

Alabama Scrap Tire Program Biennial Report

October 1, 2014 – September 30, 2016

Executive Summary

The Scrap Tire Biennial Report is required by the Scrap Tire Environmental Quality Act, Code of Alabama 22-40A-21(k), which is prepared by the Alabama Department of Environmental Management (ADEM or Department) for the Alabama Scrap Tire Commission (STC) for submittal to the Alabama Legislature. This report addresses Alabama's Scrap Tire Program activities as undertaken by the ADEM and the STC.

The Alabama Scrap Tire Environmental Quality Act established a mechanism for the cleanup of scrap tire stockpiles and for the regulatory oversight of the collection, transportation, processing, recycling, and disposal of all scrap tires that are generated or imported into Alabama. The Act established the Scrap Tire Fund (Fund) as support for the Alabama Scrap Tire Program.

The Fund is utilized as specified in the Act as follows:

- To pay the costs of remediation, abatement, removal, or other remedial action within the range of forty-five percent (45%) to seventy-five percent (75%) of monies deposited to the Scrap Tire Fund during the previous budget year;
- To pay the costs of the ADEM associated with the development and enforcement of regulations including personnel, training, materials, and equipment relating to administration of this chapter and for the training of enforcement personnel within the Department, county, and other governmental organizations, up to twenty percent (20%) of monies deposited to the Scrap Tire Fund during the previous budget year;
- To administer a program, within the range of zero percent (0%) to twenty percent (20%) of monies deposited to the Scrap Tire Fund during the previous budget year, directed at promoting and developing markets as an alternative to disposal;
- To fund the programs delegated by the Department to counties for enforcement of regulations, not to exceed ten percent (10%) of monies deposited to the Scrap Tire Fund during the previous budget year;
- To pay the tire retailer, not to exceed seven percent (7%) of fees collected, for collection and accounting costs associated with collection of the fee and the monthly distribution to the Department of Revenue;
- To pay the costs of administration of the Department of Revenue, not to exceed two percent (2%) of monies, associated with establishment of the Scrap Tire Fund, receipt of funds, disbursements, and auditing revenues in the Scrap Tire Fund.

Background

The Alabama Scrap Tire Study Commission (STSC) was directed by Act 99-597 of the 1999 Session of the Alabama Legislature to produce a report detailing the generation, accumulation, and challenges posed by and opportunities to more effectively manage scrap tires in Alabama. In addition to the report, the STSC was charged by Joint Resolution SJR-152 to clarify sections of scrap tire legislation identified.

On March 8, 2001, the Scrap Tire Report was finalized and revealed that on an annual basis in Alabama approximately five (5) million scrap tires were to be generated, fourteen (14) to twenty (20) million tires were stockpiled or illegally disposed, and an additional four (4) to five (5) million tires were being shipped to Alabama from out-of-state sources. In addition, the report documented that Alabama was the only state in the Southeast that had not enacted an adequately funded comprehensive cleanup and management program, and had no extensive regulatory structure to address effective management of scrap tires in Alabama. Based on this information, the STSC made a number of recommendations that were included in the drafting of the Scrap Tire Environmental Quality Bill. The draft bill was structured around the areas of stock pile remediation, regulation, enforcement, and market development of scrap tires. The legislation was introduced during the 2003 session and ultimately signed into law in June of 2003.

The Alabama Scrap Tire Environmental Quality Act provided a funding mechanism for scrap tire management through the use of a \$1.00 per tire point of sale collection on the sale of each new, used or retreaded tire sold in Alabama. The act also prescribed how collected funds were to be allocated to support activities of fund disbursement, regulation, marketing, site remediation, and county delegation. Additionally, the Act abolished the Scrap Tire Study Commission and established the Scrap Tire Commission (STC) to oversee the implementation of the Act. In 2003, the STC met and began the process of drafting regulations with the ADEM in line with the Act. The draft regulations were submitted by the ADEM for the standard public review process and to the Environmental Management Commission for adoption. ADEM Administrative Code, Division 4, which contains the regulations and requirements for scrap tire management, became effective on August 4, 2004.

The regulatory program provided for the registration of Scrap Tire Receivers, which included separate classes for tire retailers, salvage, and fleet operations. The program also provided for permitting of scrap tire transporters, processors, and end-users. Other key provisions included storage and transportation guidelines, an approved form for manifesting the shipments of scrap tires, and procedures for remediation of scrap tire sites.

Financial Statement Summary

The Alabama Scrap Tire Fund, as authorized by the Alabama Scrap Tire Environmental Quality Act, provides the funding for administration of the Alabama Scrap Tire Program and the aspects enumerated in the Act including: regulation and enforcement, site remediation, and market development.

