



RECYCLING CERTIFICATION INSTITUTE



CONSTRUCTION & DEMOLITION RECYCLING, INC.

CORR PROTOCOL EVALUATION REPORT

August 25, 2015
Evaluation Body: RCI



Executive Summary

This report corresponds to the evaluation of the application for CORR Certification submitted to the Recycling Certification Institute (RCI or Institute) by the Construction & Demolition Recycling (CDR) Mixed C&D recycling operation located at 9309 Rayo Avenue, South Gate, CA. Construction & Demolition Recycling is owned by CARERNCAR LLC and operated by Construction & Demolition Recycling, Inc.

This Evaluation was conducted by RCI and represents an independent review of data and information provided to the Institute. Due diligence was followed to ensure Duty of Care and Duty of Loyalty to the Institute and to manage any Conflict of Interest.

RCI Evaluators Manual 2.0 (EM) and RCI General CORR Protocol 1.9 (GCP) were used to guide the evaluation process as is standard practice for all Evaluations.

The evaluation found neither material or immaterial misstatements nor deviations from the described process train for the operations at the CDR site. RCI uses a 95% confidence level as its Minimum Quality standard when calculating recovery or recycling rates using the weights of materials recovered and recycled. The twelve months of recovery and recycling data submitted by CDR was within the quantitative materiality threshold of 95% (less than 5% error) per EM Section 2.2.3.

Overview of Construction & Demolition Recycling Facility and Operations

Construction & Demolition Recycling, Inc. currently operates the CDR Mixed C&D recycling facility located at 9309 Rayo Avenue, South Gate, CA and owned by CARERNCAR LLC. The facility is permitted by the State of California and operates under a Large Volume Construction and Demolition and Inert Debris Transfer/Processing Facility permit, SWIS 19-AA-1077. The facility is permitted to operate twenty-four (24) hours per day, seven (7) days per week, and may accept up to 3,000 tons per day on an area consisting of 7.0 acres. CDR is also regulated by a number of other agencies including, but not limited to, Environmental Protection Agency, Department of Food and Agriculture, Los Angeles County Public Health, and City of Los Angeles.

CDR operates a merchant model accepting third-party haulers as well as debris from their sister company IRS Demolition. The facility is open Monday through Friday from 6:00am - 5:00pm and on Saturdays from 7:00am – 4:00pm. Each vehicle entering the facility first stops at the scale house where it is weighed, inspected, and entered into CDR's electronic environmental data management system (EMS) which is used to record the inbound and outbound activity on site. Once weighed on the inbound scale, the truck is directed to the appropriate location. Inert loads are directed to the NW corner of the facility where they tip under the supervision of a load checker. Mixed C&D load trucks tip materials on the main tipping floor where they are inspected by a load checker. The truck then weighs out on the outbound scale upon exiting the facility.

On the tipping floor, skid steers keep the materials organized and push towards the sorting team. Crews remove the drywall and oversized materials to begin the separation process. Once the majority of the drywall and oversize materials have been removed, the debris is pushed into a pile awaiting transportation via wheel loader to the sort line.

CDR features a Sherbrook C&D processing system that was installed in 2009. A Link Belt excavator with grapple is used to select and load materials onto the infeed conveyor. From the conveyor the materials pass over a GK 3" finger screen that separates the materials. The 3" minus (fines) drop into a container and are stored for later shipment offsite. The 3" and above (overs) continue up the line and are distributed on the next conveyor belt to be manually sorted. The hand-sorted materials are dropped into the appropriate bunkers. The following materials are recovered and the processing is described below each material:

Mixed C&D and Source Separated

Aggregates (Concrete, bricks, and block) arrive source separated or are picked from the sorting line and dropped into the appropriate bunker. Once in the bunker, aggregate is moved via bucket loader to the NW corner of facility where it is stockpiled until transferred to a facility to be ground and reused.

