

# Alabama Scrap Tire Program Biennial Report

October 1, 2012 – September 30, 2014

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## 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) 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 instituted 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 FY14**

Fee Revenues	\$42,424,977
Interest Income	<u>\$1,652,312</u>
Program Revenue	\$44,193,978
Program Expenditures	\$36,226,756
Fund Balance as of October 2014	\$7,967,222 (100% encumbered)

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 7,092,000 scrap tires from all sources are beneficially reused annually.
- Approximately 96.5 % of beneficially reused tires are utilized as fuel or substitute raw material and 3.5 % through engineered and other uses.
- Since the program inception, over 8,300,000 scrap tires have been removed from illegal stockpiles or unauthorized disposal sites.
- 3,641 Scrap Tire Receiver Registrations have been issued since the regulatory program began in late 2004.
- 416 Scrap Tire Permits have been issued for the transporting, sorting and processing of scrap tires.
- Over 8,000 inspections of registered and permitted facilities have been conducted.
- Over 1,060 inspections and assessments of unauthorized scrap tire accumulation sites have been completed.
- 1,640 enforcement actions have been initiated in cases of regulatory non-compliance resulting in over \$330,000 in penalties.

## 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 a 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, 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.

Since inception, 3,641 registrations have been issued to Alabama and out-of-state receiver facilities. There have been 416 permits issued to scrap tire transporters and processors. The table on the following page provides a more detailed overview of these activities.

### Current Registered and Permitted Facilities by County

County	Receivers	Transporters	Processors	Fuel Users	Engineered Use	Total Facilities
Autauga	22	0	0			22
Baldwin	110	1	1			112
Barbour	13	0	0			13
Bibb	14	0	0			14
Blount	31	10	3			50
Bullock	4	0	0			4
Butler	14	1	1			15
Calhoun	87	4	3			113
Chambers	24	0	0			23
Cherokee	8	1	0			15
Chilton	40		1			41
Choctaw	15	0	0			16
Clarke	20	3	0			27
Clay	12	2	1			17
Cleburne	14	1	0			15
Coffee	36	2	1			40
Colbert	38	1	2			42
Conecuh	6	0	0			6
Coosa	3	0	0			3
Covington	27	4	3			33
Crenshaw	12	1	1			14
Cullman	63	12	3			71
Dale	26	0	0			26
Dallas	19	0	0			18
DeKalb	43	3	0			46
Elmore	36	1	0			37
Escambia	31	0	1			32
Etowah	47	4	0			56
Fayette	13	0	0			13
Franklin	24	2	0			25
Geneva	16	1	0			17
Greene	2	0	0			2
Hale	8	2	0			10
Henry	7	1	0			8
Houston	75	0	0			75
Jackson	28	3	1	1		31
Jefferson	401	21	7	1		422
Lamar	8	0	0			8
Lauderdale	43	1	0			44
Lawrence	19	0	0	1		21
Lee	56	2	1			59
Limestone	31	0	0			26
Lowndes	3	0	0			3
Macon	10	1	0			11
Madison	142	10	2			153
Marengo	11	1	0	1		14
Marion	23	1	0			26
Marshall	78	7	1			80
Mobile	212	9	7	2		218
Monroe	14	3	0			18
Montgomery	134	7	2			144
Morgan	57	1	0			56
Perry	5	0	0			5
Pickens	8	0	0			8
Pike	26	2	1			28
Randolph	25	0	0			26
Russell	27	1	0			28
St. Clair	59	3	0	1		76
Shelby	90	5	1	1		90
Sumter	5	0	0			5
Talladega	63	1	1			63
Tallapoosa	35	2	0			36
Tuscaloosa	96	4	1		1	97
Walker	58	0	0			44
Washington	7	1	0			8
Wilcox	11	0	0			11
Winston	23	3	0			25
<b>Totals</b>	<b>2,758</b>	<b>146</b>	<b>46</b>	<b>8</b>	<b>1</b>	<b>3,069</b>

# Compliance

## **Facility Inspection and Site Investigation**

Scrap tire program staff 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 two 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. Over 8,100 facility inspections have been performed to date.

# Remediation

The Enforcement and Remediation 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. To date, program staff have investigated over 1,000 complaints.

As a result of facility inspections and investigations of both small and large unauthorized scrap tire sites, 1,640 enforcement actions have been taken resulting in \$331,000 in penalties.

## **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. Since the programs implementation, approximately 8 million scrap tires have been remediated from 133 sites.

## 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 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 Alabama Approved 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 in recent years 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.

### Large Scrap Tire Site Remediation Projects

LOCATION	STATUS	PTE*	REUSE PERCENTAGE	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

\* Does not include any associated solid waste removal

**Total PTE Removed 7,693,026**

**Total Expenditures \$7,479,091**

### 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 FY2007 through FY2013, 301,925 PTE have been disposed or beneficially reused from more than 126 small site remediation projects at a cost of \$1,947,052.

