

OCTOBER/NOVEMBER 2012

Unregulated Buyers Have No Affect on Sale Price in the Salvage Pool

By Sue Schauls

There were fewer than 100 industry advocates in the room the day we realized that the "public" in the salvage pool were not really John Q Public at all. The public would mean a person who was buying a vehicle for personal use, a soccer Mom or perhaps a laborer who needed a truck to haul his tools. But in reality the folks buying salvage vehicles at the auction were there to acquire parts cars and rebuilders to sell to a consumer for personal use. That sounds like the definition of a small business owner buying goods for resale.

The problem is that the purchaser is operating as a consumer would operate, without regulations. So there, at the ARA Committee meeting just as the annual convention was about to kick off a few years ago, did the epiphany happen. **That wasn't the public in the salvage pool it was an Unregulated Buyer.** A person acting under the protection afforded to a consumer but conducting business regulated by the Department of Transportation (DOT), the Department



of Justice (DOJ), the Environmental Protection Agency (EPA), the Internal Revenue Service (IRS) and the state counterparts in each respective state in the nation plus the District of Columbia and the U.S. territories such as Puerto Rico.

What argument exists to continue to allow the Unregulated Buyer to remain in the auction house buying salvage vehicles without regard to regulation?

The argument presented by the owner of the vehicle (the insurance company that deemed that vehicle a total loss wreck) is that these Unregulated Buyers are performing a function of the free market by keeping prices competitive. Simple on the surface, more bidders in the pool will bring in a higher sale price. But what about "IF" bids and "ON APPROVAL" sales? The obvious repercussion here is that the insurance companies themselves have provided irrefutable proof that the Unregulated Buyer has no effect on the sale price of the salvage vehicle. If they did then all cars would be sold to the highest bidder as the free market set the best price for the good through "demand" in the economic principle of supply and demand.

The simple fact that the Unregulated Buyer exists in the market and yet the insurance companies control the sale price means that the public in the pool has no affect on sale price and therefore no beneficial effect in the industry.

What is the detrimental effect of the Unregulated Buyer to the ENVIRONMENT? In the automotive salvage and used parts industry we have long known the negative affect



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> Visit our website www.iowaautorecyclers.com

From the Iowa Automotive Recyclers Board

IAR Board Meeting

Tuesday, July 17, 2012 - 5:15PM

Waterloo, IA

President Brent Nugent called the meeting to order at 5:15 p.m. Members present were: **Brent Nugent, Tracy Hurst, Mike Waterbury, Mike Davidson, David Hesmer, Andy Wilken and Mike Swift.**

A short meeting was held to discuss the upcoming panel discussion with Sandy Blalock.

New Mexico has recently passed a rule that requires tax Id number identification for purchase of salvage vehicles as one way to stop the unlicensed buyers from mismanaging end-of-life-vehicles. Sandy will discuss this and other rules that will be helpful in tightening up lowa law for auto salvage.

The expenses for the panel were discussed. Airfare, lunch and hotels rooms would be paid by IAR to host the speaker.

David moved that \$3000 be moved from the investment account to the general operating funds. Mike Swift second the motion. All in favor. Motion carried.

There was a motion by David to adjourn with a second from Tracy. The meeting was adjourned at 5:47 p.m.

Respectfully submitted, Jeff Smid, Secretary By Sue Schauls



IAR Board Meeting

Thursday, August 2, 2012 – Noon- 3pm Des Moines, IA

The Iowa Automotive Recyclers hosted a Question & Answer session with ARA past President, Sandy Blalock. Sandy is the Executive Director of the New Mexico affiliate chapter and works with other southwestern states. She has made some recent in-roads to updating the state law governing salvage in both Utah and New Mexico using grassroots effort. Which mean getting the member involved in the process and education the legislative body about the "loopholes" that continually lose state revenue and place total-loss-vehicles back on the roads.