Cardboard (OCC) is removed from the sorting line via manual separation and dropped into the appropriate bunker. Material is then loaded into a 40-CY open top box and transferred to the baling area where it is baled and stored before being sent to a paper mill for further processing.

Carpet is collected during presorting as well as arriving as a source separated material. Carpet is collected in 40-CY yard containers and transported to local transformation facilities for diversion.

Ceiling Tile Acoustical ceiling tile comes into the facility both source separated from jobsites and also in mixed loads. Source separated material goes directly to the staging area to await pick up by Armstrong Ceilings. Tiles that come in with mixed loads are sorted at the tipping floor and palletized. These pallets are moved by forklift to the staging area until pick up.

Gypsum Drywall is collected during presorting as well as from the sort line. The material is stored in the push bunker until there is enough material for a truck load. Once full, the trailers are removed and weighed on the outbound scale before exiting the facility for end agricultural markets.

Metals (ferrous & non-ferrous) are removed from the line via manual separation. Both ferrous and non-ferrous materials are dropped into designated bunkers or 40-CY containers. Once the ferrous box is full, the material is sent offsite to be processed. Non-ferrous metals are baled and stored and then held onsite prior to shipping to end recyclers.

Wood (predominantly manufactured lumber, particle board, plywood, etc.) is stored in the push bunker until there is enough material for a truck load. Once full, the trailers are pulled and weighed on the outbound scale before exiting the facility for end markets. One truck bay is designated for overflow storage of materials as needed.

Residuals from processing activities at the CDR facility predominantly consist of gypsum and a small percentage of other contaminants. These screen fines are collected and stored in a covered bunker until shipping. The fines are loaded into transfer trailers and are transported to a composting facility where the material is added to compost for agricultural uses.

Development of Evaluation Plan

CDR initiated the Certification process by first Registering its Mixed C&D line on RCI's Registration webpage: <https://www.recyclingcertification.org/registration/> and subsequently submitted an Application for Certification. The application included monthly and annually detailed and summarized tonnage reports, lists of markets (material recipients and their contact info), and a variety of other background documents. Other information provided through the intake process includes:

- Name of the facility
- Street address of the facility (P.O. Box not acceptable)
- Name of the city/state where the facility is located
- Facility type
- Scale(s) certified (required)
- Permits – state/local Registration Number or state/local permit number
- Hours of facility operation
- Current tons of Inbound and Outbound materials
- Name of company contact person, their position/title, and contact information
- Website address

RCI conducted an interview with Mr. Richard Ludt, CDR's Director of Environmental Affairs, regarding submittal of documents that would be used in preparation for the Evaluation. Key elements of this information can be found in the CORR Protocols Edition 1.9, Appendices A and B, viewable on the RCI website Resources page. RCI also provided an overview of the Evaluation process to aid in the streamlining and completion of activities on the day of the site visit. On-site review would include:

- Tour of the facility
- Verify process train of materials as stated in Application for Certification
- Verify proper sorting and storage of the materials
- Verify use and calibration frequency of certified scales
- Observe and verify weighing of materials and electronic storage of information
- Observation and verification of load/material sorting and accuracy
- Observe and verify QC measures are in place to ensure accuracy in recovery and uploading of facility data
- Review of recyclables sales records
- Confirmation of permits
- Interviews with key personnel
- Review of employee training/safety manuals

- Calculation of variance in recovery and recycling rates
- Other materials/documentation that may aid in preparation of a Facility Evaluation Report and Evaluation Opinion.

CDR submitted twelve prior months' data for RCI's review to determine accuracy of the mass-balance calculations. CDR provided Excel spreadsheets that allowed for calculations and data review as well as determination of random sampling to occur during the site visit including weight tags, days, dates, materials, tons, etc. RCI noted areas of potential risk on which to follow-up during the site visit.