#### FY2013 Small Site Remediation Projects

COUNTY	SITE NAME	CONTRACTOR	TIRES REMOVED	CONTRACT AMOUNT
Etowah	Tucker Mountain Rd Site	Matthews Clearing	729	\$48,500.00
Elmore	Dozier Road Site	Teague Hauling & Demo	838	\$39,000.00
Pike	CR 121 Site	Hopper Moore, Inc.	1,800	\$11,262.00
Walker	Cut and Curl Road Site	A.P. Nicholas	92	\$3,500.00
Elmore	AL Highway 9 Site	A.P. Nicholas	1,766	\$17,000.00
Montgomery	Fairview Avenue Site	A.P. Nicholas	305	\$7,600.00
Cullman	Highway 278 East Site	A.P. Nicholas	878	\$3,700.00
Bullock	Daniel Road/CR 31 Site	Jay's Landscaping	4,400	\$16,000.00
Cullman	Wilhite Road Site	Teague Hauling	400	\$2398.00
Montgomery	Hardwick Street Site	TCB Extreme	3,000	\$6329.29
Pike	County Road 5511 Site	Pike County Commission	4,095	\$44,966.90
Elmore	Sevarge Lane Site	Elmore County Commission	3,533	\$13,485.00
Jefferson	7 <sup>th</sup> Place SE Site	Matthews Clearing	5,262	\$16,008.00
Baldwin	Bay Road West Site	Baldwin County Commission	693	\$22,136.52
Lamar	York Road & Pitts Road	Lamar County Commission	2,233	\$14,116.03
Clarke	Herron Hill Cemetery Road	Apex Construction	7,320	\$34765.00
Clarke	Old Line Road	Jay's Landscaping	1,064	\$35,600.00
Wilcox	County Road 11	Wilcox County Commission	300 tons mixed waste	\$74,642.27
Escambia	Beasley Road	Escambia Co Commission	1,727	\$50,239.24
Chilton	County Roads 113 & 115	Fikes Partners	164	\$3,650.00
Lamar	Dinky Line & Oak Roads	Lamar County Commission	246	\$40,804.91
Lamar	Hollis Cemetery/ Pleasant Hollow Roads	Lamar County Commission	150	\$18,406.44
Lamar	Cantrell Drive	Lamar County Commission	470	\$22,334.18
Bibb	Big Springs Road	Matthews Clearing	5,870	\$14,905.00
Jefferson	Carson Road North	Matthews Clearing	651	\$3,833.50
Walker	Long Avenue	Matthews Clearing	2,000	\$4,823.50
Colbert	Wagnon Mt. Road	Matthews Clearing	513	\$4,243.50
<b>FY2013 TOTALS</b>				<b>\$574,249.28</b>



**FY2014 Small Site Remediation Projects**

<b>COUNTY</b>	<b>SITE NAME</b>	<b>CONTRACTOR</b>	<b>TIRES REMOVED</b>	<b>CONTRACT AMOUNT</b>
Chilton	Colwell Property STS	Raymond Butler Const.	500	\$4,900
Colbert	Moore Combo STS	Fikes Partners	292	\$3,745
Blount	Jacques STS	Matthews Clearing	100	\$500
Greene	Boligee Park Bridge	Greene County Commission	66	\$16,766
Walker	McGehee Property	Fikes Partners	1,459	\$4,700
Shelby	Joinertown Road	Fikes Partners	338	\$2,900
Marshall	Smalley Property	Matthews Clearing	218	\$12,510
Blount	Robertson Property	Matthews Clearing	10,099	\$17,500
Calhoun	Holley Property	Matthews Clearing	120	\$3,000
Marion	GMO Threshold Property	Gamble Construction	160	\$11,300
DeKalb	Scenic Drive	Gamble Construction	In Progress	\$13,600
Marshall	Pleasant Hill/Pleasant Grove	Matthews Clearing	In Progress	\$6,077
Conecuh	Lily Pond Road	Matthews Clearing	In Progress	\$4,988
Talladega	Old Sylacauga Highway	Peoples Services	In Progress	\$2,388
Montgomery	E South Blvd/Smiley Ferry Rd	Raymond Butler Const.	In Progress	\$3,500
Hale	Raspberry Road	Hale County Commission	In Progress	\$47,465
<b>FY2014 TOTALS</b>				<b>\$155,839</b>

### 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. Since beginning this program, 50 of the 67 Alabama counties have entered into agreements with the Department.

Participating counties utilize county engineering departments, county sheriff's office, and 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 300,000 passenger tire equivalents and associated solid waste at a cost of approximately \$1.9 million.

## 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 \$7.8 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	\$ 62,000.00
Buck's Pocket State Park	\$ 5,100.00
Joe Wheeler State Park	\$ 2,217.00
Lake Guntersville State Park	\$ 50,783.00
DeSoto State Park	\$ 15,090.00
Roland Cooper State Park	\$ 9,575.00
City of Montgomery Riverfront	\$ 240,000.00
Tire-Derived Aggregate Reimbursement Program 2011-2012	\$ 107,500.00
T.R. Simmons Elementary Playground	\$ 37,972.00
NCAT Test Track Section (RMA)	\$ 540,000.00
Coffee County Scrap Tire Processing Facility	\$5,842,177.00
Mt. Laurel Elementary	\$ 23,297.00
City of Prattville Splash Pad	\$ 42,000.00
Field of Dreams – Prattville YMCA	\$ 250,000.00
Playground Mulch – Selma YMCA	\$ 15,750.00
Playground Pad – Coosada Elementary	\$ 32,727.00
Walking Trail – Mt. Zion	\$ 150,000.00
Walking Trail – Scottsboro	\$ 150,000.00
<u>ADA Compliant Park – Creola</u>	<u>\$ 51,000.00</u>
<b>Total Amount :</b>	<b>\$7,865,490.00</b>

## 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.
- Continue to evaluate ways to enhance or increase scrap tire processing infrastructure.