricts a city or county or a portion thereof
10 from forming a waste management planning region or
11 regions strictly along county lines. It ignores natural
12 boundaries of markets, wastesheds, diversion centers and
13 other more natural organizations in favor of strictly
14 arbitrary political boundaries.

15 For example, San Bernardino County in
16 implementing their SRREs, the 24 cities in the county
17 form three subregions to develop their basic regional
18 SRREs. Under the proposal it would be impossible for a
19 portion of the county to join all three regional waste
20 management planning regions if they were to come about.

21 And it is also, we believe, unnecessarily
22 restrictive to prohibit two or more cities in different
23 counties from forming a waste management planning
24 region. For example, Aqua Mansa in San Bernardino and
25 Riverside straddles the county line and involves cities

1 from both counties.

2 It is our belief that the flexibility
3 requested in these comments will substantially improve
4 the ability for affected jurisdictions to avoid
5 duplication of efforts and maximize economies of scale
6 in the implementation of integrated waste management
7 package.

8 BOARD MEMBER RELIS: Could we hear staff's
9 comment on that?

10 MR. NUFFER: Mr. Chairman, my name is John
11 Nuffer, I work in the local assistance branch.

12 The first guiding principle in terms of
13 allowing cities, counties, existing districts to form a
14 region was that we wanted whatever regions formed to be
15 consistent in terms of planning with the existing county
16 integrated waste management plan. We didn't want to
17 allow jurisdictions to form regions which were much
18 different, which would have much different requirements
19 than the existing system.

20 We do allow -- the second point is we do
21 allow for unincorporated portions of a county to form
22 with -- to form a region.

23 BOARD MEMBER CHESBRO: He is arguing or
24 requesting that a portion of the unincorporated part of
25 the county be with several cities as opposed to the

1 whole unincorporated portion. Specifically he was
2 mentioning eastern San Bernardino County, the desert
3 area, as opposed to the rest of the unincorporated area.

4 MS. FRIEDMAN: Judy Friedman, local
5 assistance branch.

6 It's our understanding that if a portion of
7 the unincorporated county, if the Board of Supervisors
8 were willing to let that form a region with cities
9 within that county, that, you know, that was acceptable,
10 but that the Board of Supervisors would have to agree
11 that portions of their county would be split up in that
12 fashion. And the accountability would still get back to
13 the county for all those portions that broke off.

14 What we are trying to do here is maintain
15 traditional city and county governments and not be
16 inconsistent with government structure and with what is
17 already in the law in terms of integrated waste
18 management planning and requirements.

19 BOARD CHAIRMAN FROST: Aqua Mansa District,
20 I understand, is already formed, it's already existing.

21 BOARD MEMBER CHESBRO: That is a market
22 development, that is not yet at this point a waste
23 management region.

24 MS. FRIEDMAN: It is a market development
25 region. . Special districts have been formed in many

1 cases, but the original authority --

2 BOARD CHAIRMAN FROST: Well, let me finish
3 my question because my question is I didn't quite
4 understand whether you were saying that would or would
5 not be permissible under our regulations to turn that
6 into a waste management planning zone.

7 MS. FRIEDMAN: Under the staff proposal
8 we're saying if it is two cities in two different
9 counties, the answer is no. If it is within the same
10 county, the answer is yes.

11 BOARD CHAIRMAN FROST: So in this case the
12 Aqua Mansa could not become a waste management region
13 for this purpose?

14 MS. FRIEDMAN: Unless their two counties
15 decided to get together as a region, the two whole
16 counties.

17 BOARD CHAIRMAN FROST: The two whole
18 counties. But the counties couldn't agree that they
19 would each split off a part of each county?

20 MS. FRIEDMAN: That's correct. We maintain
21 the integrity of the existing system to some extent.

22 BOARD CHAIRMAN FROST: Would you explain
23 again why that could not be done?

24 MS. FRIEDMAN: We felt that just in terms
25 of developing this proposal, that the complexities of

1 regions being created was complex enough within
2 jurisdictions within a county, that to start splitting
3 off cities from a county when they have to be folded
4 into a county-wide integrated waste management plan was
5 getting pretty complex, so how would those two cities in
6 two different counties become part of the county-wide
7 plan? Which county-wide plan would they become part of?
8 These issues we felt were beyond the scope of this
9 proposal at this time.

10 BOARD CHAIRMAN FROST: Do you have comment
11 on that?

12 MR. BRAND: Yes, I do.

13 It seems to me in many cases the complexity
14 of addressing an overlapping waste planning region in two
15 different county integrated waste management plans is a
16 detail that could be worked out. There will be
17 situations in many counties where you have wholly
18 contained systems that have to be addressed that are
19 basically stand-alone within that county integrated
20 waste management plan.

21 So here you have what I believe would be an
22 advantage because you'll have two jurisdictions that
23 will be preparing documentation and integrating it with
24 their different -- their county plans, and they can
25 accomplish that and they will be able to do it in a way

1 that does satisfy the requirements of each county.

2 And like in San Bernardino County, the
3 desert area I represent, we have eight cities in the
4 desert or mountain area and then there is Ridgecrest in
5 Kern County and Lancaster and Palmdale in Los Angeles
6 County. And, you know, we're talking about all sorts of
7 things, recycling market zones, joint facilities,
8 hauling back and forth and things that overlap with many
9 different implications and aspects with this
10 legislation. I think we can develop the guidelines or
11 the regulations that can accommodate this perceived
12 complexity.

13 BOARD CHAIRMAN FROST: I assume you are
14 suggesting that all of the counties would have to agree
15 and for any one of these cross-county zones to be
16 permitted, counties would have to agree, all the
17 counties would have to agree?

18 MR. BRAND: If the county unincorporated
19 portions were to be included in the zone -- let's say,
20 for example, Ridgecrest and Barstow developed a really
21 neat plan where there would be some cooperation with
22 marketing and diversion centers. I don't see why there
23 should be a restriction between these two jurisdictions
24 to have a noncontiguous zone.

25 BOARD CHAIRMAN FROST: Well, other than

1 somebody would have to make sure it is consistent with
2 the county-wide plans.

3 MR. BRAND: Oh, yes. But my understanding
4 is that individual jurisdictional plans are incorporated
5 into the county-wide plan and approved by the Board, so
6 it would be inherently consistent.

7 BOARD MEMBER RELIS: What I'm trying to
8 understand here, is staff saying that they're trying to
9 preserve some historical coherence to a region in the
10 sense that they are historically cities and counties,
11 and what you're saying is that the arrangements in a
12 regional context can be different than that and why
13 should we limit it to this historical region?

14 MR. BRAND: Yes.

15 BOARD MEMBER RELIS: I really don't know.
16 I would like to hear what staff would --

17 MR. NUFFER: We don't have any
18 philosophical disagreement with having a region formed
19 from an existing arrangement like that. We are trying
20 to keep things simple at this point, conceptual,
21 consistent with the existing planning document system
22 and also consistent with previous law. Government Code
23 65000 in the '60s allowed regional planning districts
24 and they -- there was language in there that did not
25 allow for division of cities or counties. We wanted to

1 be consistent.