Legislative Report

The IAR Legislative committee continues to promote the I-CARE program as the leverage that we professional auto recyclers have to exemplify compliant salvage operations from the non-compliant and the unregulated. "We need to promote it more and tell the rest of the world just what it means, especially to our customers and how we as an industry our trying to do these standard practices and what it means to the State of Iowa as a whole." Mike Swift

Jim Piazza, Jr. report that in addition to what Mike said, we are reviewing concepts for possible legislative action:

- 1. Property tax relief through inclusion under Iowa Code Section 427.1(19).
- Proof of compliance for recycler license renewal, NMVTIS reporting and/or storm water permit.
- 3. State reporting of NMVTIS such as Georgia.
- 4. Bonding requirement for licensed recyclers.
- 5. Meet with Attorney General's office regarding NMVTIS and salvage auction sales to unlicensed buyers.
- Meet with DOT regarding current enforcement efforts and possible technical changes which would track salvage auction sales of salvage vehicles to unlicensed buyers and subsequent sales.
- 7. Salvage auction collection of use tax on sales of salvage title vehicles from non-commercial buyers.

Respectfully submitted, Sue Schauls

President's Pitch

By Brent Nugent, IAR President

Hello Fellow Recyclers!

Hope this note finds everyone doing well! Fall is fast approaching us and we need to be thinking of ways to not only winterize our vehicles but our yards as well. Now is a good time to be thinking about our machines we use



daily. Making sure to keep them serviced and check all fluids. Make sure our haulers are serviced and road ready. We feel that is important not only to have a good looking yard but service trucks and haulers as well. One of our best advertisements is when we are on the road delivering or picking up. A good looking hauler is well respected on the road. After all we don't want to look like Sanford & Son stereotype right?

Also a reminder to get in that Used Car Dealers course that is mandatory from the IDOT. All dealers are responsible for



taking the class. I think that the recyclers should also have a mandatory class to take. Maybe that is something we should look into next year.

Again looking forward to next year's Summer Outing...... Make sure you make your reservation early cause rooms are limited in Maquoketa!

Brent Nugent, PRESIDENT Iowa Automotive Recyclers

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From the Desk of the Executive Director

By Sue Schauls

Back to the basics. If you've played sports you know that when you want to step up your game you go back to the basics. And that is what we are doing (again) at the *lowa Automotive Recyclers*. Our game is already top-notch so to step it up yet again will require some concerted effort on our part. But we will rise to the challenge!



Where do the basics begin? First we are nearly complete on getting all members I-CARE certified. It seems like it has been a long road but looking back to go from development of the program to most members maintaining certification and therefore full compliance in under four years is actually a phenomenal feat. Good job everyone!



The basic formula for bringing a member into compliance starts with having and maintaining a fully developed SAFETY PROGRAM. If you have not yet received your red MSDS starter kit, please call me soon. If I don't hear from you, don't be surprised if I call you or one shows up in the mail. Non-members and associate members are welcome to join the Safety Subscription as well. See the *Haz Comm Goes Global* article in this newsletter. As I say in the Dealer's Ed class, "it's cheap & easy and we all like it cheap & easy!"

The next basic step to automotive salvage compliance is the storm water permit. I check the lowa register frequently and you will get a call from me if your permit expires. The annual training, inspection and sampling procedures we'll continue to take care of at your I-CARE visit.

A new "basic" I'd like to pitch is that all our members are reporting to NMVTIS on a monthly basis. You'll soon see this as an added I-CARE standard and I'll be checking up on you via the online system prior to your I-CARE visit too. I like to watch everyone through whatever online resources are available as this is our public image as well.

The basics are simple but not easy. Zig Ziglar said "Simple does not mean easy." Through our own industry standards we have made compliance simple and I applaud the continued effort on the part of each and every member even when it meant making some changes at your facility. Through I-CARE we are continually learning and achieving a level playing field of compliance with improved recordkeeping and training. Together we have moved ahead of the competitors. So now it is time to step up our game.

In the coming months you will be engaged in some decision making. What legislative priority will we set? How can we tweak existing lowa law to close the loopholes that allow unregulated buyers to function outside the system? What changes can occur to help our enforcement agencies levy action on those that choose to be non-compliant? What educational opportunities can our association offer to the industry? Yes, we are ready to step up.

