

MEETING
STATE OF CALIFORNIA
CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD
LOCAL ASSISTANCE AND PLANNING COMMITTEE

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Board Room
8800 Cal Center Drive
Sacramento, California

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WEDNESDAY, MARCH 15, 1995

10:08 A.M.

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A P P E A R A N C E S

COMMITTEE MEMBERS:

WESLEY CHESBRO, Chairman
JANET GOTCH, Member

BOARD MEMBERS PRESENT:

BOB FRAZEE, Member

STAFF MEMBERS PRESENT:

ELLIOT BLOCK, Legal Counsel
DOROTHY RICE, Chief Deputy Director
JUDY FRIEDMAN, Acting Deputy Director
KATHY MARSH, Committee Secretary

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P R O C E E D I N G S

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3 COMMITTEE CHAIRMAN CHESBRO: Good morning, and
4 welcome to the meeting of the Integrated Waste Management
5 Board's Local Assistance and Planning Committee. Isn't it
6 great to see the sun. Let's begin with the roll call.

7 COMMITTEE SECRETARY MARSH: Board member Gotch.

8 COMMITTEE MEMBER GOTCH: Here.

9 COMMITTEE SECRETARY MARSH: Chairman Chesbro.

10 COMMITTEE CHAIRMAN CHESBRO: Here. I'd also like
11 to introduce our new Board member for anybody here who hasn't
12 had a chance to meet him. We're very pleased to have Mr. Bob
13 Frazee here this morning. Later this month he'll be getting
14 his committee assignments and be attending as a committee
15 member of the committees that the Board assigns to him.

16 Are there any ex parte communications?

17 COMMITTEE MEMBER GOTCH: No.

18 COMMITTEE CHAIRMAN CHESBRO: No ex parte
19 communications. By way of information, item number four
20 which is the proposed memorandum of agreement between the
21 American Plastics Counsel and the Integrated Waste Management
22 Board has been pulled, but I will be asking Mr. Gorfain to
23 make a few comments on the matter during the report from his
24 division.

25 Speaking of reports from divisions. Agenda item

1 number one is the oral report by Judy Friedman updating us on
2 the activities of the Diversion Planning and Local Assistance
3 Division.

4 ACTING DEPUTY DIRECTOR FRIEDMAN: Good morning,
5 Chairman Chesbro, and committee members. This item is an
6 update on some of the major activities of the Diversion
7 Planning and Local Assistance Division. In this report I
8 will also provide an update on the status of any of our
9 agenda items on this agenda.

10 First, local plans. Elements of 10 jurisdictions
11 are on today's agenda. A combination of source reduction
12 recycling elements, household hazardous waste elements and
13 nondisposal facilities elements or SRREs, HHWEs, and NDFEs as
14 we like to call them. This represents 10 individual
15 elements.

16 Statewide we are at approximately 83 percent or 439
17 received for the source reduction recycling elements.
18 Sixty-three percent or 332 for the household hazardous waste
19 elements. And 69 percent or 364 for the nondisposal facility
20 elements. To date the Board has considered 203 source
21 reduction recycling elements. The Board has approved 149,
22 conditionally approved 43 and disapproved 11. This does not
23 include the plans on today's agenda, so that number will
24 increase after this month.

25 Next month we are anticipating having considerably

1 more plans for your consideration. This happens to be sort
2 of a light month for plans. And we will be bringing, we
3 estimate 129 planning documents representing 60 jurisdictions
4 before the committee.

5 COMMITTEE CHAIRMAN CHESBRO: At least we had a
6 brief moment to catch our breath here.

7 ACTING DEPUTY DIRECTOR FRIEDMAN: In addition, we
8 anticipate May also to be a heavy month, but I don't have the
9 exact estimate at this point of how many plans.

10 Some updates on policy development, the CWIMP
11 enforcement report regarding Board policies for evaluating
12 plan implementation, as you know, was approved at last
13 month's Board meeting. Staff are currently preparing to send
14 the report to all cities, counties, and local task forces for
15 their information. We anticipate the mail out to occur this
16 week.

17 Staff mailed a description of the waste
18 characterization work to date to all jurisdictions for review
19 and comment. The jurisdictions input will be used at the
20 second working group meeting which is planned in April, to
21 select method and establishing testing criteria.

22 Some updates on regulations. The revised disposal
23 reporting regulations which reflect the Board's decision that
24 alternative daily cover count as to diversion will be taken
25 directly to the March Board meeting as directed by the Board.

1 Staff received four comments on the revised regulations. The
2 review period for the CEQA negative declaration ends March
3 27th. And staff has received only one comment on this
4 negative declaration at this time. So that will be heard
5 directly at the Board meeting this month.

6 Used oil. Staff certified 58 new collection
7 centers, registered eight new industrial generators, and one
8 new curbside program over the last month. Seventy-seven used
9 oil opportunity grants were received. Total requests are
10 approximately \$12.5 million for the estimated 7.5 million
11 available, and this item will be heard next month.

12 As you know, this committee and the Board approved
13 the criteria for the Used Oil Research and Demonstration
14 Grant, Grants last month. Subsequently, staff have mailed
15 application packages to interested parties. So that will be
16 something coming up in the future.

17 Public education and program implementation. Staff
18 met with U.C. Davis waste reduction coordinator to discuss
19 potential activities of the newly created Collegiate
20 Recyclers Technical Counsel made up of campus recycling
21 coordinators. And this is in further effort to have
22 universities and colleges assist in the whole diversion
23 effort.

24 COMMITTEE CHAIRMAN CHESBRO: Is this a group that
25 was formed independently, or is this under our auspices?

1 ACTING DEPUTY DIRECTOR FRIEDMAN: It's actually
2 under CRRCs auspices, I understand, and we're working with
3 them. Staff assisted in coordinating, setting up and
4 staffing an exhibit at the California Landscape Contractors
5 Association Show in Long Beach in February. And there were
6 approximately 6,000 visitors to the show, so it was an
7 effective means to discuss compost and other uses of green
8 waste.

9 To update you on items on today's agenda, I would
10 like to point out that although agenda item 15, the source
11 reduction recycling element for the City of Englewood, is on
12 the consent calendar, this item is a source reduction
13 recycling element which the Board conditionally approved last
14 year. The condition, which has been met, was the passage of
15 AB 688, which allowed us to recalculate projections adding
16 back in the waste that had gone to a transformation facility.
17 Staff is now recommending full approval of their SRRE and the
18 item is on consent.

19 Finally, I would like to make you aware of a
20 special award which John Brooks of the Office of Local
21 Assistance received for, from the Regional Counsel of Rural
22 Counties, or RCRC, in January at their Legislative Awards
23 Banquet. Only two people outside of RCRC got the awards.
24 The first being Assemblyman Byron Sher, and of course John
25 Brooks of our staff. The awards read, the award reads, "In

1 recognition for sharing your time, wisdom, and cooperation in
2 solving the solid waste issues facing rural California."

3 This goes to John S. Brooks, and this is what the award looks
4 like physically.

5 COMMITTEE CHAIRMAN CHESBRO: Good work, John.

6 MR. BROOKS: Thank you.

7 ACTING DEPUTY DIRECTOR FRIEDMAN: I'd like to
8 congratulate John on his work.

9 COMMITTEE CHAIRMAN CHESBRO: Well I'd like to thank
10 John for all of his work, too, because I think it's extremely
11 appropriate the award go to him personally. I think he was
12 carrying out a priority that the Board, this committee in
13 particular, and I personally and the Board as a whole, have
14 given, which is that we want the rural counties to be given
15 the additional tools and the additional flexibility they need
16 to do the best job they can of meeting the state, various
17 state requirements and mandates without it overburdening them
18 and obviously John's done a good job of that so
19 congratulations, and thank you for your good work.

20 ACTING DEPUTY DIRECTOR FRIEDMAN: That concludes my
21 report. Are there any questions?

22 COMMITTEE CHAIRMAN CHESBRO: Any questions?

23 COMMITTEE MEMBER GOTCH: None.

24 ACTING DEPUTY DIRECTOR FRIEDMAN: Thank you.

25 COMMITTEE CHAIRMAN CHESBRO: Incidentally, let me

1 encourage the new Board member to, Mr. Frazee, to ask any
2 question you want, or make any comment you want at any time
3 during the meeting.

4 BOARD MEMBER FRAZEE: Thank you.

5 COMMITTEE CHAIRMAN CHESBRO: Next we're going to go
6 to the oral report from the Waste Prevention and Market
7 Development Division. And I'm going to begin by asking Dan
8 Gorfain to give us an update on the question of how we're
9 going to proceed with the methodology for regulating the
10 rigid plastics recycling issue?

11 MR. GORFAIN: Thank you, Mr. Chairman, the rest of
12 the committee, Mr. Frazee. Good morning.

13 I'd like to just say that the APC has withdrawn
14 it's support of the proposed MOA for calculating the
15 recycling rate methodology, for developing the methodology
16 and calculating the rate based on some revisions in response
17 to comments of the Recycling Rate Advisory Committee.

18 Staff has been asked to, and is working to develop
19 and bring back to your committee recommendations for
20 alternative ways of funding the project. I also want to
21 emphasize that in withdrawing its support of the MOA, the APC
22 has committed and reiterated its intent to fully cooperate
23 and support the development of the methodology in calculating
24 the rate. So we're looking forward to working with the APC
25 on this matter.

1 COMMITTEE CHAIRMAN CHESBRO: Okay. ,

2 MR. GORFAIN: If you have no questions I'd like to
3 turn it over to Bill Orr.

4 COMMITTEE CHAIRMAN CHESBRO: I don't see anybody
5 grabbing the microphone, so we'll proceed with Mr. Orr.

6 MR. ORR: Okay. Well there's going to be a pretty
7 comprehensive presentation on waste prevention activity, so I
8 just have a couple items to update you on.

9 The first one is in regard to a number of contracts
10 that would be of interest to the committee. The Waste
11 Reduction Awards Program contract has had a lowest qualified
12 bidder selected who is the local government commission who is
13 the current contractor.

14 The Waste Reduction Training Contract, Gainer and
15 Associates, were the lowest qualified bidder on that. And
16 the contract is currently under review at General Services.

17 The Material Exchange Facility Contract bids were
18 due, proposals were due last Friday, March 10th. And two
19 proposals have been received that will be scored over the
20 next month.

21 The Pilot Business Waste Reduction Program, the
22 three regions that are out for bid, we had a successful
23 teleconference on February 28th that went well for all three
24 regions. And the questions and the answers to those
25 questions have been mailed out to all of the prospective

1 bidders. The proposals for those three regions are due to be
2 submitted by March 30th.

3 The other thing I wanted to bring to your attention
4 is a partnership, an exciting partnership that we're looking
5 at with the distributor for Toro Lawn Mowers in Northern
6 California. They're going to be undertaking a substantial
7 advertising campaign that will feature the Board's phone
8 number, and we will be distributing brochures and so forth
9 that are requested. You'll be getting a more detailed memo,
10 all the Board members will be in the next few days, that
11 detail what's involved in the partnership and so forth, but I
12 just wanted to bring it to your attention at this point.
13 That will kick off on March 24th.

14 So that's pretty much my report for this morning,
15 unless there are any questions?

16 COMMITTEE CHAIRMAN CHESBRO: Okay. Thank you very
17 much. Any questions from committee members?

18 COMMITTEE MEMBER GOTCH: No.

19 COMMITTEE CHAIRMAN CHESBRO: Thanks. We will
20 proceed to the consent agenda which is available in the back
21 of the room, I believe, if anybody wants to grab a copy. The
22 following items are on the consent agenda, items nine through
23 13, and items 15 through 18. Are there any requests from
24 anyone for any items to be pulled from consent? If not, we
25 will, I'll entertain a motion to approve consent.

1 COMMITTEE MEMBER GOTCH: I move we approve consent.

2 COMMITTEE CHAIRMAN CHESBRO: Okay. It's been
3 moved. Would you call the roll please?

4 COMMITTEE SECRETARY MARSH: Board member Gotch.

5 COMMITTEE MEMBER GOTCH: Aye.

6 COMMITTEE SECRETARY MARSH: Chairman Chesbro.

7 COMMITTEE CHAIRMAN CHESBRO: Aye. And obviously
8 all of those will go to consent. Without making a long
9 speech about it again let me say that the process of getting
10 these worked out in advance reflects a lot of work from staff
11 to respond to local government concerns and as a result we're
12 able to take a large quantity, even though it's much smaller
13 this month, a large quantity of items saving a lot of paper,
14 and a lot of time both waste, two times of waste prevention,
15 and so I'm very appreciative of the work that's been done to
16 expedite it. And believe me my endless speeches about it are
17 a lot shorter than the time we'd be taking to consider all
18 the items if we hadn't set up a streamlined process.

19 Okay. The next item is item five which is the
20 in-house waste prevention case study. So who do I call?

21 MR. GORFAIN: Kathy Frevert and Maggie Coulter will
22 present the item. Kathy will go first, I believe.

23 COMMITTEE CHAIRMAN CHESBRO: While they're coming
24 up let me say that this is one of the Board's projects that
25 I'm most proud of. It's the one that, I think, has grown out

1 of some frustration that we have a state law that places
2 waste prevention at the top of the waste management
3 hierarchy, but for various reasons it's been difficult to get
4 the same level of attention and focus on waste prevention
5 that we've been able to get on recycling and composting. So
6 I think we really need to start in-house and demonstrate what
7 waste prevention means and what's possible, and then build on
8 that and work from that to try to convince the rest of the
9 world, at least the rest of the California world, to follow
10 suit.

11 And I think we've really completed some important
12 first steps in getting a substantially and significant waste
13 prevention program going for the state. And this, today's
14 report reflects that at work. Okay. Is that your report?
15 Did I give it for you? If I did, I apologize.

16 MS. FREVERT: In February, 1994 the Board adopted
17 an in-house -- I'll start again.

18 In February, 1994 the Board adopted an in-house
19 waste prevention plan and policy. And over the past year
20 we've had a team of volunteers comprising of in-house waste
21 prevention committee and waste reduction pros that have
22 implemented a good portion of our plan. Today we're pleased
23 to share our findings from this first year and offer
24 recommendations for the next year.

25 The plan called for targeting three key materials,

1 a June, '92 audit conducted by the Waste Board showed that
2 paper is by far the largest material in our waste stream. It
3 comprises about 73 percent of the waste stream. And of this
4 white ledger paper is 37 percent, the highest category.

5 Another category we targeted was food related
6 waste, which is about 10 percent. And we also targeted
7 landscape trimmings. This was not part of the Board's waste
8 audit because it's a responsibility of the property
9 management company. But we felt that it was a significant
10 portion of the waste stream if it was included, and so
11 therefore we did include it in our plan.

12 The goals set forth in the waste reduction policy
13 called for a 10 percent reduction in the paper we use at the
14 Board. We achieved a 25 percent reduction in this first
15 year, and I'll add that this does not include the Copy
16 Center. There was a major change in equipment in the Copy
17 Center, although in the first month we did note a 31 percent
18 decrease in paper used by the Copy Center. We are monitoring
19 the Copy Center, and so next year we will have information on
20 the Copy Center's paper use.

21 The combined paper reduction efforts show that
22 there is a measurable savings to the Board of about \$100,000.
23 This doesn't consider the staff time used to implement this
24 program. It was volunteer labor and people integrated into
25 their existing work loads. Next year we do intend to look at

1 this more closely. The reduction overall is 1.8 million
2 sheets of paper that we were able to measure. Several
3 activities led to --

4 COMMITTEE CHAIRMAN CHESBRO: Let me stop and say
5 that again. One point eight million pieces of paper, folks.
6 I mean, that is something to be very proud of. I mean, not
7 just the folks sitting right here but the whole organization.

8 MS. FREVERT: Oh, it is definitely the whole
9 organization that helped in this effort.

10 COMMITTEE CHAIRMAN CHESBRO: And \$100,000 of the
11 increasingly rare public money that we have to spend here.

12 MS. FREVERT: Several activities led to this
13 reduction. We discourage excess copying and printing, reduce
14 the size of documents, default double sided printing, prune
15 mailing lists, scrap pads from used paper, pilots to reuse
16 paper in fax machines and copiers, labels to reuse envelopes,
17 and tips on E-mail, and the tips are more than just paper
18 reduction, they're for all different types of activities.

19 A key finding is that the most significant cost
20 savings come from making shorter documents or eliminating
21 them. This is because postage, first class postage is about
22 three and a half cents per page, and photocopying, according
23 to the Department of General Services, is about five cents a
24 page, whereas the cost of a piece of a paper is a fraction of
25 a penny.

1 Now for some more specific examples of this. By
2 reducing the pages of staff reports that are attached to
3 agenda items and distributed for public notice there was a
4 savings of over \$86,000. These are the local planning
5 documents that are, go through our public notification
6 process. And the savings on this alone was over a million
7 sheets of paper.

8 Another thing we did was we approached Cal EPA
9 about their newsletter. Every staff person was receiving a
10 25 page newsletter. We called and asked them could you route
11 it to us and send us fewer copies. Well not only did they do
12 that for us, they did it for other agencies under their
13 jurisdiction. And the result is a savings of \$11,000 in
14 printing costs. And paper reduction of 555,000 sheets of
15 paper.

16 Another area we targeted was reducing food related
17 wastes. And you may note that we have 15 worm bins around
18 our offices, and there's a new one outside the cafeteria for
19 cafeteria food scraps. At this point staff are compiling the
20 information we have so far to see what, how much waste is
21 being diverted through the worm bins, and we've also got a
22 little bit of press from that one and we're responding to
23 numerous inquiries.

24 COMMITTEE CHAIRMAN CHESBRO: I saw the story about
25 the 15,000 employees that we had recently hired, I about had

1 a heart attack until I read the rest of the article and they
2 pointed out the new employees were being paid with apple
3 cores and banana peels instead of state funds.

4 MS. FREVERT: Another area we looked at was
5 encouraging staff to use reusable cups. And in a random
6 survey it appears that there is a seven percent increase in
7 the use of reusable cups. Fast food packaging, we've tried
8 to highlight to staff how much is generated by an average
9 staff person, and we don't have results on what impact was
10 made through our education effort in that area.

11 The last area we targeted was landscaping waste
12 prevention. And this is another area where work is in
13 progress. We met with the building management's, the
14 building management and landscaper about the seasonal
15 plantings that are used around the site. And asked them,
16 one, could they reduce the number of seasonal plantings. And
17 that one they told us about they had already made a
18 significant reduction over the past few years, and it looks
19 doubtful they'll be willing to reduce it more.

20 They are willing to work with us on having a time
21 set up where staff can pick up the plants that they pull out.
22 And in some cases they are perennials and can be replanted
23 and will grow. So that's one option we are working on in
24 that area.

25 We also have a pilot study for grass recycling that

1 will be starting up this spring. And we talked to them about
2 setting up a composting bin and they're willing to do that.
3 So we're slowly making progress.

4 COMMITTEE CHAIRMAN CHESBRO: This is for composting
5 yard waste, the grass clippings?

6 MS. FREVERT: Yeah. So we identified several
7 challenges we face. One is problems with copiers and their
8 two-sided function. We met with the Department of General
9 Services and they told us that the main problems are with
10 maintenance and with us as operators. And maybe we'll be
11 covering this in a bit more detail as to what we might do in
12 this area.

13 COMMITTEE CHAIRMAN CHESBRO: Before Maggie does,
14 let me say, I've been sort of turning into the waste
15 prevention curmudgeon and sending people nasty memos when I
16 get stuff copied on one side. And I've been informed by some
17 people who really, really want to do it right that sometimes
18 it's the equipment, so if you get a memo like that from me
19 and it's really not your fault forgive me and disregard it,
20 okay. But if you know that your copier can do it then I mean
21 it.

22 MS. FREVERT: We also recommend focusing on
23 reducing the number of documents and pages, and that's
24 because of the cost savings that we can achieve in this area.
25 And this relies on individual efforts combined with strong

1 management support to succeed. There's also been brought to
2 our attention that at the end of the fiscal year there is a
3 tendency to use up any extra money in the budget, spend it,
4 otherwise you're afraid you'll lose it. And there's concern
5 about, is this money being wisely spent. So that's another
6 area we want to look at.

7 Measurement has been a challenge and will continue
8 to be a challenge. It is time consuming, and we're learning
9 as we do it about how we need to set up measurement protocols
10 at the beginning of our studies of our pilots.

11 Education is an ongoing thing that we have to keep
12 doing. We have created a kit for new employees so that they
13 can learn about some of the things we're doing here and
14 hopefully acquire a waste prevention ethic.

15 And the last challenge I'll mention is maintaining
16 improvements. An example here is with the recent computer
17 upgrade, we lost our feature for two-sided printing, which is
18 one we had worked hard to get. And in seeking new ideas, one
19 new idea we have is with faxes. Our outgoing electronic
20 faxes, send two extra sheets of paper along with them that
21 the receiver gets. We learned that this is a problem with
22 Microsoft Software, so we plan on approaching Microsoft about
23 this to see if they can make some improvement. And if you
24 think about Microsoft and all the customers they have this
25 is, could make a significant impact if we could get them to

1 change their software.

2 I'm now going to turn this over to Maggie who will
3 talk about the staff recommendations and policy changes.

4 MS. COULTER: Is this thing on? As a result of the
5 experience that we've gained in the last year from
6 implementing this plan, we have a few recommendations, about
7 seven of them, and some changes to the in-house waste
8 prevention policy that was adopted by the Board a year ago.
9 Committee members might want to follow along on page two of
10 their agenda item. What I want to do is go over and just
11 summarize those recommendations, and Kathy has alluded to
12 some of them already. And then talk about the policy changes
13 that we're looking on, looking at.

14 Our first recommendation is simply that the Board
15 adopt the revised policy, which I'll go over in a minute.

16 The second recommendation which is to direct the
17 executive director to issue an executive order which
18 encourages managers to allow minor handwritten corrections on
19 internal documents, is really about, deals with the issue of,
20 sometimes our standards of operating need to be changed in
21 order to accommodate waste prevention, sort of what have been
22 standard practices. And there's another good example of this
23 in terms of reusing envelopes at the Board. The committee
24 started to encourage that staff reuse used manila envelopes
25 which is a great savings of paper.

1 But one of the first things we encountered was
2 people saying well that's not going to look professional if
3 you do that, if you cross out the address and you send the
4 envelope again. So we sought to mitigate that by coming up
5 with a nice label. But part of what you've got to do in
6 addition to that is also to say, you know, what we want to do
7 here, what is professional, what the Board is trying to do is
8 to show that it is doing waste prevention.