2 BOARD MEMBER CHESBRO: Are there practical
3 implementation problems?

4 BOARD MEMBER RELIS: I'm thinking of the --
5 moving ahead to regulatory, in the regulation side, if
6 we get out of traditional definitions of cities and
7 counties, what are we getting into here? If we were
8 to --

9 MR. CONHEIM: At a minimum we're getting
10 into a major change in the structure of the IWM planning
11 law which involves enforcement and potential penalties
12 against cities and counties and not against any other
13 undefined entity. And so I mean it is all structurally
14 possible, but I take it that this effort has been trying
15 to maintain the integrity of the existing process not
16 because the existing process -- in part not because it
17 was the best process, but because it is the process.
18 That is at least one reason. And Mr. Nuffer has just
19 mentioned his study of Government Code Section 65000, of
20 which I'm not as familiar as he is.

21 MR. BRAND: That is a very good issue. If
22 there are penalties assessed and regulatory activities
23 that would have to take place that may straddle county
24 lines in other jurisdictions, I think that without too
25 much difficulty some general guidelines can be

1 developed.

2 One could be that where the facility sits,
3 that is where the LEA type enforcement takes place. If
4 transport is involved, perhaps there will be permitting
5 from both jurisdictions.

6 Regarding the assessment of penalties and
7 fines derived from a portion of a jurisdiction, it
8 actually may be legally that the liability is placed on
9 the entire jurisdiction. I believe under the existing
10 system that case exists.

11 If you have any city or county that
12 implements an approved SRRE and fails to meet its
13 diversion requirements, then the assumption is that
14 somewhere along the line a specific aspect of the waste
15 stream failed to meet compliance, whether it is by the
16 generator or lack of implementation by the jurisdiction.

17 So I think it follows that you could go
18 back and say and knock on this door or that door and say
19 because of your actions as a part of the whole, the
20 whole now has to pay this \$10,000 fine. So even though
21 we're doing it differently, I don't see the implications
22 being that different.

23 BOARD MEMBER CHESBRO: Can I ask a question
24 about the other aspect while these guys talk about that
25 one? You said that a portion of an unincorporated part

1 of the county can be, if the Board of Supervisors
2 approved, part of the region, it doesn't have to be the
3 whole county. Is that explicit in here or is that an
4 assumption that you make?

5 MS. FRIEDMAN: I don't think it is explicit
6 at this point. It is an assumption.

7 BOARD MEMBER CHESBRO: Just as a general
8 comment, let me say if that is the intent, I think San
9 Bernardino points out a very good example where a county
10 is divided into very, very distinct and different
11 regions, and we'll deal with the other issue, I assume,
12 some other way, but it doesn't confront the same
13 problems that are associated with regions that include
14 portions of two counties, so I'd like to make sure that
15 that is clearly -- assuming there is no controversy
16 associated with it, I think it is a real good point and
17 we ought to make sure it is explicitly allowed for to
18 solve the problems of those counties.

19 MS. FRIEDMAN: Another thing we wanted to
20 do in this proposal was make things clear and simple and
21 not get into absolutely every variation on a theme that
22 somebody could think of. So we're looking at
23 consistency, simplicity, consistency with county and
24 city governments, with the Integrated Waste Management
25 Act as it is.

1 The other thing I would like to remind the
2 Board is that we are undertaking a study of regional
3 issues currently and it may be that after the study is
4 concluded, this is under contract, that we will have
5 more information to look at beyond what we have
6 traditionally.

7 BOARD MEMBER CHESBRO: Maybe I'm wrong to
8 say this should be explicit, but I guess I would say I
9 would want that language looked at again to make sure
10 that it is inclusive and someone wouldn't make a case
11 that it was intended some other way. I want to at least
12 try to get a consensus that that part of what this
13 gentleman has presented is a valid point and doesn't
14 have its own complications. And then we probably need
15 to discuss the complications of the two-county
16 situation.

17 BOARD CHAIRMAN FROST: So I understand,
18 we're talking here about a revision in the law. The
19 revision in the law we would still have to have
20 regulations to implement. The question is do we have
21 the flexibility, does the law give us the flexibility to
22 adopt regulations that would meet these concerns if we
23 decided that technically we could and wanted to.

24 MS. FRIEDMAN: We will be working with the
25 Office of Legislation to prepare --

1 BOARD CHAIRMAN FROST: Wesley's got it
2 right. Do we have to decide this now?

3 MS. FRIEDMAN: That's what we're hoping to
4 do is try to keep it flexible enough so that a lot of
5 these things could be determined in the regulatory
6 process. That is what our intention with this proposal
7 has been all along.

8 BOARD CHAIRMAN FROST: That's what I would
9 like to see, if we have the flexibility to deal with
10 this in the regulatory process. Personally I think it
11 is something we ought to try to deal with, but I don't
12 think we'll be able to do it here and now, but if you
13 are saying that the regulatory process is broad enough
14 to allow us to do it, then I would think that we could
15 work it out. You think it does. And you think it
16 doesn't?

17 MR. BRAND: No, I don't have an opinion
18 whether it does or doesn't. I think that it should and
19 I think that it can be worked out, but --

20 BOARD MEMBER HUFF: So you could rephrase
21 your request, that your request of us is to develop
22 language for statutory changes that is broad enough to
23 enable us to accommodate your specifics within the
24 regulatory process?

25 MR. BRAND: Yes, I could do that and I'd be

1 happy to do so.

2 BOARD CHAIRMAN FROST: We'll try to
3 accommodate that request.

4 Okay, next is Mr. Joseph Massey, Alpert and
5 Alpert.

6 MR. MASSEY: Thank you, Mr. Chairman and
7 members of the Board, my name is Joe Massey of Albert
8 and Alpert Iron Metals in Los Angeles. I also represent
9 Institute of Scrap Recycling Industry.

10 I pointed out to staff earlier this morning
11 a change in the revised proposal that apparently they
12 don't think is major but I think is extremely major.
13 There was on page 5 a deletion of the exemptions of
14 scrap metal dealers. I had been before the Planning
15 Committee on June 16 and testified that 99 and 44/110ths
16 percent of all the scrap metal recycled in this state
17 never was intended to go to a landfill. And of the
18 three or four percent that crosses the scale and goes
19 into a landfill doesn't stay there. It comes back out
20 to us anyway because it has value and it is not waste.

21 Prior to the reporting, the vast majority
22 of scrap metal is never intended, never was intended,
23 and does not need to be diverted. There is just an
24 awful lot of additional work for our industry.

25 BOARD CHAIRMAN FROST: Staff, would you

1 like to comment on that?

2 MR. SITTS: I'm John Sitts with the Waste
3 Generation Analysis Environmental Review Branch.

4 A significant number of the comments did
5 deal with the issue of exemption of scrap metal dealers.
6 And under the original proposal scrap metal dealers were
7 exempt from reporting of diversion type transactions.
8 However, 10 local jurisdictions and a number of entities
9 pointed out that scrap metal dealers may also divert
10 aluminum cans, steel cans, and other materials and that
11 all new diversion of scrap metal will count toward the
12 diversion mandates. So under the revised proposal,
13 scrap metal dealers were put back in to report these
14 types of transactions.

15 However, because of the Board motion of the
16 25th, the number of new scrap metal programs and a
17 relatively small amount that is still being disposed as
18 scrap metal, there may be very few scrap metal, new
19 scrap metal programs. And one idea that we talked about
20 a little earlier would be to exempt scrap metal dealers
21 from reporting transactions that involve scrap metals,
22 but to require them to submit reports on any other
23 materials which they handle, such as paper or plastic or
24 that type of material, since scrap metal doesn't count
25 toward the base year diversion and hasn't been

1 traditionally in the waste stream as we've been talking
2 about.

