

MEETING
STATE OF CALIFORNIA
CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD
INTEGRATED WASTE MANAGEMENT PLANNING COMMITTEE

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Board Room
8800 Cal Center Drive
Sacramento, California

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FRIDAY, AUGUST 7, 1992

9:00 A.M.

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Doris M. Bailey, CSR, RPR
License Number 8751

A P P E A R A N C E S

HEARING OFFICER:

CHRISTY PORTER
Associate Waste Management Specialist

DENNIS MEYERS
Manager

FERNANDO BERTON
Manager

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1 PROCEEDINGS

2 --oOo--

3 HEARING OFFICER PORTER: I think we're going
4 to go ahead and get started. Good morning, and welcome
5 to today's used oil recycling workshop.

6 The Board is just beginning to develop the
7 certification and grant regulations for this used oil
8 recycling program, and the purpose of today's workshop
9 is to get some input from you, the affected parties,
10 before we write the regulations.

11 And I understand there may have been a little
12 bit of confusion that we had already had written some
13 regulations and this was to comment on those. This is
14 to get comments before we write the regulations.

15 My name is Christy Porter, and I oversee the
16 certification and hauler aspects of the program. With
17 us also today is Fernando Berton, he oversees the grant
18 aspects of the program. And Dennis Meyers, who will be
19 handling taking in the money and giving it back out.

20 And during today's workshop what we'd like to
21 cover, it's indicated on the agenda. If you didn't get
22 one in the mail there's some in the back of the room.

23 I'd like to give you an overview of the
24 California Oil Recycling Enhancement Act, and then most
25 significantly we want to gain some input from you on

1 some issues that we've identified that, in the statute,
2 that we feel need some clarification through
3 regulation. So we will be opening it up to you for
4 comment. We'll have a microphone we'll be passing
5 around through the audience if you have comments. And
6 finally, I'll be discussing what our proposed timelines
7 are for developing these regulations.

8 Okay, an overview of the program. AB 2076
9 was authored by Assemblyman Sher during the last
10 legislative session, and became effective on January
11 1st of this year. Its primary purpose is to prevent
12 the illegal disposal of used oil, primarily illegal
13 disposal by do-it-yourselfers. It tries to do this
14 through a recycling incentive fee.

15 And how this works is beginning October 1st
16 of this year oil manufacturers will start paying into a
17 state fund 16 cents for each gallon of lubricating oil
18 that's sold. And then beginning April 1st of next
19 year, the public, industrial generators, and curbside
20 centers will be able to claim the 16 cents per gallon
21 for used oil that's recycled. And I would want to
22 emphasize that this is just on lubricating oil and not
23 on industrial oil.

24 One of the aspects of this program are
25 grants. There are basically three different types of

1 grants that are available out of some of the unclaimed
2 recycling incentives. One of the major types is block
3 grants to local governments. Another type is grants to
4 non-profits to provide used oil recycling
5 opportunities. And finally, the Board may award grants
6 for research and testing, etcetera, for recycled oil.

7 Another important aspect of the program is
8 public education. The Board's planning on conducting
9 some major media campaigns to get the word out; one, to
10 let the public know why they shouldn't be dumping their
11 oil down the drain or in a hole in the back yard; and
12 then to let them know that these certified recycling
13 centers exist and there will be places for them to take
14 the oil.

15 Industry reporting is another major aspect of
16 the program. And actually we just got through working
17 on a set of regulations for the reporting. This is for
18 used oil haulers and used oil recycling facilities
19 which must tell the Board how much oil that they
20 transport and actually recycle. When we say recycling
21 facilities here, we don't mean the drop off collection
22 points, we mean those facilities which re-refine or
23 re-process used oil. And then the oil manufacturers
24 have to report to us regarding sales so we know how
25 much money they owe to us, and also so we can calculate

1 their recycling rates.

2 Okay. So who qualifies for this 16 cent per
3 gallon recycling incentive? There are three basic
4 types of entities, certified collection centers which
5 we'll be discussing quite a bit today, curbside
6 collection programs, and industrial generators.

7 And industrial generators is defined in the
8 statute as someone who either owns or uses the
9 equipment. So a service station would not qualify as
10 an industrial generator because they do not own the
11 cars that their customers bring in.

12 Certification requirements. There are
13 several basic requirements that are laid out in the
14 statute, and we're going to try to get some feedback
15 from you later on as to how we might want to make these
16 a little bit more clear.

17 A certified center must accept oil at no
18 charge from the public and offer to them the 16 cent
19 per gallon recycling incentive; they must post a sign
20 saying that they will accept oil at no charge and offer
21 the incentive; periodically advertise in local media;
22 and submit quarterly reports to the Board which,
23 through that mechanism they would claim the money.

24 The local government block grants are fairly
25 significant. There's \$10 million per year allocated

1 for these block grants. They'll be awarded based on
2 population. They're not competitive. In order for a
3 local government to be eligible they must file an
4 annual report with the Board, provide for one of
5 several different types of used oil collection systems,
6 either providing a certified center per 100,000
7 residents not served by curbside, or by providing
8 curbside to all residents at least once a month. Also
9 they would have to implement a public education
10 program. And these are fairly vague requirements, and
11 again, we're hoping to get some feedback on how we
12 might be able to make those more specific.

13 Okay. That's pretty much an overview of the
14 program. There are some copies of the fact sheet on
15 the program and the actual legislation itself in the
16 back of the room. I'd also like to mention that there
17 is some clean-up legislation out there right now, AB
18 3073, and throughout our discussion today we might be
19 mentioning some of the changes that have been
20 introduced through that legislation.

21 And Sher's office, who has introduced that,
22 has told me that if there are still a couple of things
23 that we need to get into that it's still not too late,
24 but he says August 17th is the final cutoff date. So
25 if some things come up today that we feel we need to

1 change the statute it's a possibility.

2 Now I'd like to move into the portion of the
3 workshop where we try to get some feedback from you.
4 And the way this will work is I'm going to present
5 certain sections of the statute that we feel need some
6 clarification, some of the ideas that we've come up
7 with as far as what we might want to put into the
8 regulation, and after each topic we'll open it up to
9 you. We're afraid if we cover too much at one point
10 you're going to forget some of the comments you might
11 want to make. So we'll be opening it up for comment
12 fairly frequently.

13 And if you do comment, I'd ask that you state
14 your name and who you represent so that we'll have a
15 record of that for our reporter.

16 The first topic we're going to cover is the
17 certification of collection centers. And again this is
18 kind of a summary of what I just went over, but this is
19 a summary of PRC Section 48660. And in order for
20 someone, a collection center to be eligible for
21 payment, they must be certified. To qualify they must
22 submit an application to the Board, and they must
23 accept used oil from the public at no charge during
24 their normal hours of business.

25 One of the things that's been introduced into

1 AB 3073 is to change it so that a center, for example a
2 business that's open 24 hours a day, wouldn't have to
3 accept oil from the public 24 hours a day. It's being
4 introduced so that they would have to accept oil
5 between the hours of 8:00 a.m. and 8:00 p.m. that that
6 business is open. So that's one proposed change.

7 That center must also pay an amount equal to
8 the recycling incentive to the individual who brings in
9 oil to the center. There's also a provision in the law
10 that says it doesn't prevent anyone from donating oil.
11 There'll probably be a lot of people who are just happy
12 to be able to bring in the oil and not have to pay to
13 get rid of it. A lot of the centers right now charge
14 to accept used oil.

15 You may wonder, well why would anyone want to
16 do this? It sounds like they're just a conduit for the
17 money. For just a drop off center that's probably the
18 case, they'll be a conduit for the money and they would
19 get to pocket any money from oil that was donated to
20 the center.

21 For someone like a service station where they
22 have a service bay, if I took my oil into that center
23 and I had changed my own oil they would have to offer
24 me the 16 cents a gallon. If someone else drove their
25 car in there and had their oil changed by the center,

1 the center would be able to claim the 16 cents per
2 gallon on that oil because the person didn't bring it
3 in in a container. So if someone was doing a lot of
4 business in terms of changing oil in customer's cars
5 they might be able to make a little bit of money off of
6 it to help subsidize their program.

7 Another requirement of being certified,
8 again, is to advertise periodically through local media
9 and to have signs posted stating that they are
10 certified and that they do accept oil at no charge.

11 Another provision for being certified is that
12 the center not accept more than 20 gallons from a
13 person in a given day, and the oil can't be in
14 containers larger than five-gallon containers.

15 Another provision is that the center not
16 accept oil for which a payment has not been made, and
17 that is a difficult one, and that's another area we'd
18 like to get some input on.

19 I'm going to go ahead and move into the area
20 where we're going to try to get some feedback from you.
21 The first section or subsection we want to discuss
22 relates to applying to become certified.

23 Our staff has met with staff at the
24 Department of Conservation Division of Recycling. They
25 have a certification program for recycling centers that

1 accept beverage containers, and the money flow through
2 our program and their program is quite similar, so we
3 wanted to see what their requirements are.

4 They suggested that in our applications we
5 require documents such as partnership agreements,
6 articles of incorporation, verification of compliance
7 with local land use requirements. And this is one of
8 the reasons on the partnership and articles of
9 incorporation was that they said if they ever had to
10 take any kind of action against one of these entities,
11 they're giving money to these centers essentially, and
12 they need to know who is the responsible individuals.
13 So that's the reason for requiring this type of
14 information. They also felt it was important to know
15 that the local government knew that this operation was
16 being conducted.

17 So these are two things we're planning on
18 putting into the application requirements. Would
19 anyone like to comment on those requirements or should
20 I move on?

21 MR. ROTELL: My name is Pat Rotell. I work
22 for A C Transit in Oakland.

23 And I just have one question. We generate
24 about 100,000 gallons of oil a year. Will we have to
25 open our facilities up to the public to recycle?

1 HEARING OFFICER PORTER: No, you would count
2 as an industrial generator and what you would have to
3 do, Dennis will get more into this, but you would have
4 to submit a claim at least quarterly to the Board with
5 the receipt showing how much a hauler had picked up,
6 the receipt they give to you, and also receipts from
7 your invoices of purchases of oil, and that's what you
8 would submit. You would not have to accept oil from
9 the public since you own or operate those vehicles.

10 MR. ROTELL: We also have a permit by rule
11 permits or hazardous materials plus notices of intents
12 for storm water. How will that affect our recycling?

13 HEARING OFFICER PORTER: You saying you have
14 permit by rule for how you handle your used oil?

15 MR. ROTELL: For our hazardous material. It
16 says in your guide here that you're, quote "Exempts
17 from hazardous -- to be exempt from hazardous materials
18 waste facilities permit requirements." The bottom of
19 this for section requirements.

20 I want to know how that affects us if we have
21 hazardous materials permits.

22 HEARING OFFICER PORTER: I don't think that
23 would affect you in terms of getting money back. The
24 Department of Toxic Substances deals with the hazardous
25 waste aspects of used oil recycling. We deal more

1 specifically with trying to keep people from dumping it
2 illegally or in a non-hazardous waste landfill and
3 handling these incentives, so I don't know whether we
4 would require any documentation of how you are
5 complying with toxics requirements or not.

6 MR. ROTELL: Okay, thank you.

7 MR. ALEXANDER: Bill Alexander, City of Santa
8 Clara.

9 That exemption that the gentleman was
10 referring to seems to be the exemption for household
11 which would be what a lot of your collectors are
12 dealing with or what we're aiming at, the
13 do-it-yourselfer. And that's the exception in
14 California code for household to comply with RCRA.

15 HEARING OFFICER PORTER: So you're saying as
16 an industrial generator he would probably be subject to
17 different requirements?

18 MR. ALEXANDER: I would think so that, in
19 that he just, he would be, as a facility he would have
20 to have proper storage and manifesting from that, by
21 his haulers that haul it away.

22 MS. PORTER: He probably has an EPA generator
23 ID number.

24 MR. ROTELL: Yes, we do.

25 MR. ALEXANDER: It just seems that what this

1 certification is, the way it, your fact sheet is
2 wording it, and it probably needs to be looked into
3 that that might be just referencing the RCRA exemptions
4 and how that affects California laws since California
5 does regulate used oil.

6 HEARING OFFICER PORTER: Okay, we'll take a
7 closer look at that. Any other comments on the
8 application procedures?

9 In the back.

10 MR. KONOVALOFT: Nick Konovaloft representing
11 the State of California Auto Dismantlers Association.

12 Now would they be required to open it up to
13 the public?

14 HEARING OFFICER PORTER: I don't believe so.
15 As an auto dismantler they would own those auto bodies
16 or whatever they're dismantling, correct?

17 MR. KONOVALOFT: Right. It may be they want
18 to, but I just wanted to know whether or not they have
19 to.

20 HEARING OFFICER PORTER: If they owned the
21 equipment the oil is being removed from or used in they
22 would be qualified as an industrial generator in which
23 case they would not have to open it to the public.

24 MR. KONOVALOFT: So industrial generator
25 doesn't necessarily qualify now for a 50,000 gallon

1 minimum or anything like that?

2 HEARING OFFICER PORTER: I don't believe so.
3 They're viewed differently as the certified collection
4 centers.

5 Any other comments on application? Okay.

6 The next subsection that we'd like to
7 possibly get some input on relates to the center
8 accepting oil at no charge from the public and how
9 they're accepting that oil. We have, this kind of
10 relates to some of the comments that were just made,
11 the regulations may require handling procedures. And
12 to this extent it may just require that you comply with
13 any requirements that that Department of Toxic
14 Substances has established for your type of business.

15 Another question that's come up and may have
16 been clarified at this point is what happens to these
17 centers that are currently charging people to accept
18 oil. Well if you wanted to become certified you would
19 have to quit charging people and accept the oil for
20 free and offer them the incentives.

21 Are there any other comments on requiring
22 that someone be operating in compliance with the
23 Department of Toxic Substances Requirements? Okay.

