

SCRAP TIRE ADVISORY COMMITTEE MEETING

June 9, 2010
 9:00am - 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
Craig Detweiler	Entech	574-596-9243	craig@4entech.com
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Gary Melow	Michigan Biomass	989-763-0672	Gary.melow@michiganbiomass.com
Jan Wilford	MDA- Environmental Stewardship	517-241-4730	Wilfordj9@michigan.gov
Michael Blumenthal	Rubber Manufacturers Association	202-682-4882	Michael@rma.com
Tom Frazier	Michigan Townships Association	517-321-6467	tom@michigantownships.org
DNRE Staff			
Ann Vogen	DNRE-WHMD	313-456-4663	vogena@michigan.gov
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Welcome by Rhonda Zimmerman and introduction of participants.

Liane Shekter Smith, acting Waste and Hazardous Materials Division Chief, provided remarks on the Department of Natural Resources and Environment (DNRE) reorganization which is still in transition. The new Division will consist of waste programs, RAD protection, drinking water programs, community/non-community programs and the Office of Geological Survey. The Division was going to be called the Groundwater Division, but that name does not encompass

everyone, so as of yet no new name has been decided. The next step in the reorganization is filling Assistant Division Chief and Regional Director positions and establishing the Citizen's Advisory Councils (4 based on watersheds). It has been rumored that the entire DNRE will be housed in Constitution Hall, but it is unsure how or when this will happen.

Liane also provided an update on the proposed budget. She indicated scrap tire program funding is stable for FY11, however the fee sunsets in FY12 (December 31, 2012). Other waste program funding should be sufficient for FY11 but will need drastic cuts to the program in FY12 if the shortfall is not resolved which could impact staff that are partially funded by scrap tire funding.

Previous meeting summary: The February 3, 2010 meeting summary was reviewed. No comments were made. They will be finalized and placed on the website.

Scrap Tire Cleanup and Market Development Grants: Julie provided an update of the Scrap Tire Cleanup grants: three FY09 Scrap Tire Cleanup grants are still outstanding and will be completed by the end of the fiscal year. All FY10 grants have been executed except for one which should be in by the end of the week. Thirteen grant applications have been received for the 2nd round of funding, eleven of which were eligible, totaling \$200,000. Staff is currently in the process of sending recommendations to the Director for approval of these 2nd round grants. Two grants were over \$25,000 so they will need to be approved by the State Administrative Board. It was noted that all grants must be executed by September 30, 2010. It is estimated that 660,000 tires still remain in approximately 50-60 locations. This estimate does not include the tires in Keweenaw, which would bring the total estimate to approximately 1,000,000 tires still in piles in the state.

Becky provided a Market Development Grant update. Two grants for FY 10 have been awarded: Village of Mattawan for a cape seal application/road project, and Steel Supply and Engineering in Grand Rapids who will be making a stair step out of crumb rubber. It was also noted that 12 Letters of Interest (LOIs) were received for the 2nd round of MD grants which were geared towards road projects. All 12 were asked to submit full applications, which are due June 11, 2010. A committee member noted the following considerations that should be made when evaluating these market development road project grants:

- What are the fixed costs associated with this type of project: the same fixed costs exist whether one lane mile or one hundred lane miles are completed using rubber modified asphalt. This fact can be viewed as an easy project killer.
- What length of time are applicants requesting to assess the road project be considered in the evaluation of these grants. Studies can take as long as 5-7 years to test, etc.
- Will the applicants compare the cost to conventional asphalt or other polymer modified asphalt?

- Encourage looking at terminal blends which are made of approximately 5-7% rubber in the binder as opposed to hot mix. Sometimes there is less resistance to terminal blend than hot mix.

It was also suggested that Rubber Manufacturers Association could “bring in” people representing different mixes for a workshop to help understand rubber modified asphalt. It was noted that a convention will be held in October in Downtown Toronto which will discuss cold climate rubber-modified asphalt.

Discussion regarding changes to Scrap Tire Cleanup Program for the next fall round- buried tires, community cleanup, and roadside cleanups: Staff has put together a list of proposed criteria to consider for cleanup days and roadside cleanup grant applications (handout). Criteria were discussed, comments were:

- It may be a problem to have the tires disposed of on the same day as the collection, as many collections are done on Saturday and the trailer is not picked up until Monday.
- It is very difficult to estimate how many tires will be collected in a community cleanup setting in order to apply for a grant. It was suggested that entities set up appointments with residents to drop off tires so that an estimate can be made as to how many tires will be collected.
- Other states limit to 4 and do not charge a fee for the first cleanup, but the 2nd time a fee is charged to encourage proper disposal.
- It was suggested that the UP it be allowed to have a “milk run” system, or some sort of consolidation site for regions. Concerns were raised that some townships/small municipalities may not be able to consolidate the tires in a regional area.
- Could the dollar limit be set by population? There is a concern that a \$2,000 limit would not be enough for larger cities. If a large city collected more tires than the \$2,000 limit, the city would be responsible for the remainder of the cost. It was noted that the bad economy could be a large impact on the amount of tires collected.
- Would the amount paid on grants be raised such as a transportation fee or a trailer price so that smaller amounts of tires can be picked up by haulers/processors? It may not be worth the money for haulers to pick up small amounts of tires in rural areas. It is possible for processors or haulers to provide an estimate based on a Midwest fuel index (approximately \$1.50/mile) to create a formula.
- Could the state/federal land entities have a consolidation point such as a county agency where that entity is responsible to get the tires off the land to that consolidation point?
- Could applications be aggregated by staff to attempt to create a consolidation point?
- Question about lien placed on sites picked up for less than 500 tires: Probably not worth it, and would deter applicants. Statute may require liens on these sites.
- Should there be a more simple application for smaller sites?