SITE VISIT

On August 5, 2015, RCI performed an on-site evaluation of the CDR Mixed C&D line operations. Richard Ludt (Director of Environmental Affairs) conducted the tour of the facility. Mr. Ludt served as CDR's lead contact throughout the Evaluation process and was responsible for submitting the initial application and responding to subsequent inquiries as well. RCI did a full walk-through of the facility, examining where materials enter, are measured, deposited, processed/sorted, and eventually leave the facility.

The review included the follow-up questions from the initial review of data. Interviews of staff associated with the key areas of the operations, in particular, those staff who have access authority and responsibility for maintaining, reviewing, and overall integrity of CDR's data, were conducted. RCI also reviewed the training manuals to determine if adequate QC existed for those staff with the potential to directly affect the recycling and recovery rates reported by the facility and determined adequate and ongoing training exists in these key positions to maintain QC of processes and data.

A few minor discrepancies were discovered in RCI's initial review of CDR's data. In interviewing CDR's Head Weighmaster and Data Manager, Mr. Oscar Cisneros, the discrepancies were determined to be due to CDR's reconciliation of their monthly reports *after* the monthly data was uploaded to RCI's website. These discrepancies were determined to be insignificant and well below the Quantitative Materiality threshold established by the CORR Protocol. However, for purposes of increasing accuracy, CDR will implement a procedure to request an Unlock/Update to their web reporting if a billing reconciliation results in changes to tonnage data.

The facility and work site was observed to be clean, well-maintained, and maintenance logs are kept. Mechanical sweeping of the facility occurs at least several hours per day. Adequate signage was observed for safety, hazards, material identification, as well as indicating directions for traffic and where materials should be placed. All personnel were observed to be wearing appropriate personal safety equipment.

Regulatory Compliance Test

Construction & Demolition Recycling possesses the necessary permits to operate.

CDR has operated as a Large Scale CDI Processing and Transfer site since 2008 under a permit issued by the California Integrated Waste Management Board (CIWMB, now CalRecycle). CDR holds other permits issued by the Environmental Protection Agency, Department of Food and Agriculture, Los Angeles County Public Health, City of Los Angeles, and City of South Gate.

There has been no substantiated non-compliance with permitted operations or other regulations governing the operations of this facility in the past twelve months. No irregularities were found involving management or employees who have a significant role in internal controls, or that could have a material effect on the reporting of CDR's recovery and recycling rates.

Use of Scales

RCI concludes that the facility satisfies the requirements for use of scales.

CDR utilizes three 70' scales for weighing inbound and outbound loads, all electronically connected to the scale house and main office. All inbound and outbound transactions are tracked through CDR's scale operating system (PC Scale) and managed by certified weighmasters as verified by RCI. During the site visit, the scale calibration company was onsite to inspect, test, and certify the scales.

Materials In

All incoming loads are assessed to determine origin and waste type. After weighing, the driver proceeds to the appropriate location in the facility to empty the vehicle. A load checker confirms the materials as they are deposited in the tipping area. If the materials do not match the materials identified on the driver's tag, the load checker notifies the driver and radios the scale house to make the correction.

Materials Out

All outbound transactions are weighed. Each scale ticket contains a numeric ticket number, date, time, origin, commodity type, comments (if applicable), tare, gross and net weights and measurement units (tons, cubic yard, each, etc.).

All Inbound and Outbound data is automatically entered into CDR's electronic data management system (EMS) connected to the main office also onsite. CDR's scales are calibrated at least once per year (the CORR minimum, but quarterly is recommended) by a scale contractor licensed by the State of California. RCI reviewed a sample of weight tags in the main office to verify accuracy of the EMS as well as the process for any subsequent manual adjustments.

Supporting Data for Rate Estimates

RCI concludes Construction & Demolition Recycling maintains required supporting data as required by the EM for recycling and recovery rate estimates.