Alabama Scrap Tire Fund FY03 through FY16

Fee Revenues:	\$51,813,798
<u>Interest Income:</u>	<u>\$1,518,406</u>
Program Revenue:	\$51,813,797
Program Expenditures:	\$37,821,856
Fund Balance as of October 2016:	\$9,726,658
Fund Obligations as of September 2016:	\$10,114,666

The Department anticipates future encumbrances to be at or above predicted revenues due to the continued efforts of the remediation program, the growth and development of the county assistance program, and possible processing infrastructure projects.

Accomplishments and Results

- An estimated 7,100,000 scrap tires from all sources are beneficially reused annually.
- Approximately 96% of beneficially reused tires are utilized as fuel or substitute raw material and 4 % through engineered and other uses.
- Since the program inception, over 8,800,000 scrap tires have been removed from illegal stockpiles or unauthorized disposal sites.
- More than 4,000 Scrap Tire Receiver Registrations have been issued since the regulatory program began in late 2004.
- More than 500 Scrap Tire Permits have been issued for the transporting, sorting and processing of scrap tires.
- Over 10,200 inspections of registered and permitted facilities have been conducted.
- During this reporting period, 120 inspections and assessments of unauthorized scrap tire accumulation sites have been conducted and approximately \$22,000 in penalties have been assessed.
- Specifications have been established by the Alabama Department of Transportation authorizing the use of ground tire rubber in road paving projects.

Registration and Permitting

In accordance with the provisions of the Alabama Scrap Tire Environmental Quality Act, ADEM is required to regulate facilities involved in the generation, transportation, processing, management and end-use or disposal of scrap tires.

- Facilities that generate more than 10 scrap tires per year are required to register as Class One Receivers.
- Government, fleet management, and dismantling operations that generate more than 10 scrap tires per year must register as Class Two Receivers.
- Those who transport more than 8 scrap tires per shipment are required to obtain a Scrap Tire Transporter Permit.
- Processors who alter scrap tires by any physical or chemical means, or who incorporate scrap tires into an end-product must obtain a Scrap Tire Processor Permit.
- Facilities that have the necessary permits to utilize scrap tires as a fuel source, as a substitute raw material, or for engineered use must receive exemptions or obtain permits for those activities.

Registered scrap tire receivers are required to comply with regulatory provisions which include the following:

- Storage within approved limits;
- Implementation of vector control for outside storage;
- Maintenance of a scrap tire operating record;
- Use of approved manifest for shipment.

Permitted scrap tire transporters are required to comply with regulatory provisions to include the following:

- Maintenance of a scrap tire operating record;
- Use of approved manifest and transporter decals for shipment;
- Acceptance of scrap tires from registered/permitted facilities only;
- Maintenance of required financial assurance.

Requirements for scrap tire processors and those holding registrations as exempt processors, engineered use and other approved applications may include:

- Maintenance of any required financial assurance;
- Acceptance of scrap tires from registered/permitted facilities only;
- Compliance with storage requirements;
- Requirements for vector control, storage and fire prevention.

Registration and permitting of scrap tire facilities began in Fiscal year 2004. The ADEM Scrap Tire Unit staff utilize several means to identify those facilities required to be registered and/or permitted including a review of Department of Revenue scrap tire fee collection data, yellow page and internet searches, field investigations, and investigation of complaints from citizens.

