

**OTS Technical Committee Meeting
Wednesday May 10th, 2012
9:00 AM – 11:00 AM
405 The West Mall, 4th Floor Board Room, Toronto, ON M9C 5K7
Call-in 416-343-2285 or 1 877-969-8433
Passcode 4467765**

Agenda

- 1) Diversion Rates
- 2) Tire Collection Update
- 3) Tire Transportation and Delivery Update
 - a) March/April Surplus Review
 - b) Special Tire Collection (STC) Review/update
- 4) Tire Processing & Manufacturing Update
- 5) Claims Updates
- 6) Stockpile Update
- 7) Program Communications
- 8) Participant Standards: Update on Implementation
- 9) New Business
 - a) Collector Tire Misclassification
 - b) OTS Offices
- 10) Next Meeting Date; June 27th 2012 – 9:00-11:00am
- 11) Adjourn Meeting

Attendees (In Person)

Reg #	Name	Company
3000107	Greg Simon	William Day Construction
2013945	Denis Blais	Day Group
4000036	Martin Folkema	Rubber Venture Corp.
4000021	Ross Burt	Moose Creek Tire Recycling Inc.
3000237	Grant Caven	GLA Environmental
2010595	Don Fraser	AADCO Auto Parts
4000004	John Cassell	Emterra Tire Recycling
3000156	Mark Capland	Micor recycling ltd
4000039	Peter Hutley	Liberty Tire Recycling Canada
3000005	Ron Politewicz	Peninsula Tire Exports
3000244	Ryan Politewicz	Trillium Tire
4000009	David Ongaro	National Rubber Technologies
3000008	Jeff MacPhatter	MacPhatter Group Inc.
4000042	Peter Valente	Windsor Rubber Processing Ltd
3000010	Fabiano Sales	Millennium Tires Recovery
3000067	Terry Tomlinson	Tomlinson Systems
3000150	Ashram Chadee	Tire Direct
4000024	Terry Gilmore	Treadcraft Limited
5000003	Mauricio Martinez	Fabricushion LTD

Attendees (via webinar)

Reg #	Name	Company
3000130	Kim Thompson	County of Simcoe
3000102	Katrina DiRenzo-McGrath	Waste Management of Canada Corporation
2012129	Cathy Wiebe	County of Wellington
2014132	Stephanie Sidler	Durham Region
2010391	Bill Vanderwater	Fountain Tire
2017187	Jacqueline McKeig	Brown`s Towing
2016339	Monique Bastien	Township of Alfred and Plantagenet
2016247	Peggy Harris	Transportation and Environmental Services Department
2011697	Jude Barros	Milton Chrysler
2005230	Lee Lawrence	Dean Watson Auto Sales (Chrysler)
5000004	Debra Anderson	National Rubber Technologies Corp
3000233	Stephen Manley	Eco Tire Recovery
2012523	Kaela Roelens	The Corporation of Haldimand County
2012522	Nicole Mundy	The Corporation of Haldimand County
3000080	Julie Lavigne	Golden Disposal Waste & Recycling Services
4100013	Christian Audet	Royal Mat Inc.
3000165	Patrick Fenlon	Pack Pros Plus Ltd
4000012	Kevin H. O'Brien	Ridge Recycling
3000119	Gavin Cameron	Treadwear
3000183	Matt Garcia	Kal Tire

Meeting Minutes:

The meeting notes are meant to supplement the meeting slides as well as capture the comments and responses discussed during the meeting. Please refer to the meeting slides as well.

Agenda:

- OTS reminded attendees that the meeting was being recorded to assist in the preparation of meeting minutes/notes.
- Encouraged participation and noted that comments can be submitted via email following the meeting in the timelines specified as applicable.
- OTS proposed the addition of a brief HST update (not originally on agenda, however there is an update available); committee agreed to add the item and it was discussed after the new business documented in item 10 below.

1) Diversion Rates

- Diversion Rates
- Volume collected in 2011 was lower than previous years (as expected)
- A decrease in the overall diversion rate for OTR's in 2011 (75%; down from 150% in 2010) likely due to delays in reporting and disposition of residual lags
- Supply versus available for collection assumptions will be changed to a ratio of 1: 0.95 in 2012 for PLTs (previously a 1:1 assumption)
- Annual report posted on WDO website, to be posted on OTS site shortly

2) Tire Collection Update

- No issues reported
- OTS noted that Collection volumes appeared low based on information coming in

3) Tire Transportation and Delivery Update

a) March/April Surplus Review

- On-road tires are staying within the province
- Some Off-road tires (mostly LOTR & GOTR) are being sent out of the province on occasion (OTS noted an update in the Ad-hoc Number as compared to the slides that were sent out originally)
- Request for updated communications from processors on their capacities as well as other changes in day to day operations (potential shut downs etc.)

b) Special Tire Collection (STC) Review/update

- STC requests have increased as we head into the spring/summer
- It is likely that although April did see some STCs approved, they will not commence until the ground has dried out somewhat

