Mailed out 8-25-08

LINDA S. ADAMS
SECRETARY FOR ENVIRONMENTAL PROTECTION

CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD

ARNOLD SCHWARZENEGGER
GOVERNOR

1001 I STREET, SACRAMENTO, CALIFORNIA 95814 • P.O. BOX 4025, SACRAMENTO, CALIFORNIA 95812-4025
(916) 341-6000 • WWW.CIWMB.CA.GOV

MARGO REID BROWN
CHAIR
MBROWN@CIWMB.CA.GOV
(916) 341-6051

WESLEY CHESBRO
WCHESBRO@CIWMB.CA.GOV
(916) 341-6039

ROSALIE MULÉ
RMULE@CIWMB.CA.GOV
(916) 341-6016

CHERYL PEACE
CPEACE@CIWMB.CA.GOV
(916)341-6010

GARY PETERSEN
GPETERSEN@CIWMB.CA.GOV
(916) 341-6035

August 26, 2008

Vern Mabry Jr.,
Rubber Recovery, Inc.
203 North Juanita Ave #A
Redondo Beach, CA 90277

RE: STIPULATED DECISION AND ORDER

Dear Mr. Mabry:

The California Integrated Waste Management Board (CIWMB) is in receipt of the CIWMB Stipulation, Decision, and Order, 2008-000007-PEN which you have signed and returned. We appreciate your timely response and your willingness to resolve this issue through this Streamlined Penalty Process. Enclosed you will find the Stipulation, Decision, and Order signed by both the Executive Director and the Board Chair.

In the future, should you have any questions or concerns about the waste tire hauler or manifesting requirements, please call our toll free number at (866) 896-0600 so that we can assist you and minimize the potential for future enforcement action.

Should you have any questions concerning this Stipulation, Decision, and Order, please call Keith E. Cambridge, Supervisor of the Tire Hauler Compliance Section at (916)341-6422

Sincerely,

Ted Rauh, Program Director
Waste Compliance and Mitigation Program

INTEGRATED WASTE MANAGEMENT BOARD

ORIGINAL PRINTED ON 100 % POST-CONSUMER CONTENT, PROCESSED CHLORINE FREE PAPER

CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD
WASTE TIRE HAULER/MANIFESTING VIOLATIONS
STIPULATION, DECISION, AND ORDER

Complainant, the California Integrated Waste Management Board and Respondent(s) hereby agree that the stipulation will be a final resolution of the violations alleged below. The parties stipulate to the following facts and violations of law:

CIWMB ENFORCEMENT ORDER NUMBER: 2008-000007-PEN

RESPONDENT: Rubber Recovery, Inc.
1501 West Gladstone Street
Azusa, CA 91702

PUBLIC RESOURCES CODE (PRC) SECTION VIOLATED: §42961.5 (c)(2)

TITLE 14, CALIFORNIA CODE OF REGULATIONS (CCR) VIOLATED: N/A

DESCRIPTION OF VIOLATIONS:
Between January 3, 2008 through May 16, 2008, **Rubber Recovery, Inc.**, submitted incorrect and/or incomplete manifests in violation of PRC Section 42961.5.

Pursuant to PRC §42961.5 (c) (2) Any waste and used tire hauler hauling waste or used tires for offsite handling, altering, storage, disposal, or any combination thereof, shall complete the California Uniform Waste and Used Tire Manifest as required by the board. The waste and used tire hauler shall provide the manifest to the waste or used tire facility operator who receives the waste or used tires for handling, altering, storage, disposal, or any combination thereof. Each waste and used tire hauler shall submit to the board, on a quarterly schedule, a legible copy of each manifest. The copy submitted to the board shall contain the signatures of the generator and the facility operator.

DATE(S) OF VIOLATION: January 3, 2008, January 10, 2008, January 24, 2008, February 6, 2008, February 12, 2008, February 27, 2008, March 11, 2008, March 12, 2008, March 13, 2008, April 8, 2008, April 14, 2008, May 1, 2008, and May 16, 2008.

STIPULATION DUE DATE: 15 DAYS FROM THE DATE OF SERVICE

TOTAL MONETARY PENALTY: $650 **NUMBER OF COUNTS: 13**

STATEMENT BY RESPONDENT(S):

I acknowledge that the violation(s) of the Public Resources Code and/or Title 14, California Code of Regulations (CCR) described above and on Exhibit 1 attached, have occurred and request that the California Integrated Waste Management Board resolve this matter by imposition of the monetary penalty specified above. I acknowledge receipt of the *Statement of Respondent's Rights* at the bottom of this form and voluntarily waive any and all procedural rights to contest this matter in an Administrative Hearing. I have enclosed a check or money order made payable to the California Integrated Waste Management Board in the amount of the penalty described above. I understand that if there are not sufficient funds in my bank account when the check is deposited, CIWMB has the discretion to determine that this agreement is null and void, and can prosecute this allegation as if no agreement has been executed.

RESPONDENT has freely and voluntarily entered into this Stipulation, Decision, and Order (hereinafter "Stipulation"), and has been afforded the opportunity to consult with counsel prior to entering into this Stipulation. It is expressly understood and agreed that no representations or promises of any kind, other than as contained herein, have been made by any party to induce any other party to enter into

this Stipulation, and that said Stipulation may not be altered, amended, modified or otherwise changed except by a writing executed by each of the parties hereto.