Current Registered and Permitted Facilities by County

County	Receivers	Transporters	Processors	Fuel Users	Engineered Use	Total Facilities
Autauga	23	0	0			23
Baldwin	113	1	0			114
Barbour	13	0	0			13
Bibb	14	0	0			14
Blount	32	12	0			44
Bullock	4	0	0			4
Butler	13	0	0			134
Calhoun	88	5	1			94
Chambers	28	1	0			29
Cherokee	11	1	0			12
Chilton	36	0	0			36
Choctaw	17	0	0			17
Clarke	23	2	1			26
Clay	11	0	0			11
Cleburne	14	1	0			15
Coffee	36	1	1			40
Colbert	43	0	0	1		44
Conecuh	7	1	0			8
Coosa	3	0	0			3
Covington	29	5	2			36
Crenshaw	12	1	0			13
Cullman	71	8	0			79
Dale	25	0	0			25
Dallas	18	0	0			18
DeKalb	48	0	0			48
Elmore	36	0	0			36
Escambia	30	0	0			30
Etowah	53	2	0			55
Fayette	13	0	0			13
Franklin	31	4	0			35
Geneva	18	1	0			19
Greene	3	0	0			3
Hale	8	0	0			8
Henry	6	0	0			6
Houston	75	1	0			76
Jackson	28	3	1	1		33
Jefferson	466	15	2	1		484
Lamar	10	0	0			8
Lauderdale	49	2	0			51
Lawrence	23	1	0	1		25
Lee	59	1	1			59
Limestone	36	1	0			37
Lowndes	4	0	0			3
Macon	10	1	0			11
Madison	144	4	1			149
Marengo	13	2	0	1		16
Marion	32	2	0			34
Marshall	76	6	1			83
Mobile	265	14	4	2		285
Monroe	14	1	0			15
Montgomery	133	5	0			138
Morgan	66	1	0			67
Perry	6	0	0			6
Pickens	8	0	0			8
Pike	26	2	1			29
Randolph	20	0	0			20
Russell	27	1	0			28
St. Clair	66	0	0	1		67
Shelby	132	0	0	1		133
Sumter	7	0	0			7
Talladega	63	2	0			65
Tallapoosa	37	1	0			38
Tuscaloosa	111	1	1		2	115
Walker	70	0	0			70
Washington	7	1	0			8
Wilcox	11	0	0			11
Winston	26	3	0			29
Totals	3050	117	17	9	2	3313

Compliance

Facility Inspection and Site Investigation

The Scrap Tire Unit perform inspections of registered and permitted facilities to ensure compliance with regulatory provisions and proper management of scrap tires. Staff are assigned geographic areas and prioritize inspections to determine compliance with rules and regulations. The goal is to visit every registered and permitted facility at least once every three (3) years. Inspections are prioritized by complaints, non-submittal of quarterly reports, and length of time since the previous inspection. In addition, facilities with past issues of non-compliance are inspected more frequently to ensure a return to compliance has been achieved and maintained.

Inspections include visual observations of the facility and its operations as well as review of the facility operating record to ensure proper scrap tire management and compliance with regulations. Compliance problems noted during the inspection are not only identified to the facility on-site, but are detailed in an inspection report provided to the facility after each inspection.

Remediation

The Removals and Response Section investigates complaints regarding unauthorized scrap tire accumulations. Field inspections of these accumulations are performed including observations of site conditions, noting numbers and condition of scrap tire materials present, photographic documentation, GPS location, and determination of property ownership.

Scrap Tire Site Remediation

One of the major goals of the Scrap Tire Program is to eliminate existing unauthorized scrap tire accumulation sites in Alabama through either the use of enforcement actions or remediation projects funded by the Scrap Tire Fund. These unauthorized scrap tire accumulation sites are discovered primarily through complaints lodged by private citizens and public officials to the Department. Department personnel investigate these sites by gathering ranking data, obtaining GPS coordinates, quantifying the scrap tires and scrap tire materials at the site, and determining the land owner or the potential responsible party. Once the land owner/potential responsible party is identified, action is taken by the Department in an attempt to compel those responsible to remediate the scrap tire accumulation at their own expense. At the completion of the remediation project, Department personnel return to the site to ensure that remediation activities have been completed to the Department's satisfaction and that all associated documentation regarding proper waste disposal is on file.

Scrap Tire Fund

If a responsible party cannot be identified or if the responsible party refuses to remediate an unauthorized scrap tire accumulation, the site may be eligible for remediation under the Scrap Tire Fund. The Scrap Tire Fund enables the Department to identify, assess, and remediate known unauthorized scrap tire accumulations, both large (>25,000 scrap tire equivalents) and small (<25,000 scrap tire equivalents). Large scrap tire accumulation sites are prioritized using a ranking system with information obtained during the initial investigation. Ranking data used to prioritize these sites include the following:

- quantities of tire materials present;
- presence or threat of disease carrying vectors such as mosquito species, proximity to schools or other sensitive resident populations;
- location of utility and transportation resources;
- threat of fire or other hazard; and
- proximity to sensitive environments.

Small site scrap tire accumulation sites may also be prioritized for remediation in the same manner.

Large Scrap Tire Site Remediation Projects

The remediation of the large scrap tire sites typically take several months or years to complete. Therefore, it is necessary to prioritize the large sites to ensure that those sites with the greatest potential impacts to health and environmental safety are addressed first. The priority ranking system and approved contracting process are outlined in ADEM Admin. Code r. 335-4-2-.02 and ADEM Admin. Code r. 335-4-2-.04, respectively.