24 The statute requires, it says,

25 "The center shall pay to any person

1 an amount equal to the recycling
2 incentive," which at this point is
3 four cents per quart, "and that
4 will be on oil brought in in
5 containers."

6 One of the things we're talking about putting
7 into the regulations is that the center measure the oil
8 in some type of a graduated container so that we know
9 that they're paying the person the right amount for the
10 oil that's being brought in. I don't know how most of
11 the centers operate right now, I would guess they would
12 just tell the public to go up to the tank and empty the
13 oil into it directly rather than measuring it first.

14 Do we have any comments or feedback on having
15 a requirement like this?

16 MR. ALEXANDER: Bill Alexander.

17 I feel that if you are requiring, unless it's
18 a very simple device that you're looking at, that could
19 be a cost factor that might discourage it. And that
20 either in a metered tank, or I believe there's
21 requirements for reporting how much is coming out and
22 that that would be, you know, when you pump it out by
23 your hauler that you have a check on that or when the
24 tank is full.

25 HEARING OFFICER PORTER: Our concern is more

1 with making sure that you're paying the public the
2 right amount for how much they bring in. If you're
3 supposed to pay them four cents per quart or 16 cents
4 per gallon.

5 MR. ALEXANDER: I think that your public,
6 they're going to make sure, if they're overpaid they're
7 not going to tell you, and the center is not likely to
8 be wanting to overpay. And that if they are, if the
9 public is underpaid, they're going to let the center
10 know real fast. And if they have a problem they're
11 going to be calling whoever's regulating it.

12 HEARING OFFICER PORTER: Are there any other
13 comments?

14 John.

15 MR. HOLMES: John Holmes, Chevron, U.S.A.

16 I have some problems with that. The double
17 handling increases the chance for spillage, for people,
18 and of course the fumes from the product itself. And I
19 agree with what Bill said, I think the consumers are
20 going to monitor that.

21 In our case we plan to maintain a used oil
22 collection log on each customer that brings the oil in.
23 I think for the protection of our dealers we will test
24 the product with an electronic instrument for halogens
25 and will maintain a log that can act as a modified

1 manifest to the used oil collector, and then it's a way
2 for us to track how much used oil is coming in through
3 a facility also.

4 I just see that as an additional unneeded
5 expense to the collector and increasing the
6 opportunities for spillage with the additional
7 handling.

8 HEARING OFFICER PORTER: So you feel this
9 system, there'll be a self-check just with the
10 public --

11 MR. HOLMES: Just bringing in the containers,
12 if it is hopefully a container, we're going to market a
13 container to the facilities that are our specific size,
14 but I've seen used oil come into collection centers in
15 wine bottles, in Coke bottles, in 16-gallon garbage
16 bags, just about anything that will hold liquid people
17 will bring it into a collection center, and I think the
18 consumers will monitor that. I don't know that that's
19 really necessary.

20 HEARING OFFICER PORTER: If someone did bring
21 it in in a 16 gallon-garbage bag?

22 MR. HOLMES: We ask how much oil.

23 HEARING OFFICER PORTER: You just ask?

24 MR. HOLMES: Because it's not worth getting
25 into a confrontation over. Generally people know how

1 much oil they put in their car.

2 MS. KATTCHER: Susan Kattcher, City of El
3 Cerritos.

4 They'll know it was four quarts that went in
5 in and four quarts that went out.

6 HEARING OFFICER PORTER: Except, well when
7 oil leaks out of the tank and burns up too during use
8 so the --

9 MS. KATTCHER: And that's four cents, you
10 know.

11 HEARING OFFICER PORTER: Well most people,
12 yeah, aren't going to get hung up on it, we just are
13 more worried about the integrity of the fund.

14 MS. KATTCHER: I would have to agree with
15 what this gentleman said up here about the public
16 keeping track. They count their cans, they count their
17 bottles, they can bring in 500 pounds of cans and know
18 exactly how many cans are in that 500 pounds.

19 HEARING OFFICER PORTER: Well this is the
20 type of feedback we're looking for. We want to know
21 what it is that we're going to put in the regulations
22 that is not going to be agreeable to the people
23 operating the centers.

24 MR. KINDSFATHER: Gerald Kindsfather, City of
25 Woodland.

1 As I understand, the concern here is that
2 people will bring in three quarts or four quarts, and
3 the collection agency will eventually come up short on
4 the funding side of it. I think in reality there are a
5 lot of people who will just bring in four quarts of oil
6 and not wait around for the 16 cents. I wouldn't. I
7 would just pour the stuff in there and walk away, so
8 that the collection agency potentially would have a
9 positive situation as it works out.

10 MR. SMEDBERG: Jeffrey Smedberg, County of
11 Santa Cruz.

12 I would not want to see a lot of extra
13 procedures involved in measuring and calculating the
14 exact amount of refund due the customer because what
15 that would do it would impose more of a difficulty in
16 that customer getting the money back. And if, if the
17 customer is motivated by that incentive fee to bring
18 the oil in, then it should be as easy as possible to
19 get that money.

20 Certainly a lot of people are just going to
21 be happy that there's a free drop-off place. But we
22 don't want to impose a lot more difficulties for the
23 people who really want to get the money. And I think
24 this might come up again.

25 It looks like the places that are going to

1 get certified are places that have a lot of other oil
2 going in that they're just going to get the four cents
3 on and not have any liability to pay out. And at four
4 cents a quart I think the centers should be encouraged
5 to be very generous with that to the people who do want
6 to get their money back.

7 So if it's, the garbage bag, that's kind of
8 hard to judge, that's, thank you for bringing up the
9 most difficult case. But most other containers, quart
10 oil bottles, certainly couldn't hold more than a quart,
11 and you wouldn't want to give somebody two cents
12 because it was only partly full. So I'd encourage it
13 to as few of those extra requirements as possible.

14 HEARING OFFICER PORTER: Okay. Any other
15 comments on that measurement?

16 Okay, I don't think this one is too
17 controversial. This part of the statute requires that
18 a center inform the Board, give the Board information
19 so that we can inform the public that you're out there
20 and that you accept oil. This would be part of the
21 information that would be on the application, who the
22 operator of the facility is, what the hours are,
23 storage capacity, probably your phone number so the
24 public could call and make sure you were still
25 certified and still accepting oil, and we would most

1 likely put that into our existing recycling hotline
2 where people call up on an 800 number and ask us the
3 nearest location that they can take oil. And I would
4 guess we would probably specify between the certified
5 centers and the non-certified centers.

6 Right now we have about 1,100 centers listed
7 on our hotline that accept used oil. And centers that
8 choose not to become certified will, I would guess we
9 would still keep those on the hotline. We would just
10 let the public know that they might charge.

11 Any comments on that?

12 Wally.

13 MR. WEED: Wally Weed representing the
14 hotline.

15 Will the hotline be open on weekends since
16 that's when I change my oil?

17 HEARING OFFICER PORTER: That's a good
18 question. I'm not sure, I'd have to talk to the
19 hotline operators about that one. So you're saying
20 that since the hotline right now isn't open on the
21 weekend someone might say well, if I don't know where
22 to take it I'm still going to dump it in the hole in
23 the backyard? Okay, that's a good point.

24 Bill.

25 MR. ALEXANDER: One thing that I see

1 happening and maybe this is, you're going to discuss
2 probably as a separate thing or is this appropriate.

3 HEARING OFFICER PORTER: Advertising will be
4 next, yeah.

5 MR. ALEXANDER: Because the information that
6 you're gathering should be made available to local
7 jurisdictions or counties that are developing a public
8 campaign, not just used oil but the whole recycling,
9 hazardous, household hazardous waste.

10 Santa Clara County is in the process of this
11 right now, and we're trying to develop a whole plan as
12 part of our household hazardous waste element plan for
13 the countywide dissemination of public education
14 material. So this is one of the things not, just so
15 the hotline doesn't have to be the only source of
16 information.

17 There are, will be a lot of other things
18 developed including working with the League of Women
19 Voters and other service-type groups who are willing to
20 disseminate information.

21 HEARING OFFICER PORTER: That's a good idea.
22 And I think as we find out who becomes certified and
23 where the collection centers are located, it would be a
24 good idea for the Board to forward those lists to the
25 local government.

1 MR. SMEDBERG: Jeffrey Smedberg, County of
2 Santa Cruz.

3 I agree with what Bill said about this. This
4 list should be made available locally for local
5 advertising. And what that suggests is that this list
6 should be as complete as possible as, and also I guess
7 what that means is that the local jurisdictions should,
8 if they know about collection programs that are not
9 listed in the hotline, that that should be forwarded
10 back to the Board.

11 So I would encourage that hotline to include
12 certified and non-certified centers. There may be some
13 very good collection programs that don't want to go
14 through the hassle of becoming certified, and still
15 there would be good opportunities.

16 And I would say one of your requirements
17 about certification is to make sure this collection
18 center is collecting oil in a manner that is safe in
19 terms of the hazards of oil collection. And you
20 wouldn't have any proof of that on a non-certified
21 center, but I would, I would suggest that you include
22 non-certified centers and only take them off if you
23 knew specifically that there was a problem with the
24 handling of hazardous material.

25 HEARING OFFICER PORTER: I agree. I think we

1 would want to include all the collection opportunities
2 but we would just indicate whether or not they were
3 certified.

4 Mike.

5 MR. ROCK: I'm Michael Rock.

6 I had a question about updating of these
7 hotline lists. I know that the lists, some of the
8 lists that are out there now are about six months to a
9 year behind what's actually happening in the
10 communities, and I'm just curious how they update the
11 lists and whether they network directly with local
12 government people or how do they and how do they go
13 about finding out whether or not, whether a business
14 has gone out of business or if a new business has come
15 in and the whole updating procedure.

16 HEARING OFFICER PORTER: Wally, do you think
17 you can answer that?

18 MR. WEED: As far as updating, generally
19 people call us because they want somewhere to take
20 their recyclables, and if they've gone to a center that
21 no longer takes it they usually call back and complain.

22 We don't call the 3,000 centers on a weekly
23 basis to find out if they're open or not. We basically
24 wait for the, quite often an oil collection recycling
25 center will call us and to get their name taken off the

1 list, they don't want to be bothered anymore. But
2 other than that generally a customer will call. Also
3 in spare time some of the hotline operators will go
4 through phone books, yellow pages, call service
5 stations to find out if they accept motor oil, also
6 looking through, now many of the yellow page sections
7 have sections on recycling centers so they call there
8 to find out which ones are open, what their hours are,
9 what items they take.

10 Also recently they've gone through the
11 hotline to go through date codes to find out which
12 centers haven't had information updated in a year or
13 so, and they're calling those centers to find out if
14 they, what items they now take, whether they're still
15 in existence.

16 As far as giving that information to other
17 entities, any, let me see, there's a disclaimer but
18 basically they'll send the list with a disclaimer to
19 anyone that sends a five and a quarter inch, IBM format
20 floppy disk high density.

21 HEARING OFFICER PORTER: Well, do you work
22 with local governments at all, or is that something we
23 might want to consider doing in the future?

24 MR. WEED: I don't believe local government
25 has ever requested the list. But it is available to

1 anybody. We've even sent them out of state.

2 HEARING OFFICER PORTER: Okay, thank you.

3 Mike.

4 MR. ROCK: What I, I guess what I really
5 meant to say was I can assist the hotline by telling
6 them which companys have gone out of business and which
7 have come in in my community. I think that would help
8 them.

9 The fact of the matter is a lot of the
10 residents call me first before they ever call the
11 hotline and, I if I don't know what they're asking I
12 tell them to call the hotline, but I basically deal
13 with it myself.

14 HEARING OFFICER PORTER: So maybe a little
15 more coordination between local government.

16 MR. ROCK: I think it would help you guys out
17 as the, if the local recycling coordinators told you.
18 Rather than calling 3,000 centers you just call the
19 coordinator and they can tell you exactly what's going
20 on in the community.

21 HEARING OFFICER PORTER: Some are more
22 cooperative than others too.

23 MR. ROCK: Well I would assume so.

24 MR. WEED: Some actually included them in
25 their recycling elements of their waste management

1 plans.

2 HEARING OFFICER PORTER: Okay.

3 MR. WEED: But then I think others got that
4 part from the hotline. So.

5 HEARING OFFICER PORTER: Okay. Well let's
6 move onto the next topic then which is advertising.

7 The statute requires that, "A center inform
8 the public that they're accepting oil through periodic
9 advertising in local media."

10 And this is kind of vague. What is periodic
11 advertising? We're planning on putting some type of
12 requirements in terms of what types of advertising
13 might be acceptable, and the frequency of advertising,
14 what's considered periodic. And then we may also
15 require the certified centers to report to the Board,
16 maybe on a yearly basis, we haven't decided, to let us
17 know what you had done in terms of advertising.

18 And we'd like to get some feedback,
19 particularly regarding frequency, what's, what's
20 reasonable, how often should you remind the public that
21 you're out there, and what are effective mechanisms for
22 informing the public.

23 Jeffrey.

24 MR. SMEDBERG: Jeffrey Smedberg, County of
25 Santa Clara.

1 In my community that are, at this point
2 without the certified center there's probably eight or
3 ten locations that, or opportunities to recycle oil.
4 And I think, you know, a larger community could be a
5 lot more. And if each gas station that was a certified
6 center had this, had to do their own advertising, it
7 could get pretty confusing.

8 And I would highly encourage some kind of
9 coordinated advertising efforts to which each certified
10 center would be hopefully required to contribute to the
11 cost of. And so that might be listed in the
12 regulations that that would be an acceptable way of
13 taking care of that advertising requirement.

14 HEARING OFFICER PORTER: Okay, that's a great
15 idea.

16 Bill.

17 MR. ALEXANDER: Bill Alexander.

18 In Santa Clara County we have developed what
19 we call a guidebook that has been given out to local
20 government for people who answer the phone. And it is
21 broken down, it's broken down into sessions for
22 automotive products, for pesticides, for other, you
23 know,. And in that we list, we try to as and appendix
24 we try to maintain lists of places that are local that
25 people can take oil, or other things.