9 And the handwritten corrections is another example
10 of that where people feel like, well if I send a document
11 through internal review and it's got a few handwritten
12 corrections it's going to reflect badly on me. And what
13 we're trying to do is to change that around and just like
14 with the used envelopes if somebody gets a used envelope what
15 it says is, hey, this person is practicing waste prevention,
16 which is a good thing, if minor handwritten corrections go up
17 in a document that the person receives it will say the same
18 thing. Bill's got a phone call.

19 So that's what this item addresses which is to
20 really to ask the Board to kind of highlight this and to help
21 us change the culture of waste prevention, and the values of
22 waste prevention as being a professional value here at the
23 Board.

24 The third item Kathy kind of touched on briefly
25 which is this concern about our agency and other agencies

1 there being a disincentive towards waste prevention at the
2 end of the fiscal year as agencies trying to, you know, use
3 the money that they have by buying things that they may not
4 end up using or whatever. So this recommendation is a
5 direction to pursue that, direction to staff to pursue that.
6 And we do recognize that that is a controversial issue.

7 The fourth recommendation, as Kathy noted, which is
8 to direct staff to actively look at ways to reduce the
9 numbers and copies of pages of the material that we produce
10 here at the Board. And Kathy talked about how that's a
11 effective cost saving mechanism, because while you do get
12 savings, you're saving about a half a cent of a piece of
13 paper that you don't use, the savings from postage and from
14 not making copies period, running it through the machine, is
15 also very significant.

16 And we certainly don't want to discourage the
17 publication of useful documents, we just want to make sure
18 they're published in an efficient manner that uses space
19 wisely. And that they end up going to people who want them,
20 so that we don't publish excess copies. So we want to
21 encourage two sided, pay attention to the way documents are
22 designed, so that there isn't a lot of white space or excess
23 space, which is causing extra copies to be made. And again,
24 making sure that we've got the correct number of publications
25 so that we don't end up with lots of copies that end up being

1 recycled.

2 So four is really a direction to staff to look at
3 the documents. Can they be shorter? Can we design them
4 differently? And also making sure that we're making the
5 right number of copies.

6 The fifth item we've also kind of gotten into, too,
7 which also has to do with the problem we've had with copiers
8 at the Board, and one of our early successes was to get
9 people to do double-sided copying. And like the Chair
10 discovered people came to us and said the machines won't do
11 it, and the breakdown rate just seemed to go way up. We did
12 meet with General Services about it, we've spent, the
13 committee spent quite a bit of time on it, and really what
14 this, what we're asking the Board to do in this particular
15 recommendation is to, again, highlight the importance of
16 having our equipment be able to perform and to address one of
17 the issues, one of the issues that came up to General
18 Services, which is that it really does need to be maintained
19 under a rigorous schedule, and we do need a system for
20 tracking the copiers, and when they're down, and when they're
21 fixed up, and to make sure that they're being serviced
22 properly.

23 So this is underway setting up this system, and
24 what this recommendation does is says, the Board says this is
25 important and we want it done by a certain deadline. So

1 we've got actually what seems to be a reasonable deadline in
2 to get that done, because it really is key to doing
3 double-sided copying at the Board.

4 The sixth recommendation which deals with the
5 centralized mailing system is somewhat similar in that
6 there's also an effort underway here at the Board, which
7 started several months ago with a mailing list task force.
8 And at the time the task force started there were over 40
9 mailing lists at the Board. And there was duplication
10 mailing lists not being kept updated and people getting
11 things that they didn't want. And so there would be cases
12 where an individual might get several copies of the same
13 document, which is a waste of paper and also an embarrassment
14 to the Board.

15 So again this recommendation is that getting the
16 centralized mailing system implemented is really crucial in
17 terms of waste prevention at the Board, and again, we've set
18 a, what seems to be a reasonable timeframe to get that
19 completed, so we're asking the Board to endorse that.

20 The final recommendation of the, of the seven that
21 I've gone over deals with, really goes back to the statewide
22 waste prevention plan, and the reason that we set up the
23 in-house committee which was not just to do waste prevention
24 at the Board, but to be a model for other agencies and
25 organizations.

1 And so this seventh recommendation basically takes
2 the next step of integrating the findings that the programs,
3 the strategies, what's worked, and hasn't worked that we've
4 come up with and getting it out into other agencies. So it
5 calls for getting waste prevention into our existing project
6 recycle so that we've got a holistic waste reduction
7 approach, not just recycling but recycling and waste
8 prevention when we go out to state agencies. And this is
9 consistent with the contract which the Board approved on
10 setting up the statewide waste reduction training program.

11 And as Bill mentioned in his report the contractor
12 for that has just been selected. And that training will be
13 teaching businesses and government how to set up waste
14 reduction programs which include both waste prevention and
15 recycling.

16 I'll just go briefly over the policy changes, and
17 committee members if you want to follow along there on page
18 four of the agenda item. Of course, I don't know what it
19 turned out to be in your packet, but that's what it was.

20 COMMITTEE CHAIRMAN CHESBRO: Page 13 down in the
21 corner.

22 MS. COULTER: Page 13. Okay. So add nine to that.
23 I'm just going to cover the policies which have changed and
24 there's some minor changes and then some additions. The
25 first change that we made, and Kathy touched on this was the

1 Board last year had recommended a 10 percent decrease in
2 paper usage, we attained a 25 percent decrease and so we're
3 just recommending that we try to maintain that 25 percent and
4 increase it if we can.

5 The next two items which are item two and item
6 four, again, kind of understrike the concern about our
7 equipment making sure that our copiers and our printers are
8 in full working order, that they're able to handle the heavy
9 loads that we put on them here at the Board. So we've added
10 some wording to those items to that effect to really, if
11 those things aren't working we can't do the, we can't do
12 double-sided copying and printing.

13 Item six is, actually reflects a project that was
14 initiated by staff to use draft paper in the fax machines and
15 we've added it to the policy. We've done a lot of extensive
16 testing, had gone back and forth, had some pros and cons to
17 it, but it basically seems to be working and we'd like to
18 include that as part of our in-house waste prevention effort.

19 Items seven and also eight deal with another fairly
20 serious, what can be a fairly serious implement to some of
21 our waste reduction efforts that Kathy mentioned earlier,
22 which is the computer system are, we had set up, spent
23 several months working on getting a default double-siding in
24 the various software programs and then the system was updated
25 and we lost that feature, we kind of went back and started

1 all over again. And these changes in the policy, I think,
2 are again, to emphasize the importance of having these
3 systems be designed for waste prevention.

4 And as you can see in number eight that when
5 changes are proposed in, whether it's the software or
6 documents or procedures, that they're really evaluated in
7 terms of do they generate more waste, do they save waste.
8 And if they generate waste is there some way we can mitigate
9 that. It's pretty essential that these things along with the
10 copiers and printers, the kind of mechanics work if we're
11 going to try to do waste prevention.

12 Number nine, I've already touched on which deals
13 with encouraging internal documents to be allowed with
14 handwritten corrections.

15 Number 12, I've also dealt with which is to
16 maintain and require staff to use a centralized mailing
17 system.

18 Number 13 deals with the kind of promotional items
19 that the Board, premiums that the Board gives away at
20 conferences, and also in its booth to promote various
21 programs. And it was just the committee's feeling that we
22 really need to make sure that those items are waste
23 reduction, waste prevention items. That that's the message
24 they send out.

25 And then finally number 14, we've talked about both

1 Kathy and I in terms of trying to reduce the size and number
2 of documents. Are there any questions? I think we'd be
3 happy to answer them.

4 COMMITTEE CHAIRMAN CHESBRO: I have a few thoughts
5 that come to mind. This reminds me a little bit of some past
6 efforts in things like energy conservation where there's a
7 gross generalization that's made, but has some accuracy that
8 it's sort of the 80/20 rule which says that about 20 percent
9 of the effort can get about 80 percent of the problem. And
10 it seems obvious to me that the vast majority of our success
11 has been with a few actions. And then there's sort of the
12 incremental remainder that requires a lot more intensive
13 focus on how you do things to figure it out.

14 And I would think in our education effort, initial
15 education effort that's getting underway you'd want to focus
16 on those simple things as the primary message in order to get
17 as many people to do those things as quickly as possible.
18 But then continue, ourselves, to be in a place where we can
19 experiment and try a lot of different things to try to find
20 out how to make the remaining percentage of the waste stream
21 easier to get at. We try a lot of different things to figure
22 out, like getting Microsoft to change their software, for
23 example, that can affect, you know, thousands or maybe
24 millions of people.

25 Same thing with working with General Services and

1 with photocopy companies and all of that sort of thing, to
2 try to pilot how things can be done in a way that will work
3 well. It's not -- I don't mean by emphasizing the easier
4 part of it to say that we shouldn't be continuing try real
5 hard to learn about the rest of it, but I think we need to
6 maybe make a little separation in our minds and educational
7 process, focus on the quickest and easiest things. I think
8 if you show the kind of dollar amounts, if you can say to
9 somebody the kinds of savings that one agency has
10 accomplished, that's going to get the attention of businesses
11 and government agencies every bit as much as the
12 environmental ethic involved, and the need to reduce landfill
13 disposal.

14 So I think we have a powerful message that ought to
15 be very, very marketable to institutions, to businesses and
16 government. I'm very excited about it, getting it on the
17 road, seeing what we can do with it. So any other questions
18 or comments?

19 COMMITTEE MEMBER GOTCH: Nope.

20 COMMITTEE CHAIRMAN CHESBRO: Okay. I'm ready for a
21 motion.

22 COMMITTEE MEMBER GOTCH: Well I, too, think this is
23 an exciting report and that these are policies which can
24 easily, or fairly easily be emulated by other agencies, so
25 therefore, I move that we adopt staffs recommendations.

1 COMMITTEE CHAIRMAN CHESBRO: Okay. It's been
2 moved. Didn't get any requests to speak on this. Is there
3 anyone? Apparently not. We'll go ahead and call the roll.

4 COMMITTEE SECRETARY MARSH: Board member Gotch.

5 COMMITTEE MEMBER GOTCH: Aye.

6 COMMITTEE SECRETARY MARSH: Chairman Chesbro.

7 COMMITTEE CHAIRMAN CHESBRO: Aye. And, let's see,
8 I don't know about consent. I'd like to, it's one of those
9 situations where I'd like to have the whole Board hear what's
10 been accomplished, but it kind of depends on how busy the
11 Board agenda is. I don't know, why don't we, pending the
12 Board agenda, say let's place it on consent, and why don't
13 you, staff plan to talk to me shortly before the Board
14 meeting and if it looks like we have the time I would really
15 like to have a presentation of this because I think it's
16 noteworthy. And it's important in the process of trying to
17 get it truly to the top of the hierarchy for all of us to
18 have public discussions about waste prevention, so I'd like
19 to do that if we can. So we'll list it on consent, but
20 hopefully pull it.

21 MS. FREVERT: Okay.

22 MS. COULTER: Thank you.

23 COMMITTEE CHAIRMAN CHESBRO: Thanks. The next item
24 is item number six -- well before I leave it let me also say
25 I want to thank all the members of the In-house Waste

1 Prevention Committee who volunteered time and effort in
2 addition to the staff who were assigned to work on it, people
3 who put their effort in it. Also the waste pros in each of
4 the divisions who have helped make the thing work.

5 So item six is the nonyard wood waste report and
6 who's going to introduce this Mr. Orr?

7 MR. ORR: Yeah, I'm going to introduce Scott
8 McFarland who will be making the presentation. This is an
9 annual update to a report that the Board first adopted last
10 September, and is due to the legislature by March 31st, so
11 with that I'll turn it over to Scott McFarland.

12 MR. MCFARLAND: Good morning. I'm Scott McFarland
13 of the Waste Prevention and Market Development Technology
14 Service, and I say that for as much as my own benefit as
15 yours, I need to drill it into my head, it's a lengthy title.

16 As Bill Orr indicated, I'm here to present the
17 consideration of the annual update to nonyard wood waste
18 report. And unlike the ever expanding report, I'll attempt
19 to keep this presentation quite brief.

20 Okay. This report has been developed to fulfill
21 the requirements set forth in Section 42512 of the Public
22 Resource Code, PRC. The code states that the California
23 Integrated Waste Management Board, the Board is required to
24 annually update, by March 31st of each year, the report
25 quantifying the amounts of nonyard wood waste diverted from

1 permitted disposal facilities.

2 We are also supposed to assess the environmental
3 and economic impacts of promoting or discouraging nonyard
4 wood waste diversion from these facilities. Any
5 recommendations that this report makes must be consistent
6 with the hierarchy set forth in Section 40051 of the PRC,
7 which places source reduction at the top followed by
8 recycling and composting, and environmentally safe
9 transformation and disposal at the bottom.

10 This draft report represents the first annual
11 update to the report which was adopted by this Board in
12 September of 1994. It was subsequently approved by Cal EPA
13 and currently resides in the Governor's office pending
14 approval.

15 What I'd like to do is briefly summarize some of
16 the tonnages of nonyard wood waste or urban wood waste, if
17 you will, that are contained in the report and touch on some
18 of the resulting conclusions that are also in the report.

19 First, I'll address wood waste generation disposal
20 and diversion tonnages. These are based on the draft SRREs
21 submitted to this agency and compiled in the internal
22 database. Over a one year period roughly 3.8 million tons of
23 wood waste was generated in California. Of that amount
24 approximately 88 percent or 3.35 million tons was disposed
25 of, and the remaining amount, about 12 percent or 447,000 was

1 diverted. These tonnages generally do not include wood waste
2 used as biomass fuel. To that end we compiled quantities of
3 urban wood waste consumed by the biomass industry based
4 primarily on three sources. They include the California
5 Biomass Processors Association, the Energy Commission, and
6 the California Biomass Energy Alliance, excuse me.

7 The data from the Energy Alliance is new to this
8 report as compared to the original report in September.
9 Based on these sources the biomass industry consumed at its
10 peak in a one year period about 1.7 million tons of urban
11 wood waste. The draft report that you may have in front of
12 you quotes a lower consumption at about 1.39 million tons.
13 That decrease is due to a recent curtailment of six biomass
14 plants which consumed roughly 370,000 tons of urban wood
15 waste.

16 Furthermore, as of March 1st there had has been a
17 curtailment of four more plan plants, they are not addressed
18 in the report in front of you, but I plan to amend the report
19 to reflect this change. If you add those four plants you
20 have a total of 10 plants under curtailment which represents
21 approximately 425,000 tons of urban wood waste. This may in
22 part or full return to the waste stream.

23 So that leaves the final consumption by the biomass
24 industry at 1.33 million tons, that's as of today. There
25 have been rumors that another 10 plants could potentially

1 close within the next month or so, but I was unable to
2 substantiate that.

3 Based on the data available and current market
4 conditions the following conclusions and, or recommendations
5 were made.

6 First, only estimates can be made regarding the
7 quantities of nonyard wood waste generation, disposal, and
8 diversion. There currently exists no mechanism to accurately
9 quantify the amounts of wood waste disposed, generated, and
10 diverted from permitted disposal facilities.

11 Two, if the Board wanted to accurately quantify
12 these flows of wood waste additional resources would have to
13 be dedicated to conduct comprehensive survey throughout the
14 state. However, we do not need exact quantification to
15 implement the programs of this agency. More accurate
16 quantification is necessary, it will come about as local
17 jurisdictions compile documentation to verify waste reduction
18 mandates.

19 And three, the biomass industry has experienced a
20 recent downsizing and it appears it will continue which may
21 result in wood waste returning to the municipal waste stream.
22 However, it is felt that the assistance that the Board can
23 give this industry is somewhat limited. The reason this is
24 stated is that the biomass industry is far more dependent on
25 fuel prices, the life spans of standard offer contracts, and

1 the eventual deregulation of the public utilities and any
2 influence the Board may impose on the industry.

3 Item four, it is therefore felt the primary role
4 the Board should take regarding the diversion of nonyard wood
5 waste should be through market assistance. Therefore, the
6 Board should stay apprised of industry trends and emerging
7 technologies relating to both the biomass industry and
8 transformation operations, and this would include the
9 emerging biofuels industry due to the potential effects on
10 both the wood waste stream and other parts of the waste
11 stream.

12 It is felt that the instability in the wood waste
13 markets could affect other portions of the waste stream, via
14 economic impacts on material recovery facilities. As a loss
15 of revenues from decreased wood waste tonnages could affect
16 overall profitability of entire waste recovery operations.

17 Item five, the final effects of deregulation upon
18 the public utilities and in turn the biomass industry are
19 unknown as the final form of deregulation has not been
20 determined. However, most biomass operators feel that
21 deregulation will hurt their industry and this is evident in
22 the increased number of contract buy outs and resulting
23 curtailments of operations.

24 Item six, since the initial report was approved by
25 this agency in September, AB 688 was passed. It has two

1 effects on the biomass industry.

2 First, it removed biomass conversion from the
3 regulatory definition of transformation. And two, it allows
4 waste going to biomass under certain conditions to count
5 towards weight reduction mandates for the year 2000.

6 Final item. Only a fraction, approximately 12
7 percent of the 3.8 million tons of nonyard wood waste that is
8 generated, and that's according to the SRREs, is diverted.
9 This indicates to staff that there is a great deal of work to
10 be done to encourage the reuse of wood waste which may prove
11 to be one of the more readily recyclable materials in the
12 municipal waste stream.

13 To accomplish this the Board should continue to
14 work with wood waste processors, the biomass industry,
15 composters, as well as other recyclers to promote all
16 alternatives to disposal. The recent acknowledgment by the
17 Markets Development Committee that additional focus should be
18 placed on construction and demolition wastes certainly helps
19 assess this portion of the waste stream and will assist in
20 identifying alternatives of the woody portion of construction
21 and demolition wastes.

22 That more or less concludes my summary of the
23 annual update. I'd like, staff would like to ask the
24 committee to consider forwarding this update to the Board
25 pending any comments, of course, in order to meet the March

1 31 deadline. That's about it. If there are any questions
2 I'll do my best to try to answer 'em.

3 COMMITTEE CHAIRMAN CHESBRO: Okay. Any questions
4 at this point?

5 COMMITTEE MEMBER GOTCH: Not at this point.

6 COMMITTEE CHAIRMAN CHESBRO: Okay. We do have a
7 couple of speaker requests. The first one came in was Evan
8 Edgar representing CRRC.

9 MR. EDGAR: Good morning Chairman. My name is Evan
10 Edgar. I'm the manager of technical services with the
11 California Refuse Removal Council. I'd like to welcome Mr.
12 Frazee to the Board, we look forward to his speedy
13 confirmation.

14 We have to see this nonyard wood waste report back
15 on track. It is a moving target, and Scott is taking a lot
16 of phone calls from a lot of people to update the information
17 as it moves. We are very concerned with the March 1st shut
18 down of some of these facilities. I believe downsizing is a
19 gentle term versus vicious shut downs of some of these
20 facilities. So if anything, some of these, this report could
21 be amended to kind of reflect some new information which I'd
22 like to bring forward today.

23 I believe that this information can be used for
24 some pending legislation bills, Baca, Leonard and Peace all
25 have a lot of spot bills and they want to do something about

1 this, especially Baca. I believe some correct information
2 and as part of this report would be very helpful in order for
3 him to structure some legislation to help out the biomass
4 industry.

5 Going through the conclusions, I do have the draft
6 report I got last week from Scott, and I had a chance to take
7 it to biocycle on Monday and Tuesday, had an opportunity to
8 speak to a lot of wood processors there was a whole section
9 about urban wood waste markets during biocycle, and I got a
10 lot of feedback from a lot of industry folks and a lot of
11 different composters about this issue. I floated the draft
12 report around and I'd like to kind of share with you some
13 comments they got at biocycle.

14 First of all, this report kind of implodes upon
15 itself with regards to what counts and doesn't count. I
16 realize that is important to the Waste Board in order to have
17 their AB 939 accounting in a base year. But what is
18 perturbing is looking at number seven of the draft report
19 that talks about only a fraction of nonyard wood waste
20 generated in the state is diverted.

21 Well we feel it is more than just a fraction. It
22 says about 12 percent, whereas that fits into the AB 939 base
23 year, but I believe that a lot of industries, they were
24 on-line before 1990, they were diverting this urban wood
25 waste into the biomass markets, and that's kind of lost, lost

1 in the equation.

2 COMMITTEE CHAIRMAN CHESBRO: So are you disagreeing
3 with the numbers, or are you disagreeing with the way it's
4 phrased?

5 MR. EDGAR: The way it's phrased. Because by
6 saying it's only 12 percent it really takes away from what
7 has been going on with --

8 COMMITTEE CHAIRMAN CHESBRO: Hasn't been given
9 enough credit for what's been accomplished?

10 MR. EDGAR: Correct. I believe that 1.7 million
11 number is a better number than we had before, but by putting
12 it into a context of a base year and what counts and doesn't
13 count it takes away from the 1.7 million tons that has been
14 going to the biomass market. Just phraseology and the focus
15 of this report. Another key aspect is number --

16 COMMITTEE CHAIRMAN CHESBRO: Before you leave that
17 let me just say I think it's possible for that section to
18 accomplish both. I mean, I think it can say, well you know
19 m, significant amount has been diverted, and a significant
20 amount of efforts have gone into doing that at the same time
21 that percentage is 12 percent, you know. And so I think both
22 points can be made.

23 MR. EDGAR: Sure can. Number five talks about the
24 primary role of the Waste Board is for market assistance. We
25 do agree, and to collect information. I'd like to work with

1 Scott over the next year in order to continue update his
2 report. I realize Byron Sher has a spot bill in to delay the
3 next report a whole other couple of years I believe. I'm not
4 sure where he's taken that spot bill, but we'd like to see
5 this as an annual report, and we'd like to promote this as an
6 annual report to collect the information needed on wood waste
7 disposal and diversion.

8 It was mentioned that due to the closure of the
9 biomass plants that some of these MERFs could be impacted.
10 Well they have been impacted. Joe Garbarino from Marin
11 Sanitation Service was up here in October and in San Jose,
12 gave some numbers about how much he's been impacted. He was
13 at biocycle on Tuesday and gave another rousing speech about
14 his MERF, and how he went from 69 percent down to 52 percent
15 because he doesn't have a market for his urban wood waste.
16 So I have provided Scott with some information in the past,
17 but I'd like to give him some recent information, which I
18 will today.