Once a large scrap tire site is deemed eligible for remediation utilizing the Scrap Tire Fund, a site-specific Request for Proposals (RFP) is published soliciting remediation proposals from approved Alabama Scrap Tire Fund Remediation Contractors. Once a remediation proposal is selected, Department personnel conduct oversight inspections of the remediation project to ensure adherence to contract requirements. The Department has not identified any new large scrap tire sites during this reporting period primarily due to the compliance presence at scrap tire facilities, the growth of the small site cleanup program, and partnerships with local governments to reduce or eliminate scrap tire accumulations.

Completed Large Scrap Tire Site Remediation Projects

LOCATION	STATUS	PTE*	REUSE	COST
Attalla, Etowah County	Complete	4,173,000	~ 50%	\$3,703,863
Prichard, Mobile County	Complete	1,353,610	~ 60%	\$ 798,040
Samson, Geneva County	Complete	1,570,515	~ 50%	\$1,177,990
Robertsdale, Baldwin County	Complete	68,127	Not Required	\$ 85,949
Holt, Tuscaloosa County	Complete	18,687	Not Required	\$ 306,911
Columbiana, Shelby County	Complete	350,233	0 %	\$1,115,322
Abbeville, Henry County	Complete	158,854	~ 90%	\$ 291,016
Total PTE Removed 7,693,026			Total Expenditures \$7,479,091	

*PTE: passenger tire equivalent

There are currently four remaining large sites awaiting resolution. The Department is currently in litigation concerning a site in Macon County site (approximately 40,000 PTE), two sites in Tallapoosa County (approximately 60,000 PTE total), and one site in Chambers County (approximately 200,000 PTE).

Small Scrap Tire Site Remediation Projects

Small scrap tire site remediation projects are prioritized and remediated concurrently with the large scrap tire site remediation projects. From FY2009 through FY2016, approximately 380,000 PTE have been disposed or beneficially reused from more than 200 small site remediation projects at a cost of approximately \$2,200,000. The following summarizes small site projects completed during this reporting period.

FY2015 Small Site Remediation Projects

COUNTY	SITE NAME	CONTRACTOR	TIRES REMOVED	CONTRACT AMOUNT
Hale	Raspberry Road	Hale County Commission	384.07 T ST	\$47,464.84
Russell	Wright Road	Russell County	99 ST + 36 CY SW	\$5,876.05
Monroe	Limestone Road/Earle	Monroe County	312.65 T ST	\$108,984.33
Colbert	1050 Corsbie Hill Road	Teague Hauling and Demo	375 T + 5 T ST + 4.73 T SW	\$3,800.00
Russell	Blanding Site	Russell County	4,821 ST	\$47,171.35
Talladega	Howard/Leah St	Raymond Butler	70 ST	\$785.00
Etowah	Buster Willett Road	Gamble Construction	33.94 T ST	\$9,499.00
Lamar	New Church Road	Lamar County	145 ST + 576 CY SW	\$23,897.23
Walker	Long Avenue	Gamble Construction	12.53 T ST	\$4,538.00
Walker	10768 Highway 78 East	Matthews Clearing	900 ST	\$5,060.00
Walker	Butler Boulevard	Matthews Clearing	178 ST	\$14,437.50
Cleburne	County Road 114	Matthews Clearing	104 ST	\$1,300.00
Chambers	County Road 155	Chambers County	200 ST + 294.72 T SW	\$52,760.30
Escambia	Shady Grove Lane and	Escambia County	120 ST CY	\$19,163.74
Jefferson	Okahola Road plus 2	Raymond Butler	110 ST + 7.34 T SW	\$2,800.00
Pike	Knox Street	Pike County Commission	12 T ST + 16 T SW	\$19,886.45
Russell	15 McKenzie Road	Russell County	1,676 ST + 208 CY SW	\$17,806.00
Coffee	1571 CR-471	Barry Moore Industries	214.5 T ST	\$32,718.00
Marshall	Winkles Road plus 1	Matthews Clearing	20 T ST + 71.39 T SW	\$11,192.50
Chilton	CR16/24	Fikes Partners	8.42 T ST	\$2,225.00
Walker	3713 AL Hwy 124	Fikes Partners	5.43 T ST	\$2,190.00
Mobile	Grady Dunn Road	Jay's Landscaping	600 CY ST	\$17,795.00
Elmore	Village Trail/Dozier Road	Fikes Partners	560 ST + 1.12 T SW	\$2,450.00
FY2015 TOTALS				\$453,800.29