1 I think that a requirement in the regs would
2 be that if they were, if the centers gave local
3 jurisdictions the information, and that, to be included
4 in some sort of a countywide or citywide advertising
5 that they have. Because through the non-point source
6 programs, through household hazardous waste programs
7 there's, through the school programs that the, that
8 Mindy Fox has on the Board, there's so much being put
9 out there now.

10 HEARING OFFICER PORTER: But maybe if they
11 could demonstrate that the local government did have an
12 active program and they were participating in that.

13 MR. ALEXANDER: Yeah, I think that requiring
14 them on an individual basis is excessive and that just
15 some proof that they're included in it so that their
16 name is out there and yes, if they have a sign that's
17 fine, that's good.

18 People are wanting to get rid of, they want
19 to do the right thing. They're getting enough
20 education now that dumping used oil is bad. And
21 they're looking for the places to take it. And all
22 they need is some, any clue as to what, that somebody's
23 willing to accept it. And in some case if they're
24 going to get paid for it that's even more.

25 HEARING OFFICER PORTER: Okay, thanks Bill.

1 MR. MILNER: Alan Milner, 3R Recycling.

2 I think the wide range of advertising rates
3 from Susanville to L.A. really make it so vague that I
4 would suggest that you strengthen the idea of signage
5 and forget the requirement that they advertise. I mean
6 is it a two-inch ad or a ten-inch ad?

7 The varying rates are just going to make it
8 so complex that I think it would be, as others
9 suggested, if they want to promote their business
10 they're going to be doing it. But to require it, just
11 the monitoring of those ads is going to be horrendous
12 on the State's part.

13 HEARING OFFICER PORTER: Okay. I think we'll
14 probably end up coming up with a couple of different
15 options on how someone could meet that requirement.

16 MR. KINDSFATHER: Gerald Kindsfather, City of
17 Woodland.

18 Has there been any thought given to a
19 statewide logo so that the advertisement of this
20 business can be recognized easily?

21 HEARING OFFICER PORTER: Yes, we will have,
22 right now I'm waiting to get approval of a contract
23 concept for a half a million dollars for a statewide
24 media campaign. And part of that would be developing
25 some recognizable logo or slogan or something

1 associated with the program.

2 And something that I would like to see come
3 out of the program is camera ready art or pieces that
4 could be forwarded to local governments and certified
5 centers that they could incorporate into their
6 materials.

7 MR. KINDSFATHER: I think the real success of
8 the program will be through public education. I don't
9 think we can rely on the four cents deposit.

10 HEARING OFFICER PORTER: No, I agree with
11 you.

12 MR. KINDSFATHER: Nobody's going to drive
13 down to the center for the 16 cents. It's going to
14 take them more in gas to get there. It's the
15 environmental consciousness that's going to do it.

16 HEARING OFFICER PORTER: I agree with you.
17 Fernando.

18 MANAGER BERTON: Fernando Berton.

19 One thing I'm going to be discussing later
20 on, but one of the requirements for the block grants is
21 that the local government implement, they are required
22 to implement a public education information program in
23 order to be eligible for these grants. So I'll be
24 discussing it later, but all of your comments here can
25 somehow be incorporated into that requirement for the

1 public information programs, so that's something else
2 to consider also, and we can talk about that later on
3 too if you have specific thoughts about that.

4 MR. KONOVALOFT: Nick Konovaloft, Auto
5 Dismantlers.

6 In regard to the advertising. Maybe leave it
7 open to statewide association advertising, or whether
8 it's a local chapter. But the idea of the advertising,
9 for a potential break even proposition it could be
10 expensive for a small business.

11 HEARING OFFICER PORTER: Yeah, I agree. I
12 think the idea of cooperative advertising and putting
13 one ad and then listing a bunch of different centers is
14 a really good idea.

15 MS. KATTCHER: Susan Kattcher, City of El
16 Cerritos.

17 We currently collect about 36,000 gallons a
18 year from the public for free. And that's all drop off
19 at our center. I'd have to agree with Al Miller over
20 here about advertising. Right now the onus is on the
21 local governments to promote these programs and the
22 local governments will include it with all of their
23 promotion in public education. Any smart business
24 person will also advertise a service that they have and
25 I think that it shouldn't be within the regulations to

1 require someone to advertise.

2 HEARING OFFICER PORTER: Well it's in statute
3 right now so it would have to be changed in the statute
4 if we were going to take out that requirement.

5 MS. KATTCHER: Well advertising through
6 community brochures I think should be looked at as
7 well. If the city is putting together a brochure that
8 goes out, that lists all the recycling opportunities in
9 their community and oil is included, I think that that
10 should cover this requirement right here. I don't
11 think there should be additional requirements of
12 advertising in the newspaper or magazine or anything
13 like that.

14 HEARING OFFICER PORTER: Well that could be
15 one of the methods that would fulfill the requirement.

16 MR. ALEXANDER: Bill Alexander.

17 Another method that California land
18 surveillors use is they have, will list in the local
19 phone book that they are a member of CLSA. And if we,
20 as part of your developing this symbol or slogan or
21 something or even just mentioning they're a certified
22 center in their advertising can be a part of the, that
23 may be another method that we would accept.

24 HEARING OFFICER PORTER: Okay, great.

25 MR. SMEDBERG: Jeffrey Smedberg, County of

1 Santa Cruz.

2 Just another comment about this advertising
3 requirement. What we've been saying that a certified
4 center, let's take what I'm thinking of, as a gas
5 station, a service station for example. They have this
6 new service, they would want to advertise it of course.
7 Well I don't think so. I don't think so. What do they
8 get out of this?

9 A collection center that is paying out the
10 four cents for everybody who brings oil in is going to
11 get nothing out of it. The way people are going to be
12 interested in this, the service stations, are the ones
13 that can get a lot of money coming in for turning in a
14 lot of oil and paying out as little as possible. So it
15 seems like there's a built-in disincentive to
16 advertise.

17 HEARING OFFICER PORTER: Again like Fernando
18 mentioned, for the local governments, the block grants
19 involve setting up certified centers, that could be one
20 of the options. And I think these grants will be
21 fairly significant in size, so we're hoping that some
22 of the money from those grants will help with the
23 public advertising costs.

24 MR. HOLMES: All the comments made regarding
25 advertising are all true. If you get down at that

1 service station who is operating a station in the L.A.
2 basin it's an incredible cost to do anything in print
3 advertising unless you are able to have access to a
4 shoppers guide, some local publication.

5 But our intent is to produce, and in fact we
6 already have a consumer information education pieces to
7 pass out to the people that come into the station, and
8 then to do some cooperative advertising as a
9 corporation in an area, and then listing by
10 participants.

11 And I was concerned with the periodic too,
12 because that's kind of broad. And as a program rolls
13 out beyond the State of California it becomes an
14 expensive proposition for us.

15 John Holmes with Chevron.

16 MR. BOSWELL: I'm Art Boswell with the
17 California Service Station and Auto Repair Association.

18 Something you should know now, the dealers
19 right now are paying 20 cents a gallon to have the oil
20 hauled away. So the 16 cents, if they pass it through,
21 they have no money for advertising.

22 HEARING OFFICER PORTER: Okay. Well there is
23 the point though that the oil they change in their
24 customers' cars --

25 MR. BOSWELL: They still pay 20 cents to have

1 it hauled away.

2 HEARING OFFICER PORTER: Well that's true.
3 But it would at least help subsidize if they're not
4 getting anything right now.

5 There's nothing, if you currently charge
6 someone who brings in their car to have their oil
7 changed, some of the centers charge the customer, I
8 don't believe that there's anything that would prevent
9 you from charging that person. I'm not sure. We have
10 to further investigate that. But you're not having to
11 pass the 16 cents on to them, they're not bringing the
12 oil in in containers.

13 MR. BOSWELL: But if you aren't a recycling
14 center you can't collect that 16 cents anyway, right?
15 If the service station, if they aren't an industrial
16 generator you said, so they can't collect the 16 cents
17 unless they take take in recycling oil other than what,
18 the cars being serviced.

19 HEARING OFFICER PORTER: Right. They would
20 have to collect it from the public and offer them that
21 16 cents a gallon.

22 I'm just saying that the way that you
23 currently handle your oil from your customers you may
24 not have to change that, plus you would get the 16
25 cents on top of that, anything you might currently

1 charge them.

2 MR. BOSWELL: Except right now the way the
3 hazardous waste laws are the service station dealers
4 and automotive repairs shops do not want to mix oil
5 brought in from the street with oil they took out of
6 the car because there's a problem with contamination.

7 HEARING OFFICER PORTER: Right. I've met
8 with some other mechanic and auto shop people and the
9 contamination issue is the major issue that I've been
10 hearing from them.

11 One of the things I'm going to be discussing
12 later are some money that's available through this
13 program to help you subsidize costs of having to have a
14 contaminated load hauled away. So I don't know if that
15 would help people to want to become certified or not,
16 but we want to get into some of those issues also.
17 Because we do want to encourage people to become
18 certified.

19 MR. ROTELL: What's the incentive for being
20 certified?

21 HEARING OFFICER PORTER: Well it depends on
22 where you fit in. Like I said, if you're just a drop
23 off center there really isn't an incentive. We're
24 hoping that a lot of those drop-offs that are operated
25 by local governments, the grant money would help them

1 subsidize their program.

2 MR. ROTELL: It seems to me a service station
3 would be losing money recycling. They'd have to pay
4 someone 16 cents a gallon to give it to him, and
5 somebody's got to be paid to haul it off.

6 HEARING OFFICER PORTER: That's true, except
7 the only incentive might be from the oil that the
8 service station changes in customer's cars where
9 they're getting 16 cents on top of anything, the way
10 they're operating right now. Recycling oil isn't
11 cheap. It's changed, the economy of it, over time. It
12 used to be where the haulers paid the generator, and
13 now they charge them significantly.

14 MR. ALEXANDER: Bill Alexander.

15 Where do the processing centers for curbside
16 collection programs fit into this?

17 HEARING OFFICER PORTER: The curbside
18 programs don't have to become certified. They qualify,
19 well more like an industrial generator. We'll probably
20 have some kind of a registration for a curbside program
21 where they'd say who they are, where they operate, who
22 operates the program. They would have to submit to us,
23 I think Dennis will go over this a little bit, they
24 would submit a copy of the modified manifest receipt
25 that they get from the hauler when the hauler comes and

1 picks up the oil. And they wouldn't have any sales
2 invoices to submit because they're picking up the oil
3 from the public. They would submit that modified
4 manifest receipt with a claim form to the Board and
5 they would get the 16 cents per gallon. But they don't
6 have to pass it on to the public.

7 MR. ALEXANDER: Would the city that sponsors
8 that be eligible for grant monies?

9 HEARING OFFICER PORTER: Yes. They would get
10 the grant money and the 16 cents per gallon.

11 Any other comments on advertising? We've
12 kind of gotten off the topic here.

13 MR. ALEXANDER: Just think, you're getting
14 answers to a lot of your things all at once.

15 HEARING OFFICER PORTER: Well that's good,
16 that's okay.

17 MR. ALEXANDER: They all tie together, you
18 can't segregate them off.

19 HEARING OFFICER PORTER: Okay. This gets
20 into the contamination issue to a certain extent. This
21 section of the Public Resources Code states that a
22 center can't, a certified center can't accept more than
23 20 gallons from a single person in a day in containers
24 not larger than five gallons, and that they should
25 refuse oil that's contaminated.

1 Well as any of you that know that centers,
2 determining whether the oil is contaminated can be
3 difficult. So one of the things we need to put in the
4 regulations is well what is contaminated beyond normal
5 use. Usually what the haulers look for is total
6 halogens. And there's not really easy techniques for
7 measuring this. And we're hoping to work with the
8 University of California, they're interested in helping
9 us to develop some techniques more like a litmus test
10 type thing that could be performed on each little bit
11 brought in by the public rather than spending money to
12 conduct the expensive tests on a full tank. But that's
13 something down the road.

14 I don't know whether any of you have comments
15 for us that actually operate these centers. How can
16 you tell, are there certain types of oil that are
17 brought in that right off the bat you know that it's
18 contaminated? And what are these telltale signs?

19 John.

20 MR. HOLMES: John Holmes, Chevron.

21 We've operated six service stations in Orange
22 County for the past 18 months on accepting used oil
23 from the general public. Initially on the testing we
24 utilized secondary collection, taking used oil in from
25 the consumer, putting it into a 55-gallon drum, and

1 then utilizing a chlor detect test when the drum was
2 filled or at the end of the day, whatever came first.

3 Chlor detect is almost like testing the PH in
4 a pool. You add some chemicals and then you match it
5 up with a color card. Very difficult to administer, it
6 boils down to people's opinions of how close it is.
7 And that was just a halogen test. We are now using an
8 electronic instrument to, it's a pass fail, to test for
9 halogens in oil, and that's generally the most common
10 contaminant, that and antifreeze. PCBs and other
11 exotic things like that have practically disappeared
12 from the marketplace. Very little chance you'll get
13 that. What you will get will be solvents, antifreeze,
14 and water. Antifreeze and water are detectable a lot
15 of times just by looking at color and whether it is
16 emulsified.

17 Solvents you can't tell by looking at it and
18 you can't tell by the color, you need a test. The
19 electronic testing is, like I said, pass fail. You
20 don't need a lot of instructions on how to conduct the
21 test. And that's probably the safest thing to do. A
22 number of other major oil companys with large programs
23 and other states are utilizing that and have a very
24 great rate of success with it. It reduces the
25 opportunity and it does tend to keep the honest person

1 honest.

2 HEARING OFFICER PORTER: How many, per day
3 how many contaminated deliveries would you get?

4 MR. HOLMES: Because we test, none.

5 HEARING OFFICER PORTER: Great.

6 MR. HOLMES: What we do find are people
7 dropping off sealed containers when the collection
8 center is not open, and that's when it gets a little
9 suspicious. And we maintain secondary containment for
10 that, not put it into a primary storage facility but
11 keep it into a drum where it can be handled a lot
12 easier.