19 I have two case studies I'd like to share today.
20 This is from the Guadalupe Landfill. As you look on the page
21 there at one time Guadalupe in 1989 was diverting about 6,640
22 tons per year to the biomass market. In 1990 it went up to
23 17,000. In 1991 it was up to 16,900. In 1992 it was 18,600.
24 And by 1993 18,000. Now this is bone dry tons.

25 COMMITTEE CHAIRMAN CHESBRO: Can I interrupt you,

1 I'm sorry. This is too small, can you zoom in a little bit?
2 We can't quite read it here. Okay. A hard copy would help,
3 yeah. Thanks.

4 MR. EDGAR: So by 1993 Guadalupe was diverting up
5 to 18,000 tons per year. In 1994 due to this, the PUC
6 deregulation it went down to only 6,000 tons a year, and by
7 1995, zero. So each month they were burying over 1,500 tons
8 of wood waste that was being diverted. Now keep in mind this
9 is bone dry. If you times it by a two factor it would be wet
10 coming across the gate with about 15 percent fines that are
11 screened out. So in actuality instead of 18,000 tons you can
12 look at 36 to 40,000 tons that came across a gate when it was
13 weighed that is now being buried per year versus what was
14 being diverted.

15 COMMITTEE CHAIRMAN CHESBRO: How come it says wet
16 at the top, if it's bone dry?

17 MR. EDGAR: Well down at the bottom he left some
18 notes. Tonnage exported off-site expected to be two tons
19 inflation factor to be converted to incoming tonnage. I got
20 this from most recently, we haven't modified it yet.

21 COMMITTEE CHAIRMAN CHESBRO: Tonnage is now going
22 into the landfill you're saying?

23 MR. EDGAR: This is what has been exported off-site
24 from disposal to the biomass markets from 1989 to 1994. Now
25 the same waste streams coming in is not being exported

1 off-site, it's being buried at the Guadalupe Landfill. We
2 don't have any markets. They do have a, they will be
3 applying for a demonstration project for ADC to use it in a
4 functional manner.

5 Instead of showing the slides for Marin Sanitation
6 Service, I'll give them to Scott after this presentation.
7 But Joe Garbarino has been a friend of this committee a few
8 times and he was diverting up to 20,000 tons a year to the
9 biomass market, now he's doing zero. And he does have some
10 results that I will share with Scott later on, but on behalf
11 of Joe and at the Biosite Conference I have to convey his
12 message one more time, that he is losing money on this and
13 he is looking for all different opportunities within the
14 composting and ADC in order to find new markets for this
15 urban wood waste.

16 What CRRC would recommend today is that we realize
17 you have a deadline of March 31st and we would concur that
18 needs to go in front of the Board on March 29th. I'd like to
19 work with Scott the rest of the week to give him this
20 information to help him with the draft report so it can go
21 forward.

22 COMMITTEE CHAIRMAN CHESBRO: Okay. Well I think
23 that certainly can be accommodated. At the same time I think
24 it's important for the staff to take all the sources they can
25 and integrate the information and come up with the best

1 package they can.

2 I'd also like to say, while this report is kind of
3 a limited vehicle and the Board has viewed it that way in
4 terms of the what the original report and this update can
5 accomplish, probably the majority of Board members have
6 expressed great concern about what's going to happen with all
7 this, what is happening with all this, and I'd like to offer
8 at least in my sort of temporary position here as the Board's
9 representative, to be available and to represent the Board's
10 concerns on these issues.

11 In addition to that, I'd encourage you to be
12 working with the leg staff and the legislation committee with
13 regards to these bills that you're talking about. I don't
14 know the specifics, so I'm not going to get out on a limb,
15 but I think clearly the Board recognizes that there's serious
16 problems. I think we've been compelled to go through this
17 process with all the other agencies to put our input in with
18 theirs, but at the same time I think we should be in a
19 position of responding independently to legislation based on
20 the effects that that legislation would have on our programs.
21 And I would hope that we'd look at those bills, take them
22 seriously, and be prepared to try to speak up and be a party
23 and a player in the discussion.

24 MR. EDGAR: Thank you for your consideration today.

25 COMMITTEE CHAIRMAN CHESBRO: Sure. Okay. Next we

1 have Bob Judd representing the Biomass Alliance.

2 MR. JUDD: Thank you, Mr. Chairman, members. Mr.
3 Frazee, welcome to the first of many meetings. We, that is
4 the biomass industry, the operating plants, just received a
5 copy of this draft report yesterday afternoon at 2:00. We
6 have not completed our analysis of it and would like to work
7 with Scott and staff to correct what appear to be some
8 technical errors and difficulties in that. And we'd ask what
9 the timeframe on that would like to be? We'd like to respond
10 in writing early part of next week if that fits your planning
11 horizon?

12 COMMITTEE CHAIRMAN CHESBRO: Well clearly I think
13 the Board members would like to have any changes in time to
14 really look at them prior to the Board meeting and have staff
15 brief us on them, so I don't think we want to get them on the
16 morning before the Board meeting.

17 MR. JUDD: We'll do the best we can to get them.

18 COMMITTEE CHAIRMAN CHESBRO: I will ask staff to
19 look at that relative to certainly accommodate your need to
20 review the documents, but at the same time get a turnaround
21 on any modifications that are, that can, so they can take a
22 look at them and then have the Board members have time to
23 look.

24 MR. JUDD: Good.

25 MR. AUSTRHEIM-SMITH: Yes, I'm Steve

1 Austrheim-Smith. The current schedule for mailing the agenda
2 packets is, requires us to have everything completed by
3 Monday.

4 COMMITTEE CHAIRMAN CHESBRO: This Monday.

5 MR. AUSTRHEIM-SMITH: So if we could get anything
6 by Mr. Judd by Friday we could include it in that mass
7 mailing.

8 COMMITTEE CHAIRMAN CHESBRO: So there you have it.

9 MR. JUDD: Okay. We will try to do that. I have
10 been able to develop a few comments that I would like to
11 note, and then perhaps make a recommendation to the group if
12 I can. As you know, the biomass industry, the power plants
13 themselves consume over eight million tons of waste materials
14 annually. 1.7 million tons of that material is derived from
15 the urban waste stream, and I think we have agreement with
16 staff on this, as of the end of '94 there have been some
17 changes since then.

18 There are not 55 biomass plants currently in
19 operation as indicated in the report. There are 39 plants in
20 operation right now, one of which is a rice burner. So
21 effectively there are 30 operating plants in California right
22 now that combust urban wood waste and other waste materials
23 and sell it into the grid as electricity.

24 The primary and overriding reason that these
25 plants, the number of these plants has diminished is because

1 of the uncertainty introduced by the PUC blue book. The
2 other reasons that are listed in this report are ancillary
3 about S04 contracts and downsizing and other questions like
4 that pale in comparison to the effect of the PUC proposal.

5 In effect what has happened is that the uncertainty
6 created by the PUC proposal has caused a number of our plants
7 to make a decision to close even though it's a bad economic
8 decision, it may not be as bad as being put out of business.

9 What happens in these buy outs is real
10 straightforward. We have contracts with the investors and
11 the utilities, they come to our plant owners and say we will
12 buy out your debt, and we'll pay you a dime on a dollar for
13 the profit you would hope to make if you go out of business.
14 Some of 'em feel that a dime is better than nothing given the
15 uncertainty and lack of response that the industry has
16 received from the administration and the PUC so far.

17 Now what does that mean? First of all, it means
18 that in the short term that plants, those laid out in this
19 table five, and there's actually one addition to that that
20 needs to be made that we'll work out with Scott, there's now
21 over 600,000 tons of material that was going to the biomass
22 plants for conversion from the urban waste streams that are
23 no longer going there.

24 It's about a third of the materials that two years
25 ago were going to these plants, no longer go to these plants.

1 And while it's interesting to talk about using these
2 materials for ADC or for making particle board or park
3 benches or mulch out of them, it is our absolute belief that
4 nearly all of this material is going to landfills now. And
5 we hear from local governments that that is the case.

6 Consequently, it's taking the efforts that local
7 governments have made and the efforts that this Board have
8 made and shifting them from forward into reverse. That's a
9 high volume of unanticipated material going into the waste
10 stream, going into landfill at this point. There are other
11 consequences as well, both for the parties that Evan
12 represents, and the party that I represent.

13 Substantial loss of jobs in districts throughout
14 the state, substantial destabilization of investment in
15 equipment that has been made to handle these materials, not
16 just our plants, and they're 75 or a hundred million dollars
17 each to build, but the investment that the processors make
18 and grinding equipment and in transporting equipment.

19 There's a great push in California to attract new
20 industry in California. I argue that there should be an
21 equal effort, and to the extent it falls within your mandate
22 an effort here to protect the jobs and to protect the mandate
23 of this Board which is being set in reverse by this action at
24 the PUC.

25 Now there have been some actions as Mr. Chesbro

1 knows from previous discussions, and as new members may have
2 been briefed on. The Board did send a letter to Cal EPA
3 suggesting some concern about this, and some of your staff
4 has been participating in a agency secretary group to try to
5 reach a resolution on it. There, as I will say in a minute,
6 there is room for more action.

7 We do not agree that the, in conclusion four for
8 example, that if the waste management Board wants to help
9 preserve the biomass industry it's primary role is in
10 assisting, saying that it's role in assisting the industry is
11 limited. There's a lot more room for direct involvement in
12 this both through legislation and at the administration
13 level. If this industry's existence is important to the
14 Board's mandate there are more steps that can be taken in
15 addition to the steps that have already been, that have
16 already been taken.

17 We have for Scott the most current information on
18 the plants, that includes the four plants that went down
19 recently that took a termination, they were bought out by
20 PG&E. Our overall feeling about this document is that staff
21 has made a very good effort to upgrade the September report.
22 This points out, however, that -- I just want to find the
23 right language not to misquote, it essentially says that
24 there have been no changes related to diversion since the
25 first report came out in 19 -- September of '94.

1 That clearly is not the case. Multiple plants have
2 gone down, massive amounts of materials that were going to us
3 are now going to landfill. We would argue that this section
4 be upgraded to reflect reality. There is nothing else going
5 on in the waste management world that is sending more, new
6 unanticipated materials to landfill than the demise of the
7 biomass power plants.

8 We would also suggest that it is much more
9 important for this Board to stand tall and defend the biomass
10 power plant industry which is the reason that the processors
11 and the generators, and the gleaners and the transporters had
12 good businesses, than it is to talk about market assistance
13 or development of new markets. You would not have to develop
14 new markets if these plants came on-line. Our proposal to
15 the legislature, which is currently embodied in Assembly Bill
16 1202, would not only stop the bleeding and keep the current
17 plants on-line, but it would allow for those that went down
18 to come back into operation, both resolving our problems,
19 renewing the jobs in California, providing cleaner air, and
20 providing the safety net support mechanism for the
21 transporters and processors that are in the, that are in the
22 marketplace.

23 So we would recommend a much more active tone to
24 this report without getting stretched out too far on, but
25 sitting back and studying and observing and keeping a finger

1 on the pulse of the industry as the pulse fades all of the
2 assessments that would take place over time are meaningless.
3 It is very important to act now. We are bleeding to death
4 out there, and are looking for support from those who are
5 also affected by this PUC activity. Thank you.

6 COMMITTEE CHAIRMAN CHESBRO: Okay. You're welcome.
7 Questions? Comments?

8 COMMITTEE MEMBER GOTCH: No.

9 COMMITTEE CHAIRMAN CHESBRO: I would like to say
10 that first of all, in addition to the issues that the Board,
11 our Board has responsibility for that involve the capacity in
12 landfills as well as the question of Government's meeting
13 their diversion requirements, the other thing that I think
14 got touched on but that Mr. Garbarino makes very clear is
15 that this has had a very important role as a revenue source
16 for, across the Board recycling activities to help, help
17 operators, public or private, to pull less valuable materials
18 out of the waste stream because there's been an income stream
19 coming from the shipping of these materials to power plants.

20 And one of the most direct threats to operations
21 like Mr. Garbarino's is the loss of that revenue. And the
22 question of how can he continue to do the other things that
23 he does that may not generate the same revenue if he doesn't
24 have the income from this source. So that's a very practical
25 effect that is of real great urgency I think.

1 MR. JUDD: Similarly for the composters, Mr.
2 Chesbro. Many of the composters derived their material from
3 the finds that come from the grinding of large objects to
4 food fuel for us to the extent we go down the composters are
5 severely threatened as well.

6 COMMITTEE CHAIRMAN CHESBRO: So I would like to say
7 without, you know, commenting on a specific bill, because
8 there's nothing in front of us, and I'm not the chair of leg
9 committee, and that membership will have to look at that and
10 so will the Board. I think that I'll be very interested in
11 personally as one Board member in seeing that legislation and
12 responding to it. And I think I look forward to the Board
13 hopefully having an active response.

14 MR. JUDD: May I make one final point? I'm sorry
15 to take so much of your time. I'd like to raise this to the
16 Board because we will raise it to staff over the next few
17 days. We feel that the sections in here that interpret AB
18 688 raise a, provide language that certainly does not reflect
19 the legislative intent and may, in fact, be misleading about
20 the impact of AB 688 which was the Sher bill that passed late
21 last session.

22 We and others disagree with this interpretation of
23 it as well as feel that it doesn't reflect legislative
24 intent. We have meetings scheduled soon with senior staff
25 here to discuss that and work it out. I think in the present

1 form that it is in here it has the possibility of being
2 misleading and overly pessimistic, and I would urge that
3 either it be presented more broadly or deleted entirely from
4 this report since it is not particularly germane.

5 COMMITTEE CHAIRMAN CHESBRO: Okay. Well thanks for
6 your comments. We'll take those into account when we discuss
7 with staff what we're going to do with this.

8 MR. AUSTRHEIM-SMITH: Yes, Mr. Chairman, I'd like
9 to make a request of Mr. Judd that he could provide staff in
10 writing his numbers that he has as well as his
11 recommendations for ways that we could support his industry
12 such that we could accurately reflect them in our report.

13 COMMITTEE CHAIRMAN CHESBRO: We will include that
14 in our motion, and I assume speaking for the other members I
15 hope we will include that in our motion.

16 COMMITTEE MEMBER GOTCH: We will.

17 COMMITTEE CHAIRMAN CHESBRO: And I'd ask for it in
18 a timely information so that we can get the information out
19 as part of the Board packet. So --

20 MR. AUSTRHEIM-SMITH: One last request. I would
21 also request that that be done by Friday middle of the day so
22 that we can include them.

23 COMMITTEE CHAIRMAN CHESBRO: That is what I was
24 saying in a more bleak oblique, bureaucratic way that's what
25 I meant that it would be in time to be included in the packet

1 which is this Friday.

2 We have one more speaker request from Kent Kaulluss
3 representing Wood Industries Company, Visalia.

4 MR. KAULLUSS: Good morning, Planning Committee
5 Chairman Chesbro, and members of the Planning Committee. I
6 appreciate the opportunity to be here today. My name is Kent
7 Kaulluss, I'm with Wood Industries Company out of Visalia,
8 California, which is Tulare County. While I'm talking I'd
9 like to put up just one overhead only, and say that my
10 company is, has represented Tulare County since the mid 1980s
11 and -- and I don't think this fits this screen.

12 We are one of California's major wood processors.
13 We've been involved in the wood processing industry since the
14 mid 1980s. And our company is one of the ones that has been
15 drastically affected by the recent changes within the biomass
16 industry. We in Tulare County have traditionally recycled
17 over 100,000 tons of both green waste material and biofuels
18 for the cogeneration plants. We are one of the companies
19 that supplied start-up fuels to several of the facilities
20 that were built. And in Tulare County the most recent
21 closures have affected us the most. I would say within a 25
22 mile radius of the City of Visalia within Tulare County we've
23 had three plant closures that represent close to 400,000 tons
24 of biomass waste.

25 As being an operator at all of Tulare County

1 landfills, like I said, since the mid 1980s actually
2 inspired, influenced and encouraged by Senator Rose Anne
3 Vuich, Mark Shriber also through the Senate Out of Balance
4 Task Force hearings that were held that, Mr. Chesbro you're
5 familiar with as being a member, and two of our county
6 members were also on that task force.

7 We put together those type of programs. Looked and
8 saw the vision that Rose Anne Vuich had at the time and
9 interpreted the desires of the Waste Board at that time to
10 implement programs that would successfully recycle and
11 recover wood waste.

12 With the closure of these plants we have seen the
13 landfill figures go up this last month within Tulare County
14 the amount of wood waste that we receive there from about an
15 average of 12 to 1,400 tons a month that all three landfills
16 to 2,900 tons this past month. It's well over a twofold
17 increase of what's coming back in the landfills.

18 Our county does not have alternative daily cover as
19 an option, nor would they take that option because of some of
20 the environmental concerns. They've gone ahead and invested
21 the money to do a tarping program at the Woodville Landfill.

22 As you know in December we were here before the
23 Board along with my Board of Supervisors who sent a
24 representative also on their Board day when they only had
25 three in attendance back in Tulare County because they felt

1 it was important to represent our issues here. I think the
2 purpose of having this chart here is to show, as we all know,
3 there's a whole lot more use for biomass than just strictly
4 composting. And although it's not as relevant to the urban
5 wood waste report I really want to compliment staff for
6 bringing the attention to the Board of all the other
7 opportunities that have been overlooked through the language
8 of transformation as it exists now in 939.

9 Our company was chosen among 11 other companies
10 nationwide to, starting in a process that began about two and
11 a half years ago by the Department of Energy and the National
12 Renewable Energy Laboratory to start developing commercial
13 partnerships to promote biofuels alternative transportation
14 fuels from waste stream products as well as dedicated
15 feedstocks.

16 We've spent a lot of money in the permitting
17 process. We are a, have gone ahead with the compost
18 permitting procedure. We are exempt right now under the
19 limits. And we have, our county is also promoted in the
20 aspects of bringing biofuels to the county not only for our
21 urban waste stream, but also for our agricultural waste
22 products. So it's the four counties surrounding us
23 contribute about six million tons annually of agricultural
24 waste.

25 The purpose of being here today, I think, is out of

1 desperation. It was important enough to me to come back from
2 Arizona. I've moved the primary part of our operation and
3 our company in Arizona. At one time we had over 30
4 employees, and as of September when we lost our contracts we
5 were down to under 12 employees. We've operated successful
6 programs over the years, both in agricultural and urban with
7 a dedication to doing something about the environment,
8 cleaning up open air burning, and solving landfill disposal
9 problems.

10 Unfortunately because of the regulatory climate and
11 the things that have happened, our company has moved into
12 Arizona where we are seeing some wide open opportunities
13 start to take place. Hopefully this is a temporary
14 relocation. We are still part of this 11 company initiative
15 throughout the United States which involves also Weyerhaeuser.
16 Amoco, Westinghouse and several of the renowned universities
17 across the country, as well as Wood Industries Company being
18 the only one that has the opportunity to bring this to
19 California.

20 The way that the plant closures have happened, the
21 integration that can happen with a liquid fuels facilities
22 with existing biomass plants being overlooked precludes these
23 opportunities to take part in this national program, and it,
24 it's putting California behind with the rest of the nation is
25 doing when we were the leader in biomass energy at one time.

1 I just could go on forever, I think it's really
2 important that once again I, we ask for a determination on
3 Project Green being a viable alternative for Tulare County.
4 We have submitted that literature to staff members and also
5 to the Board. We feel that although the language does call
6 out transformation as you know through, include distillation,
7 berylliosis and other processes, that truly the greatest
8 barrier to biomass development now lies in the interpretation
9 of transformation.

10 It's hard to understand under recycling plastics
11 and glass are thermally or thermochemically transformed
12 either directly into new products or as a new raw feedstock.
13 Compost is microbial degradation of organic matter or it's
14 the language says biological decomposition, which is merely
15 fermentation that creates cellulose bacterius enzymes all in
16 the composting process.

17 Composite boards and etcetera are catalytically
18 reformed or extruded into finished structural or decorative
19 wood replacements. Newsprint paper, OCC is petrochemically
20 treated. Solvents and acids for deinking to create recycled
21 paper. Then it is thermochemically pulped, extractives such
22 as adhesive gums, oils, pigments are all hydraulically or
23 through berylliosis extracted. Metals are superheated for
24 molten separation and reclamation. Ethanol is hydrolyzed and
25 fermented.

1 There's really no difference in the processes. I
2 don't understand the barrier to being able to successfully
3 recycle biomass waste in a highly integrated system that also
4 involves the existing biomass plants that are already here to
5 work toward building a sustainable transportation fuel
6 industry here in California not to be relying on imports from
7 other states, but to build a new industry here for economic
8 development. All surrounding taking care of our waste
9 problems. So I'd like you to take that into consideration,
10 although I realize it's beyond possibly the forum of the
11 Urban Waste Report.

12 I think it's important for you to know that there's
13 companies that are being displaced from this and county and
14 municipality efforts that have gone forward for years to
15 truly meet the spirit of AB 939 that right now we have no
16 alternatives for that wood waste to go back into our
17 landfill. That's certainly a penalty for being one of the
18 early pioneers in successful waste recovery. I appreciate
19 the opportunity to speak on this today and if you have any
20 questions I'd be happy to try to answer them.

21 COMMITTEE CHAIRMAN CHESBRO: Well thank you very
22 much for that important perspective. Any questions?

23 COMMITTEE MEMBER GOTCH: Yes.

24 COMMITTEE CHAIRMAN CHESBRO: Ms. Gotch has a
25 question for staff.

1 COMMITTEE MEMBER GOTCH: I'm wondering if we have
2 any timeframe on when the Governor's office will release the
3 initial report or require some sort of a rewrite?

4 MR. MCFARLAND: I have no idea. It's outside of my
5 purview. We've had no communication with the Governor's
6 office, and now that the election is over I would hope it
7 would be soon.

8 COMMITTEE CHAIRMAN CHESBRO: It's just sitting there,
9 is that right?

10 MR. MCFARLAND: That's my understanding.

11 COMMITTEE MEMBER GOTCH: So would we expect this to
12 go through the same fate then?

13 MR. MCFARLAND: It could catch up with it.

14 COMMITTEE CHAIRMAN CHESBRO: Very important
15 question, thank you for asking it. I should point out that
16 we have taken it upon ourselves, because this happens from
17 time to time, to directly forward the draft of these reports
18 to the legislature, so I assume that the draft is in the
19 hands of the author's office.