- The goal is to get rid of tires, to diminish risks posed by tires. If the budget is there to cleanup tires, cleanup tires. The concern is encouraging improper disposal of tires if the state will just clean them. To get around this, tell the counties they will only receive this funding once.

Update on biomass fuels issues and TDF: Gary Melow provided an update on biomass fuels and TDF: the Public Service Commission is still looking at definitions of what is renewable biomass fuel; however TDF is not part of that discussion. Michigan power plants have participated in the biomass crop assistance program which resulted in significant cost decreases in wood but did not impact the amount of TDF used. The biomass crop assistance program has been suspended pending review but this suspension should not impact TDF. The only facility impacted so far was one Upper Peninsula power plant that was planning to stop using TDF while they could get cheap wood. The supplier price was cut to compete, so the TDF was not impacted, but it was still a threat. It was asked if wood burners have starting to plan for the potential of not being able to burn wood as a result of the EPA definition change (see below): coalitions are being formed to “fight” EPA definition.

EPA identification of non-hazardous secondary materials that are solid waste: Michael Blumenthal gave a brief history and background of why the EPA is recommending changes to their rules defining secondary materials that are solid waste. TDF historically has not been classified as solid waste and regulated under Section 112. The EPA has released proposed rules that regulate tires burned as fuel as solid waste under Section 129. Tires could be regulated differently based on the amount of processing, the amount of wire or steel remaining in the material when it is burned, if the tire is whole, rough shred or clean cut 2” chip. For more information please see <http://www.epa.gov/epawaste/nonhaz/define/index.htm>.. The final decision should be released sometime in mid-December with an implementation date of 1/1/2014. The comment period began June 4th and will last until August 3rd with public hearings in Washington, D.C. on June 15th, Houston, TX and one in Los Angeles, CA in July. Duane Roskoskey will be coordinating comments for our Division. The EPA has outlined what is required in comments. This document will be e-mailed to the STAC.

Updated Q&A document on DNRE website and reorganized web page for scrap tire program: Links have been added to the EPA website re: playground materials under “EPA Scrap Tire Information and Links” on web page. Also, a link to the online scrap tire hauler registration is under the “Featured Online Services” heading. Haulers registered as a Michigan business will be able to apply for their hauler registration online this fall. The Q&A document has been updated and links have been incorporated in the document.

Change on 2011 Scrap Tire Hauler Registrations- provide Michigan Corporate ID number: Beginning this fall the Michigan corporate id will be required on scrap tire hauler and collection site registrations.

Discuss potential Legislative change—make haulers responsible for getting manifest back to generator rather than end/disposal location and make haulers responsible for getting all records from end/disposal location: This topic was brought up because there is a belief that haulers are causing the problems with record keeping, not the end user. It was noted that this change could increase fraud if hauler is dumping and forging records. The current system was modeled after the RCRA standards. Many agreed it should be the responsibility of the generator to have all of the paperwork.

RCC Workgroup update: Rhonda provided an update of the Resource Conservation Challenge (RCC) workgroup: the RCC is discussing how to get more information out and is looking into posting a video on you tube. Another conference call will be held next week. A Scrap to profit conference will be held in Arkansas in November. The EPA will also be holding a meeting in NYC focusing on rubber in playgrounds.

Develop a plan for addressing and then begin discussion (as time allows) of controversial issues that were not resolved during the initial Work Group process and other issues noted in the Legislative Report to be worked on by the STAC.

Continued discussion:

- **Should the DNRE improve capability to use performance bonds for sites?**
- **Consider changing the Scrap Tire Cleanup Grant Program to address remaining smaller tire accumulations and farm (switching to sidewall rings) and community cleanups/dumping.** Discussed earlier in meeting

Discuss Legislative changes (the group prioritized the following items):

1. **Extend the surcharge sunset in the Motor Vehicle Code.**
2. **Whether to require generator record-keeping:** it was recommended that the statute be changed back to the way it was, requiring proof of receipt of generator records. It was noted that a number of states have a 4-part manifest: one is left with the generator indicating where the tires are going, one is left with the drop-off location, the third part is held by the hauler and the fourth is sent to the state. These states have a requirement that manifests are kept for 5 years and are available during business hours for inspection. California has done this electronically via a databank for verification.
3. The following are priorities however not as urgent as the above two:
 - **Should the DNRE improve capability to use performance bonds for sites**
 - **Consider vehicle forfeitures for violations involving those vehicles**
 - **Consider increased/improved penalty provisions**
 - **Should the DNRE have rule-making authority**
 - **Consider promoting the use of rubber modified asphalt and other engineered uses of tires.**

- **Propose changes to Part 169/Part 115 interface, add back in a definition of commercial scrap tire hauler, and clarify what constitutes visible display of a scrap tire hauler registration number on a vehicle transporting scrap tires (another potential change is to allow either the owner or operator of a collection site to post the required bond).**

Issues that the STAC agrees have been resolved:

- **Address consumer issues concerning the use of tire material in sports surfaces and playgrounds:** listed reports on scrap tire website
- **Consider changing the feed storage location exemption.**
- **Consider promoting the use of rubber modified asphalt and other engineered uses of tires.**
- **Discuss potential legislative changes to stagger hauler registration expirations to allow staff the ability to inspect all sites and**
- **Indoor storage regulations (NFPA 13 and federal fire code regulations)**

Next meeting dates will be Wednesday September 1, 2010 from 10:00 am-2:00 pm in the Rachel Carson Conference Room.