4) Tire Processing & Manufacturing Update

- Capacity for all tire types have increased; this has led to an increase in ad-hocs and a decrease in redirects

5) Claims Updates

- Collector Claims: a rare shift where amount is high in the first month, low in the 2nd month and up in the third month of the claim period
- Hauler Claims: adjustments due to negative inventory and/or tire counts/yard counts continue on an ongoing basis (often resulting in adjustments to credits/payments as well)
- Haulers will be able to delete claim periods that were opened in error on the web so long as they are in “New” status (OTS noted that the data within the period will be completely removed when deleting a claim); Haulers with questions are encouraged to call OTS prior to hitting delete
- Processor and RPM claims being filed as usual

6) Stockpile Update

- OTS announced a new approach to handling certain stockpiles; RFPs will be issued to Processors to clean up the tires on the sites into TDP
- Responses will be assessed based on the costs quoted for transportation (using a Registered Hauler), prepping the tires for processing along with the assurance of the type of product produced (TDP2 would have a higher preference than TDP5)
- RFP will be provided to the Processor; Processors will likely then negotiate with a registered Hauler and pay them directly; OTS will compensate the Processor for processing costs in accordance with the PI rates

Comment: What if the processor cannot process all of the tires on a given site?

Response: The RFP will require that all tires are managed, however it could be split between Processors (the Processors would need to collaborate and come up with one proposal)

Comment: How will the tracking work, for example how will you be guaranteed that the tires are processed into the material that was specified in the response?

Response: The tracking system for tires moving and being processed under this model will be slightly different then the regular forms etc., used to ensure additional visibility into this

Comment: Why not issue the RFP to the Haulers to complete the jobs?

Response: OTS would like to actively engage the Processors directly on this to ensure that the TDP types can be tracked etc.

Comments: Where can a Processor find details on the sites in question?

Response: Details will be provided in terms of locations etc., in the RFP. Specific details (condition of site etc.,) would likely need to be observed by the interested party by contacting the site contact directly and arranging a visit.

Comment: When will Processors be notified of the status of their response to the RFP?

Response: This will depend on the timing of the RFP itself, however OTS would like to allow the successful Processors to commence work in the summer months

- OTS is aware that in some cases stockpiled tires may have bled in through other channels over the course of the program

- June 2012 is the current timeline to issue the RFPs

Comment: OTS should place emphasis on the type of TDP produced (i.e higher TDPs should be given preference over lower order TDPs)

Response: OTS will be noting that in the RFP however there will be other factors considered as well

7) Program Communications

- Training materials are continuously being updated

- OTS working on 'Continuing Education Unit' with students, universities etc. (intention is to present and support course materials for architects focused on tire derived products)

- Re-Launching Community Grant program (details to be sent to all participants in the coming months)

Comment: Does OTS anticipate more interest in the grant program this year than what was previously seen?

Response: Yes, we have had numerous municipalities inquire about whether there will be grants available this year already

- 'Giver' on TVO – quite successful (based on makeover of playgrounds using RPM products)

- March 2012 Consumer Research

- Awareness has been improving (from 50% to 72%)

- Need to ramp up efforts to have the OTS name recognized by consumers

8) Participant Standards:

- Low turn out to webinars for Vendor Standards

- Participants are actively sending in required documents, however follow up will likely be required (reminder notices etc.,)

- Documents must be received to maintain registration

9) New Business

a) Collector Tire Misclassification

- Currently there are no penalties for levied against the collection for the misclassification of tires, this has left the Hauler to handle the consequences at the time of delivery and filing

- OTS is proposing the following penalties to Collectors upon misclassification of tires: 1st offence - \$500, 2nd offence - \$1000 and 3rd offence - \$1500 and suspension from the program

Comment: Education materials must be delivered to participants regarding the classification of tires prior to implementing penalties

Response: Currently the tire definitions are provided in the guidebooks, however we had discussed creating a guide with illustrative pictures. OTS will restart that effort with volunteers

Comment: In the event that the penalties do go forward the term "offense" must be clearly defined

Response: Noted

Comment: A move to weight base payment vs. tire type would be beneficial

Response: This is on the table and being reviewed. However, many avenues are needed to be explored to make that possible.

- Next steps, will be to focus on creating education materials; item will be re-discussed at future TC Meeting

b) OTS is moving

- Effective July 1st. 2012, OTS will be moving to 300 The East Mall, Suite 100 (on/after July 1st please be sure to send all mail to the new location)
- 888 and 866 #'s will remain the same, direct lines will change

10) HST Update

- Tax will be placed on both the Collection Allowance and Transportation Incentive from beginning of program

- All HST owed, OTS will pay out to Collector and Hauler who is then responsible to pay according to the CRA

- Currently OTS is reviewing what the best approach from a systems perspective is and will announce when participants will see HST on CA/TI payments shortly

11) Next Meeting Date; June 27th 2012 – 9:00-11:00am

- Location TBD

11) Adjourn Meeting

- Meeting adjourned at 10:58am