This Stipulation constitutes the entire understanding of the parties concerning the settlement of this proceeding. There are no restrictions, promises, warranties, covenants, undertakings, or representations other than those expressly set forth herein or contained in separate written documents delivered or to be delivered pursuant hereto, and each party expressly acknowledges that it has not relied upon any restrictions, promises, warranties, covenants, undertakings, or representations other than those expressly contained herein.

If necessary, this Stipulation may be executed in counterparts, each of which shall be an original, and all together shall form one agreement. In addition, for purposes of this Stipulation, facsimile signatures will be treated as originals until the applicable page(s) bearing non-facsimile signatures have been received by the parties.

The effective date of this Stipulation, Decision, and Order, is the date that the Board Chair signs it.

Dated: 8-13-08 **Signature:** Robert H Davis

Printed Name: ROBERT H. DAVIS
Job Title: PRINCIPAL
Name and Address of Business Entity: RUBBER RECOVERY, INC 1501 W GLADSTONE ST AZUSA CA 91702
Any DBAs: N/A

For California Integrated Waste Management Board Use Only

STATEMENT BY EXECUTIVE DIRECTOR:

I have reviewed the above stipulation and recommend its approval

Dated: 8/21/2008

MARK LEARY, EXECUTIVE DIRECTOR

ORDER OF THE BOARD

The foregoing stipulation has been adopted by the California Integrated Waste Management Board as its final decision and order and is effective upon execution below by the Chair of the California Integrated Waste Management Board.

IT IS SO ORDERED:

Dated: 8/22/08

MARGO REID BROWN, CHAIR

RECEIVED
AUG 15 2008

STATE OF CALIFORNIA **APPROVAL TRANSMITTAL** **CIWMB 85 (Revised 5/2001)**	CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD

This transmittal MUST be on all correspondence that are reviewed/approved /signed by Board Chair, Executive Director or Chief Deputy Director

** Please use the following colored folders: Red Folders for signature - Blue Folder for review **

Name of Document: **Streamlined Penalty Stipulation Final Return Letter/Vern Mabry Jr., Rubber Recovery, Inc.**

NOTE: It is the originator's responsibility to enter each reviewer's name and title.

ORIGINATOR	Name: **Stephen Petty**	Division/Section: **WC&MP/CEED**	Date: **8-22-08**	Phone: **(916) 341-6691**

ACTION: Please review the attached document, complete and sign the appropriate Reviewer Block and forward to the next Reviewer. If you are the last or only Reviewer, please return to the Originator. PLEASE DO NOT RETAIN FOR MORE THAN **2** WORKING DAYS.

1st Reviewer/Division Liaison	Name: **Keith Cambridge**	**Supervisor/Waste Tire Hauler Compliance Section**	
Comments: ___ Approved ✓ Approved with noted changes____ Disapproved _____ Secretary:			
Reviewer's Signature: LVK for		Date: 8/22/05	Phone:341-6422

Program Director/Waste Compliance & Mitigation Program	Name: **Ted Rauh**	Date Rec'd:___ Log in ID & Initial:_____	
Comments: ___ Approved K Approved with noted changes___ Disapproved _____ Secretary: **Kelly Westenbarger**			
Reviewer's Signature:		Date: 8/25/08	Phone:

	Name:	Date Rec'd:_____ Log in ID & Initial:_____	
Comments:____ Approved ____ Approved with noted changes_____ Disapproved _____ Secretary:			
Reviewer's Signature:		Date:	Phone:

RRI

Rubber Recovery, Inc.
1501 W. Gladstone Street
Azusa, CA 91702
Phone (626) 633-1174
Fax (626) 633-1044

August 13, 2008

Mr. Ted Rauh
Program Director
Waste Compliance and Mitigation Program
PO Box 4025
Sacramento CA 95212-4025

Subject: Tire Manifest "Violations"

Dear Mr. Rauh,

We, Rubber Recovery, Inc. are in receipt of your "Violations" letter and proposed settlement dated August 1, 2008. We will pay the "streamlined penalty" of $650.00 because it is not worth appealing and wasting time that could be more beneficially spent on developing the tire recycling industry. It should be noted that the $650.00 penalty represents the profit from an entire truckload of crumb rubber in an industry that struggles for buoyancy.

This stated, there are several issues to bring to your attention:

(1) The "violations Letter/Package" contained many "substantiating letters/documents" that were addressed to GreenMan Technologies of California, Inc. Rubber Recovery acquired "GreenMan" in July 2006. Any references and/or prejudicial treatment of Rubber Recovery should be tempered by this date/fact.

(2) Over half of the indicated "violations" were not of our doing. The missing information was to have been filled out by the scale-attendant at the delivered- to facility. We will, however take-the-hit in order to maintain our business relationships.

(3) Several of the indicated "violations" were perceived errors whereby the "missing information" was included in another section (i.e., there but in the wrong check-box).

This said, Rubber Recovery strives for total compliance. We will take our medicine as a learning experience and proceed along the path of continuous improvement.

Sincerely,

Robert H. Davis
Principal

P.S. Have you ever conducted a cost-benefit analysis to verify that the cost allocated to manifest-assessment justifies the penalty procedure(s)? Not a combative question…purely a business inquiry.

cc: M. Leary