20 MR. AUSTRHEIM-SMITH: Yes, it is.

21 COMMITTEE CHAIRMAN CHESBRO: And we made it, or at
22 least some of us made a valiant effort to get a piece of
23 legislation which would allow us to report directly to the
24 legislature and it passed on a widespread, bipartisan basis.
25 Mr. Frazee voted for it, if I recall, but it got vetoed by

1 the Governor, so we still have to put our reports through Cal
2 EPA, but good question.

3 COMMITTEE MEMBER GOTCH: Are you ready for a
4 motion?

5 COMMITTEE CHAIRMAN CHESBRO: I am.

6 COMMITTEE MEMBER GOTCH: Okay. I move that we
7 update this report where appropriate to reflect the new
8 information being submitted today for consideration of the
9 full Board.

10 COMMITTEE CHAIRMAN CHESBRO: Okay. And that we ask
11 the -- may I add to that?

12 COMMITTEE MEMBER GOTCH: Yes.

13 COMMITTEE CHAIRMAN CHESBRO: We ask the submitters
14 of information to do so in a fashion that would allow the
15 staff to make the modifications in time for the agenda
16 deadline, which is Monday. So staff needs to receive the
17 information by Friday.

18 MR. AUSTRHEIM-SMITH: That's correct.

19 COMMITTEE CHAIRMAN CHESBRO: Okay. That's in the
20 motion, too, so will you call the roll?

21 COMMITTEE SECRETARY MARSH: Board member Gotch.

22 COMMITTEE MEMBER GOTCH: Aye.

23 COMMITTEE SECRETARY MARSH: Chairman Chesbro.

24 COMMITTEE CHAIRMAN CHESBRO: Aye. Okay. Well
25 thank you all very much. And I hope you got at least the

1 hint that I intend to be a little more active and would like
2 to see the Board be active as this moves into the legislative
3 arena. No, I don't think we can put it on consent because
4 there's going to be some changes presumably. Okay. We're
5 getting towards the noon hour and we had had a request from
6 some out of town folks to take item 19 out of order, so they
7 won't have to spend too much of the rest of the day here, so
8 I'm going do that if nobody objects.

9 And item 19 is the update on the implementation of
10 the used oil characterization project by San Jose State
11 University. And Judy Friedman is going to introduce the
12 item.

13 ACTING DEPUTY DIRECTOR FRIEDMAN: That's correct.
14 The interagency agreement with San Jose State University was
15 approved at the May 25th, 1994 Board meeting. The purpose of
16 the project is to characterize the recovery rates and types
17 of contamination of used oil from various types of generators
18 in California. Part of the project includes several tasks
19 and part of the contract is for the contractor to report on
20 progress after the completion of tasks. So with that I'd
21 like to turn the presentation over first to Ms. Chau
22 Nguyentat from the Used Oil and Household Hazardous Waste
23 Branch and then she will introduce the contractor.

24 MS. NGUYENTAT: Good morning, Chairman Chesbro and
25 committee members. My name is Chau Nguyentat of the Used Oil

1 Recycling Analysis Section. The item before you today is the
2 update on the implementation of the Used Oil Characterization
3 Project by San Jose State University. In May of 1994 the
4 Board approved the interagency agreement with San Jose State
5 University to perform the Used Oil Characterization Project.
6 The Board members also requested that periodic status reports
7 be presented to the Local Assistance and Planning Committee.

8 This presentation is the first update on the
9 project. It will highlight the findings of the project so
10 far, as well as inform the committee on the progress of audit
11 tasks in the project.

12 The objective of this project is to identify
13 different classes or generators, identify major waste or
14 generating processes, and determine the chemical compositions
15 for used oil from each process, as well as the typical
16 recovery data from each process. As outlined in the item,
17 the project consists of several tasks, background analysis,
18 development of a test plan, development of sampling schedule,
19 site visits, sampling analysis, data analysis and a project
20 report. I now wish to introduce Dr. Michael Jennings from
21 San Jose State University. Dr. Jennings will present to the
22 committee the project results to date.

23 DR. JENNINGS: Good morning. Thank you. I am Mike
24 Jennings from San Jose State University. I'm the chemical
25 engineering department over there. And we're the ones that

1 are actual carrying out this particular project. As far as
2 the work, we're doing work that's part of a general project
3 here in terms of determining disposition of waste oil in
4 California. And our specific activity here is to try and
5 determine essentially the traction of diversion oil that is
6 typically recovered from waste oil from processes. And when
7 I say processes let me clarify that because as a chemical
8 engineer I have one definition and it doesn't necessarily
9 follow everybody elses. That means a particular use.

10 The other thing that we're trying to do is to
11 determine the fraction of waste oil that's suitable, and I
12 say here for refining, I should say for reprocessing or
13 recycling whichever you feel comfortable with, again, for
14 chemical engineer rerefining is taking it in one form and
15 turning it into another. So that's our, those are our
16 general, our specific objectives.

17 Let me see if I can make this thing fit. Okay. I
18 hope you can see this. This is just a quick general process
19 flow for oil consumption. You can see we have on the left
20 side fresh oil coming in for recycle, and then we go into the
21 generators. Now the crucial thing here is within the
22 generation area you have for each generator numerous types of
23 processes, and then they take the waste oil from those
24 processes put it in an integrated waste oil recycling tank.
25 At that point the break that comes with the waste oil

1 processors who come around and collect it, their waste oil
2 collection is an integrated thing, they may come to more than
3 one generator at one time, and then take it back to their
4 plant for processing.

5 Now I've shown here rerefining and fuel oil cut,
6 there are other reprocessing as well. And a portion of that
7 then is, of course, recycled back around to the front end.

8 The current data that's taken for characterization
9 occurs at what I marked here as sample point one and sample
10 point two. Sample point one is when the generator -- or the
11 collector checks the material before they accept it from the
12 generator. And then sample point two is when the generator
13 analyzes the material before they reprocess it.

14 Our project strategy here is to determine the major
15 waste oil generating processes. Which means that we need to
16 obtain typical recovery data then from each of these
17 processes. In other words, for each gallon of oil that goes
18 in how much is actually available for recovery? We want to
19 get a typical chemical composition of oil from each of these
20 processes, and then from that determine which produces the
21 best candidates for various kinds of oil reprocessing.

22 And then from that we're going to analyze this data
23 and provide our results in the final report. Now in order to
24 do this we have to add some sampling steps into the process.
25 This is a blow up from my first slide. What we need to do is

1 add in two more sampling points. The ones I've marked here,
2 the first one is at the discharge of each process we need to
3 know the chemical characterization of the material coming
4 from the process because it varies.

5 A given generator might have, for example, an oil
6 that comes from an engine that has a particular
7 characterization, hydraulic oil has another characterization,
8 etcetera. If those are all integrated into a single waste
9 oil recycle tank you really can't see at that point where it
10 came from, you can just see that you have a mass.

11 We also need to know what the actual recovery is
12 across the process, so I've shown this other data point which
13 says, in effect, we want to know what the recovery is.

14 Okay. So in order to carry this out we, first of
15 all, went out and did a literature survey to find out about
16 previous work. And there are a lot of reports out there. I
17 mentioned a couple here, a major one was done in 1984, it's
18 the so-called Franklin Report which looked at a national used
19 oil consumption processes, and that was fairly complete.
20 However, it was, again, a general report. It was not
21 specifically for California.

22 A more recent one is typified by this Vermont used
23 oil analysis. In this case, similar types of
24 characterization were completed primarily to see how the fuel
25 could be used in combustion, and whether it could meet

1 regulatory requirements. And we find that as we continue to
2 go on in this project there's more and more material out
3 there. It sort of surfaces as you work your way through. So
4 our literature survey has not, has not let up and will
5 continue probably throughout.

6 In terms of doing our actual study we realize that
7 we could do a certain limited number of samples, we could
8 analyze a certain number of samples within the time and funds
9 that were available. So we decided as an alternate to try
10 and establish a partnership with an existing major
11 reprocessor where we might be able to essentially leverage
12 our samples. In other words, we could do maybe 100, but if
13 they would give us access to their data we might be able to
14 leverage that up into the thousands. And that would give us
15 then a more comprehensive report.

16 So we went ahead and established a relationship
17 with Evergreen and we sort of have a background relationship
18 with DK in terms of the fact that these are two major
19 reprocessors in California.

20 This will allow us then to talk to these companies
21 and establish contacts for the major waste generating
22 companies. From these contacts then we're able to go in and
23 actually get those two pieces of data we need, the recovery
24 data, and the specific samples for composition analysis. And
25 then in addition to that they can give us some idea about the

1 information they've collected. Now these are integrated
2 samples, I have to point out for the collection companies
3 they're getting integrated samples, but we can look at that
4 and see how much of that information is available that we
5 might be able to use.

6 In assistance for developing sampling protocols
7 they've actually worked with us and explained which processes
8 they've typically used for analysis and given us some ideas
9 on how to be more efficient in our analyses.

10 And then finally they can give us some information
11 as to what affects their reprocessing methods, in other
12 words, what characterizes oil that allows them to choose to
13 make it a fuel stock or to make it a rerefining candidate or
14 to make it an asphalt candidate.

15 Now their incentive for participating in this is
16 that they can use the data we come up with and essentially a
17 generator education program. They can go back to their
18 particular generators and they can say, look, if you keep
19 these processes, the waste oil from these processes
20 segregated then maybe you won't contaminate oil in such a way
21 that it makes it more difficult or more costly to reprocess.
22 So eventually they're back into a generator reeducation
23 process, and that's their incentive for participating with
24 us.

25 Okay. So at this point now we've established

1 through this list that we've received from Evergreen a group
2 of contacts and generators where we can go in then and
3 actually independently get samples and recovery data. Our
4 priorities for going after this data is based on, first,
5 what's those oil, those processes that produce the most oil.
6 We would like to get as much oil as we can that's available
7 in our category.

8 So in other words, if we have a hundred samples of
9 a process that presents, that produces 10 percent of the
10 available oil that's worth something. But if we have 10
11 samples that cover 90 percent of the oil that's probably more
12 valuable in terms of predicting what's going to happen in the
13 future.

14 Our second priority then is to get breath and to
15 get the widest variety process as possible. Our eventual use
16 of this, as I said before, would be to allow particular types
17 of oils to be segregated prior to collection in such a way
18 that would enhance their rerefining potential, and make it
19 more efficient for the reprocessor. Those cost savings then
20 could go back to the generator and that would essentially be
21 their cost incentive to do the extra work for segregation so
22 it would be a pass down type of thing.

23 COMMITTEE CHAIRMAN CHESBRO: Okay. Presumably then
24 the increase in the value of the purer stuff that's been
25 segregated would help to offset the lower value of the stuff

1 that's left that has more contamination?

2 DR. JENNINGS: It's not necessarily lower quality.
3 In other words, what you're saying is you might have high
4 quality material that's currently being contaminated by that
5 other material and if you could avoid that type of mixing up
6 front then you make it a little bit more convenient for the
7 reprocessing.

8 COMMITTEE CHAIRMAN CHESBRO: Well I know it's not a
9 per comparison, but I think about the mixing of different
10 materials in other recycling streams like paper and things,
11 and while you certainly get a greatly enhanced value if you
12 can keep the white piece of paper separate from all the
13 colored paper. Then the question is what happens to the
14 value of the mixed product if you're pulling the higher
15 quality stuff out in advance, you know.

16 DR. JENNINGS: Okay. Well in this case, the total
17 amount would still be collected and we presume it would still
18 go to the same cuts, it's just the cost of reprocessing. It
19 may be possible and it's just a speculation that you could
20 have a higher fraction that's actually rerefined, for
21 example, to a higher value product this way because it's not
22 contaminated and it's not as costly.

23 COMMITTEE CHAIRMAN CHESBRO: They might actually go
24 to different uses --

25 DR. JENNINGS: Correct.

1 COMMITTEE CHAIRMAN CHESBRO: -- as a result of
2 segregation?

3 DR. JENNINGS: But it would all still be
4 reprocessed, it's just a question of how it would be split
5 up.

6 COMMITTEE CHAIRMAN CHESBRO: Okay.

7 DR. JENNINGS: Okay. So what our current effort is
8 to develop an analytical matrix standard, and we're trying to
9 do that right now, we need to develop procedures to do the
10 regulatory analysis for proprietary, priority contaminants.
11 Most of our analyses are going to be routinely done in our
12 labs, but we may send out some that are a bit esoteric,
13 because quite frankly, to build a lab up just for one
14 particular analysis is a little bit of a costly endeavor.

15 And then if we have specific samples that appear to
16 have high concentrations of PCBs or pesticides or other bad
17 actors we're working with the Waste Board to actually send
18 those to a certified lab for further analysis, but that's
19 beyond the scope of our activity.

20 We do want to develop procedures to analyze the
21 reprocessing potential of a particular stream based on
22 specific processes that are producing it. So if we have a
23 particular process that we can say this is the ideal
24 candidate for rerefining we make that a way, we make the
25 generator aware of that and they again have the incentive for

1 segregation.

2 And then we want to develop, of course, a standard
3 quality assurance procedures, make sure within a reasonable
4 air analyses how repeatable is our work.

5 Okay. So what do we hope to do with the results?
6 Well we want to use the recovery and the consumption data to
7 estimate essentially waste oil generation profile by process.
8 We'd like to be able to say if a generator has these five
9 processes on site and they use these quantities of virgin oil
10 in each of those processes they will recover a certain amount
11 from each process, it will have this chemical
12 characterization, and it can be reprocessed in this matter if
13 it's optimally segregated up front. That's how it could be
14 used, that's the ideal. How close we come to it, of course,
15 is another story.

16 We want to determine, essentially, the overall
17 composition of the waste oil flow from each process so we can
18 do that. And then using those, the standards for reference
19 feedstocks we want to estimate how much can be routinely
20 processed in each of the three streams I mentioned before.
21 Rerefining the base oil, fuel oil cut, and asphalt cut. Now
22 the industrial oil cut is in there, too, but it's really part
23 of the rerefining portion, so I don't break it out as a
24 separate one.

25 Okay. Finally just a little information here as

1 far as the project team. I'm doing this really with a
2 combination of quite a group of people. I mentioned
3 Evergreen Oil is working with us on a purely voluntary basis.
4 We have coordination with our generators through a
5 subcontractor to Oscal Recovery. And then I'm using my
6 students to develop the analytical facilities, and I have one
7 of my students that goes in to work, coordinate with
8 Evergreen directly. And so we're really sort of spread out
9 here. We're a team that's made up of a couple of industrial
10 components, and a couple of academic components.

11 And then finally I've got a couple of charts here
12 that show our overall schedule. And I won't belabor each of
13 these item by item, but I think the important thing is to say
14 our target on this was originally to be the end of June for
15 submission of the report. Quite frankly, I'm going to ask
16 for a little bit of an extension on that. We were a little
17 bit slow in starting our activity because we wanted to
18 determine whether or not we could effectively work with
19 Evergreen or with another reprocessor. If we didn't work
20 with them, as I said before, our number of samples that we
21 could process, or the data points we would have would be
22 severely limited, we'd have maybe, you know, one tenth or one
23 one hundredth of how many we could have this way. So we're a
24 little slow in getting going on that.

25 And at this point we probably would do a little bit

1 better if we could take it out over the summer. So what I'd
2 like to do is propose that we come back here in May and give
3 you an update as to our progress. And even though I've got
4 my schedule set up for that June date, quite frankly, I'd be
5 a little more effective if I could run it over the summer so
6 I might ask for an extension to the end of August.

7 Also, quite frankly, from an academic standpoint, I
8 get a little more done sometimes in the summer when we don't
9 have classes and a few other interruptions.

10 COMMITTEE CHAIRMAN CHESBRO: Can I ask staff if
11 there's any response, if there's any down side or problem
12 with going longer?

13 UNIDENTIFIED SPEAKER: No, not that we've
14 identified. I think the benefits are great with working with
15 these two companies to get, as Mike stated, to leverage the
16 data and to get a lot more information that's out there. It
17 really meets our goal for the project more effectively to
18 give them some more time.

19 COMMITTEE CHAIRMAN CHESBRO: So the deadline is not
20 fixed and if we miss it's not going to cost us?

21 UNIDENTIFIED SPEAKER: No, there was no time line
22 or no deadlines for any of this information to be used.

23 COMMITTEE CHAIRMAN CHESBRO: Okay. Well I guess
24 without giving a definitive yeah or nay at this point, I'd
25 just say work with staff to work on a revised schedule. And

1 I assume we'll be supportive of it if there's not any
2 problem.

3 DR. JENNINGS: Fine. If there's any other
4 questions on the work I'd be glad to answer them, and I've
5 got my team with me and they could help.

6 COMMITTEE CHAIRMAN CHESBRO: Any questions? Well
7 it seems like it's real important work relative to getting
8 the program in a position to work more efficiently. I assume
9 what you're talking about will lead to a higher level of the
10 actual use for newly, not new, what's the right word here, as
11 crank case oil as opposed to fuel. I mean will this process
12 come up with a higher, potentially a higher percentage?

13 DR. JENNINGS: Ideally it would work that way, you
14 wouldn't contaminate the oil, it could be used for the higher
15 quality recycling. In other words, you get more recycle than
16 less actually consumed as fuel. I know that's not the
17 primary objective of the Board, but I think it would
18 certainly allow for even higher levels of recycling.

19 COMMITTEE CHAIRMAN CHESBRO: Well it's not the
20 primary objective, but our, you know, our market development
21 site, which is admittedly a different body of law and
22 originates from a different place, I think we talked about
23 value added and trying to seek the highest and best use for
24 materials. We have sort of a hierarchy of market development
25 where we're trying to move materials towards the point where

1 the best value is being extracted from the waste material.
2 And it seems like both from an environmental and economic
3 standpoint that it makes sense for us to look at the higher
4 use which is to have rerefined motor oil for engines.

5 So while that hasn't been adopted yet as an
6 explicit priority, that's certainly where I'm looking and
7 where I see us going. So I think it's important that we have
8 the tools in place to do that.

9 DR. JENNINGS: Okay. Good.

10 COMMITTEE CHAIRMAN CHESBRO: That's an interesting
11 and important aspect of it I think.

12 DR. JENNINGS: I'd like to say it's a priority for
13 us too to have a chance to work on these kinds of projects at
14 the university. I have a lot of students that have a high
15 interest in environmental activities and getting the
16 profession as environmental specialists, this is one of the
17 best opportunities I can give him to be part of it early, so
18 we appreciate that.

19 COMMITTEE CHAIRMAN CHESBRO: Okay. Any other
20 questions? Comments?

21 COMMITTEE MEMBER GOTCH: Thank you.

22 COMMITTEE CHAIRMAN CHESBRO: Thank you. Go forth
23 and do good work. Thanks for coming over. And I think we
24 will break for lunch at this point and be back at 1:30.

25 (Thereupon the lunch recess was taken.)

1 P

2 A F T E R N O O N S E S S I O N

3 --o0o--

4 COMMITTEE CHAIRMAN CHESBRO: Okay. Afternoon
5 session. The next item -- well actually before the next item
6 let me do two ex partes which I had just before lunch. I had
7 a discussion with Steve Jones of Cal Sierra Disposal about
8 solid waste facilities in -- help me out Steve?

9 MR. JONES: Tuolumne County.

10 COMMITTEE CHAIRMAN CHESBRO: Tuolumne County, I'm
11 sorry. I've got a cup of tea here, maybe it will get my
12 brain going again. I also had a brief conversation with Rick
13 Best about the next item, item seven.

14 COMMITTEE CHAIRMAN CHESBRO: Okay. Speaking of
15 item seven it is consideration of the staff's findings on
16 accuracy problems in the solid waste generation studies base
17 year data. And I will introduce Judy Friedman to introduce
18 the item.

19 ACTING DEPUTY DIRECTOR FRIEDMAN: Before I
20 introduce staff I'd like to set the context for this item.
21 The item was developed as a result of concerns raised by
22 local government during the development of several things,
23 including the disposal reporting regulations, the adjustment
24 methodology, and as we have reviewed, the source reduction
25 recycling elements.

1 The committee had directed staff to investigate
2 these concerns and to try to catalog them. So staff
3 undertook the informal survey which is described in the
4 agenda item. Although the report indicates potential for
5 problems in base year data I would like to remind the
6 committee that compliance with the act is based not just upon
7 measurement but also upon program implementation as described
8 by the statute, and in your recently adopted CWIMP
9 enforcement policy.

10 In addition, since we don't know the full extent of
11 the problems, we suggest a cautious approach to resolution.
12 With that I would like to introduce Sherrie Sala-Moore of the
13 Waste Characterization and Analysis Branch who will make a
14 presentation for staff.

15 MS. SALA-MOORE: Good afternoon. I'm here to
16 discuss staff's findings on the accuracy problems with the
17 solid waste generation studies base year data. But before
18 discussing the findings it will be helpful to review some
19 background information.

20 In January of '90 Assembly Bill 939 required all
21 states to conduct solid waste generation studies also
22 referred to as SWGS. And in those studies they had to
23 quantify the base year solid waste generation amounts which
24 is a disposal plus diversion amounts. And at the time the
25 studies were conducted there were very few accounting systems

1 in existence that recorded volume or tonnage by the
2 jurisdiction of origin.

3 The BOE, Board of Equalization data was kept to pay
4 the fees, but these amounts usually represent regional
5 multi-jurisdictional data. The regulations provide
6 jurisdictions with flexibility in selecting methods to use
7 and allow them to disaggregate regional data on a
8 proportional basis. They were allowed to allocate the
9 regional data to individual jurisdictions based on
10 population, economic, or other characteristics.

11 At the time of the initial studies there were many
12 facilities that did not have scales installed. There were
13 many sources of disposal and diversion data that chose not to
14 cooperate in providing information, and at the time of the
15 studies jurisdictions were not focused on measuring goal
16 achievement. Initially the compliance accounting system was
17 to be generation based. Jurisdictions may have been aware
18 that they would be required to record the actual disposal and
19 diversion amounts in '95 and 2000 to measure compliance, but
20 they may not have realized the importance of the base year
21 generation tonnage.

22 Conducting the initial studies made it clear that
23 quantifying diversion was very difficult and cost intensive
24 process. Assembly Bill 2494 became effective in January of
25 '93, and changed the compliance accounting system from a

1 generation base to a disposal based system.