3 BOARD CHAIRMAN FROST: What I don't
4 understand is when we go to a disposal-based method,
5 what do diversion credits have to do with anything?

6 MR. SITTS: This isn't dealing with
7 diversion credits. This is -- we still need some
8 diversion information for our planning purposes, for
9 local jurisdiction's planning purposes so they can see
10 market development programs, tracking their success in
11 their programs.

12 BOARD CHAIRMAN FROST: So this information
13 would be to assist in market development planning but
14 not be used to -- it wouldn't have anything to do with
15 diversion?

16 MR. SITTS: It wouldn't count as diversion
17 credits.

18 BOARD MEMBER HUFF: It could be collected
19 some other way, too.

20 BOARD CHAIRMAN FROST: Let me ask
21 Mr. Massey, how would that affect you if scrap metals
22 were exempted?

23 MR. MASSEY: We don't need any assistance
24 in developing our markets. They have been developed for
25 over 100 years.

1 BOARD CHAIRMAN FROST: I'm talking about
2 exempting the reporting of scrap metals.

3 MR. MASSEY: I have told Mr. Sitts that we
4 have no problems with reporting anything that is
5 actually diverted from the landfill, we'd be more than
6 happy to.

7 BOARD CHAIRMAN FROST: Is that --

8 MR. SITTS: So what we're saying is new
9 diversion that actually got stuff out of the landfill
10 rather than just transactions that have been going on
11 all along which is not part of the waste management and
12 along with other materials that scrap metal dealers will
13 be handling would be the only material that would be
14 reported.

15 MR. MASSEY: Actual materials that are
16 diverted. And the word diverted to me means that they
17 were actually going into the landfill.

18 BOARD MEMBER CHESBRO: We've got to
19 remember what this data is being gathered for. It is
20 not for diversion reporting requirements, it is for
21 purposes of having data for market development, and so
22 that's really the point about the necessity of the
23 reporting of these materials, but any other materials
24 that wouldn't be normally part of the diversion
25 accounting and recycling and marketing development need

1 that happen to also be recycled by a scrap metal dealer,
2 you wouldn't have to --

3 BOARD CHAIRMAN FROST: Can we work out
4 language to resolve that?

5 BOARD MEMBER HUFF: Just exempt the scrap
6 metal dealers.

7 MR. RELIS: I think, Joe, when we were
8 discussing this point, if not in June, it was earlier,
9 we were looking at the steel can industry, and some of
10 us met with them the other day. Now, what is the
11 stimulus going to be to them or towards diversion
12 efforts aimed at that particular container? That is
13 where we came up with this discussion that it was about
14 two percent or two to three going into the landfills of
15 the steel can containers.

16 MR. MASSEY: Their stimulus will probably
17 be the commingled rate of the EOC because most of the
18 steel cans, they will be able to get a portion of the
19 refund value back for those cans that are diverted from
20 the landfills because there will be a portion of those
21 cans that are beverage containers.

22 BOARD MEMBER RELIS: They are looking
23 beyond that, though, beyond the beverage container to
24 other containers. I think that is the gist of what I
25 recall we were trying to work out in this when we last

1 discussed it, so what happened between then and now?

2 MR. MASSEY: I had no contact with staff
3 since then.

4 MS. VAN KEKERIX: The staff received 79
5 comment letters and we modified the proposal to respond
6 to the various comment letters that we received and
7 there were a significant portion that said that they
8 were concerned about the other materials that the scrap
9 metal dealers were dealing with.

10 BOARD MEMBER CHESBRO: Why didn't you
11 propose then to deal with those other materials rather
12 than the total scrap metal question of all or nothing,
13 you know.

14 MS. VAN KEKERIX: We can modify the staff
15 proposal once again at your direction.

16 BOARD CHAIRMAN FROST: I think we have a
17 consensus on that.

18 BOARD MEMBER HUFF: I mean the only reason
19 we have the local diversion reporting to continue is so
20 that we can know and have some sort of data base. And I
21 understand that, but there are lots of ways to achieve
22 acquisition of data and I'm not convinced that we're
23 going to find this reporting scheme -- I think we'll
24 find holes in our data, okay, and I think we maybe ought
25 to address data acquisition as data acquisition and some

1 other method, I think as a minimum, we have to talk
2 about only those areas that the scrap metal dealers are
3 dealing with that are of concern and take them out of
4 the picture where there is no concern.

5 MS. VAN KEKERIX: Yes. If the statutory
6 language changes are broad enough, many of these things
7 can be worked out in the regulatory phase as well.

8 BOARD CHAIRMAN FROST: Okay. I think you
9 have adequate direction on that. Thank you.

10 Mr. Dan Beck of Manhole Adjusting,
11 Incorporated.

12 MR. BECK: Mr. Chairman, members of the
13 Board, thank you. My name is Dan Beck, I'm the
14 vice-president in charge of the Los Angeles office of
15 the Hannifer Company representing Manhole Adjusting,
16 Incorporated here today.

17 What you are now getting before you is a
18 suggestion we have for enhancing and augmenting the
19 excellent job that the staff has done on making this
20 proposal. And what we propose is that you retain the
21 ability to implement statewide programs for specific
22 waste stream items in those areas which aren't easily
23 dealt with on a local basis.

24 We recognize that local and regional
25 governments will implement, and have been, excellent

1 waste recycling programs, but there may be gaps in the
2 system which they cannot overcome. And we believe that
3 incorporating language of this type would help
4 strengthen and give flexibility to your proposed
5 changes.

6 I welcome any of your questions.

7 BOARD CHAIRMAN FROST: Staff have any
8 comments on this?

9 MS. VAN KEKERIX: The staff prepared a
10 letter to Nancy Hannifer -- or Nancy Lundgren, excuse
11 me, of Hannifer Company who is working with Manhole
12 Adjusting, and I believe that that letter went out
13 earlier this week. The staff believes that we already
14 have the authority to look at specific waste materials
15 and that we don't necessarily need any new statutory
16 language in place to allow us to address specific
17 materials.

18 And we are undertaking a contract on
19 regionalization and the Planning Committee has also
20 asked us to do work on problems related to regional
21 facilities and disposal and diversion credits from those
22 facilities.

23 BOARD CHAIRMAN FROST: I think that the
24 genesis of this discussion was that rubber modified
25 asphalt in used tires were a real sticky issue in terms

1 of diversion credits. Now that we're not going to have
2 diversion credits anymore, this would significantly
3 change that concern. But I think the staff is correct,
4 I think we already have the authority to deal with the
5 question as a statewide question. And if you are
6 talking specifically about market development issues,
7 this would certainly be a candidate for it.

8 MR. BECK: Very good. We thank you.

9 BOARD CHAIRMAN FROST: Thank you very much.
10 Mr. Mark Murray of Californians Against
11 Waste.

12 MR. MURRAY: Mr. Chairman, members, Mark
13 Murray, Californians Against Waste. I'm going to be
14 nice.

15 BOARD MEMBER NEAL: You always are.

16 MR. MURRAY: I just want to really follow
17 up on the letter by Rick Best of our staff and I want to
18 start off really by complimenting your staff and Board
19 members and the Planning Committee in terms of the time
20 and effort that has been put into this issue. I think
21 we have certainly succeeded in not creating the kind of
22 drawn-out process that we had last year with 2292, and I
23 think that has been very valuable to kind of everyone
24 get together, buckle down and try and solve what is a
25 very multi-layered issue.