FY2016 Small Site Remediation Projects

COUNTY	SITE NAME	CONTRACTOR	TIRES REMOVED	CONTRACT AMOUNT
Lauderdale	Off of County Road 8	Teague Hauling	90 ST + 0.14 T SW	\$1,000.00
Shelby	Cahaba Valley Road	Teague Hauling	196 ST	\$900.00
Henry	Henry County 205	STA Contracting, Inc.	12.15 T ST + 62.45 T SW	\$49,999.99
Jefferson	Mountain Forest Drive	Matthews Clearing	143 ST	\$900.00
Mobile	Swedetown Road	Jay's Landscaping	20 ST CY	\$775.00
Mobile	Private Road	Jay's Landscaping	20 ST CY	\$775.00
Clarke	Warrior Road	Raymond Butler	In Progress	\$6,000.00
Walker	Highway 124	Raymond Butler	130 ST	\$799.00
FY2016 TOTALS				\$61,148.99

T: ton
 CY: cubic yard
 ST: scrap tire
 SW: solid waste

Right of Way Cleanup Program

The Department has continued a reimbursement program to assist county governments in offsetting costs associated with the removal and proper disposal of discarded tires located on county rights-of-way. Currently, 51 of the 67 Alabama counties have entered into agreements with the Department. The Department is continuing to engage in outreach efforts to increase program participation.

Participating counties utilize county engineering departments, county sheriff's office, and/or solid waste offices to identify and clean-up discarded tires. Using the Scrap Tire Fund, the Department reimburses county personnel costs, equipment rates, and disposal costs. To date, counties have removed and disposed of approximately 730,000 PTE at a cost of approximately \$5,400,000.

Scrap Tire Markets and Market Development

The ADEM Scrap Tire Marketing Program was established in 2009 with the express purpose of demonstrating scrap tire derived products and applications, and their suitability for substitution of new raw materials. The concept is not new, as scrap tires have been used in such applications for decades. Widespread use however, has been limited by factors including developers, consumers, construction firms and others being unaware of the myriad of applications available. The program aims to increase utilization in Alabama and beyond.

To date, the program has provided over \$8.1 million for the implementation of projects in Alabama. These projects have not only provided stated environmental and economic benefits in their application, but have improved communities and public facilities across Alabama.

Scrap Tire Marketing Projects

ADEM Wellness Track	\$62,000
Buck's Pocket State Park	\$5,100
Joe Wheeler State Park	\$2,217
Lake Guntersville State Park	\$50,783
DeSoto State Park	\$15,090
Roland Cooper State Park	\$9,575
City of Montgomery Riverfront	\$240,000
Tire-Derived Aggregate Reimbursement Program 2011-2012	\$107,500
T.R. Simmons Elementary	\$37,972
NCAT Test Track Section (RMA)	\$540,000
Coffee County Scrap Tire Processing Facility	\$5,842,177
Mt. Laurel Elementary	\$23,297
City of Prattville	\$42,000
Prattville YMCA	\$250,000
Selma YMCA	\$15,750
Coosada Elementary	\$32,727
City of Mt. Zion	\$150,000
City of Scottsboro	\$150,000
City of Heflin	\$8,815
Coosada Elementary School	\$32,727
City of Mobile Gunnison Creek	\$54,225
City of Mobile Doyle Park	\$227,557
City of Creola	\$51,000
Total Amount:	\$8,188,814

Future Program Activity

The program has achieved success in development and implementation of standard operating procedures, regulatory mechanisms, and tools for the management of scrap tire generation, transportation, processing, and disposal. Procedures and requirements for the remediation of scrap tire sites are well established. The program continues to expand and evolve as necessary to further its mission of properly managing scrap tires in Alabama. Continued emphasis will be placed not only on the elimination of threats posed by scrap tire accumulations and illegal disposal, but on increasing beneficial reuse of scrap tires as a resource to be utilized instead of a waste to be managed. The following strategies and activities will be developed and enhanced to strengthen the program and its effectiveness.

- Operating procedures will be continually reviewed to determine opportunities to increase program efficiency and effectiveness.
- Educational efforts targeted to Department staff, the regulated community, and others on regulatory requirements, as well as emerging technologies in scrap tire management.
- The program will continue to identify unregistered and unpermitted facilities, and assess and prioritize sites for cleanup.
- Enhance the outreach to and coordination among trade associations, government agencies, and public groups in order to maximize program exposure, encourage increased reuse opportunities, and reduce instances of non-compliance.
- Continue contracting and oversight of scrap tire remediation projects.
- Review data acquired through facility reporting and field activity to prioritize activities such as inspections and site investigations.
- Develop and implement a web based tool which would allow registered and permitted tire facilities to electronically submit required reports.
- Continue to evaluate ways to enhance or increase scrap tire processing infrastructure.