2 The base year generation from the SWGS sets forth
3 the tonnages from which compliance with the 25 percent and
4 the 50 percent diversion goals will be measured.

5 In discussions with jurisdictions staff have
6 stressed that the law requires the Board to examine program
7 implementation not just meeting the diversion goals. And the
8 Board has provided guidance to jurisdictions. The processing
9 criteria that Board staff will use for compliance enforcement
10 purposes are outlined in the Board's recently adopted CWIMP
11 enforcement report, part two, which is entitled, "Failure to
12 Implement a SRRE and a HHWE.

13 As discussed in this report the law states that the
14 compliance will be based on whether programs have been
15 implemented and upon whether or not the diversion goals are
16 met.

17 Since the time of the initial studies many
18 facilities have installed scales. Although there are still
19 some that do not have them. And many facilities have set up
20 more accurate accounting methods. Other jurisdictions expect
21 to gather more accurate disposal data using the Board's
22 standard disposal reporting system which went into effect in
23 January.

24 Now that more accurate data is available, many
25 jurisdictions have made comparisons with the SWGS base year

1 data and their current actual data, and some jurisdictions
2 have found discrepancies. These discrepancies have resulted
3 in some jurisdictions questioning the reliability of the
4 original numbers, and they are concerned about the potential
5 impact on their ability to meet the 25 percent and 50 percent
6 goals. Although as stated earlier, the Board's policy is to
7 examine SRRE program implementation, not just meeting the
8 diversion goals.

9 In response to these concerns which were raised in
10 the development of the adjustment method in disposal
11 reporting regulations, the committee directed staff to
12 investigate the problem. And to do so staff conducted a
13 telephone survey.

14 Okay. Moving on to the telephone survey. I'll
15 discuss briefly how the survey group was selected, the
16 representation of the survey group, the method that was used
17 to conduct the survey, and then the results of the survey.

18 Jurisdictions were selected based on one of three
19 criteria. They included participants of the adjustment
20 method. These were jurisdictions that were either work group
21 members or were field testing jurisdictions. They were
22 selected since they were familiar with our base year data,
23 and make comparisons with their current data.

24 Jurisdictions that had notified staff of problems
25 with their base year data and had requested guidance were

1 included in the survey group.

2 And other jurisdiction were selected at random for
3 a more representative statewide sampling.

4 The survey group consisted of 28 cities and 22
5 counties for a total of 50 jurisdictions. It represents 23
6 percent of the states population, and about 25 percent of the
7 state's base year generation tonnages. And looking at the
8 survey group demographics, the survey group percentages were
9 very comparable to the statewide distribution. Twenty-two
10 percent of the survey group were northern jurisdictions, 40
11 percent were southern, and 38 percent were central.
12 Twenty-six percent of the jurisdictions were rural, and 74
13 percent were urban. And 64 percent were coastal areas, 18
14 percent, mountain areas, and 18 percent valley areas.

15 Conducting the telephone survey staff reviewed the
16 SWGS for each jurisdiction prior to phoning the jurisdiction
17 to have a general understanding of how each study was
18 conducted. They let the contact person know that the survey,
19 why the survey was being conducted, and assured them of
20 confidentiality, that the data would only be presented in
21 aggregated form, and that the information they provided would
22 in no way be used for enforcement purposes.

23 Staff then asked if they believed their SWGS base
24 year generation amounts were reasonably accurate, if they did
25 not believe that they were accurate staff asked if they were

1 aware of the specific types of problems with the data. And
2 for each type of problem they identified staff asked if they
3 believed the problem understated or overstated the generation
4 amount, and also if they could quantify the actual magnitude
5 of the error. Staff then asked for any other comments
6 regarding their concerns or ideas for potential solutions.

7 Moving on now to the survey findings. Of the 50
8 jurisdictions sampled, 15 indicated that they believed their
9 inaccuracies in their base year data understate the
10 generation amounts. Six feel that their generation amounts
11 are overstated. Eleven jurisdictions were not certain if
12 their generation amount is understated or overstated, but
13 feel that it's not accurate. Twelve of the jurisdiction
14 group of the survey indicated that their generation amounts
15 were both understated and overstated. These were
16 jurisdictions that participated in regional studies. Some of
17 the studies were conducted on a county-wide, or partial
18 county-wide level.

19 And most of these jurisdictions indicated that as a
20 region they felt that the generation amounts were fairly
21 accurate. But at the jurisdiction level they believed that
22 some jurisdictions have generation amounts that are low,
23 while others are high. Five jurisdictions believed their
24 generation amounts had no significant errors and were
25 reasonably accurate. And another two jurisdictions indicated

1 their disposal amounts were reasonably accurate, but their
2 diversion amounts were too low. One jurisdiction declined to
3 participate in the survey.

4 These results indicate the accuracy problems with
5 the base year data are potentially significant. Although it
6 should be noted this is not a quantitative scientific study
7 and it may be skewed since it included 17 jurisdictions, one
8 third of the survey group that had contacted us regarding
9 problems with their base year data.

10 Also the magnitude of the errors is unknown. Only
11 several jurisdictions provided estimates on the amount of
12 their errors. One jurisdiction estimated inaccuracies made
13 their generation amount off by as much as 10 percent. And
14 two others estimated their error rates to be plus or minus 25
15 percent.

16 Jurisdictions identified various types of problems
17 that they believed may have caused inaccuracies in their base
18 year generation amounts. A jurisdiction may have identified
19 one or more of these types of problems as being applicable to
20 their situation. The most common base year problem
21 identified by 24 jurisdictions was that errors occurred at
22 the difficulty in accurately allocating regional waste data
23 to the jurisdiction level.

24 The second most common problem identified by 15
25 jurisdictions was that scales were not installed at the

1 landfill or landfills at the time of this study so disposal
2 tonnages had to be estimated. Understated base year
3 diversion amounts were a problem identified by 14
4 jurisdictions. Jurisdictions and consultants have expressed
5 that many existing diversion programs were difficult to
6 quantify, and that they were very costly due to the time
7 intensiveness of the process.

8 Eleven jurisdictions believed that errors occurred
9 at certain types of waste or waste from certain sources were
10 overlooked or counted more than once. Such types of waste
11 included waste from large containers and industrial drop
12 boxes. Also a jurisdictions tonnages may not have accurately
13 reflected imported and exported waste amounts.

14 Another problem identified by seven jurisdictions
15 was that their annual disposal tonnages were extrapolated
16 based upon the quantity of businesses, limited sampling, or
17 survey data. For example, some jurisdictions use the tonnage
18 amount from their sampling period and extrapolated that data
19 out to an annual amount. The limited sampling data used may
20 not have been sufficient to calculate an accurate annual
21 amount. Factors such as seasonality can produce variations
22 in the amount of waste disposed that may not have been
23 accounted for.

24 Five jurisdictions believe that a problem exists,
25 but they're not able to identify the nature of the problem.

1 They may have compared the base year data with more current
2 data and found discrepancies, but have no idea what the
3 possible causes are.

4 Four jurisdictions identified accuracy problems due
5 to insufficient sampling period, size, or frequency.
6 Sampling may not have been random or, again, may not have
7 been sufficient to include effects of seasonality.

8 Three jurisdictions were concerned with accuracy
9 problems from using comparable data that now appears not to
10 be representative of their actual conditions. For instance,
11 one jurisdiction used a per vehicle rate taken from another
12 jurisdiction's study to calculate their self haul tonnages.

13 One jurisdiction stated that their base year
14 disposal amounts included unique wastes. They had a
15 significant amount of waste disposed in the base year due to
16 an earthquake. They also indicated it may not be possible to
17 accurately isolate the amount of waste directly related to
18 the earthquake. Other types of unique waste may have been
19 included in the base year amounts for other jurisdictions.
20 This would result in some discrepancies that may not be
21 identifiable.

22 Now we'll discuss the potential solution options.
23 I'll be discussing the statutory authorization for making
24 revisions to the base year SWGS, when jurisdictions could
25 make revisions, and then present the potential solution

1 options. The framers of the law anticipated that future
2 revisions might be necessary and they made provisions for it.
3 Public Resources Code Section 41770.5 authorizes a
4 jurisdiction or regional agency to revise or amend its source
5 reintroduction and recycling element at any time to
6 incorporate new or revised data, or to make other changes
7 that are necessary to comply with the diversion requirements.

8 Thus the jurisdiction may revise the SWGS, which is
9 a portion of the source reduction recycling element at any
10 time. Revisions are to be submitted to the Board for review
11 and approval. If the changes are significant local
12 readoption may be required before a revision is submitted to
13 the Board. A jurisdiction may choose to wait and provide the
14 detailed description and analysis for the need to revise the
15 SWGS in its annual report.

16 One of the requirements for the annual report is
17 that the jurisdiction discuss the need to revise, or the
18 adequacy of the planning document. The jurisdiction could
19 wait and make changes at the time of the five year review of
20 their SRRE. The statute specifies that each jurisdiction
21 shall review the SRRE at least once every five years to
22 correct any deficiencies, to comply with the SRRE
23 requirements, and to revise the document as necessary.

24 During the Board's biennial review the Board may
25 find that a revision of the SRRE is necessary. The Board

1 will present its findings at a public hearing and direct the
2 jurisdiction by resolution from the Board to revise its SRRE.
3 Due to the diversion and complex nature of these problems
4 there is no one simple one size fits all solution. All
5 potential solutions would require staff review on a
6 case-by-case basis.

7 Now we'll examine some of the potential solutions.
8 If a jurisdiction believes that a problem exists but does not
9 know what it is, they could investigate this further on their
10 own or with the assistance of their consultants.

11 Unfortunately, it may not be possible for all jurisdictions
12 in this situation to determine the nature of the problem.

13 Due to changes of personnel within the jurisdictions and
14 consulting firms that prepared the SWGS, the jurisdiction may
15 not be familiar enough, or have access to those who are
16 familiar enough with the SWGS to be able to identify
17 problems.

18 Several jurisdictions mentioned that their
19 consultants provided only summary information with the SWGS
20 so they have no way to figure out how the amounts were
21 derived. And with the passing of time it will become
22 increasingly more difficult to investigate problems.

23 For those jurisdictions who are able to identify
24 the nature of the problem or problems, an option would be to
25 allow a jurisdiction to make specific corrections to the base

1 year generation amounts based on more accurate reasonable
2 data. This option could apply to all of the known problem
3 types.

4 For example, allocation errors could be mitigated
5 by applying more accurate reasonable methods of allocating
6 regional data if now available. Or for facilities without
7 scales corrections could be made by applying a more
8 representative volume to ^{WEIGHT} wait conversion factor. Or if a
9 jurisdiction could reasonably demonstrate they were diverting
10 more in the base year than was originally quantified in the
11 SWGS, they could make a correction.

12 But not all these jurisdictions with these types of
13 problems will be able to quantify and document more accurate
14 or reasonable data to make specific corrections. As the
15 allocation of regional tonnage data to individual
16 jurisdictions was the number one problem identified in the
17 telephone survey, errors could be avoided, or at least
18 minimized, for jurisdictions that choose to form a regional
19 agency. Many jurisdictions have expressed an interest in
20 forming regions, however, some are hesitant to pursue it
21 because of the perceived liability.

22 If the regional agency does not meet the goal the
23 region could be fined up to \$10,000 per day multiplied by the
24 number of jurisdictions within the region. Jurisdictions are
25 concerned that they may be liable for actions of other

1 jurisdictions over which they have no control. It should be
2 noted that the Board has provided for these types of concerns
3 in the Board approved CWIMP enforcement report. The report
4 states that consideration of no fines or penalties on a
5 member of the regional agency may be given by the Board if
6 the member agency has demonstrated to the satisfaction of the
7 Board to have made good faith efforts to implement the
8 programs assigned in the regional SRRE.

9 Another option applicable to all the problem types
10 would be to conduct a new generation or diversion study or
11 focus study on the waste type, category, or sector of
12 concern. A new study may provide enough information for the
13 jurisdiction to discover the area or areas of inaccuracy in
14 the base year data.

15 The jurisdiction could then make specific
16 corrections to the base year generation amounts based upon
17 more accurate or reasonable data. And if the jurisdiction is
18 still unable to identify the nature of the problem or
19 quantify a correction, the study still might verify the
20 inaccuracy of the base year data and documentation could be
21 submitted and discussed in the annual report.

22 An additional option which has been suggested by a
23 few jurisdictions is establishing a new base year. This
24 option could apply to all of the option types, but is likely
25 to require statutory changes. The law now requires a base

1 year waste generation study that measures both disposal and
2 diversion. A new base year would require a new diversion
3 study to quantify the diversion amount. The disposal amount
4 will be reported using the new disposal reporting system.

5 The compliance measurement to determine whether
6 achievement of the diversion goals has been met is based on
7 disposal reduction. The maximum allowable disposal amount is
8 calculated for compliance using the base year generation
9 amount. To avoid the difficulties in quantifying a new base
10 year diversion amount some have suggested having a direct
11 comparison in disposal amounts in the base year, to disposal
12 amounts in the compliance year. However, this would not
13 allow jurisdictions to receive credit for the base year
14 diversion activities.

15 While a new base year is an option for
16 consideration, at this time staff believes it would be best
17 to obtain further information before proceeding with this
18 option.

19 As previously stated, there is no simple one size
20 fits all solution due to the diverse and complex nature of
21 these problems. Therefore, another option would be for the
22 Board staff to continue to investigate base year accuracy
23 problems and develop potential guidance.

24 The Local Assistance and Planning Committee members
25 may decide to adopt the potential solutions to correct for

1 accuracy problems in the solid waste generation studies base
2 year data and forward them to the full Board, to direct staff
3 to revise the agenda item, and, or to direct staff to send
4 the agenda item to jurisdictions for review and comment,
5 analyze the comments, revise the item as appropriate, and
6 bring the item back to the committee.

7 Because the survey sample size was limited and base
8 year inaccuracy is such a complex and important issue, staff
9 recommend that the Board obtain information from
10 jurisdictions on the nature and extent of base year problems,
11 and solicit ideas on additional options to deal with the
12 problems. Therefore, staff recommends the committee to
13 direct staff to mail the agenda to jurisdictions for a 30-day
14 public review period to analyze the jurisdictions comments,
15 revise the item as appropriate, and bring the item back to
16 the committee for consideration. Thank you.

17 COMMITTEE CHAIRMAN CHESBRO: Okay. Thank you. My
18 initial response to it is to, first of all, say I think it's
19 important that this work's been done, but it's also important
20 not to overstate the problem or to -- I think we're
21 responding to concerns that local jurisdictions have about
22 the degree of, the perceived degree that there's a problem
23 out there, but just to summarize, and I think you've
24 mentioned all these, so I'm repeating what you've said, but
25 jurisdictions can correct their problems now, there are

1 mechanisms for that, and I think that's very important. And
2 I think we need to put that in any information we put out
3 circulating to the local jurisdictions that what the existing
4 tools are to address these problems.

5 Secondly, as you also said, compliance is not just
6 a result of the diversion percentages, but a question of
7 program implementation. And I have said here at this
8 committee and in various talks I've given around the state,
9 you know, program, program, program, get your good programs
10 going, the numbers in the long run, while they're important,
11 they're in the law, they're, the critical thing is getting
12 good effective programs up and running and not overly
13 focusing on the numbers. And in our regulations and in the
14 law we've got a balance where both of those things have to
15 take place. But I think an overemphasis on the numbers and
16 an underemphasis on programs can lead to worrying too much
17 about the profession of base year numbers.

18 And then the third thing is that a fair percentage
19 of the problem with the limited survey group you have is a
20 problem of underreporting of diversion, you know. So in
21 terms of the question of our, what the effect would have, be
22 on our, a payment of the diversion goals, I don't think it's
23 a negative effect. I mean, I think that the fact is that
24 those activities are going on, and after all it's the
25 activities that, if we get back from our enforcement

1 requirements in the law, the goal is to have diversion take
2 place. And this base year issue is really a measurement
3 question not a question of whether or not the actual
4 diversion is taking place.

5 But I do support the staff's recommendations with
6 the emphasis to the jurisdictions that, that there's, there
7 are existing mechanisms available to address these problems
8 that they can use if they have concerns.

9 Yes, Mr. Frazee.

10 BOARD MEMBER FRAZEE: You are now catching my
11 interest on this issue, and I have some questions that are
12 prompted by the situation that exists in the county where I
13 reside, and in how you put these numbers together, how you
14 measure these things. And I certainly agree with the
15 Chairman that perhaps we can overemphasize the goal and not
16 put the real effort on the programs.

17 But in the area where I live there are
18 jurisdictions, for the most part, that all fed their solid
19 waste to a single landfill facility. Now one or more of
20 those jurisdictions is transporting outside the State of
21 California. One or more is transporting outside of San Diego
22 County, but within California. And there is a separation
23 facility operating. And the input to that facility, some of
24 it may be from jurisdictions that have a curbside recycling,
25 and some of it may be from jurisdictions so that, you know,

1 the good things are already removed before it gets there.
2 And some jurisdictions are bringing the entire waste stream
3 to that facility.

4 And this just, it seems to me that that's a
5 nightmare for accounting and determining, starting from the
6 original situation how much is really being processed and how
7 well we're documenting, the goals that are being met. And
8 that was kind of prompted by, I think you used the words
9 "disposal based accounting," which, to me, and tell me if I'm
10 wrong, means that we're counting what actually ends up at the
11 landfill. And so in, you know, that prompts the question, is
12 solid waste being transported outside of California? Is that
13 a diversion? And how do we state that in the regulations?

14 MS. SALA-MOORE: Its in the disposal reporting
15 regulations. Correct me if I'm wrong, Lorraine.

16 MS. VAN KEKERIX: The Board just established
17 disposal reporting system, and actually that, some changes to
18 that that deal with some calculations will be in front of the
19 Board at the March Board meeting. Recently went into place
20 and waste disposal is measured to include waste that goes out
21 of state, and waste that moves between jurisdictions within
22 the state. So that wherever the waste is taken from the
23 jurisdictions down in San Diego County, if it ends up, say,
24 Imperial County, when it gets to Imperial County during a
25 survey week the driver of the vehicle is going to be asked

1 where it comes from, and they have to report the jurisdiction
2 that it comes from. So we're trying to account for the waste
3 that's both exported out of state, and that moves between
4 jurisdictions. And it is a difficult proposition.

5 BOARD MEMBER FRAZEE: In order to add to the
6 confusion we now have a situation with this facility where
7 private haulers are being asked where their load came from.

8 MS. VAN KEKERIX: That's correct.

9 BOARD MEMBER FRAZEE: And there's a differential
10 fee if it came with, from one city or even the backyard
11 personal hauler. If it came, if they reside in one city
12 they're paying a differential fee than if they reside in
13 another city. So it, you know, I'm just beginning to get a
14 sense of the complications of how you account for all of
15 this.

16 COMMITTEE CHAIRMAN CHESBRO: I think we need to go
17 through the steps of establishing the most credible
18 measurement system we possibly can with an understanding that
19 we're never going to have a perfect measurement system. And
20 because we're never going to have a perfect measurement
21 system the most important thing for us to emphasize is
22 programs, you know. And we're required to do both under the
23 law, and I'm not trying to just say write off the measurement
24 of the quantities, and I think that's important as a part of
25 the whole formula.

1 But in our enforcement process we've got both
2 factors taken into account, the question of did the
3 jurisdiction fully implement the programs that they have
4 identified in their local plans, that's one thing. And then
5 there's the numbers. And those two things there's an
6 interplay between them in determining whether the
7 jurisdiction has complied with the law and that's an
8 oversimplified explanation of it but that's basically the
9 components.

10 And I think we could, you could identify a lot of
11 weak spots in the measurement system. I think over the years
12 Assemblyman Sher has attempted with his clean up bills and
13 with the input from the Board, and the effective local
14 governments, and the environmental community, to refine it
15 and make it better and get closer and closer, but inherently
16 trying to set up a system of measurement. Impose a system of
17 measurement on the real world which is very, every county,
18 the lay of the land is different in terms of who operates
19 facilities and how they operate. So what we've attempted to
20 do is put the best, I think the best possible measuring
21 system in place, but there has to be the acknowledgment that
22 it's not going to ever have the absolute perfection that
23 we'll be able to say to one jurisdiction, you're at 24.9,
24 percent, oh, you're nailed, and somebody over here you're at
25 25.1 and you're home free, it's not going to work like that,

1 you know.

2 MS. VAN KEKERIX: We'd be happy to provide you with
3 additional information on the measurement system if you'd
4 like to have that before the Board meeting?

5 COMMITTEE CHAIRMAN CHESBRO: Anything to add? We
6 do have a request from Rick Best, Californians Against Waste,
7 to address the Board.

8 MR. BEST: Thank you. Rick Best with Californians
9 Against Waste. And welcome Mr. Frazee and committee members.
10 I, I first, I guess, want to open up with, I guess, somewhat
11 of a frustration of dealing with this issue now two years
12 after AB 2494 was passed. You know we, the Board here put
13 together the proposal that ultimately became 2494 and the
14 disposal based method of accounting in response to local
15 governments frustrations with the existence, the previous
16 generation based system and the difficulties in collecting
17 numbers and 2494 in the disposal based system was developed
18 as a way to respond to local governments frustrations with
19 that, and to develop a system which would be more, easy to
20 implement for those jurisdictions.

21 It was -- I think I understood at that time that,
22 you know, when you're having only two pieces of the pie
23 instead of all three pieces of the pie that there are
24 definitely difficulties in making sure that the data is as
25 accurate as possible. There was language put in the 2494 to

1 encourage the disposal based system be developed and be as
2 accurate as possible.

3 But I think there was some recognition that we're
4 not going to have the most complete picture possible, and
5 that's why it's important to understand that the enforcement
6 of 939 is twofold, it's not only implementation of the goals
7 and meeting the 25 and 50 percent numbers, but also
8 implementing programs.

9 And I think, certainly in the, as the Board is
10 developing these, the implementing the regulations for
11 disposal based accounting, that the Board probably needs to
12 put even more emphasis right now on the program aspects as
13 we, you know, iron out the difficulties, and understanding
14 how the Board is going to be checking the 25 and 50 percent
15 requirements.