1 At the same time, I think maybe as you've
2 seen from some of the comments here today already and I
3 think other comments that have been raised with the
4 staff, is that I don't think that we have a proposal yet
5 that we can take and hand to the legislature and have it
6 turn into a piece of legislation and have it adopted.

7 So I guess the gist, as I cover a couple of
8 concerns, my point is not to say let's debate each of
9 the points and let's try and craft some specific
10 solutions because, to be honest, I don't have answers to
11 all of the issues that we have concerns on. I think
12 that some of these are new issues and we've only had a
13 couple months to try and grapple with this idea of a
14 disposal method and how do you grow the waste stream and
15 how do you adjust for economic factors and what should
16 the criteria be for regions to make them real rather
17 than just planning regions that don't implement
18 anything.

19 While I think you have had a very open
20 process, and this very good, I'm not sure that this
21 Board can say this is definitively the answer and this
22 is definitively the legislation and our support of AB
23 2494 or other vehicles that might be used for this is
24 dependent on absolute adoption of this proposal.

25 So let me just kind of go over some of the

1 concerns. As we've stated to the Board before and we
2 stated in the letter of the 22nd from Rick Best to the
3 Board and to the staff in the various hearings before
4 the Planning Committee, we support the notion of
5 regionalization. We support the idea of making life
6 easier for local government in terms of complying with
7 AB 939. And specifically we encourage and are
8 supportive of regionalization and we also are supportive
9 of the disposal method of accounting, determining
10 compliance with the diversion mandates. And I think
11 there are a number of benefits that staff has identified
12 and we concur with that.

13 At the same time there are a number of
14 specific provisions in the proposal which we strongly
15 oppose. Under the regionalization proposal, we oppose
16 the averaging of diversion within the proposed regions.
17 Under the disposal option that is being proposed, we
18 oppose the staff's recommendation of Option 1, which
19 would allow periodic accounting of disposal instead of a
20 systematic accounting disposal.

21 Additionally, some of the proposed
22 recommendations in this proposal are so broad that even
23 as talented as Dorothy Fettig is as legislative staff, I
24 think it will be extremely challenging to take these
25 recommendations and actually turn them into a

1 legislative proposal and be able to actually recognize
2 it as the same thing.

3 Just a couple of those issues. Number one
4 is the guidelines for Board approval of the regional
5 planning contracts. And the other is the adjustment,
6 and really a critical issue for us, the adjusting of the
7 generation baseline. I kind of see this as we've agreed
8 we're not going to have breakfast and we're not going to
9 have lunch, we're going to have brunch. And we kind of
10 agreed on some of the menu items, but we haven't quite
11 agreed on how we're going to prepare it. And to be
12 honest, the way we prepare some of it is going to
13 determine what it is that we actually want to have to
14 eat that day.

15 So I guess we've talked about flexibility
16 here --

17 BOARD MEMBER HUFF: Makes a fellow hungry
18 just listening.

19 BOARD MEMBER NEAL: Not only that, Mark,
20 Dorothy is a woman and women are supposed to be able to
21 cook, so it shouldn't be a problem.

22 BOARD MEMBER CHESBRO: That sounds like a
23 sexist remark.

24 MR. MURRAY: I guess the bottom line in
25 terms of some of these concerns are, you know, I don't

1 want to come here and say we oppose this proposal, we're
2 going to fight this proposal, because there are so many
3 good ideas in it. At the same time there are some
4 things that, really, unless these issues are fixed, you
5 can't really support the disposal method and you can't
6 support encouraging regionalization until some of these
7 issues are resolved and clarified.

8 Let me talk about what has kind of been our
9 primary issue in this. And that is the averaging of the
10 diversion goals within a region. The intent of that was
11 to say that it is going to be very costly and cumbersome
12 for a group of jurisdictions that decide they want to
13 form a region to disaggregate their disposal when they
14 use one or more of the same disposal facilities.

15 And I can appreciate that, I think that
16 will be challenging to disaggregate the disposal. We
17 have to recognize, though, that that's going to have to
18 happen no matter what and this proposal speaks to the
19 fact that that disaggregation of disposal for trucks
20 that drive between jurisdictions is going to have to
21 happen regardless.

22 So this averaging of the diversion goals
23 doesn't solve that problem. It only solves that problem
24 part way for those communities that do choose to form
25 these regions. And it only solves that problem in those

1 cases where the disposal facility within the proposed
2 region doesn't have any other jurisdiction that is not
3 part of that region using that facility. So it doesn't
4 completely solve the problem.

5 What are the costs of the solution to that
6 problem? I think the costs of that solution really
7 speak to the fundamental goals of the program, and that
8 was mandating that every jurisdiction achieve a minimum
9 25 to 50 percent diversion rate. That wouldn't be
10 required under this regionalization proposal with this
11 regional averaging.

12 And I think that that was recognized and
13 there were two options that were identified in the staff
14 proposal. One even seemed to recognize the fact that
15 some jurisdictions are not going to have to hit 25
16 percent of this by suggesting a 15 percent instead of
17 25, and a 35 percent instead of 50 minimum standard that
18 everyone would have to achieve. So on this particular
19 issue, our point is that the costs associated with it,
20 the undermining of what I think was a basic tenet of
21 AB 939 that occurs as a result of this administrative
22 change is too high a price to pay for the limited
23 administrative benefits of the proposal.

24 That is something that is a major concern.
25 I don't think that we can support regionalization. I

1 think regionalization is still good without averaging of
2 disposals within those regions.

3 Also I just want to talk about really the
4 importance of getting a handle on this generation
5 number. We're saying now that compliance with the 25
6 and 50 percent is going to be based on how much lesser
7 you are disposing of in 1995 from your baseline of 1990.
8 We know that waste stream, though, is going to change
9 having nothing to do with diversion. It is going to
10 change because of changing economic conditions, both
11 good and bad, in a given jurisdiction. It will change
12 as a result of population.

13 With the majority of the waste stream being
14 the nonresidential waste stream, being commercial
15 industrial waste stream, I think that we're really going
16 to have to get a handle on how we're going to grow that
17 part of the waste stream. Population works great for
18 the residential part of the waste stream, but I think
19 that we can't just leave it up to each jurisdiction to
20 decide, well, you adjust your waste stream based on
21 economic factors that you think are appropriate in your
22 community.

23 I was talking to some folks that are
24 putting together a backyard composting program for their
25 jurisdiction, and they say, you know, the best that this

1 program is going to get is two or three percent
2 diversion. That whole diversion could be either wiped
3 out or made insignificant depending on how we decide
4 under this disposal method to grow the 1990 baseline.
5 So I think that getting a handle on that and having a
6 consistent formula that is applied to each jurisdiction
7 is really the only fair way to make sure that folks
8 aren't coming up with different economic formulas to
9 grow their generation stream and therefore not have to
10 do diversion.

11 I think there are methods of doing this. I
12 think there are solutions to both of these problems.
13 There is a number of jurisdictions on disaggregating
14 disposals, there are jurisdictions in California right
15 now that are disaggregating disposals between
16 jurisdictions. A truck comes to a disposal facility and
17 has garbage from two different jurisdictions and the
18 data is disaggregated between jurisdictions. It is done
19 in Los Angeles County disposal facilities all the time
20 because they want to know exactly how much waste the
21 City of Los Angeles is contributing to the County of Los
22 Angeles disposal facilities. So this is not impossible
23 information to get.