13 HEARING OFFICER PORTER: Okay. I think
14 Susan --

15 MR. ALEXANDER: How expensive is that
16 equipment?

17 MR. HOLMES: \$90. I can provide you
18 information on the manufacturer.

19 MR. ALEXANDER: Oh, you can?

20 MR. HOLMES: Sure.

21 MR. ALEXANDER: Love to get it.

22 HEARING OFFICER PORTER: I think Susan has a
23 comment.

24 MS. KATTCHER: The gentleman from Chevron,
25 did you say that you do not test each customer's, you

1 test a load before you ship it out, is that correct?

2 MR. HOLMES: Prior testing we tested each
3 load. Now with the electronic testing we can test each
4 individual oil sample, oil that's brought in from each
5 individual person.

6 MS. KATTCHER: At our recycling center the
7 drop off area is not staffed with a person sitting
8 there in the yard watching people bring in their oil.
9 If, we have a 500-gallon tank and it's pumped about
10 every five days, and if an average person brings in a
11 gallon or so, that's about a hundred cars a day if you
12 just use an average. We don't have staff time to run
13 out there and test each load that comes in. However
14 Evergreen Oil which collects our oil tests each load
15 before they haul it. We've never had a hot load.

16 HEARING OFFICER PORTER: Okay.

17 MS. KATTCHER: The main contaminant we get is
18 water. And that we've gotten to the levels that are
19 close that they want to charge us for too much water in
20 our oil, but not the halogens. We haven't run into
21 that.

22 HEARING OFFICER PORTER: Out of curiosity, do
23 you have a sign posted at the, by your tank saying what
24 is unacceptable to include in the oil?

25 MS. KATTCHER: Yes, we do. And we keep an

1 eye on it. You can visually see from about a hundred
2 feet if something's not oil. You can learn those
3 things. And smell is another thing. Well you can tell
4 if you have oil or latex paint or antifreeze and that.
5 But I think if you're going to require each load from
6 the public that's coming in, you're going to really
7 need to develop something that's quick and fast and
8 very cheap.

9 HEARING OFFICER PORTER: That's what we're
10 trying to do, yeah.

11 Any other comments? Paul.

12 MR. FORESBERG: Paul Foresberg (sic).

13 Under 48660.5 there's some language that
14 says,

15 "The Board shall not require a
16 center to test used oil received
17 from the public as part of these
18 procedures."

19 So we may have to look at that as well.

20 HEARING OFFICER PORTER: Yeah, I think the
21 most we might be able to have is the visual screening.
22 We couldn't require you to purchase like an electronic
23 testing device. But if we can come up with resources
24 for you that are cheap and easy to use, that's what
25 we're hoping that you will use.

1 The other thing that's listed on this
2 overview is about the 20-gallon maximum that each
3 person could bring in. And one of the things we've put
4 down, and this is what the Division of Recycling
5 requires, is that a person sign when they bring in oil,
6 and we'd like to get some feedback, and show an I.D.
7 and get some feedback on that.

8 John.

9 MR. HOLMES: A used oil log is handy as I --
10 John Holmes, Chevron. I'm sorry.

11 It does keep an honest person honest. It's a
12 way for the center to track how much product you're
13 bringing although with current USD regulations that
14 needs to be monitored anyway on a daily basis.

15 We don't ask for identification. That tells
16 the consumer that you suspect that he or she are going
17 to do something crooked or illegal. And if they write
18 Mickey Mouse with some phony address that's okay, but
19 people generally don't, they're pretty honest. If you
20 have an unmanned center that becomes very difficult.

21 We have done this, it's worked out well, it
22 gives the collection center some degree of confidence
23 that this is the proper way to handle it rather than as
24 a lot of community collection centers are unmanned. In
25 fact that's beyond whether a dealer will participate.

1 If there is some measurement of protection
2 against contaminants, the log and the testing are those
3 ways. We've had a lot of success with it. And it's a
4 way to track the amount of off-site generated DIY used
5 oil for our own records.

6 HEARING OFFICER PORTER: Okay. Thanks, John.

7 Other comments?

8 MR. LILJENWALL: Jim Liljenwall,
9 L-I-L-J-E-N-W-A-L-L, City of Berkeley.

10 Seems to me this is a very major question of
11 strategy here. What does, what is the overall
12 strategy? Do we want to absolutely minimize the amount
13 of oil that is disposed of improperly, or do we want to
14 make sure that our centers receive as little
15 contaminated oil as possible? And it seems to me that
16 the policy issue here is that you would want to
17 absolutely minimize the amount of oil.

18 So that I believe your regulations should be
19 designed to encourage virtually anybody to bring the
20 oil they have in, and I'm afraid to say, even
21 contaminated or not into the center, and then set up
22 some system where centers can handle the contamination,
23 whether through financial incentives that you just
24 discussed earlier or in some other way. Because really
25 somebody brings in some oil, you look at it, it's not

1 properly prepared, you send them away, what's happening
2 to that oil?

3 So I would think very seriously about any
4 requirement that somebody show I.D. and think very
5 seriously about what you do when you turn somebody
6 away.

7 HEARING OFFICER PORTER: Yeah, that's a very
8 good comment about what do they do with the oil if you
9 turn them away. It's probably going to go down the
10 drain or in the back yard.

11 Mike.

12 MR. ROCK: It's my understanding that oil is
13 a hazardous waste in California under state law.

14 HEARING OFFICER PORTER: Yes, it is.

15 MR. ROCK: So if we take that one step
16 further, wouldn't that mean that anybody bringing oil
17 to any kind of collection center, if it was hazardous,
18 would be breaking the law?

19 HEARING OFFICER PORTER: Well there, I think
20 there's some minimus requirements for a household
21 generator bringing to a center. And Fernando might
22 have some more knowledge on that since he heads up
23 household hazardous waste. There are a lot of
24 materials that are hazardous, we want to ensure that
25 they're handled properly. We have to give these small

1 quantity generators a mechanism for handling them.
2 properly. And I think that's one of the reasons why
3 there is the limit on how much a person can bring into
4 a center.

5 MR. ROCK: Yeah. I'm not suggesting that we
6 should not encourage people to try to recycle oil,
7 hazardous or not, I'm just saying that I think that
8 maybe the way to deal with it is, on the education
9 side, is to make people aware that frankly if they're
10 disposing of oil that's hazardous that it's illegal to
11 do that, and that needs to be part of the public
12 education process.

13 HEARING OFFICER PORTER: Okay.

14 MR. ROCK: Maybe that's one way to deal with
15 it.

16 The other thing is that the manned centers
17 ought to record the names of people that bring their
18 oil in. Obviously the unstaffed centers cannot do
19 that, but I don't know how, is that fair to make the
20 staffed ones do it and not --

21 HEARING OFFICER PORTER: I don't know if an
22 unstaffed center could become certified because you
23 have to have someone available to offer that incentive.
24 And so that's, you know, that's something to consider.

25 MR. ROCK: I think it works pretty well right

1 now the way they do it at redemption centers. You
2 don't have to show I.D., at least not the one I go to,
3 you just sign your name. And I think that helps them
4 and I think what the gentleman from Chevron said makes
5 some sense to me.

6 MS. KATTCHER: Okay, thanks Michael.
7 Susan.

8 COURT REPORTER: Michael, your last name is?

9 MR. ROCK: Rock, R-O-C-K.

10 MS. KATTCHER: I just have a question, maybe
11 I missed this when I came in. Are, you have to pay the
12 public if they ask for it for you to be reimbursed for
13 the oil, is that correct?

14 HEARING OFFICER PORTER: Yes, in order to be
15 a certified center you have to offer the 16 cents per
16 gallon to the public.

17 MS. KATTCHER: If we do not become certified
18 can we still get the 16 cents a gallon back from the
19 oil collector that collects our oil? Is there a method
20 for that?

21 HEARING OFFICER PORTER: No, you cannot.

22 MS. KATTCHER: Okay.

23 HEARING OFFICER PORTER: And one thing, with
24 being a local government you still would be eligible to
25 receive block grants as long as you either were

1 providing curbside or there was a certified center in
2 your jurisdiction which met certain criteria.

3 MS. KATTCHER: That's the kiss of death for
4 our recycling center used oil collection facility.

5 HEARING OFFICER PORTER: Well this is
6 something that, that like I said, this is the way it's
7 written in statute and I don't know if you came in when
8 I was talking about some of the amendments going on
9 right now, AB 3073 is a piece of clean-up legislation,
10 and Assemblyman Sher's is still receptive to making
11 some changes to this law. And if you can come up with
12 something, some language which you think would still
13 meet the intent of the law and serve your purposes, you
14 might want to give some of his staff people a call. I
15 can give you their name and number later on.

16 MS. KATTCHER: I think I should make it clear
17 we serve the City of Berkeley. They've been trying to
18 put an oil tank in in their city for the last five
19 years and haven't done that yet, sorry Jim. But we
20 serve the greater Bay Area for oil collection. And
21 we've been doing this at a charge to the residents of
22 El Cerritos, and this looked like a way that people who
23 generate oil could make a donation back to our center
24 for serving them. And without us being able to receive
25 the 16 cents as a donation to our center for providing

1 that service, my policymakers would encourage us to
2 close our facility at this point because it's costing
3 us \$5,000, \$6,000 a year to do that.

4 HEARING OFFICER PORTER: The way the law is
5 set up there's nothing that requires you to become
6 certified. You can keep operating the way you're
7 operating.

8 MS. KATTCHER: At a net loss.

9 HEARING OFFICER PORTER: Well yeah, like I
10 said, the block grants might help subsidize your
11 program if you met some of the other criteria. You
12 don't have to, as a local government, operate the
13 certified center in your jurisdiction. There just has
14 to be one operating per 100,000 people.

15 MS. KATTCHER: But there's a level of
16 convenience when you go to a recycling center and you
17 can recycle your motor oil along with everything, all
18 your other atoms.

19 HEARING OFFICER PORTER: I agree.

20 MS. KATTCHER; And that's what we're trying to
21 provide the customers.

22 HEARING OFFICER PORTER: What it boils down
23 to is the statute's written in a certain way that even
24 if we wanted to allow this through regulation we can't
25 because the statute is specific.

1 MR. ALEXANDER: Bill Alexander.

2 Personally I think that this is like a very
3 clear issue that needs to be addressed in, in this
4 clean-up bill on the statute. That we get, that we
5 don't want to put or discourage centers that are
6 operating from being able to still operate.

7 HEARING OFFICER PORTER: So are we, are you
8 asking that you don't have to offer it to the public?

9 MS. KATTCHEER: That's right. We don't pay
10 any redemption value, we do not handle money.

11 HEARING OFFICER PORTER: I think part of the
12 whole, even though it's not a lot of an incentive, I
13 think one of the overview ideas for this program was
14 that the money would be available to the public. And I
15 don't know whether you'd have to come up with certain
16 language that would just make it so that drop-offs
17 operated by a public agency or a non-profit or who
18 could, could meet that criteria so that they didn't
19 have to offer it back to the public.

20 MR. ALEXANDER: The other, the other thing
21 would be under the grants that the jurisdictions
22 receive what they're getting, how they use that fund,
23 and that may be to fund this oil collection. It may
24 not be within their jurisdictional limits but it may be
25 allowable in the grant.

1 HEARING OFFICER PORTER: Yeah well.

2 MR. ALEXANDER: You know as a regional as the
3 idea of regionalization.

4 HEARING OFFICER PORTER: I've talked to,
5 actually, Assemblyman Sher's office about this issue
6 saying well, what about these drop off centers, they're
7 not getting anything out of this. I think their
8 thinking was that the local government block grants
9 would help subsidize their operations. And again,
10 maybe some local government people need to talk to them
11 if his understanding of how it would work isn't the
12 same as yours.

13 MR. ALEXANDER: The other thing is the
14 addressing the of amount or transport. That's a
15 Department of Transportation regulation, five gallons
16 or 50 pounds of any hazardous material is an exemption
17 under RCRA in the DOT regs.

18 And I believe that the 20 gallon, I don't
19 know that it was this legislation or something else
20 that changed it and this is following with that, but
21 for used oil it was increased in order to encourage the
22 ability to bring it in, and that's why in the reg, in
23 the actual statute it states in five-gallon containers.

24 HEARING OFFICER PORTER: Okay.

25 MR. LILJENWALL: I just wanted to

1 reemphasize, I think, what some other people have said,
2 that the 16 cents a gallon reimbursement to the public
3 really is virtually nothing and not worth the effort.
4 That's basically giving them nothing and it's almost,
5 to me, having heard about this for the first time, it
6 almost borders on a joke. The public are going to look
7 at the 16 cents or 20 cents that you give them and just
8 laugh.

9 And considering all the issues that Susan
10 raises and the other issues on handling the money, it
11 would be far better if the Board encouraged in the
12 clean-up legislation that this requirement be
13 eliminated. If you're not going to offer more than
14 four cents a quart you should really eliminate the
15 requirement that it be given to the public. It is not
16 going to be an incentive.

17 COURT REPORTER: Your name, sir?

18 MR. LILJENWALL: Jim Liljenwall, City of
19 Berkeley.

20 HEARING OFFICER PORTER: I will pass on the
21 comments that I'm hearing today to the staff person in
22 Sher's office, and at least express to them what we're
23 hearing from local governments.

24 Okay. Let's move on. This is the last thing
25 we have regarding certified centers and we'll be moving

1 on to claiming the money back from the state.

2 And this section of the PRC says that a
3 center shouldn't pay to someone where, give the 16
4 cents per gallon to someone if the 16 cents hadn't been
5 paid on that oil when it was originally sold new.

