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BEFORE THE WASHINGTON STATE  
UTILITIES AND TRANSPORTATION COMMISSION

In re the Matter of Determining the Proper  
Carrier Classification of

Docket No.: TG-072226

GLACIER RECYCLE, LLC; HUNGRY  
BUZZARD RECOVERY, LLC; AND T&T  
RECOVERY, INC.

**PREFILED DIRECT TESTIMONY OF  
TROY LAUTENBACH**

**Troy Lautenbach**, declares and states as follows:

- 1. I am over the age of 18 years and otherwise competent to testify. The matters stated below are based upon my personal knowledge.
- 2. Summary of Prefiled Direct Testimony, WAC 480-07-460(2)(c). I have been directly involved with transportation of recyclable materials and regulatory compliance for such materials for 17 years. I have developed a business plan following guidelines established by UTC staff and rulings that have been made concerning my operation and other like businesses. UTC staff has routinely and consistently found my operation to be in compliance with the rules and regulations they enforce. My business is careful not to venture into the hauling of waste materials that will ultimately be landfilled for the sake of disposal and the company does not hold itself out as being allowed to do so. My business assures that the material it hauls will serve a genuine purpose and that it will be used as-is or it will be processed in such a manner that it will perform a function and/or will be used as a substitute for a natural product.
- 3. I am the owner, president and operator of T and T Recovery Inc. and a partner and president of Lautenbach Industries, hereafter referred to as Lauts. Both business work in a

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1 united fashion conducting recycling services for construction, demolition and landclearing  
2 debris. The businesses are co-located at 6967 Old Highway North, Burlington WA. The  
3 company division is based upon the size of transport vehicle and box size otherwise they perform  
4 the same function of collection of recyclable materials for the purposes of causing them to be  
5 recycled. The companies also jointly operate a recyclable material separation facility, perform  
6 wood grinding (processing) and perform other general contracting services such as demolition  
7 work and site preparation.

8 4. I am knowledgeable with regulatory requirements associated with the  
9 transportation of recyclable materials and recycling operations. I have been directly involved  
10 with performing transportation, material handling and processing of construction and demolition  
11 waste materials since 1991 when I started T & T Recovery. Since 1991 I have had numerous  
12 involvements with the staff of the Utilities and Transportation Commissions including a hearing  
13 in front of the Commission, several investigations and findings of the staff and was the subject of  
14 a negotiated settlement with the UTC and the Washington Refuse and Recycling Association  
15 (WRRRA) et al.

16 5. When I started T&T Recovery in 1991 the industry of construction and  
17 demolition generated debris recycling was in its infancy and to my knowledge the option of  
18 having any CDL (Construction, Demolition and Landclearing debris) recycled was not being  
19 offered by Certificated Haulers. Initially I focused on the recycling of sheetrock scraps by  
20 developing a reuse program for the material for which I gained Whatcom County Health  
21 Department approval of the process. In approximately 1994 I began to provide wood recycling  
22 opportunities for contractors. Having received numerous requests by contractors to haul other  
23 debris they generate, I requested a G certificate from the UTC to haul C&D for disposal. That  
24 request was denied (Hearing # GA-77875) because certificated haulers claimed they were willing  
25 and able to perform the service.  
26

1           6.     Before I filed for the G certificate, most contractors buried or burned their wastes  
2 on site. Then on a state wide basis, burn bans and new regulations regarding waste were put into  
3 place. This created a new demand for C&D debris hauling. The certificated haulers were not  
4 able to provide a service that meet the needs of contractors – quick turnaround, same day service  
5 etc. Most contractors complained of having to wait 3 or more days for a container delaying their  
6 construction projects.

7           7.     In approximately 1996 I obtained my own contractors license and began to  
8 produce demolition waste by way of demolishing of structures and began separating recycling  
9 materials from waste materials and hauling the resultant materials to a landfill as was customary  
10 at the time. In 2000, having gained inside knowledge of the needs of contractors, I began to  
11 offer the service of providing a drop box for the collection and transportation of single stream  
12 and co-mingled recyclable construction materials for transport to a recycling facility. Again, this  
13 was a service not being offered by certificated haulers within the areas that I was operating at the  
14 time. T& T and Lauts operations have grown ever since. The specifics of the current operation  
15 are further described below.

16           8.     In 2004 - 2005 this program was challenged by the WRRRA and complaints were  
17 filed with the UTC. Staff investigated my operation on at least two occasions and found my  
18 operation to be in compliance with the rule. I received letters from staff stating their findings of  
19 compliance. Following persistent pressure from the WRRRA, the staff filed Docket TG-041481 to  
20 request the Commission to determine compliance / non-compliance. A negotiated settlement  
21 amongst the parties was agreed upon that required I submit detailed monthly operating records to  
22 UTC and all parties showing all hauling activity my company performed for an 18-month period.  
23 This agreement established the framework for approved handling of recyclable material and was  
24 the basis for the soon to follow “Sham Recycler Bill” HB 5788 that was proposed approximately  
25 30 days later by the WRRRA and adopted by the State legislators.  
26

1           9.     The basic overriding premise of the settlement agreement was that recyclable  
2 materials need to be delivered to a legitimate material recovery facility (aka, recycling facility).  
3 It was determined that if the box was accepted for such purposes, and not rejected because of  
4 excessive non-recyclable material or the presence of unacceptable material, it was considered to  
5 be transported legally under RCW 81.80 as a common carrier.