24 In terms of generation, growing generation,
25 I understand that there was a presentation by Lisa

1 Sumatz from Seattle who has done some work in this area
2 on how to use formulas for growing the commercial
3 industrial waste stream so that we can say let's not go
4 through this cumbersome diversion quantification process
5 again, let's apply a formula to the 1990 data so that we
6 can use it in 1995.

7 BOARD MEMBER CHESBRO: They thought they
8 were calculating the origin of the waste in San Jose,
9 too.

10 MR. MURRAY: Somebody is. Somebody is
11 doing a good job and somebody is doing a not so good
12 job.

13 BOARD MEMBER NEAL: We'll show you the
14 clippings.

15 MR. MURRAY: So I guess my recommendation
16 to you -- and I want to compliment the staff because
17 it's only been two months we've been working on this
18 issue and I think you've done a tremendous job and I
19 think that we're going to be able to deal with a number
20 of these issues within this legislative session and
21 within the next five weeks. And I am urging the Board,
22 rather than to adopt this proposal today as the final
23 proposal, it's on the table, it's already on the table,
24 there is nothing else there that we can use as kind of a
25 guiding document. Accept it as a guiding document,

1 allow some flexibility so that we can continue to work
2 on it the next five weeks of legislative session rather
3 than making your determination of up or down on the
4 legislation being absolute fidelity to this staff
5 proposal at this point in time. Because I think we're
6 going to continue, just as you have already this
7 afternoon, to make some adjustments to that. And I
8 think particularly on these issues of growing the
9 generation and averaging disposal, I think that it would
10 be a mistake to commit to those two options today. I
11 think there are better ways we can do it without the
12 costs.

13 BOARD CHAIRMAN FROST: I have a couple of
14 comments. I think that if we are concerned about the
15 current method without a disposal based method and with
16 all the convoluted systems we have now with trying to
17 determine whether we ever meet 25 or 50, I'm not sure we
18 will ever know whether we meet 25 or 50 under the
19 current system. And it is, as we have seen since we've
20 been here, it is something that is manipulable, and
21 going with the disposal base system makes it much, much
22 clearer as to whether you have actually met a 25 or 50
23 percent diversion. So I think that is the main
24 motivation for going to a disposal based system.

25 The second motivation, and it is also very

1 important, is the cost burden on local government. And
2 I think when you see what comes out of the budget
3 negotiations this year, local government is going to be
4 hit very, very hard. Whatever happens, local government
5 is going to be hit very hard. And this is one method
6 which could help alleviate some of the problems. It
7 works both ways. It helps us to know whether we can
8 actually achieve the 25, 50 percent goals. It helps
9 local government in eliminating a lot of these
10 convoluted reporting requirements that, again, you'll
11 never know whether you have met the goal or not. So
12 those are the two motivations.

13 I would certainly hope -- and I think that
14 averaging, or at least regionalization, maybe not
15 averaging specifically, but regionalization is a major
16 element in the ability of local government to control
17 cost, and I think that needs to be in the proposal.

18 I would hope that you would work with
19 staff. Obviously whatever we adopt today, we're going
20 to be flexible. This is a legislative process.
21 Obviously we're not adopting anything other than a
22 position at this stage and time. We're going to be
23 flexible in trying to work it out with the legislature
24 but I would hope -- I think the train will leave the
25 station this year, again because of the concerns about

1 local government and the need to do things to help them
2 economize. And I hope you are on it. I hope that
3 you're able to work within the confines of the overall
4 goals of this proposal, which I would hope that you
5 would share, and that is simplification and actual
6 knowledge that we're going to meet the goal, and
7 elimination of irrelevant reporting requirements on
8 local government. And I would hope you can work with
9 our staff and legislative staff and come to some sort of
10 a compromise agreement that we can all agree to.

11 MR. MURRAY: Mr. Frost, I am not just
12 accepting of this change to the disposal method and the
13 encouragement of regional planning, I am an absolute
14 strong advocate. In fact, I think I deserve some credit
15 for the recognition of the disposal method as a simpler
16 way of accounting this and somebody that was actually
17 there at the beginning proposing it, recognizing that we
18 had a lot of local governments out there complaining
19 about all of this data collection and they were -- in
20 fact, this emerged out of the "what counts" issue. And
21 as I was talking a little bit earlier, who cares about
22 what counts. The real issue is how we have to count it
23 and that is too burdensome, that's the real issue. And
24 so I am an absolute advocate, I want to be a strong
25 advocate of this proposal.

1 You separated out the issue of
2 regionalization from averaging and that's what I'm
3 asking you to do is to say absolutely we need
4 regionalization, absolutely we need the disposal method,
5 both make sense.

6 Let's keep an open mind with regard to the
7 averaging issue. Let's keep an open mind with regard to
8 the issue of how do we grow that waste stream so we
9 don't have to go through this accounting exercise again.
10 So I want to be there in terms of both of those big
11 issues.

12 BOARD CHAIRMAN FROST: I agree with you,
13 especially on the growth issue, it is a very complicated
14 issue. I think on the regionalization, I would hope we
15 could develop some sort of language that holds all
16 jurisdictions accountable for achieving some gain. I
17 don't want to go and I don't want the local governments
18 to come and tell us, if you don't allow us to average,
19 then it won't work. And I think that may be what some
20 of them say, so I think we need some sort of middle
21 ground there. And I don't know what it is, but it
22 probably could be discovered with all the bright people
23 we have working on this issue.

24 Mr. Chesbro.

25 BOARD MEMBER CHESBRO: One of the issues

1 you raised, Mark, and I don't recall you raising it
2 early on, and it was one of the concerns I had, was the
3 question of nondiversion factors that could affect the
4 amount disposed, but I think you were also referring to
5 the baseline and the projections and how it would affect
6 that.

7 MR. MURRAY: That is what I was referring
8 to.

9 BOARD MEMBER CHESBRO: And I haven't really
10 focused on that aspect of it because that is a
11 significant complication as well. But I've asked the
12 general question at every single discussion that the
13 committee or Board has had and finally got satisfied, I
14 think at the last Board meeting, that the staff is
15 committed to move forward to address that in the
16 regulatory process.

17 But I want to, once again I'm glad you
18 brought it up and I'd like to have staff respond and get
19 that on the record again as to how we intend to proceed
20 to identify those factors and create consistent -- some
21 sort of consistent process for taking them into account
22 so that the amount disposed is an accurate figure and
23 the amount recycled can be accurately measured as
24 opposed to the amount disposed and the amount projected
25 for the baseline.

1 MR. SITTS: Under the current system and
2 under the proposed system, the Board will have to
3 undertake a study to develop a system for making
4 adjustments to the projections in the SRRE's. We have
5 acknowledged that in both versions of the staff
6 proposal, and based on factors like population and other
7 factors which affect solid waste disposal.

8 And we realize that is a complicated task,
9 it's already in our work plans, we're already making
10 progress on that, and it would be to develop a system
11 that would be used to adjust those projections so that
12 it does take into account things like population growth
13 and economic factors.

14 BOARD MEMBER HUFF: May I pursue that?
15 Really, just that proposal doesn't change or doesn't
16 propose to change existing law with regard to what is
17 said about these adjustments?