16 Two, the issue of what's before the, the staff
17 report that's before the Board. I guess, my initial reaction
18 was not understanding what the purpose of this report
19 ultimately would be and what the purpose is sending it out to
20 jurisdictions. I guess, the unscientific nature of it is, is
21 my frustration in the sense of this is initially just a
22 survey, a telephone survey of jurisdictions trying to get a
23 general idea of what's going on. I think that's valuable, it
24 provides some information to the Board, but it doesn't
25 provide a picture as to what is the impact, you know? What

1 are we talking about in terms of what are the numbers that
2 are in question? Is it five percent, 10 percent, 50 percent,
3 you know, there's no data as to that. There's some
4 assertions in terms of it may be 10 percent for some
5 jurisdictions, a couple jurisdictions reported 25, but we
6 don't know what is that overall impact.

7 I would guess that many of the errors are the
8 result of not having scales at landfills and those kinds have
9 issues. Those issues are going to mainly in rural areas, and
10 rural areas certainly don't generate the majority of the
11 waste stream in California. And with the passage of AB 688
12 last year I think we've tried to address those issues and
13 make the Waste Board's planning process for those
14 jurisdictions be more focused on, you know, what are the
15 appropriate programs for rural areas, and thus so meeting the
16 25 percent number exactly.

17 So I think as the Board moves with this, with this
18 discussion they need to recognize and look at, you know, what
19 are the percentages we're talking about.

20 Secondly, it, while it presents, presents some
21 examples of jurisdictions which are saying that their numbers
22 are underestimated, you know, how many jurisdictions are over
23 estimating? For every jurisdiction which, you know, has
24 misallocated numbers and are reporting and under, you know
25 underreporting their generation. There's also another

1 jurisdiction that is overreporting their generation and,
2 therefore, having an easier time meeting 939.

3 And so I'd, when the Board, if the Board moves
4 forward with any sort of recommendations they need to
5 recognize that in order to be fair the Board has got to be
6 looking at changes which make sure that the overall system is
7 as accurate as possible, and not simply helping out those
8 jurisdictions which have underreported their generation.

9 In terms of the specific recommendations that were
10 made by staff, number one, I mean absolutely I don't think
11 the Board is at a situation where, you know, we can discuss
12 replacing the baseline generation. I mean, I think at this
13 point the Board needs to be, remain focused on assessing the
14 25 percent goal and trying to work within the system that we
15 have now. Perhaps the Board needs to look at as it develops
16 the disposal and diversion reporting systems, ways it can
17 improve that, and perhaps ultimately, some day, replace that.

18 But at this point, I mean, the Board is not in a
19 situation, the Board has to remain focused with now 1995 goal
20 year upon us on making the system that we have work, as well
21 as it can.

22 Secondly, you know, certainly the Board needs to be
23 open to allowing jurisdictions to revise data as seen as
24 appropriate, but it's got to be critical that jurisdictions
25 demonstrate to the Board that those changes are reasonable.

1 Certainly jurisdictions shouldn't be coming before the Board
2 and saying well we've forgotten about reporting this amount
3 of diversion, or we've made these kind of changes in
4 allocation without any sort of justification that those
5 changes are, that those were legitimate errors that were made
6 back in 1990, '91 when the waste generation studies were
7 being conducted.

8 And, and so those are the two things, I think, in
9 terms of the Board options that are before you. I think most
10 of the recommendations in terms of, that the staff laid out
11 in terms of some of the specifics of how jurisdictions could
12 fix their data, I don't think it's necessary for the Board to
13 go through and develop all those options for jurisdictions, I
14 think it's the jurisdictions which have developed their waste
15 generation studies and are going to be coming before the
16 Board to get those SRREs approved. It's most appropriate for
17 them to decide how is the best way to make sure that they
18 have the most accurate SRRE possible.

19 And so I guess my final question to the Board is
20 then the recommendation has been made of sending this out to
21 jurisdictions. What is the purpose of doing that in the
22 sense of is the purpose of getting more data in terms of what
23 are the potential errors? Cause I think, you know, we've
24 certainly got a lot of data in the sense of what the initial
25 survey is it to get recommendations on a new system. And so

1 I would like some clarification as to the purpose of sending
2 this out, and what the context will be in terms of, you know,
3 when a jurisdiction gets a letter with this agenda item what
4 is the context going to be?

5 COMMITTEE CHAIRMAN CHESBRO: Let me give you my
6 response, and then I'd like to hear what staff has to say
7 about that. I think it's in response to the level of
8 concern, the numbers of concerns we've heard expressed by
9 jurisdictions that they want some kind of an examination of
10 problem. And so it's an attempt to gather information,
11 preliminary information and then ask them for further
12 feedback, would be my interpretation of it. I don't think
13 that it's to say here's a proposal that, you know, do you
14 like it or not? I think that it's, at this point in time,
15 it's much more open and general than that.

16 MS. CARDOZO: I don't have a lot more to add to
17 that except you asked why, what was the purpose of the
18 report, and why send it out to jurisdictions. The purpose to
19 send it out to jurisdictions is to get more information
20 because it was a limited sampling. And to identify are we
21 overestimating the problem or underestimating it because of
22 that limited information. So we if we send it out to more
23 jurisdictions it is an information gathering purpose to find
24 out are there, maybe like we said, we were under,
25 overestimating the problem.

1 MR. BEST: Right. I guess my question though is
2 that --

3 MS. CARDOZO: Just a sec. And also asking if they
4 have other solutions than what we propose. This is not, this
5 is how we're going to do it. It's mostly to find out is it
6 really as big as some people think because not everybody has
7 a problem.

8 MR. BEST: Well I think it is appropriate for the
9 Board to seek input in terms of what's the appropriate
10 actions for the Board to take. I guess my question in terms
11 of collecting more data was that the issues that I raised in,
12 was that, you know, we can certainly get more data in terms
13 of how many jurisdictions think there's some sort of problem,
14 but assessing what that problem is and what the potential
15 impact is, you know, is the Board going to be more detailed
16 in terms of asking what are the percentage numbers. Because
17 as I raised, it's not clear in terms of based on the survey
18 that the Board has done thus far, you know, what is the
19 impact, is it, you know, a one percent error in the
20 generation? Is it a 10 percent error?

21 MS. CARDOZO: Well I don't think we'll be able to
22 answer that completely. One thing we won't be able to answer
23 how big the impact is until we know how big the impact is,
24 which is one of the reasons for the survey.

25 And the second is as we tried to get the

1 information on the extent of the problem, the percentage
2 error, very few jurisdictions, one, were either willing to
3 supply that information if they even had it, and more
4 probably didn't have it, they just know that there's a
5 problem. So sending out the survey I don't know if we'll
6 have that percentage information of the error, but at least
7 we'll have a better idea how widespread the various problems
8 are.

9 MS. VAN KEKERIX: We should also get more
10 information on a statewide basis as to what solutions various
11 jurisdictions have already come up with. One of the things
12 which Sherrie described in the report is some of the
13 solutions that jurisdictions had already developed to take
14 care of problems, and it will give us another tool to take
15 those solutions and make that information available to other
16 jurisdictions who may not yet have developed that.

17 COMMITTEE CHAIRMAN CHESBRO: Part of our assistance
18 role?

19 MR. BEST: Right. I think it's certainly
20 appropriate for the Board to be facilitating a sharing role
21 in terms of what are the potential problems? What are the
22 problems people have identified? What are the ways of
23 addressing those problems? I think that's certainly
24 appropriate. I guess, my question was specifically as to,
25 you know, what does the Board, you know, it sounds like at

1 this point the Board is not proposing a, you know, a
2 rewriting of the diversion methodology, and that's my concern
3 is that, you know, if the Board is proposing that then you've
4 got to have some sound information to base that upon. And I
5 think that the initial survey that we have so far, you know,
6 raises some issues, but it doesn't at all provide any sort
7 of, you know, definitive that, hey, there's a problem in
8 terms of that we're not going to be able to measure the 25
9 and 50 percent goals.

10 MS. VAN KEKERIX: One of the things that we tried
11 to do here was lay before the committee all the solutions
12 that staff developed or that jurisdictions raised. We're not
13 saying that the Board could do all of them, or should do all
14 of them. We're simply laying out the array of options so
15 that the committee knows about it. And as we get more
16 information we'll come up with a more refined staff
17 recommendation --

18 MR. BEST: Uh-huh. Okay. I think that's
19 appropriate.

20 MS. VAN KEKERIX: -- based on additional analysis.

21 MR. BEST: And what I would say is that if you're
22 sending this out then put that at the beginning of what you
23 send out in terms of what, making it clear, cause the agenda
24 item, though, it was presented was simply presented as a
25 survey of results and makes it sound like, you know, the

1 Board has made this decision that there is this problem and
2 that this should be phrased as presented to jurisdictions
3 that the Board is in this research phase, we're gathering
4 this information, this is some preliminary data that we've
5 gotten, some preliminary options that we've identified, and
6 that we're soliciting, you know, further support, further
7 input from other jurisdictions.

8 COMMITTEE CHAIRMAN CHESBRO: Well the committee
9 members had the same concerns when they were briefed by staff
10 and they've been communicated to the staff. So rest assured.

11 MR. BEST: Okay. Thank you.

12 COMMITTEE CHAIRMAN CHESBRO: Sure. I'd like to
13 make a couple other comments before we move on. One question
14 I had very early on when I started getting asked by
15 jurisdictions when I'd travel around the state about this
16 problem is, is this going to call into question whether our
17 statewide projection of 25 percent is accurate? And I think
18 it's real important to say up front that we had, we do have
19 from 1990 very accurate county-by-county disposal numbers,
20 correct? I mean those numbers are fairly, fairly clear, so
21 in terms of statewide numbers --

22 MS. VAN KEKERIX: Statewide the amount of tonnage
23 disposed in the base year is within a couple percent of the
24 Board of Equalization number on the tons of waste disposed on
25 a statewide basis.

1 COMMITTEE CHAIRMAN CHESBRO: So in terms of --

2 MS. VAN KEKERIX: And I think that's why Sherrie
3 found that what people were talking about was allegations to
4 individual jurisdictions, not that the overall disposal
5 number was a problem.

6 COMMITTEE CHAIRMAN CHESBRO: So that my point was
7 going to be that I think our, what we're measuring against
8 statewide in terms of diversion success is not what's at
9 question here. What's at question is as Lorraine just said
10 the allocation of that between cities within a county and as
11 well as the unincorporated area within a county where that
12 waste belongs and who gets credit for what. It's important
13 to the jurisdictions, but I think it doesn't call into
14 question the larger achievement either on a county-by-county
15 basis or a statewide basis.

16 And the other thing is there's the potential for
17 underreporting of preexisting diversion as well, because
18 there may not have been accurate numbers developed around
19 that.

20 So those are the two areas of weakness in the
21 system, if there are weaknesses, but they're not questioning
22 the overall statewide number, and I think that needs to be
23 said for the credibility of our program.

24 The other thing I wanted to say is that as time
25 passes here and we get closer to the year 2000, probably a

1 lot sooner than that, we get more and more accurate
2 information systems in place. And so I think that the
3 ability to fairly allocate all of this will improve over
4 time, and will make it more possible for us to, to more
5 precisely measure who's doing what and who gets credit for
6 what. That's another important thing I think that needs to
7 be put up front.

8 So that being said I think the direction to staff
9 is to go forth and circulate with the, I think the comments
10 which you already intend to make, which Mr. Best suggested
11 about what exactly this is, and also making it clear to the
12 jurisdictions that they have, what the tools are that are
13 currently available to them to help address potential
14 inaccuracies in their base year.

15 COMMITTEE MEMBER GOTCH: And I will second that
16 motion.

17 COMMITTEE CHAIRMAN CHESBRO: Okay. We have a
18 motion. Will you call the roll please?

19 COMMITTEE SECRETARY MARSH: Board member Gotch.

20 COMMITTEE MEMBER GOTCH: Aye.

21 COMMITTEE SECRETARY MARSH: Chairman Chesbro.

22 COMMITTEE CHAIRMAN CHESBRO: Aye. Thank you for
23 your work.

24 Okay. The next item is item eight, which is
25 consideration of staff proposal to study the feasibility of

1 cooperative marketing in rural California. Ms. Friedman will
2 kick this one off.

3 ACTING DEPUTY DIRECTOR FRIEDMAN: Thank you. Yes,
4 the primary goal of the study would be to determine if
5 California's rural jurisdictions would benefit from sharing
6 collection and processing equipment and joint marketing
7 materials. A little bit of background on this. This is a
8 follow-up to an effort we undertook last year when we
9 developed what we call "The Rural Cookbook," which is a
10 compendium of information for rural government on diversion
11 programs and funding mechanisms and all kinds of interesting
12 information along those lines.

13 And in sending out that "Rural Cookbook" we also
14 sent out a survey and we got responses back on would
15 jurisdictions like to see additional information developed,
16 etcetera, and the response got a yes. And one of the
17 specific areas we got requests for Board developing
18 information on this, in this area of cooperative marketing.
19 So with that I will turn it over to John Brooks of the Office
20 of Local Assistance who will make the presentation.

21 MR. BROOKS:.. Thank you. And good afternoon,
22 Chairman Chesbro, committee member and Board member. Staff
23 are proposing to analyze the feasibility of establishing a
24 cooperative marketing program in California to help rural
25 counties and cities increase their diversion rates. Rural

1 jurisdictions characteristically have limited staff time and
2 expertise and inadequate funding sources to pursue new
3 diversion programs. Often they are unable to justify
4 equipment acquisition for diversion programs because they
5 typically generate small quantities of waste over a large
6 geographic region.

7 In addition to their small waste stream their
8 distance from markets make them unattractive to deferred
9 materials markets. Cooperative marketing programs have
10 solved and, or alleviated these problems for rural
11 jurisdictions in other states. Currently there are 60 plus
12 cooperative marketing programs in the United States and
13 Canada, and these are primarily rural programs.

14 To illustrate, Dodge County, which has a population
15 of 16,500, in southeastern Minnesota wanted to recycle
16 bimetal cans. They found out that they would have to pay
17 money to market the same materials that other jurisdictions
18 were getting paid for, and after joining the nine county
19 Southeast Minnesota Recyclers Exchange, Dodge County now
20 receives 60 dollars a ton for its loose steel cans.

21 Cooperative marketing does not have a single
22 definition, but its usual form is two or more jurisdictions
23 cooperatively working together to improve transportation
24 efficiencies, economies of scale, revenue from recyclables
25 and stabilization of markets. Cooperative marketing groups

1 often include 10 to 50 plus participating jurisdictions, plus
2 private companies, plus non-profits.

3 The Minnesota project which is funded by the EPA
4 and the Tennessee Valley Authority analyze seven rural
5 cooperative marketing programs, and found that they had the
6 following goals in common: To improve market stability for
7 recyclables, improve access to markets, provide assistance to
8 newly starting recycling programs, and improve prices for
9 recyclables, improve economies of scale for collection
10 processing and transportation, and attracting new end markets
11 for recyclables to the regional.

12 The Minnesota project also found that cooperative
13 marketing programs provides benefits to participants in the
14 following areas: It allows participants to share
15 information, improves regional connections, saves storage
16 space, and improves cash flow, saves time for local recycling
17 staff, allows programs to add new materials, and gives
18 participants piece of mind.

19 Our primary goal is to increase diversion in rural
20 California by making diversion programs more cost effective.
21 The objective of the study will be to determine if
22 California's rural jurisdictions would benefit from sharing
23 collection and processing equipment and joint marketing of
24 materials. If cooperative marking is determined to be
25 feasible and all or a portion of rural California, the report

1 will contain recommendations on how cooperative marketing
2 program could be implemented.

3 These recommendations would include potential
4 organizational arrangements and funding sources for initial
5 and operational costs. The study could be broken down into
6 four phases. The first one is gathering background
7 information. The second would be developing potential
8 cooperative scenarios. Third, analysis of the scenarios for
9 feasibility, will they work? And finally implementation.

10 An interdisciplinary team has been formed
11 consisting of staff from the divisions of Waste Prevention
12 and Market Development, from Administration and Finance, and
13 from Diversion Planning and Local Assistance. And this task
14 force will consist of members from the following sections:
15 Markets Analysis, The R Team, Economic Forecasting, and the
16 Office of Local Assistance.

17 In addition, task force members include rural
18 county staff person, a rural county supervisor, a specialist
19 from the UC Center for Cooperatives, a member of the
20 California Refuse Removal Council, and rural hauler at the
21 same time, and a staff person from California Department of
22 Trade and Commerce will be asked to participate on the task
23 force. The Regional Council of Rural Counties and their
24 staff are excited about the concept and agreed to help us.
25 And staff would recommend that the committee approve the

1 proposed study, and we would also ask for the committee's
2 direction on if this item should be brought before the full
3 Board.

4 And I'd be happy to answer any questions at this
5 point.

6 COMMITTEE CHAIRMAN CHESBRO: I have several. You
7 just mentioned in the process of doing the study how we will
8 involve RCRC and the rural jurisdictions, but I'm interested
9 in to what degree we have included, to date, in putting this
10 concept together, and the study parameters together have we
11 included the jurisdictions CRRC, CSAC, the League of Cities,
12 whomever. I mean has there been a process, to date, of
13 getting this far?

14 MR. BROOKS: This far we've, so far been talking
15 with RCRC group.

16 COMMITTEE CHAIRMAN CHESBRO: Did I say CRRC? I
17 meant RCRC. There's too many Rs. CRRR, CRRC, RCRC. You're
18 going to have to get you a list of acronyms. I've been here
19 four and a half years and I'm still confusing them.

20 MR. BROOKS: We have involved the Regional Council
21 of Rural Counties, and they've agreed to form the core of the
22 study. And we plan on going out and approaching the other
23 jurisdictions to see if they'd like to participate.

24 COMMITTEE CHAIRMAN CHESBRO: Although I'm sure Evan
25 is going to jump up here and say, please do include RCRC. It

1 would be a Freudian slip or something.

2 MR. BROOKS: Yeah, they actually have been
3 included. We wanted somebody that had a hauler perspective
4 as they also definitely work with the materials and --

5 COMMITTEE CHAIRMAN CHESBRO: And that's really my
6 next question is in reading through this there was no
7 distinctions made, it didn't talk about public programs
8 versus private programs, but I assume the intent, as with our
9 previous methodology for facility siting, is not to have a
10 bias one way or the other, but to give the tool to
11 jurisdictions whether or not they would be involved in public
12 operation or contracting or private operation, is that
13 correct?

14 MR. BROOKS: It's to look at how other cooperatives
15 have been set up, and to see if it's feasible to do it in
16 California.

17 COMMITTEE CHAIRMAN CHESBRO: Yeah, but there's no
18 automatic presumption --

19 MR. BROOKS: No.

20 COMMITTEE CHAIRMAN CHESBRO: -- that it's, I mean,
21 I would hope that we wouldn't be up front judging it one way
22 or the other because there's jurisdictions who are going to
23 want to, in fact, they should have the tools to decide, in
24 part, what's the right, what's the most economical thing for
25 them to do to be involved in marketing themselves or

1 collection themselves, or to have, to have a private
2 contractor involved, you know.

3 MR. BROOKS: And that's, yeah, really the purpose
4 of the study to provide another look at it, and so that they
5 can make that choice without having to go to the expense of
6 having to do the study themselves.

7 ACTING DEPUTY DIRECTOR FRIEDMAN: And if I may add
8 to directly answer your question, there is no bias built into
9 this study.

10 COMMITTEE CHAIRMAN CHESBRO: I didn't see it there,
11 but since it wasn't mentioned at all I wanted to kind of --

12 ACTING DEPUTY DIRECTOR FRIEDMAN: Right.

13 COMMITTEE CHAIRMAN CHESBRO: -- you know, mention
14 that up front.

15 ACTING DEPUTY DIRECTOR FRIEDMAN: Hopefully that
16 clarifies it.

17 COMMITTEE CHAIRMAN CHESBRO: Well the same question
18 came up, you may recall, with regards to the facility siting
19 study and methodology, and I think we addressed it there by
20 saying, no, it's, we're talking about regional siting meaning
21 one form of ownership or operation or another, but rather
22 giving local jurisdictions the tools to make all those
23 decisions.

24 MR. BROOKS: It's hoped by including the
25 jurisdictions and the haulers in there, those issues will be

1 addressed as we go through the study, and their concerns will
2 be taken care of, too, so that everybody is comfortable with
3 where we arrive at.

4 COMMITTEE CHAIRMAN CHESBRO: Okay. Questions?

5 COMMITTEE MEMBER GOTCH: No.

6 COMMITTEE CHAIRMAN CHESBRO: We have two speaker
7 requests. We have Steve Jones from Cal Sierra Disposal.
8 He's been waiting patiently. I'm not sure which is closer
9 Tuolumne County or San Jose, but he's waited patiently.

10 MR. JONES: It's a waste. Thanks, Chairman
11 Chesbro, Member Gotch, Member Frazee. We, I had some
12 concerns when I read this agenda item because there was no,
13 in the agenda item that I got it didn't list anybody in
14 private industry. It didn't list any of the private
15 associations. It was strictly, it looked like an in-house
16 study. And I had some real problems with that for a couple
17 of reasons. The name of this thing is a, considering of a
18 marketing, or cooperative marketing in rural California, when
19 in essence it is not rural marketing of material it is as the
20 summary says, sharing collection and processing equipment.

21 So is it, when I read that I look at somebody
22 trying to set up a regional collection facility, or a
23 regional, a conglomerate of a lot of equipment out on the
24 road, or a lot of programs under one roof. And where I get a
25 little bit nervous and where I wonder sometimes if we ever

1 learn from any of the things that we've done before, when our
2 landfill in Tuolumne County, when the county's landfill went
3 out of business or was threatened to go out of the business
4 because of the new mandates we met with two other counties
5 very close to us that had landfill capacity.

6 And we said look, we need to combine our tonnages
7 so that we can keep those costs down so that these landfills
8 stay open, otherwise we're going to Nevada because that's
9 our, we've done all the analysis, that's our cheapest
10 alternative. But if we combine this waste stream and this
11 waste stream we may be able to build one MERF, buy one
12 bailer, turn this landfill into a bail fill, and have 60 or
13 70 years capacity.

14 So the idea went in front of the Board of
15 Supervisors and they said, well go ahead, let's, you know,
16 start talking about it, and let's see if it makes any sense.
17 These were two neighbor communities. When we sat down with
18 our Board of Supervisors we had two meetings, one with
19 Campana and a staffer, and two Amador County Board of
20 Supervisors as well as the haulers. It became a pushing
21 match, you got something we want you're gonna pay through the
22 nose for it.