CDR uses PC Scale for its EMS system and retains electronic receipts for incoming and outgoing materials/markets and produces hardcopy receipts for customers and on an as-needed basis. Mr. Cisneros provided a demonstration of this capability for RCI during the site visit. CDR provided twelve months of electronic reports (mass balance) for RCI's inspection. RCI selected twelve months of transaction records for sampling to substantiate and crosscheck entries in the electronic reports to ensure accuracy. A sampling of customers was selected to further confirm the disposition of materials recorded as having left CDR.

Data Transcription and Management

Sufficient QC exists for creation of reuse and recycling rate tables from EMS data.

RCI interviewed CDR's Data Manager regarding the PC Scale EMS and the generation of all reports as well as supporting mass balance spreadsheets. Material data is automatically entered into the system for accounting purposes. These reports are reviewed to verify accuracy as well as hand enter and/or correct any manual adjustments as determined through the normal course of business. CDR has implemented a procedure to request Unlock/Update for the web report in the event monthly billing reconciliations result in a need to update previously submitted monthly data.

CDR's Data Manager generates the monthly spreadsheets and reports and cross-checks them before uploading to RCI. With CDR's verified procedure and observed competencies of the individuals involved in the data entry, RCI concludes that sufficient QC exists for data transcription and management.

Individuals Properly Trained for Functions They Perform

Construction & Demolition Recycling employees receive adequate in-house initial and recurring training, including training from outside sources.

CDR regularly conducts training on hazardous waste, load checking, storm water pollutant discharge, local, state, and federal laws, equipment, tools, Lock out-Tag out, etc. and employees sign the log sheets. CDR conducts daily tailgate meetings before shifts. RCI reviewed the training schedules and modules/materials as well as conducted interviews with key employees during the site visit. Adequate signage was observed for safety, hazards, and material identification, and all personnel were observed to be utilizing appropriate personal safety equipment.

Based on the observations of staff, the work areas, and the initial and ongoing training of CDR employees, RCI concludes that CDR provides employees with the requisite training per the EM.

Performance Standard Test

Reported recovery and recycling rates are within 5% allowed threshold.

RCI requested electronic copies of mass balance spreadsheets for CDR before scheduling its site visit. RCI reviewed the files and noted areas requiring clarification. Several phone meetings with CDR's Director of Environmental Affairs (Ludt) and Data Manager (Cisneros) were conducted to review RCI's questions related to the twelve-month mass-balance and monthly entries, as well as to discuss how CDR would upload the information into RCI's web-based reporting system.

Formulas were reviewed and their validity tested and select transactions were identified for further review during the site visit. During the site visit, CDR's Data Manager provided a demonstration of their use of PC Scale to generate reports and retrieve information. The recycling and recovery rates information submitted by CDR fell within the Quantitative Materiality threshold (95 percent or better accuracy) as defined in the EM. RCI concludes that CDR's reported reuse and recycling rates satisfy the Performance Standard Test required per the EM.

Evaluation Statement Overview

RCI's extensive review of data from CDR's Mixed C&D Recycling operation, the findings according to RCI protocols via the evaluation process, and the on-site visit and interviews with key staff, RCI finds that CDR's Mixed C&D Recycling operation meets RCI's eligibility requirements, is in compliance with all measurement and record-keeping requirements, and has no existing material or significant immaterial non-conformances or misstatements in its reported data. RCI hereby certifies the Recovery and Recycling rates submitted by CDR as Real Rates as outlined in the EM and per RCI CORR protocol.

The undersigned hereby certify that the information provided herein is true, complete, and accurate; they have read and understand the protocols developed by RCI, and are familiar with the requirements of RCI. Furthermore, they also certify that any signatories duly elected, qualified, and acting officers of their respective organizations and that their organizations agree to be bound to the protocols of RCI.

For Recycling Certification Institute:



By

Stephen M Bantillo

Print Name

Executive Director

Title

August 21, 2015

Date

By

Print Name

Title

Date

For Construction & Demolition Recycling, Inc.



By

Richard A. Ludt

Print Name

Director of Environmental Affairs

Title

8/21/2015

Date