18 MR. SITTS: That's correct.

19 BOARD MEMBER HUFF: So there is no change
20 in the law. The law originally contemplated adjustments
21 for increases or decreases in the quantity of waste
22 caused by changes in population and changes in the
23 number or size of governmental, industrial or commercial
24 operations in the jurisdiction. Okay. Now we have to
25 somehow make that real world, but we aren't proposing to

1 change that in any way.

2 MR. SITTS: That's correct.

3 BOARD MEMBER CHESBRO: The reason I raised
4 it repeatedly is because it is my belief, and others
5 agree, that amount disposed is much more sensitive than
6 amount diverted potentially and that could have a
7 greater distorting impact than under the current system.

8 MR. SITTS: Pardon me. It is also now the
9 only way that we're going to know what the diversion
10 rate is. Under the old system we were adding up
11 diversion to know what the diversion rate is. Now we're
12 only adding up disposal. So how you change that waste
13 stream is of significant -- it's of much greater
14 importance now than it was under the previous version.

15 So I agree, I think it was very permissive
16 under the old system where it was up to local government
17 to make these adjustments, and it wasn't a big deal
18 because they were going to determine their compliance by
19 diversion. Now we're saying that disposal is the only
20 measurement we're going to take. It makes that
21 adjustment, the formula that adjusts that, absolutely
22 critical now to determine compliance.

23 And we're talking about \$10,000 a day
24 fines. More importantly, we're talking about success of
25 the program, whether it's actually going to mean

1 something five or ten years from now or not.

2 BOARD MEMBER HUFF: That's all understood.
3 I would suspect that it is easier to know, not more
4 difficult to know, under the old system, for the same
5 reasons that it was so hard to know whenever we would be
6 meeting the 25 or 50. It would be hard to know what
7 adjustments to make and how much changes in the economic
8 and population base really affected generation. When
9 you are dealing with tangibles, I think it is easier to
10 know.

11 BOARD MEMBER CHESBRO: It may be easier to
12 know, but I think it is a more critical factor because
13 the diversion portion of the waste stream is a subset of
14 the total waste stream, at least until it reaches 50
15 percent. And as a result, I think that you're talking
16 about a much larger potential impact on disposal than
17 you are on diversion. At least I hope so. I hope
18 recycling goes forward regardless of economic factors
19 and we successfully recycle. But I think we know that
20 the amount disposed of goes up or down based on economic
21 activity. Broad economic activity, not just
22 economic activity in the recycling field. You know,
23 mill closure, drought, any number of things that can
24 affect it.

25 BOARD MEMBER HUFF: I don't think that the

1 law takes drought into effect.

2 BOARD MEMBER RELIS: I have two questions
3 of staff.

4 One, would you clarify again this question
5 of regionalization? I know that is a key issue, Mark,
6 with you and with CAW. Regionalization with averaging,
7 regionalization without averaging, what is the
8 bottom-line consideration here from staff's perspective?

9 And then regarding the legislative
10 timetable, we've been asked to not engage, but I know
11 we've been gearing up with this whole effort. Why we
12 have done this is to have input into the legislative
13 process, so I'd like to ask Ms. Fettig to respond to
14 that point.

15 MR. SITTS: Okay. As far as
16 regionalization goes, I think it is critical that we
17 point out that we're not talking about averaging goals.
18 If we were talking about averaging goals, if there are
19 two jurisdictions, one is 50 percent, one is zero, they
20 average to 25 percent and they don't have to do
21 anything.

22 We've got an example that will be flashed
23 up on the screen here. There it is. In this example,
24 City C and City D, if you look all the way over to 100
25 percent diversion, you can see that one is 50 percent,

1 one is at zero percent. If you were to average those,
2 they would both be 25 percent, nobody would have to do
3 anything.

4 We're not talking about averaging. We're
5 talking about looking at the disposal totals, which are
6 in the first or second column under disposal, and adding
7 up the disposal totals that they will have to meet in
8 order to meet the 25 percent goal in 1995. So to meet
9 the 25 percent goal in 1995, City C would have to
10 dispose of, if they were separate, City C would have to
11 dispose of no more than 50 tons. City D would have to
12 dispose of no more than 750 tons.

13 If they are a region together, we can just
14 add those two together, we say as a region they have to
15 dispose of 800 tons or less.

16 Now, it's true that City C could divert or
17 reduce to 45 and City D would only reduce to 755, but
18 the regional goal would still be the same and they would
19 still reach -- they would still be held to the same
20 amount of diversion.

21 If the entire state were made into one
22 region, it would be -- and that region met the 25
23 percent goal, you'd have the same amount of diversion as
24 if all the separate jurisdictions met the 25 percent
25 goal.

1 BOARD MEMBER HUFF: I follow the math. I
2 think the concern is that --

3 MR. MURRAY: It was a minimum that everyone
4 has to achieve, not an average. The goal was a minimum.

5 BOARD CHAIRMAN FROST: Well, it's not that.
6 It's a question that if one of these jurisdictions was
7 already meeting 50 percent and the other one was doing
8 zero.

9 MR. SITTS: That's an extreme example.

10 BOARD MEMBER HUFF: I know that.

11 MR. SITTS: About the examples --

12 BOARD CHAIRMAN FROST: Some of the cities
13 have said that they are already at 50 to 60 percent.

14 BOARD MEMBER HUFF: That is before we took
15 care of the --

16 BOARD CHAIRMAN FROST: They have said that.
17 And if you took one of those cities with a city that is
18 at zero, whichever method you use, whether you add up
19 the number of tons or the percentage, it still ends up
20 with the second city having to do nothing.

21 MR. SITTS: No. Because in the projection
22 of the city that said 60 percent, their projection will
23 say you have to dispose of the same amount you're
24 disposing now. They don't have to reduce their disposal
25 at all per city. But because we add the projections,

1 the second city will still have some type of disposal
2 reduction required to meet their goal. And what we're
3 saying is we didn't want to reduce the amount of
4 diversion and so --

5 BOARD CHAIRMAN FROST: I like the goal. I
6 don't quite understand how you're achieving it.

7 MR. SITTS: Because we're not allowing
8 jurisdictions to share credit, an existing credit that
9 is over the 25 percent. They get to share future
10 diversion. So if they have to reduce the disposal of
11 the region by 20 tons, maybe one jurisdiction will do
12 more than 10 and the other will do less than 10.

13 BOARD CHAIRMAN FROST: You're not allowing
14 them to share if they are below 25 percent, which means,
15 if I interpret that, that means every jurisdiction will
16 have to meet 25 percent as a minimum.

17 MR. SITTS: Every region will have to.

18 BOARD MEMBER CHESBRO: It still doesn't
19 answer the argument that I hear. If 25 percent is
20 considered a minimum and one community was going to do
21 above 25 percent and the other community then doesn't,
22 you're talking about future activity, then you wind up
23 with less recycling and less diversion than you would
24 have if 25 percent was a minimum.

25 MR. SITTS: The average in the state would

1 be higher than 25 percent if everyone did a minimum of
2 25. And that was the expectation.

3 BOARD MEMBER CHESBRO: Some would obviously
4 do more.

5 MR. SITTS: And the regional goals would be
6 a floor and not a ceiling, either. We think that
7 regional programs will be more efficient and more
8 effective and will get higher diversion than separate
9 jurisdictions.