6 We're not really sure how to deal with this
7 one. One of the things is that the fee is only paid on
8 oil sold in California. This kind of brings up the
9 I.D., identification issue again, which from our past
10 conversations I've heard you don't really think it's a
11 good idea to ask for identification from someone. I
12 don't know whether anyone has any ideas on how we might
13 deal with this issue other than asking someone if the
14 oil was purchased in California.

15 MR. BOSWELL: Art Boswell from the California
16 Service Station and Automotive Repair Association.

17 I don't think you're going to have a big
18 problem if the most you can bring is in five gallons.
19 I can't see people --

20 MR. ALEXANDER: Twenty.

21 MR. BOSWELL: No, five gallons at a time.

22 HEARING OFFICER PORTER: 20 gallons at a
23 time.

24 MR. BOSWELL: Even 20 gallons at a time you
25 aren't going to have a problem. And the most you could

1 do is really ask the person and trust them. It's just
2 like, you know, is it contaminated? The most you can
3 do is just trust a person. That's not --

4 HEARING OFFICER PORTER: Okay. I don't think
5 we're going to come up with any astounding solutions to
6 this one.

7 Okay. With that --

8 MR. ALEXANDER: The best is not to address,
9 to address it as lightly as you can so that it's, it's
10 in the statute but don't make it, don't try to draw
11 attention to it.

12 HEARING OFFICER PORTER: Don't make it
13 specific in the regulation

14 MR. ALEXANDER: Right. Give the people some
15 leeway that, the operators and the public. The same
16 thing happens with the transportation, the five
17 gallons. I mean there's people that show up with
18 household events with a lot more than five gallons in
19 one trip. But do you turn them away and tell them to
20 make another trip? The first person that does is a
21 fool because it's going to be dumb. Or you're going to
22 upset that person, you're going to turn their mindset
23 away from their cooperative attitude that they had.
24 And I think the least that we do as regulators and the
25 regulation that's given that will, we satisfy the law

1 but we need to make sure that intent, the gist of it,
2 the feel of it, is encouragement to do, to motivate
3 people to recycle as the other gentleman mentioned.
4 The intent is to keep people from illegally dumping
5 oil.

6 HEARING OFFICER PORTER: Okay, thank you,
7 Jim.

8 Jeffrey.

9 MR. SMEDBERG: Jeffrey Smedberg, County of
10 Santa Cruz.

11 I'm coming to this realization listening to
12 everybody's comments that while the intent is to get
13 people to bring their oil in and recycle it, it seems
14 like the four cent quart per incentive for the public
15 to bring it in, as Jim from Berkeley mentions, is
16 really hardly any incentive, and all of the bureaucracy
17 and procedures necessary to handle this money are
18 providing a lot of disincentives, disincentives for
19 centers to offer the collection even. So I would
20 concur with it that we should we should really
21 eliminate that.

22 HEARING OFFICER PORTER: So you think it
23 would be better if the center had to accept it at no
24 charge but they didn't have to pass it on to the
25 public, the 16 cents?

1 MR. SMEDBERG: Right, absolutely. And the
2 other point about not accepting oil that didn't have
3 the four cent fee paid on it, well what kind of oil are
4 we talking about? We're talking about lubricating
5 motor oil that if the car has an out of state plate,
6 well sorry, you bought your oil somewhere else. So
7 we're talking about motor oil coming from out of state.

8 We're also talking about other kinds of oil
9 that somebody might have and would like to recycle but
10 perhaps it wasn't motor oil, maybe some of the people
11 from the industry could comment on whether there are
12 other types of oil out there, machine oil or anything,
13 that people might need to get rid of and would that be
14 compatible or not compatible with the system. But if
15 it were more wide open we'd just get more oil brought
16 in and less of it dumped.

17 HEARING OFFICER PORTER: I think the
18 different types of oil are probably compatible to be
19 mixed with that if, the center would just need to
20 record that it wasn't subject to payment so when they
21 submitted a claim to the Board they wouldn't be
22 claiming the incentive on that oil.

23 MR. HOLMES: George Holmes, Chevron.

24 There are some oils that collection centers
25 can wind up in getting under the statute that allow 20

1 gallons a day. Machine cutting oils is bad stuff,
2 there's lots of heavy metals. Re-refiners and
3 recyclers don't want to deal with that kind of stuff
4 either. And there is a danger. Most oils are miscible
5 and there's not going to be any kind of a problem with
6 processing of them, none whatsoever. And I agree with
7 the 16 cents a gallon life would be simpler for the
8 collection centers because they do have to pay to have
9 their used oil taken away, further away from the major
10 metropolitan area, the higher the cost is.

11 We've surveyed dealers and jobbers and in
12 some areas up to 40 cents a gallon is what their cost
13 is to have the used oil picked up and taken away.
14 You're not going to get anybody in outlying areas
15 willing to participate in a program where they've got
16 to pay the 40 cents a gallon plus 16 cents a gallon
17 out. It would almost be better off not having it in
18 the statute.

19 HEARING OFFICER PORTER: Okay, thank you for
20 your comments.

21 Why don't we take a ten-minute break and
22 we'll come back and Dennis will talk to you about
23 claiming the money back from the state. We will we
24 will meet back at 10:35.

25 (Thereupon there was a brief

1 recess.)

2 MANAGER MEYERS: This is obviously a more
3 exciting session to deal with, who gets what money. My
4 name is Dennis Meyers and for the time being
5 responsible for developing regulations on the processes
6 for receiving and claiming incentive payments. So
7 we're here just to discuss some of the issues about the
8 process that people who will be claiming incentive
9 payments will go through.

10 And I'd like to note we've already covered
11 some of the issues already or at least touched on them
12 concerning things like identification and signatures
13 and things of that nature. But the overall objective
14 we have here in this section of the regulations, we
15 have like two competing objectives, one is to try to
16 make the process for getting payments real smooth and
17 as easy to comply with as possible, and to make sure
18 everybody who's eligible and willing to participate can
19 get their payments with a minimum of efforts. On the
20 other hand, we also have requirements for security to
21 prevent fraud and abuse which is, you know, the nature
22 of any program that hands out incentive payments like
23 this is always subject to.

24 So we have these two competing requirements
25 we're trying to balance in our regulations. And we're

1 hoping to get your feedback on what's the best approach
2 to take on some of these or what requirements from a
3 auditing perspective look like we need to have that
4 maybe just aren't workable in the field.

5 So I'd like to start off, first off encourage
6 you to tell me any ideas you've got or suggestions you
7 have about how we can make this system secure but also
8 easy to deal with.

9 Start off with the incentive payment
10 requirements are two sections in the statute, one that
11 requires the Board to pay the incentive for any oil,
12 lubricating oil that's collected after April 1st and
13 transported to a used oil hauler or certified oil
14 recycling facility. So that's the basic requirement is
15 that the center or the recipient collect the oil from
16 the public and then have it transported off by a
17 certified hauler to a recycling facility.

18 Another requirement or basic requirement of
19 being certified but also requirement to qualify for
20 payment, is that the people eligible for payments
21 report to the Board each quarter on the amount of oil
22 they've received or purchased and the amount that they
23 transport out.

24 From our side I want to give you just a brief
25 overview of the payment process that we go through or

1 will be going through. We receive the claim
2 documentation or claim form itself and whatever
3 documentation is required. It will go through a review
4 and screening process here at the Board to certify that
5 everybody is who they say they are and that the forms
6 are accurately filled out and are legible. And from
7 then, at that point once everything is certified that
8 somebody is eligible, the payment amount is correct, a
9 claim schedule is developed and then transmitted to the
10 State Controller. And then the checks are transmitted
11 from there. So that's the process we're going to go
12 through and that we'll be, try to remain as efficient
13 as possible here at the Board.

14 We've gone through a process already to
15 evaluate how other agencies do similar functions and
16 think we were going to adapt the best process that
17 we've been able to find. So that's a brief overview of
18 what we'll be doing here.

19 And the next thing I have to cover is
20 basically who's eligible for the payments. Christy has
21 already covered this pretty thoroughly already.
22 Industrial generators, used oil collection centers,
23 curbside collection programs, and additionally is
24 electric utilities who utilize used oil as part of
25 their electricity generating process. As I say, that's

1 been covered pretty thoroughly already.

2 MR. SMEDBERG: Could I ask for clarification
3 on the part about that electric utility? Are they
4 getting paid for oil that they burn to generate
5 electricity?

6 MANAGER MEYERS: Is that the interpretation?
7 Is that --

8 HEARING OFFICER PORTER: Yes. Apparently
9 these electric utilities can use used oil for fuel as
10 long as they're operating in accordance with certain
11 procedures established by Department of Toxic
12 Substances in the Health and Safety Code. This is
13 already permissible. And they wanted to get in on
14 receiving part of this recycling incentive as if they
15 were an industrial generator. They felt that thereby
16 passing using the haulers, etcetera, but they are
17 recycling the oil in a sense.

18 MR. SMEDBERG: Where do they get the oil?
19 Isn't it collected somewhere and --

20 HEARING OFFICER PORTER: I believe from their
21 fleet vehicles and vehicles that they own.

22 MR. ALEXANDER: Are we talking this is an
23 alternate fuel then?

24 Bill Alexander.

25 MANAGER MEYERS: An alternate fuel?

1 HEARING OFFICER PORTER: Yes, I think it
2 would be usec as part of the electrical utility,
3 whatever they're using for fuel they would be using
4 used oil but it would have to be used in accordance
5 with these established procedures in the Health and
6 Safety Code which I'm not exactly sure what they are,
7 but it would prevent emissions of lead and cadmium and
8 some of the other hazardous constituents.

9 MR. ALEXANDER: So this is their, you know,
10 they're getting, using their own oil or accepting oil
11 in?

12 HEARING OFFICER PORTER: No, this would be
13 oil, for example from their fleet vehicles, like SMUD
14 or PG&E has vehicles that they send out for service,
15 and I believe it would be from their own in-house used
16 oil, not accepting it from other entities.

17 MR. ALEXANDER: Okay. How about a municipal
18 owned facility that could, you know, they have vehicles
19 but there's also other municipal vehicles?

20 HEARING OFFICER PORTER: That's a good
21 question.

22 MR. ALEXANDER: There seems to be a lot of,
23 when you bring this up, because we are a municipal
24 utility and our, the actual utility vehicles in the
25 electric utility are probably a small portion of the

1 900 vehicles maintained by the city and the amount of
2 oil generated. And we do have generation facilities
3 that this could be used in.

4 Would that also allow us to receive, the
5 utility to receive grant monies as well as, or receive
6 this incentive money as well as the, as a grant?

7 HEARING OFFICER PORTER: I think we'd have to
8 do some further research into this. When they say
9 utility I think they're talking about those designated
10 through the Public Utilities Commission.

11 MR. ALEXANDER: We are a Public Utilities
12 Commission.

13 HEARING OFFICER PORTER: Well then, you
14 probably will be eligible. And in terms of --

15 MR. ALEXANDER: We are regulated by the PUC
16 although we are a municipal utility.

17 HEARING OFFICER PORTER: In terms of what
18 oil, the sources of the oil, that's something that we
19 probably should further define.

20 MANAGER MEYERS: Okay, going into the, some
21 of the first requirements to receive payments. Section
22 48660B2 requires.

23 "Used oil collection centers to pay
24 any person an amount equal to the
25 recycling incentive which the

1 center will receive for used
2 lubricating oil brought to the
3 center in containers by the
4 person."

5 I think we've covered this pretty thoroughly
6 already.

7 And also there's a requirement, "Nothing in
8 this chapter prohibits any person from donating
9 lubricating oil to a collection center."

10 So some possible regulatory issues are that a
11 collection center may receive used oil donation
12 however, you know, the people making the donations
13 should be aware of the fact that they could claim an
14 incentive payment.

15 Regulations also may require that collection
16 centers, to prove the payments were made or offered to
17 the individuals. We've talked about this already. And
18 we've talked about this already. And we've talked
19 about various forms already of documenting this, that
20 somebody knew that they were able to get a payment and
21 that they, you know, so the centers can certify where
22 they got the oil from and things of that nature. And
23 the possibilities are require signatures from the
24 people donating it. We've talked about I.D.
25 specifications, obviously doesn't sound like it would

1 be a very feasible idea to a lot of people. This is
2 another avenue to certify where the oil came from.

3 And other avenues as specified at the centers
4 so they keep logs of who brought in the oil and what
5 type it was and things of that nature. Of course, you
6 know, any kind of bookkeeping like this would be
7 available to be audited by the State to check on these
8 things.

9 Unless anybody has anything else to offer or
10 you've got other suggestions about how we can document
11 who brought in the oil and whether they were paid or
12 not or whether they were offered the payments would be
13 very helpful.

14 MS. KATTCHER: Susan Kattcher, City of El
15 Cerritos.

16 I hate to refer to the bottle bill, but in
17 the bottle bill for California you can be certified as
18 a non-profit drop off or a curbside program and they
19 have this comingled rate. You need to sign a form and
20 you have to give total tonnages and that's all. You
21 don't have to keep logs, and you can receive money
22 through that system.

23 I suggest you look into that as a method for
24 paying centers that aren't going to be keeping those
25 logs or that may not be paying back the public in all

1 cases.

2 MANAGER MEYERS: Okay, thank you, that's a
3 good idea.

4 MR. LILJENWALL: Jim Liljenwall, Berkeley.
5 You might want to consider requiring, instead
6 of this other stuff, the city of origin which would be
7 useful to the jurisdictions for recordkeeping purposes.

8 MANAGER MEYERS: City of origin of the --

9 MR. LILJENWALL: Of the oil brought in. Like
10 of this center in El Cerritos, if it were manned
11 anyway, might be interested in where the oil was coming
12 from. Or a center that was serving several
13 jurisdictions might keep information about where the
14 motor oil was coming from by jurisdiction, and the
15 jurisdictions might be interested in that information.
16 This might be not necessarily be something you might
17 want to require but encourage.