6           10.    On October 31, 2006, having met the reporting requirements of the settlement  
7 agreement and a finding that there was no indication that we were hauling solid waste without a  
8 permit, I received a conformation letter from the UTC stating the matter was closed. Since that  
9 finding, I have continued to operate my business following the same protocol. Materials are  
10 delivered to a material sorting facility that I own or a recycling facility operated by others and  
11 are used as-is or prepared for use by some type of processing.

12           11.    There are two differences in my operation from the time of the settlement  
13 agreement. #1 is that I perform material recovery and/or recycling at a facility I operate and #2 is  
14 that the resultant "low value" residuals are now used as industrial waste stabilizer rather than  
15 alternate daily cover within a landfill as had previously been the case. It is important to note that  
16 staff's legal department reviewed the issue of residuals as an industrial waste stabilizer at  
17 Weyerhaeuser and confirmed that residuals used in this fashion met the criteria of use required to  
18 be regulated under RCW 81.80 and this was stated in a letter to me.

19           12.    Following receipt of this declaration from the UTC, I visited the Weyerhaeuser  
20 facility and found that it was fully permitted and that it needed the material to continue to be able  
21 to operate their landfill. The facility manager of Weyerhaeuser informed me that they found that  
22 landfilling their (and other like industrial waste) material without structural material caused the  
23 landfill to fail due to saturation that cause bulk sliding of the waste material and leachate runoff  
24 problems. It was noted their permit does not allow for garbage to be used for stabilization  
25 purposes and Weyerhaeuser prefers not to haul in virgin structural materials such as logging  
26 debris or aggregate for this stabilization purposes. Based upon this finding, I began performing

1 my own aggressive material separation and purchased long haul vehicles to transport low value  
2 recyclable materials to the Weyerhaeuser facility in Longview so they could utilize my materials  
3 for stabilizing their landfill.

4 13. If were not for the declaration from UTC staff that included their legal department  
5 review and the fact that the material has a legitimate use at Weyerhaeuser I would not have  
6 started the aggressive sort and developed the transportation inventory needed to haul to  
7 Longview. I would have simply kept moderately separating materials and hauling mixed  
8 recyclable materials to Recovery 1 for sorting and processing with the residuals (low value  
9 recyclables) being ground and utilized as a daily cover in a municipal solid waste landfill as was  
10 deemed acceptable to the parties of my settlement agreement.

11 14. As per industry standards, the materials that I collect and haul are source  
12 separated from garbage, inspected, transported to a material recovery facility or recycling  
13 facility, recovered and/or recycled (processed and/or used) to the greatest extent possible with  
14 residuals being used to perform a specific function within a landfill.

15 15. The following is a current business overview:

16 Operations Standards for Lautenbach Industries dba T&T Recovery Inc, & Lauts Inc.; Services  
17 we provide:

- 18 1. Drop box containers for the collection and transportation of recyclable materials. We  
19 recycle and haul mixed and single stream CDL. We also recycle and haul, separate from  
20 CDL materials, organic waste materials such as food processing line commodities,  
21 rendering commodities and waste materials we generate as a result of our contracting  
22 business.
- 23 2. Bulk materials transport. We haul via 53' live floor truck and trailers – bark, hog fuel,  
24 soils, CDL. This is “for hire” work as well as transporting our own company’s generated  
25 waste materials and commodities.
- 26 3. Property Clean up services. We provide through laborers and equipment, property clean  
up services. Examples: Construction site maintenance: clean up and haul off scraps and  
debris from an on going construction project. Property that has miscellaneous debris  
scatter through out the site (squatters or evicted renters left behind debris typically) or  
accumulated materials a homeowner/property owner wants to clean up.
4. Demolition Contractor. We are a Washington State contractor licensed demolition  
contractor. We take down structures, haul them away, and clean up the site. We also  
offer to provide the dirt work for the new project as well.

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**EISENHOWER**  
EISENHOWER & CARLSON, PLLC

1200 Wells Fargo Plaza  
1201 Pacific Avenue  
Tacoma, WA 98402  
Tel: 253.572.4500  
Fax: 253.272.5732

1 5. Material separation and wood grinding yard. We operate a material separation yard  
2 where we separate co-mingled loads of recyclable materials, reload and repackage  
3 recyclables, accept limited recyclables from the general public (self-haulers), and operate  
4 a wood grinding/processing operation.