10 BOARD CHAIRMAN FROST: This is a legitimate
11 issue that needs to be worked out. I think an argument
12 could be made that AB 939 requires every community in
13 the state, every city and every county, to meet a
14 minimum of 25 percent. And if that argument is
15 accepted, then you're not adding to their burden by
16 regionalizing them if you make them meet the minimum of
17 25 percent they would have had to meet anyway. But by
18 regionalizing, you can still achieve efficiencies of the
19 economies that jurisdictions need to do.

20 So I would say, you know, absent somebody
21 making an argument, and local government would be the
22 one to make this argument, absent somebody making an
23 argument to the contrary, I think the 25 percent minimum
24 goal for every community is consistent with AB 939.

25 MR. SITTS: And the reason why we were

1 talking about not having to determine individual goals
2 for each jurisdiction is because of the tracking. At
3 landfills, we thought, well, a rural jurisdiction that
4 has six -- a rural county with six jurisdictions, why
5 should their landfill have to figure out how much each
6 one was doing if the county as a whole does the same
7 amount of diversion.

8 BOARD CHAIRMAN FROST: It's a legitimate
9 question. I'd say there are enough bright minds out
10 there that you guys can figure this out.

11 BOARD MEMBER HUFF: I think we've spent
12 more time on this problem than we need to. Because,
13 one, I suspect that Mark is correct, that there will be
14 some communities that will overachieve and perhaps
15 statewide if we do the regional approach, some portion
16 of that overachievement might be lost. I can see that.

17 I can also see that there can be economies
18 of scale that would cause overachievement in other
19 areas, and so I think that the end result state-wide in
20 the aggregate is probably de minimis. I really think
21 that.

22 MR. MURRAY: I don't think they are
23 mutually exclusive issues. I think you can have
24 regionalization and I think you can have everyone
25 achieving 25 and 50 percent. If we can have rural

1 communities which would form regions, so rather than
2 having one part-time public works director running the
3 program, we can have five people specializing in
4 different areas from different divisions working
5 together, and I think that staff is absolutely correct
6 that we'll do better that way. I don't think you need,
7 though, average of diversion goals to get the benefit of
8 regionalization.

9 BOARD CHAIRMAN FROST: I mean, this is not
10 an issue. I mean we wouldn't disagree with that. We
11 don't have anybody from local government here and they
12 are going to be the ones to say whether or not they will
13 object to the idea of minimum 25 percent goals for every
14 jurisdiction within --

15 MR. MURRAY: They didn't support it on the
16 first go-around, so I'm not sure they're going to be
17 excited about supporting it now.

18 BOARD CHAIRMAN FROST: No, but I think they
19 will be listened to probably more than normal because of
20 the situation they will be in.

21 BOARD MEMBER CHESBRO: Not to try to work
22 it out here but, you know, I think I reported earlier
23 Mark and I did have a conversation about this and I've
24 been racking my brain because I feel that on the one
25 hand the deficiencies are justifiable and will produce

1 some benefits. On the other hand, there is a concern, a
2 legitimate one I think, that with all of the other
3 pressures local governments are under, that if there is
4 a sense of diminishment of responsibility to the
5 regional level, that programs that may be of necessity a
6 local program in a jurisdiction -- they may not feel the
7 same pressure to proceed with this program given all the
8 other pressures that they are under.

9 So we might want to look at, rather than an
10 ongoing responsibility for that, something that would be
11 a spot check at some point in the future to see that
12 plans are being implemented in some process that
13 would -- and I'm not making a specific proposal at all,
14 just a vague idea -- but that would somehow check to see
15 that the SRRE's are being implemented in the local
16 community and that programs are being implemented and
17 would raise the issue again of whether the regional was
18 still going to be in effect as a result of the
19 communities fulfilling their responsibilities under the
20 SRRE's.

21 BOARD CHAIRMAN FROST: Mr. Relis.

22 BOARD MEMBER RELIS: I'd like to ask
23 Ms. Fettig if she would respond. I mean the problem I'm
24 seeing is that we have this work in progress. A great
25 deal of effort has been put into it and some serious

1 questions have been raised by Mr. Murray and others
2 about some key points on regionalization, and so forth.
3 We can't be overly loose about how we treat this. We
4 have a legislative deadline as I read it, and I'd like
5 to hear from you, Dorothy, your perspective on where we
6 are.

7 DIRECTOR FETTIG: Sure. Thank you. I'm
8 Dorothy Fettig with the Board's legislative staff.

9 As Mark knows and as you know, we have a
10 little over a month left of session unless the budget is
11 not resolved and then it could go further. We have been
12 working with this proposal in discussions with
13 legislative staff for quite a while now, probably ever
14 since the proposal has been on the table. And if there
15 is an adoption of the proposal in concept perhaps today,
16 I think everyone would recognize that once it is drafted
17 in the form to go into a bill, you've got another
18 beginning point. You still have to negotiate that bill.

19 And as you are noting, there are some
20 details in the proposal that may change, that may need
21 to be worked out. And we would bring those all back to
22 you, you know, for some kind of a decision point if it
23 is needed, but I would imagine that in adopting this,
24 you would be recognizing that you throw it out there
25 into the legislative process and perhaps different

1 parties get involved, perhaps the same parties you've
2 been working with have additional concerns. People
3 respond to bills differently than they do to policy
4 documents of this nature. And I think the document was
5 drafted fairly broadly with the idea in staff's mind
6 that were it to become a bill, were it to become
7 enacted, regulation would define many of the points.

8 If there are points in it where there are
9 major policy decisions to be made, those would have to
10 be worked out in the legislature and I think we owe it
11 to the parties involved to try. That doesn't mean we
12 will necessarily succeed this year, but I have not yet
13 heard from Assemblyman Sher's office, for example, that
14 they don't want to keep trying. If we didn't have an
15 author interested, that might be a reason to continue to
16 work on it and develop it further at this time, but
17 there is so little session left, I don't see the harm in
18 getting out there with it in a general sense and working
19 it through and seeing how far we get.

20 BOARD CHAIRMAN FROST: We shouldn't have
21 any illusions that we are the final word on it.

22 DIRECTOR FETTIG: Absolutely.

23 BOARD CHAIRMAN FROST: All we're saying is
24 what our policy is and we have thrown it in with a lot
25 of other people who also have policy statements and it

1 will be either worked out or it won't. But we are a key
2 party to the negotiations.

3 BOARD MEMBER CHESBRO: To respond in more
4 general terms to the concern about so-called averaging,
5 let me just say that I think that -- and I'm not talking
6 about amending this, but as a direction to look, it
7 seems to me that some method by which individual
8 communities maintain some level of accountability, it is
9 not completely eliminated from the process is a
10 reasonable thing to be concerned about.

11 BOARD CHAIRMAN FROST: I agree.

12 DIRECTOR FETTIG: Right. We had a number
13 of discussions on that point and I think it has been
14 kind of generally conceded that one point where you
15 might get some control for every city, county or area in
16 a region is through the contract and the Board's
17 approval of that contract. We can put any additional
18 requirements in there that seem appropriate to the
19 parties working on the bill, including this Board, such
20 as requirements of minimum level of efforts from all the
21 participants, anything that might be appropriate. As
22 Mr. Frost said, there are many creative ways we could
23 approach trying to make sure that diversion doesn't
24 diminish and I'm sure we can work out some ideas.

25 BOARD MEMBER CHESBRO: Again, let me go

1 back to what I said previously, and that is that those
2 communities that have every intent on exceeding their
3 numbers are going to be trying to protect their
4 interests by not being dragged down by some of the
5 others.