18 MANAGER MEYERS: Okay, thank you.

19 MR. HOLMES: John Holmes with Chevron.

20 One thing I might, and probably everybody in
21 the room feels the same way, any entity that's
22 collecting used oil, the format that's used to request
23 payment back for a certified collection center has got
24 to be just hassle free. As simple as can be. I've
25 seen too many forms, request forms of State and Federal

1 that you need an attorney there to help you figure out
2 what to write in.

3 Please keep it simple and easy so that you
4 don't have a dropout of people that volunteer to become
5 involved in the activity and then just give up.

6 MANAGER MEYERS: We're very conscious of
7 that. We're trying to keep everything that the public
8 has as simple as possible. I thank you.

9 Another area of requirements is the different
10 types of documentation to certify the oil was hauled
11 off. So obviously one of the basic requirements to be
12 submitted is copies of manifests or modified manifest
13 receipts from the used oil haulers that picked up the
14 oil. And additional to that, the industrial generators
15 would have to supply receipts that they actually
16 purchased the oil and that the oil was purchased in
17 California and the fee was paid on it.

18 One of the issues that's already come up
19 concerning, particularly industrial oil generators, is
20 having to certify or verify that the oil they hauled
21 off was all lubricating oil as opposed to industrial
22 oil upon which there was no incentive fee charged and
23 upon which we're not supposed to make an incentive
24 payment to anybody. Because certain places comingle
25 lubricating oil. And since we're not collecting a fee

1 on industrial oil we don't want to pay a fee out on
2 industrial oil. But quite a few places have reported
3 they comingle all this oil to one big tank and there's
4 no way for them to, currently there's no way for them
5 to distinguish between the two types of oil.

6 So at this point we've discussed a couple of
7 possible solutions. One is to monitor how much an
8 industrial generator claims and compare that to the
9 amount of oil he certifies he purchased, and then if
10 he's purchasing, if he's claiming he's recycling over a
11 certain amount of the lubricating oil that looks
12 unreasonable, in essence if he's claiming he's
13 recycling 99 percent of the oil that he purchased, that
14 would look as if he was probably asking for a claim of
15 some industrial oil that he was also mixing in there.

16 Another approach we're considering is to
17 require some on-site recordkeeping such that people
18 have to start keeping logs of what's going into these
19 tanks as opposed to just people dumping in all
20 different kinds of oil.

21 So we'd like to find out if either of these
22 sound feasible to everybody. I don't know if, we have
23 only a couple of industrial generator people here
24 today, but this is who it really applies to
25 specifically.

1 Does anybody have any opinions on whether,
2 you know, increased recordkeeping, you know, on site,
3 subject to audits is preferable to just tracking the
4 amounts of oils you purchased versus what you're
5 recycling and things of that nature?

6 MR. SMEDBERG: Jeffrey Smedberg, County of
7 Santa Cruz.

8 To make it as simple as possible it seems
9 like records of oil bought and oil hauled off would be
10 the simplest way to do it. There's generally a certain
11 amount of shrinkage in oil when it is put into an
12 engine, so you might be able to work up some figures
13 like 80 percent is the maximum you get out of the
14 vehicle that you put in.

15 MANAGER MEYERS: Does that seem preferable to
16 making you keep logs and things like that on site?

17 MR. ALEXANDER: Any additional recordkeeping
18 that, any more steps that have to be taken are just
19 going to discourage people if they're not really
20 necessary.

21 And I realize that, you know, we're looking
22 at regulation, but then people feel they are so
23 regulated now, and that I can envision several places
24 that they do have their own fleet vehicles, they do
25 have their own tank, they have one tank, and they're

1 regulated enough in how that tank has to be constructed
2 and contained and monitored, to have to have somebody
3 keeping track of whether it came out of a collection
4 vehicle or came from the drop off, I think just the
5 records of their drop off and their bought and sold
6 records are sufficient.

7 MANAGER MEYERS: Do you think that, you know,
8 going with, you know, a little bit less paperwork
9 approach would people be kind of amenable to any kind
10 of standards we have to come up with to say, you know,
11 it looks like you shouldn't be selling for recycling
12 more than 80 percent, let's say, of the oil you
13 purchase? Would those standards be easier to live with
14 you think, and easier to negotiate than talking about
15 additional bookkeeping requirements?

16 MR. ALEXANDER: I think so.

17 MR. SMEDBERG: You're looking for some kind
18 of security here so that the potential problem would be
19 a, an industrial generator sends all their vehicles out
20 somewhere else and, to get the oil changed, and then
21 they try and claim the money back on industrial oil
22 that they get hauled off.

23 MANAGER MEYERS: Correct, yeah.

24 MR. SMEDBERG: But if you require them to do
25 all those records they can fake the records too, so it

1 seems like just, they'd have to sign something
2 certifying it so that, you know, if they were caught
3 later they would still be liable for penalties.

4 MANAGER MEYERS: Okay, thank you.

5 Any other comments on this? Ideas about
6 this?

7 MR. COOPER: John Cooper from Chevron.

8 And on your idea of certain percentage of oil
9 that would be eligible to receive funds, that is a good
10 idea, but different industry segments of course have
11 much different percentages, so you may need to take
12 that into consideration.

13 Another item. Chevron at least plans to call
14 out on our invoices separately the oil that is subject
15 to fees, and that would allow you to have an audit
16 mechanism if you ever did go through an audit process.

17 MANAGER MEYERS: Okay. We'll move on to the
18 next issue which I'm sure is very important to some
19 people, is the timing of the payments.

20 It will be as timely as the State government
21 typically is in fiscal matters.

22 (Laughter.)

23 The timing we're talking about here is the
24 frequency with which you can claim payments. The
25 statute requires that within 20 days end of each

1 quarter that the different entities eligible to receive
2 payments submit copies of manifest and generally report
3 the amount of oil they had hauled off.

4 What the statute doesn't really cover, which
5 is a very important regulatory issue, is the frequency
6 with which somebody can claim to get a payment, because
7 it only talks about quarterly reports which you must
8 submit in order to be eligible to get payments.

9 So we have a couple of solutions here. We
10 did some initial informal surveying of collection
11 centers earlier and discovered that obviously most
12 people like to submit at least monthly claims to get
13 payments because obviously if you're paying the money
14 out or using it to finance your operations you don't
15 want to wait to what could amount to four or five
16 months from the date you take oil in.

17 So at this point we're assuming that we could
18 write regulations that allow monthly claims to be
19 submitted to facilitate getting payments back. And the
20 complicating factor is to coordinate the claim
21 schedules and the documentation reporting that goes
22 along with that, with these quarterly reports that are
23 required, because they're two separate parts of the
24 statute.

25 So one solution would be to allow everybody

1 to claim monthly but still have a quarterly report to
2 submit. That would require some duplication of effort
3 and documentation obviously. But that would satisfy
4 the literal wording of the statute right now.

5 A second solution that we're anticipating
6 right now or exploring the possibility of is to allow
7 people to submit monthly claims if they choose to and
8 provide what would in essence be a, you know, a one
9 month increment of their quarterly report so that the
10 third month of every quarter they're submitting their
11 third payment request, that would be their final
12 segment of their quarterly report. That seems to be
13 the most obvious way to prevent duplication. But we
14 have to make sure that's allowable under the statute.
15 But that's our interpretation right now.

16 Or if anybody has any other ideas about, you
17 know, combining the reporting and claiming to make it
18 all easier we'd like to hear from that, or if these two
19 avenues don't sound.

20 I'm assuming right now that the second
21 approach is probably preferable because it cuts down
22 the paperwork. But I'd be glad to entertain any other
23 suggestions that anybody has.

24 One non-contentious point. That's really the
25 end of my presentation here.

1 MS. WARD: Having worked in grants and
2 knowing the distribution of the funds, I'd say that the
3 allowing for the money would be to everyone's advantage
4 to go on a quarterly basis along with their report.
5 It's going to be paperwork nightmare.

6 MANAGER MEYERS: Thank you. And that
7 concludes my discussion of this issue.

8 Like I said, as we go through we're glad to
9 entertain any suggestions about making this process
10 simpler. It's always our goal to make sure this is as
11 easy to administer a program, as well as easy to comply
12 with program. We hope everybody gets, you know, speedy
13 service in payments. So any suggestions anybody has
14 are welcomed, even later.

15 And I think I'll turn it over to Christy on
16 our next item.

17 HEARING OFFICER PORTER: Okay. The next item
18 on the agenda is to discuss subsidies to dispose of the
19 contaminated oil. And the statute allows that the
20 Board may reimburse a certified center up to once per
21 year for contaminated loads. It doesn't really talk
22 about what a contaminated load is necessarily, and
23 we've discussed this a little bit earlier.

24 We feel that maybe the regulation should
25 specify what type of contamination would make someone

1 eligible for these, for this reimbursement. One of the
2 things that's obvious, because it's already a
3 requirement, is that if it's greater than a thousand
4 parts per million total halogens that would be one
5 requirement. But should we also allow for other types
6 of contamination? And that's something I'd like to
7 hear from you on.

8 In addition to the thousand parts per
9 million, what other types of contamination might we be
10 able to document that would be eligible for the
11 reimbursement? We would also develop some kind of an
12 application form and reimbursement structure.

13 Are there any comments on other types of
14 contamination?

15 MR. HOLMES: Antifreeze might be one you'd
16 want to consider if you're talking about taking a
17 do-it-yourselfer's used oil.

18 MS. KATTCHER: The only other item would be
19 water because they only allow a certain amount of
20 water, and do-it-yourselfers, they tend to leave their
21 containers outside in the rain. And we've gotten close
22 to being over the limit on water a couple of times.

23 HEARING OFFICER PORTER: Okay. The only
24 thing with the water, I believe these subsidies are
25 only if it's contaminated with a hazardous material, so

1 I don't think the water contamination would be
2 eligible. But you're right, that is a problem.

3 MS. KATTCHEER: Yeah. You might look into
4 some other method to reimburse the collection centers
5 for that. The difference, it's about three dollars a
6 gallon to handle oily water.

7 HEARING OFFICER PORTER: Any other comments
8 on types of contaminants? Okay.

9 One of the other things, again, is that the
10 center is supposed to establish procedures to prevent
11 contamination or to show that they've done something to
12 try to prevent contamination. And in terms of
13 requiring this I don't know whether, maybe we would
14 require that a sign be posted stating what is
15 unacceptable materials. That might be a procedure. We
16 would put in the regulations that you did have some
17 kind of procedures, written procedures established.

18 And my final point, it pretty much relates to
19 this frequency. They don't allow more than \$5,000 per
20 shipment to be given to someone for reimbursement. Nor
21 do they allow through the statute more than one
22 shipment per year to be reimbursed. And again this is
23 in statute. But we wanted to get some feedback as to
24 whether you feel that's reasonable to really make
25 centers take this seriously, or should it be more

1 shipments per year and possibly the same amount of
2 money?

3 Can we get some feedback in that area? Does
4 that mean everyone feels that the one per year is
5 reasonable?

6 John.

7 MR. HOLMES: John Holmes, Chevron.

8 That's a tough call. I know people that have
9 collected used oil for three or four years and have
10 never had any problem with contaminants, and then you
11 can have one a week.

12 I still think that people collecting used oil
13 need to have some kind of a process that you're putting
14 people on notice that the only thing you will, other
15 than just putting a sign up, either through use of a
16 log or some kind of testing. The state could go broke
17 if you wanted to increase that to more than one a year,
18 and then maybe you'd never pay anything out. There's
19 just no way of telling.

20 HEARING OFFICER PORTER: There is actually a
21 maximum total amount that the state can pay out for
22 these purposes too, so there's a possibility you could
23 apply in October for reimbursement and our total pool
24 would have already been exhausted.

25 MR. HOLMES: That's very difficult if the

1 collection center were to do that and not get paid.
2 What kind of a signal would the state be sending out?
3 I think the one a year is adequate, but I think the
4 collection center, it's incumbent upon a collection
5 center to do more than just open their doors and accept
6 everything in without questioning it at all. Because
7 people are going to clean out garages and little metal
8 sheds they've had out in the back yard that have been
9 collecting stuff a long time, and now they have a way
10 to get rid of it. That happens initially when you
11 first introduce a program. After that it's pretty much
12 okay.

13 HEARING OFFICER PORTER: Maybe we could also
14 have centers list household hazardous waste collection
15 points in cities or counties.

16 MR. HOLMES: We've done that in Orange
17 County. In working with the county we have an up-to-
18 date listing, addresses, phone numbers, hours of
19 operation, and if someone brings in something that does
20 test positive for halogens we don't just refuse it,
21 because as someone said earlier, they'll dump it, and
22 that's exactly what they will do. So maybe that needs
23 to be part of the collection process is identification
24 of those household hazardous collection sites within a
25 county or within some governmental body to provide the

1 consumer with the address and the other information
2 that should go along with that so they do have
3 someplace to take it.

4 HEARING OFFICER PORTER: Okay. Bill.

5 MR. ALEXANDER: Just to back up what John
6 said. If there's an alternative given people will go
7 to it even if it means taking it back and waiting a
8 month.

9 Yolo County runs paint, oil, and battery
10 collections alternate with their hazardous waste, and
11 when they do find people with hazardous waste out
12 there, they are told when the next one is, and they
13 actually kind of visually make a note of the vehicle
14 and have seen them come back the next month.

15 HEARING OFFICER PORTER: Okay, thank you.

16 Well if there aren't any further comments
17 related to the subsidies for contaminated oil, we'll
18 move on to grants.

19 Fernando.

20 MR. BERTON: Good morning. One of the things
21 that -- I am Fernando Berton with the Household
22 Hazardous Waste Section, and we also implemented a
23 household hazardous waste grant program which there are
24 two phases from it. I know the gentleman from the City
25 of Folsom is interested in them, so I'll talk to you

1 afterwards.

2 I'm going to talk today about the used oil
3 block grants. In addition I'm going to talk about some
4 additional grants that are available once certain
5 allocations and expenditures are made.

