

SCRAP TIRE ADVISORY COMMITTEE MEETING

March 6, 2013
 10:00am - 12:00pm
 Lansing, Constitution Hall, Atrium North
 Rachel Carson Conference Room

MEETING SUMMARY

Name	Affiliation	Phone Number	E-mail Address
Participants			
Bud Dingus	Environmental Rubber	810-240-9833	bdingus@fortistar.com
Bruce Bart	Cobalt	269-625-3681	bbart@cobaltrubber.com
Gary Melow	Michigan Biomass	989-763-0672	Gary.melow@michiganbiomass.com
Michael Blumenthal	Rubber Manufacturers Association	202-682-4882	Michael@rma.com
Brian Radtke	Silver Lining	734-324-4800	bradtke@wyan.org
Wayne Shotwell	Belle Tire	313-271-9400	wshotwell@belletire.com
M. Emin Kutay	MSU	517-353-9297	kutay@msu.edu
John Becsey	Asphalt Pavers Assoc.	517-323-7800	jbecsey@apa-mi
Tom Frazier	MTA	517-321-6467	tom@michigantownships.org
John Barak (via phone)	MDOT	571-322-4967	barakj@michigan.gov
Andrew Horsman (via phone)	Ontario Tire Stewardship	647-426-6252	ahorsman@rethinktires.ca
Peter Capon (via phone)	Rieth-Riley Construction Co., Inc.	574-875-5183 extension 20264	pcapon@rieth-riley.com
Crystal Rogers (via phone)	City of Detroit DPW	313-876-0426	gilbertcr@detroitmi.gov
DEQ Staff			
Michael Marshall	DEQ-SMMU	517-373-4738	marshallm7@michigan.gov
Ann Vogen	DEQ-Detroit	313-456-4663	vogena@michigan.gov
Rhonda Oyer	DEQ-SMMU	517-373-4750	oyerr@michigan.gov
Michele Oberlin	DEQ-SMMU	517-241-2924	oberlinm@michigan.gov
Fred Sellers	DEQ-GR/Kalamazoo	269-567-3595	sellersf@michigan.gov
Tracy Kecskemeti	DEQ-SEMI	586-753-3840	kecskemetit@michigan.gov
Rich Brim	DEQ-Lansing	517-373-9159	brimr@michigan.gov
Nadine Deak	DEQ-Kalamazoo	269-567-3592	deakn@michigan.gov
Steve Sliver	DEQ-SWS	517-373-1976	slivers@michigan.com
Liz Browne	DEQ-OWMRP	571-373-9523	brownee@michigan.gov
Rob Dickman (via phone)	DEQ-AQD	231-7753960	dickmanr@michigan.gov

Welcome by Rhonda Oyer and introduction of participants.

Maggie Datema, Director, Office of Legislative Affairs, DEQ addressed the group about the working proposal for legislative changes:

- Goals of proposals?
- Accomplishments from proposals?

The group discussed the proposals and asked questions about the process. Ms. Datema seemed surprised that there was little if any opposition about the fees and bonding requirements. The STAC was suggested to have draft completed at June meeting and then submit it.

Liz Browne advised the group about:

- The sunset extension completed by SoS
- For the STAC to expect changes to the draft proposal

Steve Sliver thanked everyone for their participation.

Rhonda Oyer asked for comments on the 12/6/12 meeting summary and introduced Dr. Emin Kutay as potential appointee to the STAC. She will continue to look for smaller haulers to provide representatives for the STAC.

Dr. Kutay described his research and identified the locations of the last two projects.

Michael Blumenthal described the upcoming rubberized asphalt convention in AZ in October. He also spoke about the Scrap Tire Research and Education Foundation. (stref.org)

Andrew Horsman called into the meeting. He described how and why the Ontario Tire Stewardship (OTS) was in place and how it came about. The call was to specifically address the allegation of price cutting from an OTS participating crumb rubber manufacturer. Bruce Bart and Mr. Horsman discussed the issue at length. Transparency in the program and enforcement were Mr. Bart's biggest concerns. OTS does have incentives per ton of product produced and there is more processing capacity than tires in OTS jurisdiction. OTS is looking at the processing incentives and talking about ratcheting them down by 10% (effective January 1, 2013) and is looking to reduce the incentives further in the future. The markets are still unstable and OTS is working on sustainable markets. The implication of future reductions to the incentives needs to be considered. The processors need to get on board with doing this at the market price without the incentives. The hope is to at some point eliminate tip fees and instead rely on the price of the commodity. There are Michigan processors sending shred into Ontario as well as New York processors sending shred into Ontario. As long as they are not claiming the incentives from Ontario, this practice is acceptable.

There remains a question as to who is manufacturing the material that is being sold in Michigan below the market price.

Ann Vogen updated the STAC on the situation in Detroit with the City's Blight Taskforce and the tire piles. She brought up the possibility of a deposit law for tire sales. The idea was being presented at the request of person not attending the meeting. The idea was quickly rejected by almost all participants.

Mike Marshall updated the STAC on the grant process and the numbers of applications. The group discussed the changes in the federal rules about amnesty day tires. There was a discussion that Market Development Grants should focus on the end user demand, Green Buildings/LEED, and promoting more what is being done under the program through signage.

Gary Melow spoke about the trends in biomass and TDF. The cost is market driven and affects the rest of the commodity cost. Continued debate on waste to energy is to be expected.

Rob Dickman, AQD, DEQ, called into the meeting and addressed the issues that are ongoing with air quality permits for rubberized asphalt. He wanted to ensure that projects are getting approval from their districts to be sure they are meeting permitting requirements. A discussion ensued about R&D exemptions and the reasons for testing requirements at each facility, the difficulty in attaining permits and the cost of doing so. The need for a market seems to be the reason that rubberized asphalt is lagging behind in MI as well as the reason there are not existing permits for this procedure. The market seems to be lagging because there is nobody willing to pay the cost to get the permit modifications. This conversation has occurred in multiple meetings with various agencies and participants with similar non-progressive results.

Rhonda Oyer updated everyone on the triennial report on the Scrap Tire Program. It has been completed and gone to Liz Browne for review.

Mike Marshall spoke about the end user data collection and entry into the Waste Data System (WDS) in hopes to get a better throughput idea. This is needed for a better understanding of the market and capacities. He went on to update everyone after the EPA Scrap Tire Workgroup conference call. The EPA has shifted focus after funding cut and moving into addressing more about climate change. There will be longer waiting times due to mandatory furlough days in EPA.

There were no further comments or topics discussed.

Next meeting date is Wednesday, June 19, 2013 from 10:00 am- 2:00 pm in the Rachel Carson Conference Room.