6 DIRECTOR FETTIG: Right. I don't know why
7 a community would want to join with someone who wasn't
8 going to do their part.

9 BOARD CHAIRMAN FROST: Ms. Delmatier.

10 MS. DELMATIER: Mr. Chairman, members of
11 the committee, Denise Delmatier with NorCal Waste
12 Systems.

13 We have supported this Board proposal from
14 the beginning, as you are aware. We have specifically
15 supported the averaging goals. I certainly would like
16 to have the opportunity to comment on that particular
17 component of the proposal.

18 We represent a company that is
19 participating in a pre-existing JPA. It was formed
20 prior to AB 939 and serves two full counties and
21 prospectively a third county and a portion thereof. The
22 entity that is contemplating coming forward and
23 participating with the JPA that currently exists happens
24 to be a city within the County of Butte. And as you
25 said earlier, Mr. Frost, local governments are facing

1 very extreme fiscal constraints this year with the
2 current budget negotiations. The City of Gridley, being
3 a city in the County of Butte --

4 BOARD CHAIRMAN FROST: Near Biggs?

5 MS. DELMATIER: Quite near the City of
6 Biggs, and East Biggs. Probably if left to their own
7 devices or left to their own constraints, will be before
8 this Board in a short period of time seeking a reduction
9 in their goals just as the City of Biggs did. And
10 probably other cities within the County of Butte. That
11 city is not able to join with the existing JPA who is
12 served by a single operator. All the cities within the
13 JPA, both counties and the City of Gridley, use one
14 single disposal facility.

15 However, as Dorothy just mentioned, why
16 would the cities within the existing JPA want to allow
17 the City of Gridley to come in and form and be a part of
18 that JPA if they are not able to average their goals and
19 get probably even closer to the 25 percent goal had they
20 not been able to pool their resources with the other
21 cities and the other counties in the existing JPA.

22 They do not have the ability to get to the
23 25 percent most likely on their own, but by joining with
24 a team approach with the existing JPA, they will most
25 likely get much, much closer than if they were left

1 totally on their own and unable to benefit from the
2 benefits of a team approach and using the ability and
3 the attributes of the other entities within that JPA.

4 So for those reasons we think underlying
5 all of the discussion here on all of the points, the
6 fundamental discussion centers around how do we maximize
7 diversion for all the local agencies throughout the
8 state. And that is the intent, that is the emphasis
9 that we ought to be concentrating on, not how do we make
10 things convenient by arbitrary lines being drawn that
11 prohibit, in fact, the maximization of diversion
12 activity in the state.

13 So for those reasons we strongly support
14 the averaging goal with strict criteria by which the
15 elements of the contract that are worked out between the
16 entities within that JPA are strictly drawn, adhered to
17 by all the participants and, of course, under the
18 Board's staff proposal are subject to approval by this
19 Board.

20 BOARD CHAIRMAN FROST: Well, I agree. I
21 think everybody has generally the same goal here and
22 there ought to be a way to work it out. And there is.
23 We just have to find it.

24 MS. DELMATIER: We have suggested criteria
25 language to Mr. Sher's office and have had that

1 discussion with Mr. Lipper. He certainly is in
2 agreement conceptually. And as long as we come up with
3 strong criteria, we ought to apply the flexibility to
4 indeed maximize diversion.

5 The second point on this same proposal, the
6 previous version allowed for JPA formation for one or
7 more cities and one or more counties. Now, under the
8 most recent version of the proposal on page 21 of the
9 proposal, and this is the discussion that occurred
10 earlier with San Bernardino County, portions of two or
11 more cities or counties could not form waste management
12 regions. Again, City of Gridley being a portion of a
13 third county would be excluded from participating in a
14 JPA. And we don't think that is appropriate or in the
15 best interests of maximizing diversion goals under 939.

16 BOARD MEMBER HUFF: We addressed that.

17 BOARD MEMBER CHESBRO: Is it an
18 incorporated city?

19 MS. DELMATIER: Yes.

20 BOARD MEMBER CHESBRO: It's not a
21 portion -- I assume when it says county, it refers to
22 the unincorporated part of the county.

23 MR. DELMATIER: My previous discussions
24 with Board staff were very clear on this point, that
25 under this proposal the City of Gridley would not be

1 able --

2 BOARD MEMBER HUFF: We addressed that when
3 we heard from Barstow because we said that we would want
4 some flexibility in language to handle this in the
5 regulatory process.

6 BOARD CHAIRMAN FROST: Who would Gridley
7 join with?

8 MS. DELMATIER: With the existing
9 bi-county authority, both Yuba and Sutter counties.

10 BOARD CHAIRMAN FROST: I thought we
11 addressed that, too.

12 MS. DELMATIER: I did not hear that that
13 was specifically addressed. I heard that a portion of
14 the unincorporated area --

15 BOARD MEMBER HUFF: Barstow just had a
16 heart attack. He thought it was.

17 MS. DELMATIER: I heard that a portion of
18 an unincorporated area of the county could potentially,
19 but not an incorporated city.

20 BOARD CHAIRMAN FROST: Mr. Relis has a
21 motion.

22 BOARD MEMBER RELIS: As chairman of the
23 Planning Committee, I would move that we should adopt
24 our staff's report today, but I bear in mind what Mr.
25 Murray has said, that he has some still thorny issues

1 within this regarding the regional question, how you
2 construct the -- to make that workable. And so I just
3 qualify it with that, but I think we have to stay in the
4 picture and so, therefore, I think we need to move on
5 this today.

6 BOARD MEMBER HUFF: Second.

7 BOARD CHAIRMAN FROST: Moved and seconded.

8 Call the roll.

9 BOARD SECRETARY: Board member Chesbro.

10 BOARD MEMBER CHESBRO: Aye.

11 BOARD SECRETARY: Huff.

12 BOARD MEMBER HUFF: Aye.

13 BOARD SECRETARY: Egigian.

14 BOARD MEMBER EGIGIAN: Aye.

15 BOARD SECRETARY: Neal.

16 BOARD MEMBER NEAL: Aye.

17 BOARD SECRETARY: Relis.

18 BOARD MEMBER RELIS: Aye.

19 BOARD SECRETARY: Chairman Frost.

20 BOARD CHAIRMAN FROST: Aye.

21 That completes Item 7 and completes the
22 Board's agenda for today, unless there is any further
23 discussion.

24 Hearing none, we are adjourned.

25.

1 STATE OF CALIFORNIA)
2 COUNTY OF LOS ANGELES) ss.

3

4 I, Kathleen E. Barney, CSR 5698, a Certified
5 Shorthand Reporter in and for the State of California, do
6 hereby certify:

7 That the foregoing proceedings were taken down by
8 me in shorthand at the time and place named therein and were
9 thereafter reduced to typewriting under my supervision; that
10 this transcript is a true record and contains a full, true
11 and correct report of the proceedings which took place at
12 the time and place set forth in the caption hereto as shown
13 by my original stenographic notes.

14 I further certify that I have no interest in the
15 event of the action.

16

17 EXECUTED this _____ day of _____,
18 1992.

19

20

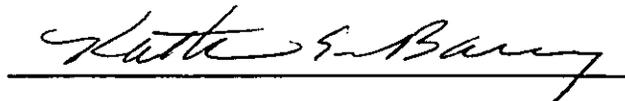
21

22

23

24

25



Kathleen E. Barney