6 The purpose of the block grants is of course
7 to reimburse local jurisdictions for the implementation
8 of local used oil collection programs. There's \$10
9 million annual that are, \$10 million annually that are
10 available to local governments. The grants are given
11 out to these jurisdictions in an amount that's based on
12 population, very similar to what our non-discretionary
13 grants will be given out in that form. The, as far as
14 populations we'd be using statistics from the, yearly
15 statistics from the Department of Finance.

16 As far as eligibility for these grants, the
17 local jurisdiction, local government has to develop and
18 submit a used oil collection program pursuant to Public
19 Resources Code 48691 which I'll be discussing, and also
20 the local jurisdiction is required to file an annual
21 report with the Board pursuant to sub, Public Resources
22 Code Section 48674.

23 As far as what is required for the local used
24 oil program. Each jurisdiction must provide a
25 collection center, actually what they must do is they

1 have to provide collection by either one or a
2 combination of two methods, that's certified collection
3 collection center per 100,000 residents not served by
4 curbside, and or a curbside collection program.

5 One question that has come up is whether this
6 ratio of one certified center per 100,000 residents is
7 enough. And I'd be happy to entertain some comments on
8 that. If you don't think that's enough that's a change
9 in statutory language that would have to be made.

10 Also in terms of these certified collection
11 centers, to be eligible, these centers must accept the
12 oil from the public at no charge.

13 Also the centers must be open at least 20
14 hours each week, four days a week. And of those hours,
15 three hours each week must be outside of the weekday
16 hours of 8:00 to 5:30. Of course the idea I think
17 there is to allow those people who work real jobs to
18 take advantage of the hours outside of the normal
19 business hours.

20 One important aspect also is that these
21 local, and I mentioned earlier in the morning, is that
22 these local regional collection programs are required
23 to include a public education program. And Bill, your
24 comments earlier could dovetail quite nicely with this
25 requirement. And local governments may also implement

1 used oil collection programs in conjunction. This --
2 actually let me start over.

3 These local governments may implement this
4 required used oil collection program in conjunction
5 with other similar programs such as household hazardous
6 waste programs or box drops or whatever to improve the
7 used oil recycling efficiency. Actually it's probably,
8 probably more correctly, more correct to say that, to
9 improve the used oil collection efficiency.

10 So those are the requirements in statute for
11 the local collection programs. And any regulations
12 drafted would be very similar to what's in statute.
13 We're fortunate for the block grants in that many of
14 the requirements are in statute so that would make it
15 somewhat easier for us in drafting our own regulations.

16 I'm going to be discussing the annual report
17 requirements also. The annual reporting requirements,
18 Section 48674, are that these annual reports are due
19 January 1 after receiving a block grant, and then are
20 due on or before January 1 thereafter.

21 The question that comes to my mind, at least
22 for the first year, is the timing of when we give out
23 the first grants. If we give out, it may not be
24 feasible or we may not learn a whole lot of information
25 if we give block grants out in October of '93 with a

1 annual report due in January. There just isn't a whole
2 lot of information. So that's something we're going to
3 be looking at also as far as the requirements for that
4 annual report.

5 One other thing too, that we're going to
6 strive to do, is that if there are other annual reports
7 that are due, instead of having an unknown number of
8 annual reports due from all these different places, be
9 it industrial generator, curbside collection centers,
10 or certified collection centers or other local
11 governments, is if we can meld things together in maybe
12 one annual report or sections of annual report,
13 something like that, just for ease of writing and stuff
14 like that.

15 The report, the annual report must include
16 the following. Any amendments made to the local used
17 oil collection program, if any; a description of
18 measures taken to implement the program; and a
19 description of how the grant was used for the previous
20 year it was expended. Basically maybe a line item
21 breakdown of what the money was used for.

22 Some of this information is actually very
23 similar and what's required is very similar to what's
24 being required in the household hazardous waste
25 elements. So those local governments that are, have

1 written those, may actually be in the training to write
2 this sort of stuff also.

3 Now what I want to discuss next is additional
4 grants that are available.

5 MS. KATTCHER: Can I ask a question?

6 MANAGER BERTON: Yes.

7 MS. KATTCHER: How much money are we talking
8 about in block grants? For example, my city's
9 population is 23,000.

10 MANAGER BERTON: Well, you know, we would
11 have, I can't tell you off the top of my head. It's
12 based on --

13 MS. KATTCHER: How many people apply.

14 HEARING OFFICER PORTER: Yeah, how many
15 people applied and any pro formas that we have to set
16 up. So I can't tell you right now, but --

17 MS. KATTCHER: One other question is, you
18 have this on a calendar year of January 1st to January
19 1st, and if this is for local governments I think most
20 of them are on fiscal years, and if you're trying to
21 come up with your budget for the next year it would be
22 July 1st to July 1st not January 1st to January 1st.

23 MANAGER BERTON: Well the January requirement
24 is in statute, I can't change that unless amendments to
25 3073 are introduced which would --

1 MS. KATTCHEER: That might be a
2 recommendation.

3 MANAGER BERTON: Yes.

4 MS. ROTELL: Pat Rotell.

5 A C Transit is a public entity. Would that
6 be eligible for a grant?

7 MANAGER BERTON: Those eligible for grants
8 are cities, counties, and cities and counties. So if,
9 I'm not sure how, you know, public entity --

10 MR. ROTELL: Well actually we're a transit
11 organization. And we have probably 100,000 gallons of
12 oil a year, and we'll be recycling this. Will we have
13 to change our system to do this, could we get a grant
14 to do the change?

15 MANAGER BERTON: I'd have to get some
16 clarification on that, you know, be it public entities --

17 MR. ALEXANDER: Fernando?

18 MANAGER BERTON: Yes.

19 MR. ALEXANDER: It would be like a regional
20 district or like the Monterey Regional Solid Waste
21 District. They're a municipal transit district.

22 MANAGER BERTON: Okay, one thing we did with
23 the household hazardous waste grants, and the way the
24 statute is written there was that it talks about
25 cities, counties, and agencies responsible for waste

1 management. So that would allow sanitation districts
2 such as Monterey and Ventura Regional Sanitation
3 District and whatnot. Because oftentimes they, those
4 sanitation districts may be the ones that are
5 implementing the used oil collection program and
6 household hazardous waste program and whatnot.

7 So we can seek some clarification. And if
8 it's too tight perhaps, you know, maybe we can include
9 some language in any amendments to include districts of
10 that sort.

11 MS. KATTCHEER: I have one other question.
12 Are joint powers authorities included in that between
13 cities and counties?

14 MANAGER BERTON: Yeah, they probably would be
15 included.

16 Any other questions on that?

17 Okay. Any money that's left over after the
18 block grants and other expenditures have been made as
19 far as recycling centers is put into a promotion
20 account. And it's called the Used Oil Market and
21 Collection Promotion Account. Now the Board may issue
22 grants or loans for the following purposes, of course
23 again it would all depend on how much money's left
24 over.

25 The purposes would be to, the grants would be

1 to, the grants or loans would be to local governments
2 for providing additional opportunities for used oil
3 collection. Or to non-profit entities for one or more
4 of the following that you see on the screen; that's
5 establishing used oil collection centers, I don't know
6 if those have to be certified or not; or providing
7 containers or other types of supplies for used oil for
8 pickup or return to the used oil collection center;
9 basically that could be milk jugs or whatnot for
10 curbside or other types of secure containers that
11 people may want to take to these collection centers.

12 Or the grants could be used, the grants from,
13 by non-profit entities could be used for obtaining
14 equipment and establishing procedures to comply with
15 Federal, State, and local laws regarding collection,
16 handling, and storage.

17 Some comments earlier dealt with equipment
18 for testing oil. I don't know if this could be one
19 possibility for getting money for that equipment or
20 also as far as procedures, procedures including signage
21 to prevent the contamination that Christy mentioned
22 earlier in the previous section that was discussed on
23 contaminated loads, grants can probably be used for
24 this aspect of it.

25 And then also research grants. These grants

1 could be used for research, testing, and demonstration
2 projects to develop uses for recycled oil. As far as I
3 understand also the, this is being amended somewhat so
4 that used oil can be included as well so that the
5 grants would be available for research testing and
6 demonstration projects to develop uses for recycled oil
7 and used oil.

8 MR. MCHUGH: My name's Gavin McHugh from
9 Texaco.

10 I'd just like to say that we like some of the
11 things you're doing here and we want to encourage you
12 to provide some of those research grants if money's
13 available, because it's our impression that maybe the
14 last chapter on what to do with used oil hasn't been
15 written yet. And we're developing some new
16 technologies, and I think by providing research grants
17 for new technologies you're encouraging other interest
18 groups and industries to look at used oil and some
19 things, some new things you can do.

20 So we'd really strongly support that and look
21 forward to seeing that incorporated into the
22 regulations.

23 MANAGER BERTON: In drafting the regulations,
24 one thing we would have to develop would be criteria to
25 prioritize, to set the priorities as to who would get

1 grants or what body would get grants, that sort of
2 stuff.

3 One comment that was made earlier in the
4 hallway was, as far as certain types of grants, not
5 necessarily the research grants but perhaps the grants
6 to local governments, would be giving priority to those
7 local governments that have already been, have
8 established market development zones through the
9 Board's Market Development Zone Program. So that's,
10 one issue that would be discussed throughout the
11 regulatory process.

12 I don't know if anyone has any comments on
13 that either. So that's it in terms of the grants. I
14 feel somewhat fortunate in the fact that this grant
15 program is somewhat similar to the grant program, as I
16 said earlier, that we're already implementing, so in
17 that respect we've gone through the pitfalls and we're
18 hoping on what we can avoid. But we strongly encourage
19 your additional public comments and your input and
20 whatnot. We don't want to make this too onerous
21 either.

22 MR. LILJENWALL: Jim Liljenwall, Berkeley.

23 I think I'd like some basic information about
24 these grants, especially the first grants you were
25 talking about.

1 Are you talking about grants for which you
2 would need to make application every year? Or are you
3 talking about some kind of continuing automatic
4 reimbursement to cities based on their population so
5 long as they kept operating the program?

6 MANAGER BERTON: It will probably be a
7 combination of the two. I think in order to get your
8 money you would have to apply and give us some basic
9 information to show that you did, in fact, the program
10 have continued to operate and whatnot. So in that
11 aspect we have to establish our own procedures for
12 auditing purposes as well.

13 We're, while you may be audited, we're
14 audited as well, so we have to keep our own set of
15 files and all that sort of stuff. So in that aspect we
16 would require some sort of application for these
17 grants. But we will try and make it not very
18 complicated because many of the aspects for this
19 program are already set in statute and we would just
20 try and find a, fill-in-the-holes with regulations
21 essentially.

22 MR. LILJENWALL: Maybe I can elaborate a
23 little bit. And referring to the Department of
24 Conservation grant process which at least we in
25 Berkeley have found extremely unsatisfactory because

1 there's no, there seems to be no predictability as to
2 who gets funded. You can't rely on receiving any
3 money, and the selection process seems to be incredibly
4 arbitrary and biased towards say beach cleanup programs
5 as opposed to buying equipment that could be used for a
6 lifetime of a project to actually do real recycling.

7 And so what I'm encouraging you to do is to
8 set up a system where we could basically predict being
9 funded based on well established criteria.

10 And in that regard I didn't quite understand
11 your response to Susan Kattcher's question earlier,
12 because you did refer to a formula where people would
13 be reimbursed based on population, and then in response
14 to her you said there was no way of telling her how
15 much money she could expect to receive with a
16 population of 22,000. And so how, could you reconcile
17 those?

18 MANAGER BERTON: Well I'll tell you. I think
19 what I said was I couldn't tell her right now because I
20 don't have any of the statistics with me. I don't know
21 what, now there's \$10 million, a minimum of \$10 million
22 in this account that's available for block grants. So
23 it's just a matter of dividing, getting the percentage
24 of what Berkeley's population, or I'm sorry, El
25 Cerritos' population is to what the state population

1 is, and then multiplying that percentage by the \$10
2 million.

3 MR. LILJENWALL: You don't have a figure in
4 mind?

5 MANAGER BERTON: Well what's the population
6 of the state right now? You know. Something less than
7 \$10 million, so.

8 MANAGER MEYERS: Just to elaborate on that.
9 The amount available for these grants is also dependent
10 on the amount of incentive payments made, so it's not
11 just a flat \$10 million. So until we make the first
12 round of incentive payments and get some indication of
13 the revenue and the amount of recycling going on, the
14 exact figure available for grants won't be determined.
15 So \$10 million was the minimum amount.

16 MR. BRIGGS: I'm Dave Briggs, City of
17 Vallejo.

18 And I had a question relating to the same
19 issue. It was, I heard you say it's going to be based
20 on population and also based on how many communities
21 actually apply for the grants. But then I heard you
22 say there's going to be money left over. Can you tell
23 us how that works?

24 MANAGER BERTON: Yeah. It's not really the
25 number, what it is is if a community has a program

1 based on certain criteria that's established and that's
2 in statute, they're entitled to that grant, you know.
3 There's no quibbling there. So in that respect there's
4 no arbitrary decision as to who will get the grant.

5 If you've had the money, if you've conducted
6 the program and whatnot, you'll get the money. But
7 that's not to say that every city and every county in
8 California will have a program, a used oil collection
9 program that meets that certain criteria. So there's
10 going to be money that's unexpended for these block
11 grants, and it's that portion that goes into this
12 promotion account.

13 MR. BRIGGS: I, guess the way the non-
14 discretionary grants work is they break it down on a
15 per county basis too, right?

16 MANAGER BERTON: Yeah.

17 MR. BRIGGS: Now will that be done again? In
18 other words I don't see how money is left over, you
19 see.

20 MANAGER BERTON: Well, the difference
21 between, again it may, we may be dealing with programs
22 that are overlapping in nature where the county is
23 providing service and the city's providing the same
24 service, and you have overlapping programs in that
25 respect. So you know, with, we've got, in that respect

1 we've got the infrastructure there in using the non-
2 discretionary grants as that infrastructure using that
3 as a springboard. Now this is the sort of information
4 we're going to have to start to flush out.