4 Advertising:

1. Web site: lautenbachind.com
2. Yellow Pages
3. Brochures
4. Trade magazines

7 16. Our protocol for establishing a new co-mingled recyclable materials box  
8 customers is as follows: The perspective client will call in inquiring about our service. We ask  
9 what services they are looking for. If they are looking for someone to provide a drop box for  
10 debris they want clean up we ask what the material is. If it is construction debris, we ask if it is  
11 demolition or new construction debris. If demolition, they must have an AHERA asbestos  
12 survey, hazardous materials must be removed, and no general garbage or non-recyclable items  
13 can be with the demolition. If new construction, what stage are they in, is it going to be ongoing  
14 throughout the project or just a one time cleanup. What type of project is it? We inform the  
15 customer that if we cannot recycle the material, we cannot provide them service. They must  
16 keep all worker garbage out – lunch/office debris. If the customer profile matches a service we  
17 can provide, the customer must sign our transport agreement that they can download off our  
18 website or we can fax/mail it to them outlining the services we provide and clearly stating no  
19 garbage allowed in our loads. We then determine what size and type of box to provide. We then  
20 bring the box to the site. At this point our drivers are instructed to assess the site for garbage  
21 type materials we do not want in our boxes. If there is a potential problem the driver either will  
22 inform the customer of materials we cannot haul, or calls into dispatch to determine how to  
23 handle the situation. Once the box is full, the customer calls in either a swap out (leave an empty  
24 and pick up the full) or just a pick up of the box. When the driver gets to the site, he does a  
25 visual inspection of the box before transport. He is instructed to pull out any non-acceptable  
26 materials or call dispatch if there is a problem. He is instructed to not haul the box if the box

1 contains non-recyclable materials. If the box is acceptable, he hauls the box back to our facility  
2 where it is weighed, then staged for separating various components from the co-mingled box. It  
3 the box contains a single type component it may be directly delivered to a processing facility or  
4 utilization site, or, as in the case of wood, be processed at our site.

5 17. Material separation begins when the box is tipped inside our covered building.  
6 We have 4-6 employees, that have access to front-end loaders and excavators, who pull out and  
7 sort the recyclables by type of material. The recyclables are put into containers for shipment to  
8 various recyclers with the exception of wood that is piled and then moved to our own wood  
9 grinding operation for processing. We separate for recycling wood, roofing, sheetrock, plastics,  
10 cardboard/paper, metal, aggregates, tires, carpet and other materials depending on various  
11 markets. The materials we cannot pull out because of size or processing capabilities ends up as  
12 low value recyclables that Weyerhaeuser uses as Industrial Waste Stabilizer. Industrial Waste  
13 Stabilizer accounts for less than 10% of the material that we handle, this percentage includes  
14 waste materials that we generate during demolition and site cleanup work while performing  
15 contracting duties. When we have accumulated a full load of separated recyclables, the  
16 recyclables are shipped out to processors or end users.

17 18. If non-recyclable materials make it to our tip floor (mainly because it was at the  
18 bottom of the load and visually not detectable by our driver) that material is either hauled back to  
19 the site where it came from or the customer must come to our yard and remove it.

20 19. I believe it is important to note that while we are in the middle of this legal  
21 finding by the commission Docket TG-072226, UTC staff has undertaken an open public rule  
22 revision effort directed at defining what constitutes recycling. This is what I believe is the  
23 essence of this legal preceding. Furthermore, I believe that what constitutes "recycling" should  
24 not be relevant to the UTC and the need for a G certification. Rather, the material that I or  
25 anyone hauls under RCW 81.80 simply must perform a legitimate purpose for which someone  
26

1 has a need, thereby qualifying the material as a commodity and not a solid waste destined for  
2 simple disposal within a landfill.

3 20. I declare, under penalty of perjury under the laws of the State of Washington, that  
4 the foregoing is true and correct, and that I have signed this document on the date stated below in  
5 Bellingham, Washington.

6 DATED this 26 day of June, 2008.

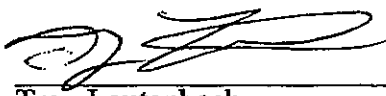
7  
8 SEE ATTACHED  
9 Troy Lautenbach



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Troy Lautenbach

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DECLARATION REGARDING FILING OF FACSIMILE  
SIGNATURE PAGE OF TROY LAUTENBACH


Ian M. Bauer certifies under penalty of perjury under the State of Washington that the following is true and correct:

1. I am one of Respondents' attorneys in the above-captioned matter, and make this declaration pursuant to GR 17(a)(2).

2. The name of the document to be filed with a facsimile signature, to which this declaration is attached, is the Prefiled Direct Testimony of Troy Lautenbach.

3. The Prefiled Direct Testimony of Troy Lautenbach consists of 8 pages together with a facsimile copy of page 8 bearing Mr. Lautenbach's signature and this declaration page, for a total of 9 pages. I have examined the Prefiled Direct Testimony of Troy Lautenbach and I have determined that the document is a complete and legible petition.

DATED at Tacoma, Washington, on this 27th day of June, 2008.

  
Ian M. Bauer