23 We said, no, we don't. And that pretty much ended
24 the discussion. We went back again with supervisor Ken
25 Marks, Dick Hanson and myself sat down with the same Board 1

1 and said, look guys, you're going to be out of the landfill
2 business, I mean, read the writing on the wall, read what
3 Subtitle D is about. They still insisted, when we said, look
4 we'll go in partners with you. We'll pay for half the MERF.
5 We'll build a smaller transport station where we can just
6 dump garbage into trailers and bring it to this facility,
7 that way we're not spending, we're each spending \$300,000 on
8 a bailer, we're not each spending a million three on a
9 facility.

10 They said, no, they didn't want it. My supervisor
11 said come on you've offered everything you can offer 'em
12 let's go, let's go build it ourselves. We put out a very
13 high grade, we recover a high grade of material. I'm not
14 sure our neighbors do, and I'm not sure I want ours devalued
15 for our rate payers because those costs that we spend, or
16 that income we get, and don't kid yourself, the markets are
17 at a place right now where they're calling us in Tuolumne
18 County everyday for material, okay. We're at over 52 percent
19 diversion in our county.

20 So when I hear somebody tell me that there, the
21 markets aren't there, this isn't there, that isn't there,
22 I'll tell you what isn't there, the effort isn't there.
23 Okay. Now whether it's an effort by the Board of Supervisor
24 or by the haulers, normally it's programs that cost money
25 that people don't want to take a vote and put those programs

1 together. We do curbside recycling, we do a MERF, we're
2 spending a million seven of our money to meet AB 939 in our
3 county. And I've got to leave here tonight because some
4 carpet baggers are coming into town to try to permit a
5 landfill through initiative.

6 So I got to tell you folks there's a whole lot of
7 things going on in rural California. AB 688 was the best
8 thing that ever happened to us. It was the first time the
9 legislature, legislature ever really did something positive.
10 I wish they would have done it when they first passed AB 939,
11 it would have made our lives a lot easier. We could have
12 planned a little differently, but at least we got some
13 benefit there.

14 But I look at this and I see some real problems
15 with questions that are asked like, what's your current
16 collection disposal and recycling system for each
17 jurisdiction? Tell us how you do it and we're going to put
18 that in a document. And then I want to know what it costs
19 you? And what's your projected revenue? Make a list and
20 hand it to every big company in the world that wants to take
21 over areas, geographic areas.

22 We've been in town, in Sonora for 17 years, we have
23 a 30 year contract, we still have a 30 year franchise. We've
24 gone out on the hook and spent the money. So have people in
25 Plumas County, okay. Plumas County which is, which drove a

1 lot of what RCRC was going through. They recycle everyday.
2 They're not close to markets, but what they do is they bring
3 in the equipment that they have, they bring those sorted
4 recyclables down to the Marysville facility, which is a
5 Norcal facility. They're not hooked up. They don't have
6 anything other than a business relationship. So that county
7 is selling its recyclables to somebody that can get a bigger
8 amount of recyclables and ship 'em off.

9 We did the same thing for the people in Calaveras
10 County. We took all their glass, all their paper, all of
11 that stuff and we paid 'em for it. Because we were sending
12 out truck loads of that material and we did it because,
13 believe it or not, between the haulers and between the
14 jurisdictions we decided that would probably be the best way
15 to do it.

16 But I know there's counties you out there that
17 don't care, they don't want to vote on it. Every time
18 something comes down the road they blame it on you guys or
19 the senate or the assembly or the Governor. But it's a tool
20 for them to meet some of the mandates. They're able to say,
21 look folks, this isn't our fault, we don't want to do this,
22 we want to blame them.

23 Now we're going to think about bringing the Waste
24 Board in to manage those programs? And that's what I see in
25 this. That's what I see the potential because I was part of

1 a landfill study that I, you know, that I didn't quite agree
2 with the Waste Board and how they determine what the capacity
3 was, because they were going off a five year review periods
4 instead of the 150 years of life that you have.

5 So I think there's a lot of ways information like
6 this can be distorted. I think there's a lot of ways that
7 people that have done their job can be devalued, and they can
8 be devalued in a heart beat. And when I look at who, the
9 makeup of our task force list was in our agenda packet
10 included Local Assistance, Market Analysis, Recycling Market
11 Development Zone, R-Team, Economic Forecasting, possible
12 outside expertise from rural county staff person, rural
13 county supervisor, and the Office of Trade and Commerce.
14 That's the list I see. That's the one I saw.

15 So when I heard that other people were being
16 included, that's first time I heard about it, that's why I
17 spent all day here. And, you know, I mean, you just need to
18 understand that a staff person from Tuolumne County went to
19 RCRC, heard a wonderful presentation about composting, and
20 came back and says, "I don't think we have to build a
21 transfer station on this landfill. I think we can turn it
22 into an invested composting program."

23 I said, "We do 10 tons a day, how are we going to
24 afford a shredder?"

25 "We don't need a shredder."

1 "What do you mean we don't need a shredder, what do
2 we need?"

3 "We don't need any of those things, we can do it."

4 I said, "You can't do it. If you could do it
5 everybody would do it. Believe me, there's a little bit more
6 to it than what you saw all nice and glossy on that
7 presentation."

8 And so you did identify one issue that sometimes
9 staff doesn't have the expertise, and that's true. So I just
10 caution you to either forget this, or modify it with a lot of
11 input from a lot of people that really, you know, as well as
12 your staff that know what they're doing.

13 COMMITTEE CHAIRMAN CHESBRO: Let me reassure you on
14 your main concern that I am the last guy, and I think I can
15 safely say the rest of the Board will want to move into, in
16 any way, pressuring local jurisdictions as to what the
17 configuration is for either both privately or publicly in
18 terms of the relationships between local governments and
19 business, or between local governments and local governments
20 to say, this is what you should do.

21 Our role in assisting local governments is to
22 create as many tools in the tool box as possible. To make it
23 possible if a jurisdiction wants to go a certain direction,
24 especially the small rural ones, that don't have a lot of
25 resources, to have documents, formulas, reports in place that

1 they can use to help analyze their options, help them choose.
2 But that's choose with capital letters, you know. And
3 there's nothing in 939, and it's one of the beauties of 939,
4 that tells local jurisdictions how to reach these goals.

5 MR. JONES: Right.

6 COMMITTEE CHAIRMAN CHESBRO: And that's the basis
7 on which we've been operating. And as long as I'm on this
8 Board I will insist that that's the basis in which we
9 continue to operate. And I think that's shared by my
10 colleagues, you know. The state is too diversion, each
11 community is too different for us to be able to think that we
12 have the wisdom in Sacramento to say, Tuolumne County you
13 have to do it with somebody else. But we want to make sure
14 that if Tuolumne County says, gee, we want to figure out
15 what's the best way to do it that there's assistance and
16 tools available for them to analyze that. And that's the
17 purpose of this kind of a study.

18 It's not to set up some mechanism where the Board
19 sticks its nose in and starts micromanaging local decisions.
20 So I just want to reassure of you that. And also say that we
21 want to include the different perspectives that you're
22 talking about to make sure that a report like this is
23 balanced and gives a fair objective picture.

24 MR. JONES: All right. Thank you very much for the
25 time. I appreciate it.

1 COMMITTEE CHAIRMAN CHESBRO: Thanks for coming down
2 and being so patient and sticking with us. And good luck
3 with the landfill proposal.

4 MR. JONES: Thanks.

5 COMMITTEE CHAIRMAN CHESBRO: Okay. We have Evan
6 Edgar representing CRRC, I got it right.

7 MR. EDGAR: Evan Edgar, California Refuse Removal
8 Council. So we won't be confused, CRRC has a concise and
9 consensus message from all the haulers, transfer station
10 operators, compost industry, as well as the landfill
11 operators. We have over 200 companies in Northern and
12 Southern California, 50 MERFs, 50 transfer stations and a
13 third of the permitted compost industry. And when I come up
14 here I represent all those people with one concise message
15 and that's not too confusing and that's what I want to talk
16 about today.

17 I represent a group up in Sierra Nevadas, the heart
18 land of the rural California. We're from Sierra County and
19 Alturas all the way down to Sonora. From Placerville to
20 South Lake Tahoe. We call this the Sierra Nevada Committee.
21 We met last week for a load checking program on medical waste
22 and metallic discards management plan, two days about all the
23 MERFs coming on line, because over the last couple years
24 we've been planning the MERF. If you look at your Permitting
25 and Enforcement record two MERFs were permitted, one was in

1 East Placer County for Tahoe, Truckee Disposal. Another was
2 in Tuolumne County for Cal Sierra Disposal. Two MERFs are
3 coming on-line, one will be in El Dorado Disposal in
4 September, which I understand the Waste Board will be
5 visiting, and El Dorado Disposal would like to host a
6 convention, a reception for the Waste Board in September for
7 that new MERF. As well as South Tahoe Refuse will be opening
8 up in May. We have three planned MERFs, one in Lassen, Lake
9 County as well as Amador County coming on line within the
10 next year and a half.

11 We did this under the linkage with our source
12 reduction and recycling elements. Those are planning
13 documents put together in the last three to four years with
14 the Board guidance with the cookbook. They gave a lot of
15 clear information on different models, different disposal
16 elements in order for us to comply, in order for the private
17 industry to build these MERFs in conjunction with these
18 source reduction and recycling elements.

19 We had a finding with the local task force. To say
20 that, these facilities are needed. They will be operated by
21 private industry. We are going to have them in our plant.
22 We are going to have them in our community. And our based
23 upon so much waste stream in that arena. And our guys made a
24 contract and conscious choice in order to address that waste
25 stream and that community for long term contracts to finance

1 the equipment.

2 The MERF is not cheap, it takes a lot of money, a
3 lot of private money in order to run these facilities. So we
4 depend upon the revenue from the materials in order to offset
5 the cost. So we're kind of proud about the choices we made,
6 the choices that local government made within the Source
7 Reduction Recycling Element and upcoming County Integrated
8 Waste Management Plan.

9 We feel that we stepped up to the AB 939 challenge,
10 and we are supporting the 50 percent goal. In 1995 we're at
11 25 percent, the next five years we have to go to 50 percent.
12 And during the next couple of years you'll be seeing CRRC in
13 Sacramento supporting the 50 percent goal.

14 But what I believe this report does go, it goes a
15 little bit further than just the marketing. As I look at the
16 title, if you just looked at the agenda it's kind of
17 misleading that it does go into collection and processing and
18 transportation of materials. And that's why I'm here today
19 because I believe that what I see out there, what I heard at
20 biocycle, and what I've been seeing for the last couple of
21 years is when it comes to regionalization under Subtitle D
22 that applies to landfills. You can't operate a landfill
23 under a hundred tons a day. It costs over a hundred dollars
24 per ton. You need about three to four hundred tons of
25 material to operate a landfill. That's why we have

1 regionalization within the landfill disposal capacity in
2 order to have the unit cost go down.

3 What we see on diversion facilities is a whole
4 other story. Diversion facilities such as little MERFs,
5 clean MERFs, composting facilities, they're small, they're
6 flexible, and they're responsive. They need to be dynamic to
7 meet the changing waste stream and the changing dynamics and
8 the political dynamics. We cannot afford to build white
9 elephants anymore like San Diego did. We have to remain
10 small and committed to the community especially in rural
11 California where we have high transportation costs. So each
12 jurisdiction needs to be individually responsible for the
13 waste stream and they can treat it locally without hauling it
14 long distances.

15 Another aspect of the staff report was on page
16 three, and it talks about the major challenges faced by
17 start-up programs where resources are lacked. And it goes on
18 to talk about where local officials have difficulty in
19 overcoming rural, and friction between the private haulers
20 and the interest groups.

21 There has been some friction, I think some of it
22 has been caused by some of the information that's been put
23 out in the facility cost model. Last month I was in front of
24 this committee and I talked about the fact that you guys
25 developed some numbers with the Tellus Institute based upon

1 back east information that has transportation capital costs
2 for transfer stations at a buck a ton. Some unreal numbers
3 are being fed to the local jurisdiction and they're using
4 those numbers and wonder why we, the private industry, cannot
5 respond to such a cheap system based upon some unit costs
6 from back east applied to rural California.

7 The rural cookbook can work, but in our case we're
8 getting burned. It's, some bad information is out there, and
9 I'm really afraid that this will cause some problems. As
10 Steve Jones pointed out, by us displaying our books will
11 cause us to be easy prime takeover targets. I keep on
12 talking about the Grass Valley Disposal they were just bought
13 up by Waste Management, Inc. All the private independent
14 firms in California are at stake, we're at risk. And the
15 moment that we provide all this detailed information to the
16 local jurisdictions and market it around rural California
17 that means that we're prime for takeover, they know exactly
18 what we're doing.

19 Get in to the detail of the study, the first and
20 second phase it talks about collection, disposal, and
21 recycling systems, transportation costs. That's a lot of,
22 that's a whole solid waste infrastructure system out there.
23 What I didn't get from rural California when I traveled with
24 the Sierra Nevada Committee, talked to SWANA folks, CSAC, and
25 the League of Cities, I didn't see that mandate to have this

1 type of program be prepared. I didn't see that linkage to
2 any type of COWIMP or any type of regional source reduction
3 recycling element or County Integrated Waste Management Plan.
4 All this is supposed to be done as part of the planning
5 process.

6 I believe they hired consultants they were given
7 some numbers from the Waste Board. I believe that they did
8 the thing that they had to do at the local level and within a
9 context of a County Integrated Waste Management Plan, which
10 is still yet to be prepared by these jurisdictions, still
11 need to approve them, I believe that is a vehicle and the
12 tools where these counties will make their choice to crunch
13 all the information from all the different jurisdictions to
14 regionalize.. They have the ability to do that in AB 688, and
15 AB 939. Everything's in place for them to do what you have
16 inside of this report.

17 I'm happy to see that CRRC was invited to be on a
18 task force, I'm always willing to volunteer and partake in
19 the process, I love to network here. And so I'm glad that we
20 were invited, because we do go to the RCRC meetings. We go
21 to most every one of them to voice our concerns.

22 What we have with RCRC is a large JPA, and when I
23 first saw this I was afraid this was some type of new deal,
24 some type of FDR project with a WPA for the JPA. And it
25 looked like a raw deal the more I looked at it. So it was

1 really a concern.

2 COMMITTEE CHAIRMAN CHESBRO: You get too poetic for
3 us. Could you mellow out a little bit?

4 MR. EDGAR: I believe this is too much too soon. I
5 believe that when you originally had your comments, Mr.
6 Chesbro, that you were talking about having a little more
7 staff work done with the parties before it goes further. I
8 would recommend that this committee go with option number
9 three, disapprove the proposal at this time. And maybe sit
10 down with the SWANA folks, League of Cities, CRRC, the RCRC,
11 and maybe look at this proposal in another context in a
12 planning group and maybe bring it back in a month or two. I
13 believe you'll get some better information and better needs
14 of what's out there from everybody, not just from a narrow
15 RCRC interest, but from SWANA and the League of Cities and
16 the private haulers. I would like to volunteer for that
17 working group in order to assist with that project. Thank
18 you.

19 COMMITTEE CHAIRMAN CHESBRO: Okay. Thank you.
20 Well let me -- I won't repeat everything I said before, but
21 let me make it clear that the Board's goal is not to impose
22 anything, but rather to provide tools, and there's no goal or
23 attempt by this Board to predetermine or even push in any way
24 a jurisdiction in any direction. And I don't think there's
25 any bias built into this for large versus small. It just

1 simply says here's a method.

2 I am concerned, as I said in my first question,
3 that we have a discussion about the initial framework and the
4 parameters that we're working with, that we not just run
5 forward, straightforward and say like give you a complete
6 approval at this point and say this is a finished product. I
7 think that there should be some opportunity for perhaps a
8 little bit of broader review before we enter into this study.

9 ACTING DEPUTY DIRECTOR FRIEDMAN: Can I make a
10 comment to that effect?

11 COMMITTEE CHAIRMAN CHESBRO: Yeah.

12 ACTING DEPUTY DIRECTOR FRIEDMAN: The purpose of
13 this item is basically just to kick this off. This isn't to
14 say that this is the final product. We're not talking about
15 even contemplating a final product until the end of this
16 year. And the description of people involved in this is more
17 of an internal discussion, who's going to be involved at the
18 Board. It's always been our intention to involve all of the
19 different interest groups in the development of any kind of
20 proposal along these lines and as an advisory group or
21 reviewers or participants or whatever level we would like to
22 participate in.

23 So I think that we, you know, need to make that
24 clarification so that the committee gets comfort that we're
25 not anticipating producing something that doesn't have

1 everybody's measured and equal input.

2 COMMITTEE CHAIRMAN CHESBRO: Well I trust that's
3 the case, but I think it's obvious we need to provide that
4 reassurance. I mean, I have no doubt, and the purpose of my
5 questions was to elicit those answers from staff.

6 ACTING DEPUTY DIRECTOR FRIEDMAN: And I might add,
7 too, that we're just beginning the process of putting
8 together a work program. And everybody that wants to be, the
9 internal working group, outside people, we've just begun to
10 put together the tasks that will be involved and the products
11 and that kind of thing.

12 COMMITTEE CHAIRMAN CHESBRO: I think there's
13 internal and external consensus. That it would be a terrible
14 mistake for us to work on a presumption that we are going to
15 have a bias towards, in any way towards a particular
16 configuration of how, who manages and how. And it's very
17 important, though, that we have the input from the players so
18 they have the confidence and we get feedback from them about
19 how to make sure that that happens in a way that's
20 satisfactory from them.

21 But I still adhere very strongly to the idea, it
22 may be in those particular counties that you're talking
23 about, Evan, that, you though, that they've got a mechanism,
24 none of this makes any sense, but this is a very diverse
25 state. And there's counties that have a lot of needs and a

1 lot of problems in wrestling with this stuff, and so we got
2 to make sure it's not what you're afraid of, but that it is,
3 does give the tools to those who think that they need
4 something, feel that they need something more.

5 And staff didn't invent this or say, gee, let's go
6 out and do -- I mean we, a little while ago Mr. Brooks got an
7 award from the RCRC for his, and we acknowledged him for his
8 responsiveness in working with the rural counties, so it's
9 clear they feel we are responding to their needs. The
10 legislature has said to us respond to their needs, it's part
11 of the law now, and it's one of the reasons we have the
12 Office of Local Assistance.

13 And so I think we can go forward and provide some
14 reassurances to the private sector that we're not either
15 intentionally or inadvertently setting up a situation for
16 somebody to gobble up little companies, a bigger company to
17 gobble up a little companies, or to put pressure on local
18 jurisdictions to do something that doesn't make sense for
19 them, or creates an unfair advantage or disadvantage to one
20 company over another or private versus public. I think we
21 can set it up in a way that avoids those pitfalls.

22 So I think the direction of staff would be to,
23 rather than approving the feasibility study I think I'd like
24 to say that we give concept approval, and urge that a working
25 group be developed, and that the parameters of the study

1 continue to be developed with input from those interest
2 groups.

3 COMMITTEE MEMBER GOTCH: That's fine.

4 COMMITTEE CHAIRMAN CHESBRO: I think we can hold it
5 in committee rather than going ahead with Board approval at
6 this point. I mean, I don't think there's any reason for --

7 ACTING DEPUTY DIRECTOR FRIEDMAN: That's entirely
8 up to you.

9 COMMITTEE CHAIRMAN CHESBRO: I think it would be
10 better for us to have the comfort level among the interest
11 groups before taking it to the Board, you know, interest
12 group is the wrong word, the different perspectives before
13 moving forward to the Board. So that's my motion.

14 COMMITTEE MEMBER GOTCH: And I'll second the
15 motion.

16 COMMITTEE SECRETARY MARSH: Board member Gotch.

17 COMMITTEE MEMBER GOTCH: Aye.

18 COMMITTEE SECRETARY MARSH: Chairman Chesbro

19 COMMITTEE CHAIRMAN CHESBRO: Aye. Okay. We'll
20 take about a five minute break now.

21 (Thereupon there was a brief recess.)

22 COMMITTEE CHAIRMAN CHESBRO: Okay. Item 14 is
23 consideration of staff recommendation on the adequacy of the
24 source reduction recycling element for the City of Santa
25 Clara, Santa Clara County. Ms. Range or Ms. Friedman.

1 ACTING DEPUTY DIRECTOR FRIEDMAN: That's fine.
2 Dianne Range will be making the presentation for staff. The
3 only thing I wanted to say is this the only item on this
4 month's agenda for which we're recommending something other
5 than approval and this is a conditional approval. So with
6 that, Dianne take it away.

7 MS. RANGE: Good morning, or excuse me, I wrote
8 this for the morning. Good afternoon, Chairman Chesbro and
9 Member Gotch. For your consideration today is staff's
10 recommendation of conditional approval on the source
11 reduction recycling element for the City of Santa Clara. The
12 city is implementing a wide variety of programs including
13 source reduction programs such as a birecycled purchasing
14 policy, and commercial integrated waste management awards, to
15 name a couple. And various recycling programs such as the
16 city office paper recycling, and scrap metal recycling as
17 well as used oil and automotive battery recycling programs.

18 In addition, the city is planning to expand
19 existing programs such as the multifamily residential
20 curbside program right now in existence. And adding material
21 types to existing collection recycling programs. The city is
22 also planning on emphasizing programs for commercial
23 recycling and composting yard waste.

24 This conditional approval is being recommended
25 because of planning inadequacies rather than its diversion

1 projections. The city projects its diversion at 32.5 percent
2 for 1995, and 53.6 percent for the year 2000.

3 However, the city has claimed over 21,000 tons of
4 restricted materials in their base year, which are not
5 documented, therefore, staff have had to subtract out the
6 tonnage of these materials. The city's revised projections,
7 therefore, for 1995 are at 27.4 percent and for the year 2000
8 at 50.5 percent well within the required diversion
9 projections.

10 With respect to the planning inadequacies
11 identified by staff the city source reduction recycling,
12 special waste, funding and integration components of the SRRE
13 have been found to be inadequate because tasks for these
14 programs described in the components have not been adequately
15 identified and described for the planning period for 1995 to
16 the year 2000.

17 The integration component has been found to be
18 inadequate as the master schedule which is required to
19 contain all the implementation tests for new and expanded
20 diversion programs for both the short and the medium term
21 planning periods is incomplete.