5 MR. BRIGGS: Really that's, I mean that would
6 be my only comment is basically to reiterate what Jim
7 said is, I think it makes a lot more sense to give the
8 cities at least a very clear idea of what they're
9 eligible for before they do their application because
10 you have to evaluate whether it's worth the staff time.
11 And I can't do that with a non-discretionary grants
12 usually.

13 MANAGER BERTON: Yeah.

14 MR. BRIGGS: I think if this program worked
15 the other way it might be of value to us.

16 MANAGER BERTON: Okay.

17 MR. ALEXANDER: And would we have to apply
18 every year?

19 MANAGER BERTON: Yeah, yes, you would.
20 Otherwise how would we know who to give the money to?

21 MR. ALEXANDER: Could it be, if you had an
22 initial application, some sort of a renewal type so you
23 didn't have to submit all the documentation all the
24 time and you didn't have to spend the time looking at
25 it?

1 MANAGER BERTON: That can certainly be
2 considered, yeah.

3 MR. ALEXANDER: I think you should consider
4 it if it's something that, if, you know, just like an
5 update to your program; what's changed, what hasn't, a
6 status update as of a secondary application for
7 continued funding.

8 MANAGER BERTON: Perhaps one thing that could
9 be done, and again this all deals with the timing and
10 whether there's some statutory change on that January 1
11 date, the annual report could maybe serve as that
12 update and that, and that application if you will.

13 MR. ALEXANDER: I think the biggest message
14 is keep it as simple and as, and the paperwork to a
15 minimum.

16 MR. SMEDBERG: Jeffery Smedberg, Santa Cruz
17 County.

18 The block grants portion of this talk is the
19 reason, main reason why I came, so I got a lot of
20 questions and I'm -- okay, so we make an application,
21 and I agree with the fact that it should be fairly
22 simple.

23 What are the, you mentioned some minimum
24 requirements for being eligible for block grants such
25 as at least one certified center and curbside program

1 and so forth like that. Are we going to have to
2 outline in the application exactly what we want to do
3 with this money and what are the boundaries for what's
4 acceptable to spend this money on? Is that, do you
5 have thoughts on that or is that what you want comments
6 on?

7 MANAGER BERTON: Well I would appreciate
8 comments on that. As far as I understand it too, the
9 money could be used to either reimburse the money you
10 had already expended or it can be used for other types
11 of programs. It could perhaps even be used for local
12 jurisdiction's household hazardous waste program only
13 dealing with that aspect for used oil though.

14 So it can be used to, in essence, maybe
15 replace some funds that would otherwise have been used
16 by the county. So long as that money's being used for
17 some aspect of used oil collection, be it additional
18 centers, be it materials, or public information or
19 whatnot. So I don't think we'd want a line item
20 breakdown, but at least some sort of indication of what
21 the plans are.

22 That's where the annual report comes in also
23 where you have to, the local jurisdiction has to detail
24 how the money was expended in the previous year.

25 MR. SMEDBERG: So you're saying that there

1 would be more detail on saying how we spent the money
2 then up front saying exactly how we plan to spend it.
3 Is that what you're saying?

4 MANAGER BERTON: Initially, yes.

5 MR. SMEDBERG: Okay. And among the range of
6 things that this money could be spent for would be
7 various forms of publicity and promotion, and then in
8 the physical collection we could actually use this
9 money to pay for curbside collection to buy containers,
10 to buy equipment, to set up drop off centers, to buy
11 tanks, to pay the haulers to haul it away, and all
12 those things would be eligible?

13 MANAGER BERTON: Yeah, as far as I know they
14 would, yes.

15 MR. SMEDBERG: Okay. When would the payments
16 be made on this grant?

17 MANAGER BERTON: That all, that will depend
18 on whether we, the timing of that we'd have to kind of
19 flush out because I think it's going to be predicated
20 on the certification and when the centers become
21 certified, because one of the, one of the criterias is
22 that there be, again, at least one certified center so,
23 per one 100,000. We would try and make it so that
24 perhaps it's on a fiscal year basis so that your
25 bookkeeping won't be any more difficult than it may be

1 already.

2 MR. SMEDBERG: Okay. I guess what I'm asking
3 is, okay, so we have a plan to open a center and we
4 need to buy some equipment. Can we get grant monies
5 and then buy the equipment? Or does this all have to
6 be on a reimbursement basis?

7 MANAGER BERTON: Well in the past we've, the
8 way we've given out grants has been a combination of
9 the two actually. With our non-, for household
10 hazardous wastes the non-discretionary grants have
11 served as reimbursement grants. That was grants for
12 money that had been expended in the previous fiscal
13 year.

14 MR. SMEDBERG: A once a year payment is that
15 what you're saying?

16 MANAGER BERTON: For the non- discretionary
17 it was. Now in our other, the other portion of our
18 existing grant program, the discretionary grants, the
19 money has been given out, payment requests are
20 submitted to us on a quarterly basis usually when
21 quarterly reports are due to us for those types of
22 grants.

23 MR. SMEDBERG: But for the non-discretionary,
24 which sounds like the basic grant that we'd be working
25 with, we'd have to do all our activities for the year

1 and then wait till the end of the year, submit a
2 report, and then get payment for that on that grant, on
3 that block grant?

4 MANAGER BERTON: Probably, but, yeah,
5 probably. I would say yes.

6 MR. ALEXANDER: I think you alluded to it
7 earlier that it was a reimbursement grant and not a
8 development grant, except for pub ed and those type of
9 research into alternate method of recycling, so that
10 it's not a, it's not monies to go develop a program
11 it's a reimbursement for existing program?

12 MANAGER BERTON: That's correct.

13 MR. SMEDBERG: Well you can come back to me
14 later.

15 MANAGER BERTON: Ken, did you have a
16 question?

17 MR. MCHUGH: Yeah, real quick. Have you
18 considered incorporating in the regulations a process
19 where, for example in Texaco we're looking at a new
20 technology that combines waste tires with used oil.
21 There are waste tire grants that are available and
22 there may be, provided the dollars are there, grants
23 for used oil research as well. Have you looked at
24 trying to incorporate where you could get a joint grant
25 process to accommodate that?

1 MANAGER BERTON: Actually to be honest with
2 you, no, we haven't. Because, well I didn't know until
3 you brought it up about the waste tires and used oil
4 being, this new technology trying to be developed.

5 MR. MCHUGH: We, the last few months we have
6 been spending some time with Integrated Waste
7 Management Board staff kind of updating them on what
8 we're doing, and I'll make a point to get some
9 information to you as well so you might be a little
10 more versed in it. But you might want to consider
11 that. I think in our particular case it would work
12 well.

13 MANAGER BERTON: Okay.

14 MR. LEDESMA: I'm Paul Ledesma from the City
15 of San Jose.

16 And I had two points I need to clarify. The
17 first one is, for the eligibility of the grant did you
18 say we needed a certified collection center for every
19 100,000 people or a curbside collection program?

20 MANAGER BERTON: Or a combination of the two.

21 MR. LEDESMA: Or a combination of the two. A
22 curbside collection program in and of itself would not
23 stand alone as eligibility?

24 MANAGER BERTON: Yeah, I believe it would.
25 Yeah.

1 MR. LEDESMA: Okay. And secondly you said
2 this money would be available for use in a household
3 hazardous waste collection program. Would that money
4 only be available for the used oil recycling portion of
5 a household hazardous waste program or would it be
6 available for, to be used in, for the entire program?

7 MANAGER BERTON: It's my understanding it
8 would only be available only for the used oil portion.

9 MR. LEDESMA: Okay, thank you.

10 MANAGER BERTON: Any other questions,
11 comments?

12 MS. KATTCHER: I have just two on the grants.
13 Susan Kattcher, City of El Cerritos.

14 Would that be, would we be able to include
15 staff time for and oil program, and would we be able to
16 include consultants time to perform those same initial
17 study to put in a oil collection facility?

18 MANAGER BERTON: We have in the past given
19 grants for staff time. We have not given grants for
20 consultants time for planning, mainly because it's
21 viewed that the planning is not considered
22 implementation.

23 MR. LILJENWALL: Jim Liljenwall, Berkeley.
24 Just a point of clarification. As,
25 representing a city of a population of 105,000, does

1 this mean that we would need two certified centers or
2 would you be rounding off to the closest few?

3 MANAGER BERTON: 100,000 plus or minus?

4 MR. LILJENWALL: You don't know?

5 MANAGER BERTON: Yeah, I --

6 MR. SMEDBERG: Jeffrey Smedberg, Santa Cruz.
7 Susan asked about staff time. I'm thinking
8 of the staff time involved in writing reports and doing
9 any kind of administration of the grant that would be
10 directly for the oil program. Would that be
11 reimbursable?

12 MANAGER BERTON: We have, in the past have
13 reimbursed cities and counties for those types of
14 activities, yes. So I would think that this would be
15 the same.

16 MR. SMEDBERG: Okay. In terms of the grants
17 being eligible, cities and counties being eligible, in
18 our county we do, I don't believe we have any official
19 joint powers organizations, but we do cooperate a lot
20 on the waste management projects. Would we be able to
21 submit an application as a, with the cities and county
22 jointly?

23 MANAGER BERTON: I would say, yes, cause I,
24 yeah, because it's encouraging multi-jurisdictional
25 programs for one. To exclude them, you know, would be

1 a disincentive for that. The only thing that perhaps
2 we would require is that someone be identified as that
3 lead, as that lead agency, and that be identified
4 somewhere.

5 MR. SMEDBERG: One other question on how this
6 money could be spent. If we, for instance had, had a
7 publicity campaign and we wanted to subcontract that
8 out, would that be reimbursable?

9 MANAGER BERTON: Thinking back I think there
10 have been, we have in the past reimbursed some cities
11 and counties that had contracted with someone else, a
12 firm, a consulting firm or public relations firm to
13 actually do the public outreach. So, cause that was
14 viewed as part of that implementation aspect of it.

15 MR. SMEDBERG: All right.

16 MANAGER BERTON: Any other questions,
17 comments?

18 MS. HOLBERT: I just have a comment, I'm Jill
19 Holbert with the City of West Sacramento. I don't
20 think this is, maybe this isn't even an issue yet, but
21 I would like the regulations not to preclude
22 public-private partnerships in this type of activity.
23 That's probably the direction we're going to be
24 heading, and I'd like to still be able to apply for
25 grants for the public sections, public portion of this

1 partnership.

2 MANAGER BERTON: Okay, we'll certainly, you
3 know, make sure that the regulations preclude that
4 because that's viewed as a real important aspect to
5 implementation, and for many jurisdictions sometimes
6 the only way to implement some certain type of program.

7 Any other questions or comments regarding
8 grants? Okay. Well there was a lot of good questions
9 and a lot of good comments and, you know, we're going
10 to strive to make, to draft the regulations so that
11 they're not very complicated, that the money, and it's
12 not really an issue of in-depth review like our
13 discretionary grants were, we have to, actually have to
14 make selections.

15 This grant is merely, you know, they're
16 essentially entitlement grants. If you've demonstrated
17 to us that you have conducted the program and meet
18 certain criteria, you will get the money, and you will
19 get the money in certain amounts that are based on your
20 population. So to a certain extent that does simplify
21 the process.

22 But I'm more than happy to, throughout the
23 process of regulations writing, get any additional
24 comments that just come up. I know, Bill, you're never
25 shy to do that, so.

1 MR. ALEXANDER: I just wanted to ask, do we
2 have any timeframe on the, when we could see the first
3 draft of these?

4 MANAGER BERTON: Actually that's a great
5 question cause that's the next topic. So in case
6 people want to get in touch with me in regards to these
7 grants, I can be reached at 255-2348.

8 Okay, it's back to Christy now.

9 HEARING OFFICER PORTER: Okay. Our final
10 topic is just to give you an update on what we foresee
11 as the timeline for developing these regulations. And
12 we are on a fairly fast paced timeline, and part of
13 that is because we need to have the centers certified
14 by April of next year, and we need to have time to
15 process applications.

16 What we're looking at is taking these
17 regulations to the Board in October to get approval
18 from the Board for official notice. So then it would
19 be published in the Notice Register mid-October, and
20 that would start the 45-day comment period which means
21 we'd probably have a formal public hearing late
22 November, early December. So that's our anticipated
23 timeline.

24 There's a possibility, we haven't decided yet
25 if we're going to do one regulatory packet for the

1 certification, the claim aspects, and the grants. We
2 may try to do them simultaneously. There's a chance
3 that the grant packet could end up veering off to a
4 certain extent since they're not on such a critical
5 timeline.

6 But that's what we're anticipating. And we
7 really appreciate everyone coming today and giving us
8 this input before we write the regulations, because I
9 think from what we've heard today, some of the things
10 we were planning on doing we'll probably look at it in
11 a little bit different light.

12 So we've got your names and addresses if you
13 signed in on our mailing sheet, and we'll keep you
14 informed as to what's going on.

15 Feel free to contact any of us to give us
16 your additional comments if you think of other items
17 that weren't brought up here today.

18 And other than that we'll keep you informed
19 as to what's going on. And again thank you for
20 attending.

21 (Thereupon the foregoing hearing
22 was concluded at 11:50 a.m.)

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CERTIFICATE OF CERTIFIED SHORTHAND REPORTER

I, DORIS M. BAILEY, a Certified Shorthand Reporter and Registered Professional Reporter, in and for the State of California, do hereby certify that I am a disinterested person herein; that I reported the foregoing hearing in shorthand writing and thereafter caused my shorthand writing to be transcribed by computer.

I further certify that I am not of counsel or attorney for any of the parties to said proceedings, nor in any way interested in the outcome of said proceedings.

IN WITNESS WHEREOF, I have hereunto set my hand as a Certified Shorthand Reporter on the 21st day of August, 1992.


Doris M. Bailey, CSR, RPR
Certified Shorthand Reporter
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