22 In addition, the integration component of the SRRE
23 does not show as required how the programs under each
24 component contribute to the achievement of the 25 and 50
25 percent diversion mandates.

1 Also, staff's review has identified several areas
2 of which are of concern, included limited information on
3 market development for all the components, limited
4 description of yard and wood waste processing at landfills
5 and the regional composting facility, and lack of
6 identification of all the tasks for the public education and
7 information program for the short and medium term planning
8 period. As well as limited program costs for the short term
9 planning period.

10 For these reasons staff is recommending a
11 conditional approval of the cities SRRE. As a condition of
12 the Board's approval the city will be required to provide
13 additional information to be included in its SRRE in its
14 first annual report to the Board one year and 90 days from
15 the Board's action. This concludes my presentation on the
16 item. There is no representative from the city today to
17 address the Board, I mean, excuse me, to address the
18 committee. And staff has been in communication with the city
19 and they understand the staff's recommendation. Sue O'Leary
20 from the Office of Local Assistance can answer any questions
21 that you may have about the staff review. Do you have any
22 questions?

23 COMMITTEE CHAIRMAN CHESBRO: That was my only
24 question was what the city's response was?

25 MS. RANGE: They're not real pleased or real happy

1 with it, of course, they would prefer to have an approval.
2 But lacking that they don't really have considerable stress
3 over the conditional approval.

4 COMMITTEE CHAIRMAN CHESBRO: We haven't received
5 any letters or phone calls?

6 MS. RANGE: No, not from the city.

7 COMMITTEE MEMBER GOTCH: Ready for a motion?

8 COMMITTEE CHAIRMAN CHESBRO: I am ready for a
9 motion.

10 COMMITTEE MEMBER GOTCH: Well I move that we accept
11 staff's recommendation on this.

12 COMMITTEE CHAIRMAN CHESBRO: It's moved. Call the
13 roll please?

14 COMMITTEE SECRETARY MARSH: Board member Gotch.

15 COMMITTEE MEMBER GOTCH: Aye.

16 COMMITTEE SECRETARY MARSH: Chairman Chesbro.

17 COMMITTEE CHAIRMAN CHESBRO: Aye. Thank you very
18 much. Motion carries. Consent, yes, I believe so.

19 ACTING DEPUTY DIRECTOR FRIEDMAN: Yes.

20 COMMITTEE CHAIRMAN CHESBRO: Item 20 is the status
21 report, college and university waste reduction and recycled
22 product procurement activities, barriers, and assistance
23 strategies. It's a mouthful.

24 ACTING DEPUTY DIRECTOR FRIEDMAN: Before I
25 introduce staff on this, the reason that we have this report

1 before the committee is it's really a follow-up to a request
2 from the committee which was made last October to provide
3 additional information on waste generation and programs at
4 colleges and universities. So this is a follow-up to The
5 Local Assistance and Planning Committee's request. And with
6 that I'd like to turn the presentation over to Jim Cropper
7 and Terry Brennan with The Public Education and Programs
8 Implementation Branch.

9 MR. CROPPER: Good afternoon, Mr. Chairman, I'm Jim
10 Cropper with The Public Diversion Assistance Section,
11 responsible for implementing Project Recycle, the state's
12 in-house recycling program. By way of background information
13 for this agenda item Project Recycle operates nearly 700
14 recycling programs and state facilities and recycles close to
15 20,000 tons of materials per year from state facilities.
16 These state facilities include state offices, parks,
17 developmental centers, state hospitals, colleges and
18 universities, and state prisons.

19 To implement recycling programs Project Recycle
20 provides recycling containers, equipment, companies to
21 collect materials, contracts, training and hands on
22 assistance. And to facilitate recycling programs at the
23 colleges and universities, in 1992 the Board provided \$25,000
24 to three universities to develop model waste reduction and
25 recycling programs. And to receive this money the university

1 had to conduct a waste audit, create a waste reduction
2 committee, have a recycle product procurement program,
3 implement a waste reduction program, and develop a
4 how-to-guide and video.

5 And one of the deliverables from the model program
6 were brought to the committee in October, the committee
7 accepted the deliverables and requested other information on
8 the state of waste reduction at colleges and universities
9 including the amounts and types of solid waste generated at
10 the universities, types of waste reduction programs in place
11 at the campuses, barriers to waste reduction at campuses,
12 effective use of model program deliverables, and program
13 strategies to increase solid waste reduction and recycle
14 product procurement at universities and colleges.

15 Staff then compiled this information into a report
16 and Terry Brennan who works with the colleges and
17 universities to set up waste reduction programs, and wrote
18 this report, will present a summary of the report.

19 MR. BRENNAN: Good afternoon, Mr. Chairman,
20 Committee Member Gotch. The university and college status
21 report provided with today's agenda item covers waste
22 generation estimates, waste reduction and recycling, waste,
23 or recycle product procurement and significant barriers and
24 suggested Board assistance strategies. Today I'll provide a
25 synopsis of this report.

1 California has three public university and college
2 systems. The California Community College System with 108
3 campuses, the California State University System with 22
4 campuses this year, and the University of California or UC
5 System with nine campuses.

6 The Community College System has by far the largest
7 student and staff population of the three systems. Followed
8 by the CSU and finally the UC System. The three systems
9 combined have a total student and staff population of well
10 over two million people.

11 MR. CROPPER: Can you zoom it in?

12 MR. BRENNAN: Sure.

13 COMMITTEE CHAIRMAN CHESBRO: That's better.

14 MR. BRENNAN: It's important to note that much of
15 this population is transient in nature, and take knowledge
16 and practices learned at the campuses with them throughout
17 the state and throughout the world.

18 According to waste generation estimates performed
19 by staff, California's public university the college systems
20 generate over 400,000 tons annually. This represents over 51
21 percent of the solid waste generated within the purview of
22 Project Recycle. Staff has also developed estimates of waste
23 generation by university and college system using a per
24 student extrapolation. Because generation rates vary
25 depending on whether or not a campus has residence halls, the

1 CSU is actually estimated to generate more solid waste than
2 the community college system despite the difference in
3 population.

4 COMMITTEE CHAIRMAN CHESBRO: So more total or --

5 MR. BRENNAN: More total generation from the CSU.

6 COMMITTEE CHAIRMAN CHESBRO: Wow.

7 MR. BRENNAN: And this is primarily due to the fact
8 that there are residence halls on those campuses.

9 COMMITTEE CHAIRMAN CHESBRO: Now some community
10 colleges have residence halls, but that's not typical, I
11 guess, huh?

12 MR. BRENNAN: No, that's not typical of community
13 colleges. Estimates of the amount of waste generated from
14 each campus can be found in appendix one of the full report.
15 These waste generation estimates are per student
16 extrapolations based on generation rates of 821.25 pounds per
17 student per year from the universities. And 179 pounds per
18 student per year for community colleges. This is from
19 Resource Recycling Magazine, September, 1994.

20 It's important to note that some of these campuses
21 represent the, a significant portion of the waste stream from
22 some local jurisdictions. Universities and colleges can be
23 thought of as small cities generating most of the same types
24 of solid waste though in differing amounts. Diversion
25 programs are usually started by students for beverage

1 containers or paper but often grow quickly to scope and scale
2 that it's difficult for them to manage.

3 Project Recycle has had some difficulty getting
4 reports from all campuses. In fiscal year 1992 and '93 only
5 19 percent of California's public campuses reported diversion
6 to Project Recycle. In the fiscal year 1993, '94 the number
7 only increased to 22 percent with seven percent only
8 reporting for a portion of that year.

9 The types of waste reduction programs in place at
10 the campuses reporting Project Recycle can be found in
11 appendix two of the full report.

12 The amount of diversion reported to Project Recycle
13 for fiscal year 1992 and '93 shows the UC system is reporting
14 the most diversion at over 1,600 tons for that year, followed
15 by the CSU at about 1,200 tons, and the community college
16 systems at under 300 tons. The comparison with reports so
17 far for fiscal year 1993/'94 shows a great increase with the
18 current running total for 1993/'94 at over 10,000 tons. It's
19 important to note that it's not due to more campuses
20 reporting so much as it is to improved programs and reporting
21 from the same campuses.

22 Staff believes an important factor in this increase
23 is the hiring of recycling coordinators by some of the
24 campuses. This not only enables the implementation of more
25 and better programs, but better coordination of data from

1 around the campus.

2 The most significant barriers have been for this,
3 the purpose of this presentation combined together from the
4 report to a lack of mandate, policies, administrative
5 support, and funding since they're all sort of related.
6 Insufficient knowledge of waste reduction methods and
7 benefits, and the fact that many of the campuses still have
8 no full-time coordinator.

9 Strategies to improve campus waste reduction have
10 been combined as well. What we would like to do is to inform
11 campus and system administrators of waste reduction economic
12 benefits, which, in turn, would help to provide the
13 administrative support and funding and hiring of coordinators
14 that we would recommend, provide how-to-guide and video that
15 was developed as a result of the model program contracts that
16 we've had to all California campuses. Promote networking
17 through the campus recyclers E-mail network, which as I
18 mentioned earlier today the Collegiate Recyclers Technical
19 Counsel, Technical Counsel for CRRA is currently very active
20 on the Internet Networking through E-mail.

21 And we'd also like to stimulate competition between
22 campuses. This can be effective for, not only for waste
23 reduction, but also for procurement activities as shown in
24 this chart here. This is representing the state university
25 recycled product purchase percentages. Obviously if you're

1 on the lower end of the chart, which I know you can't read
2 the names of the campuses there --

3 MS. RICE: Is it in the same order as chart four,
4 by any chance?

5 MR. BRENNAN: Probably not.

6 MR. CROPPER: This is more of a, this more of a
7 sample of what could be done to show competition between the
8 universities. We could show that, say, UC Berkeley is doing
9 a tremendous job of diverting materials, however, another
10 university is doing very little. And we can send out a graph
11 to the colleges or to the chancellor's office and show who
12 needs improvement.

13 COMMITTEE CHAIRMAN CHESBRO: Wouldn't you have to
14 somehow measure that on a per capita basis or something in
15 order to make it a fair comparison. I mean comparing
16 Berkeley and Santa Cruz would be --

17 MR. BRENNAN: For diversion, yes, that's true.
18 This is a recycled product purchase percentage chart here.

19 COMMITTEE CHAIRMAN CHESBRO: A percentage of what
20 they purchased?

21 MR. BRENNAN: Yeah. So for this one it wouldn't,
22 wouldn't hold true, but for diversion it would definitely
23 have to be done on a per capita basis. If committee member
24 would, Gotch was referring to chart four in the report.

25 COMMITTEE MEMBER GOTCH: Yes.

1 MR. BRENNAN: It's very similar, it's the 1993
2 numbers. I believe that chart four shows three different
3 years so, yeah, they are in the same order.

4 COMMITTEE MEMBER GOTCH: Thank you.

5 MR. BRENNAN: Let's see, staff was also asked to
6 include in the status report information regarding university
7 and college recycled product procurement or RCP procurement,
8 recycled content product procurement.

9 Project Recycle staff worked with staff of the
10 birecycled section of the Waste Prevention and Markets
11 Development Division to develop strategies to increase the
12 amount of recycled content products purchased by these
13 campuses. The UC system is statutorily required to report
14 its purchases of recycled paper only. While the UC has no
15 specific mandated goals to meet, the amount of recycled paper
16 purchased has generally increased the during the period of
17 time they have reported.

18 CSU is required to report recycled product
19 purchases in a variety of material categories and has
20 specific goals to meet increasing each year. Percentage of
21 recycled product expenditures at CSU has increased as well.
22 The most significant barriers to recycled product procurement
23 have been grouped for the purposes of this presentation as
24 well. Including the insufficient knowledge of RCP sources,
25 prices and quality, insufficient mandates, policies, and

1 administrative support, decentralized purchasing or
2 purchasing by departments, and a large work load which is a
3 general complaint of procurement officers, not having enough
4 staff and time to research new sources.

5 Working with the birecycled section we've developed
6 the following strategies for increasing recycled product
7 procurement. Encouraging campus participation, the state
8 agency birecycled campaign. This is an ongoing campaign
9 being put on by the birecycled section. And they've been
10 encouraging campus participation in those sessions.

11 We want to promote the use of birecycled guidance
12 documents at campuses such as the Recycled Product Guide
13 provided by the Department of General Services and by the
14 Board at a reduced price. And the Market Watch Document
15 provided by the Division of Recycling.

16 And we want to promote the use of automated
17 tracking systems provided by the Board's birecycled program.
18 Obviously, this would help to reduce work load and can also
19 help to centralize purchasing on campuses. And the tracking
20 system can also be used by department if centralization is
21 not possible.

22 And we're also starting to use the existing campus
23 recycler, recycling coordinators E-mail network to promote
24 the purchase of recycling content products, because we
25 already have advocates on the campuses we might as well tap

1 into them and have them promote the purchase of recycled
2 products instead of having to go to each campus ourselves.

3 In summary, California's public colleges and
4 universities are generally improving their waste reduction
5 recycled product procurement practices, though there's still
6 great potential for further improvement. Networking between
7 campuses is going to be a big component of this potential.
8 Staff looks forward to presenting this item to the full
9 Board, if you so desire, at which time it will be a
10 consideration item, and we'll present recommendations for
11 Board direction to staff.

12 COMMITTEE CHAIRMAN CHESBRO: Okay. Let me ask Judy, is
13 it necessary for the Board to act in order to implement this,
14 or is this something we could give a blessing at the
15 committee level?

16 ACTING DEPUTY DIRECTOR FRIEDMAN: I believe you can
17 give a blessing at committee level. There's nothing here
18 that's asking for additional resources or anything it's just
19 basically how we will go forth with the, you know, overcome
20 the barriers.

21 COMMITTEE CHAIRMAN CHESBRO: Okay. Thanks.
22 Another question I have is one of terminology. You talked a
23 lot about waste reduction in here, and I assume that that's
24 being used as an umbrella term to include both waste
25 prevention and recycling?

1 MR. BRENNAN: Waste prevention, recycling,
2 composting, yes.

3 COMMITTEE CHAIRMAN CHESBRO: So that implies, then,
4 that there are some specific waste prevention strategies in
5 here too?

6 MR. BRENNAN: Yes, there are. The campuses are an
7 area where we can really focus on waste prevention as well
8 because the students and faculty are definitely behind it,
9 and some of the staff as well. Things like grass cycling can
10 be shown to be very economically beneficial as well, so the
11 things that are economically beneficial, that's, those are
12 the kinds of things that we're going to try to push.

13 COMMITTEE CHAIRMAN CHESBRO: They do a lot of
14 centralized duplicating as well as thinking back to photocopy
15 machines and college libraries and stuff. It seem like they
16 must go through photocopy machines at a huge rate, and it
17 just seems like you could advance the process of getting
18 proper equipment and educating people on how to do it and all
19 that effectively on a college campus.

20 And when we learned about recycling at Humboldt all
21 these years, witness all the people on the Board staff from
22 Humboldt State, Sam's not listening I hope, is that people, I
23 think, can, you know a university is a very effective place,
24 or a junior college for that matter, for people to learn
25 these things and then take them to their workplace, you know,

1 take them out and the businesses that they get involved in
2 exercise the things that they learned while they were in
3 school.

4 MR. BRENNAN: And the students kind of push the
5 envelope, and the administration kind of oversees them and
6 keeps them from going overboard in many cases. And some of
7 the things that are sort of on the cutting edge, a lot of the
8 student newspapers are already putting their newspapers on
9 E-mail and distributing it that way which reduces, of course,
10 paper use. At this point in time it's a real money maker.

11 COMMITTEE CHAIRMAN CHESBRO: I thought of a recent
12 example from Humboldt that I wanted to mention that got a lot
13 of publicity.

14 MR. BRENNAN: Yes, national publicity.

15 COMMITTEE CHAIRMAN CHESBRO: We'll talk about it
16 later.

17 MR. CROPPER: One of the problems that, as Terry
18 showed, was that we have a real problem with them reporting
19 to us, the universities reporting to us, and the community
20 colleges, and we really don't have any hammer over them, and
21 it would be very helpful to us if they did report to us so
22 that we would know what kind of impact as to providing
23 equipment and recycling containers is having, and, but there
24 really aren't any requirements for them to report to us, and
25 that's just one of the difficulties that we have.

1 COMMITTEE CHAIRMAN CHESBRO: Are we finding at all
2 that the developing of the relationship is improving that
3 situation? Because obviously we don't have the compulsive
4 requirement, compulsory requirement.

5 MR. CROPPER: In showing them that we will have
6 like some type of competition or, so that they can show that
7 they are recycling more or diverting more, they would want to
8 do that in trying to stimulate some type of competition
9 between them, I think, will have a good, very good effect and
10 they will want to report to us.

11 COMMITTEE CHAIRMAN CHESBRO: What about the
12 relatively low number of community colleges. Is there a
13 specific strategy around that? Because I, it's surprising
14 that the, I know there's a lot more of them so it's probably
15 more of a problem from the standpoint of staff time to get
16 programs started and expense, but still, they represent a,
17 you know, a lot of waste, and also they're geographically
18 distributed where they exist in probably a majority of the
19 counties in the state.

20 MR. BRENNAN: A lot of people too.

21 COMMITTEE CHAIRMAN CHESBRO: So you look at this
22 from a standpoint that we are assisting local jurisdictions
23 in meeting their diversion goals by getting state agencies to
24 divert, we can really be spreading our assistance around a
25 lot by getting the community colleges going, you know, even

1 though we might have fewer UCs, and by getting UC you'll
2 really help Davis, and you'll really help Berkeley, and
3 you'll really help, you know, those communities. The broader
4 impact on the largest number of jurisdictions is probably
5 through the community colleges, you know.

6 MR. BRENNAN: I think by getting them more involved
7 in the networking that will help a lot. One of the problems
8 they have is they have a very transient population. The
9 students are only there for a couple of years in most cases,
10 and just by the time students start to get things rolling,
11 they move on and programs fall apart. And often times
12 facilities and administration don't have the funding to pick
13 up the slack. The funding at the community college level is
14 much less than at CSU or UC.

15 COMMITTEE CHAIRMAN CHESBRO: What is happening with
16 the idea, which I have talked certainly to people on several
17 campuses of the CSU system, the idea of trying to get the
18 budgeting system to give people, give departments and others
19 rewards, or at least use the money to fund this, if you save
20 money because of waste prevention using the money to fund the
21 positions necessary to continue to operate a program. Has
22 there been any headway made in that?

23 MR. BRENNAN: Well there was a proposal from
24 Humboldt State which is accepted by the CSU chancellor's
25 Office to fund for the first year their program based on cost

1 avoidance. One of the problems that they ran into was there
2 wasn't a budget line item to place the money into, so it got
3 put into the special repairs budget, which kind of pits them
4 against other interests. They're talking about this within
5 the Collegiate Technical Counsel.

6 COMMITTEE CHAIRMAN CHESBRO: It's a generic problem
7 in the budgeting system on the universities. To give you a
8 quick example, when I was on the city council we showed the
9 university how we could save both of us a whole lot of money
10 by combining police departments, because they had a separate
11 police departments. And their response was, we're creating
12 jobs in this economically depressed county, if we don't spend
13 this money on law enforcement officers on our campus it'll go
14 back to Long Beach to the chancellor's Office and we'll lose
15 it, we'll lose like six jobs in Humboldt County. So how
16 could you argue that, but it's an example of how there's no
17 incentive in the institution to come up with efficiencies
18 because they're going to lose the money. They can't
19 reallocate it to something that would be appropriate. And in
20 this case, obviously, savings from to the institution ought
21 to be spent on setting up, and institutionalizing the
22 programs which continue, will continue those savings and keep
23 'em going, you know.

24 MR. BRENNAN: Staff tries to encourage waste
25 reduction coordinators and administrators suspend any savings

1 within the same fiscal year and that way the money isn't
2 swept at the end of the year. Sometimes, though, whenever
3 there's a savings it's fought over, so either within the
4 campus or within the system.

5 COMMITTEE CHAIRMAN CHESBRO: Well it's a problem.

6 MR. BRENNAN: It's a general budgeting problem, it
7 was brought up earlier with the waste prevention plan, the
8 same kind of problem, use it or lose it. Well thank you for
9 your time.

10 COMMITTEE CHAIRMAN CHESBRO: Okay. Well I think we
11 should give our blessing here. I think a lot of good work
12 has been done, and I'm hopeful that you will continue to
13 build the success, because as I said, it's, it's a very
14 important part of our assisting local jurisdictions to try to
15 get their resident state agencies to comply.

16 And I want to emphasize waste prevention, I think
17 it's important for us to not just think in terms of recycling
18 and procurement, but to get the third horse involved to pull
19 this thing and that's waste prevention. So I guess I'll
20 entertain a motion to --

21 ACTING DEPUTY DIRECTOR FRIEDMAN: Could I just say
22 one thing before you start. I just wanted to acknowledge
23 Jerry Hart for his input into this particular item and
24 working with staff and our division and another good example
25 of interdivisional cooperation. Jerry had all the input on

1 the procurement parts of this.

2 COMMITTEE CHAIRMAN CHESBRO: And where did you
3 learn to recycle Jerry? Never mind.

4 MR. HART: Humboldt State.

5 COMMITTEE CHAIRMAN CHESBRO: Yes, I'll entertain a
6 motion to approve this.

7 COMMITTEE MEMBER GOTCH: All right. I will second
8 that motion then. We don't really --

9 COMMITTEE CHAIRMAN CHESBRO: Well there's no action
10 required, but I think it's important for staff to get the
11 feedback that we approve of the work that they've done, so I
12 think a motion would be appropriate. So call the roll
13 please?

14 COMMITTEE SECRETARY MARSH: Board member Gotch.

15 COMMITTEE MEMBER GOTCH: Aye.

16 COMMITTEE SECRETARY MARSH: Chairman Chesbro.

17 COMMITTEE CHAIRMAN CHESBRO: Aye. Thank you. Go
18 forth and do good.

19 ACTING DEPUTY DIRECTOR FRIEDMAN: We will not put
20 this on the Board, is that correct?

21 COMMITTEE CHAIRMAN CHESBRO: No. I think that's
22 all. It's been swell. We'll call it a day.

23 (Thereupon the foregoing hearing was
24 concluded at 3:33 p.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 meeting 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 and Registered Professional Reporter on the 4th day of April, 1995.

Doris Bailey
Doris M. Bailey, CSR, RPR
Certified Shorthand Reporter
License Number 8751