Until next time... Sue

Automotive Recyclers Association Selects Mike Swift as Executive Secretary Nominee

Co-Owner of Trails End Truck and Auto Salvage Possesses an Unwavering Commitment to Ensure a Fair Marketplace for Automotive Recyclers

MANASSAS, VA – The Automotive Recyclers Association (ARA) announced today the selection of Mike Swift, coowner of Trails End Auto and Truck Salvage, Inc. as the Nominating Committee's choice to serve as Executive Secretary for 2012-2013. A longstanding ARA member, Swift brings extensive industry experience to the position. Swift will be formally confirmed by ARA's Board of Directors at their annual meeting held this October during ARA's Convention and Exposition in Orlando, Florida, October 24-27, 2012.

Swift has been actively involved with the ARA, spending the last five years as an ARA Regional Director, and this past year as the ARA Chairperson for the Regional Directors. He received the ARA Regional Director of the Year Award in both 2009 and 2011. In addition, he has spent countless hours working on the ARA Government Affairs Committee and takes an active part in the legislative side of the industry. Swift has not only assumed leadership roles on the national level within the ARA, but has served locally in Iowa, his home state, serving as the President of the Iowa Auto Recyclers (IAR) association in 2008-2009.

A third generation auto recycler, Swift has been in the auto recycling business all of his life. After managing Swift Auto Salvage for 20 years, he and his brother, Steven, bought Trails End Auto and Truck Salvage, Inc. in 1999 (www. trailsendauto.com).

Leaning on experience and skills he learned from his father and grandfather, he and his brother took a flailing business and turned it into a robust and thriving business. Trails End Auto and Truck Salvage, based in Des Moines, Iowa, offers full service truck and auto recycling. It also features its own crushing and scrapping operation.

Since Swift's grandfather started the family business in the 1940's, the Swift family is well recognized and respected. Swift feels that he brings experience as a third generation business owner and a passion about the industry to the ARA Committee Secretary position. "I have enjoyed my time as Regional Director during the last five years and I'm looking forward to my new role," he says. "I'm passionate about dealing with the legislative issues facing the automotive industry. I believe it's time that the manufacturing industry embraces us instead of trying to discredit us. I plan to continue working hard on issues that affect our industry."

"ARA looks forward to the dedication and passion that Mike Swift brings to the position," says Michael E. Wilson, ARA's CEO. "His involvement, especially in the area of industry advocacy, is an example of the excellence of ARA members and shows his commitment and belief in the automotive recycling industry as a whole. The Association will benefit from the experience that he brings to his important role in leading our international organization in this crucial economic and legislative climate."

For almost 70 years, ARA has represented an industry dedicated to the efficient removal and reuse of "green" automotive parts, and the proper recycling of inoperable motor vehicles. ARA members provide consumers with quality, environmentally friendly, low-cost alternatives for vehicle replacement parts. Today, ARA represents the interests of over 4,500 auto recycling facilities in the United States and fourteen other countries around the world. For more information on green recycled parts, please visit http:// www.greenrecycledparts.com.



Federal Hazardous Waste Recycling Regulations Pertinent to Automotive Salvage

When a material is recycled, its regulatory classification (i.e., whether or not it is a solid waste, and potentially a regulated hazardous waste) depends on two factors: what type of secondary material is being recycled and what type of recycling is occurring. To address the goal of encouraging recycling while protecting human health and the environment, EPA has tailored the level of regulation to reflect the actual hazard of the recycling activity. In this approach to regulation, recycling standards range from full regulation to specialized standards to exemptions from regulation.

The generator is responsible for determining whether his recyclable secondary material is subject to reduced requirements or full regulation. Under the RCRA hazardous waste regulations, materials that are recycled may not be subject to RCRA hazardous waste regulation if those Recycled materials are specifically excluded from the definition of solid waste; if Recycled materials that are solid wastes but not hazardous wastes; or if Solid and hazardous wastes not subject to hazardous waste regulation when recycled. Otherwise waste material is also exempt if it Subject to alternative regulatory controls; or finally the waste may be Subject to full hazardous waste regulation if no recycling exemption is granted.

Recycled materials specifically excluded from the definition of solid waste

The following materials, when recycled, are excluded from the definition of solid waste and are therefore not subject to RCRA Subtitle C regulation:

Processed Scrap Metal – Excluded scrap metal (processed scrap metal, unprocessed home scrap metal, and unprocessed prompt scrap metal) being recycled. See 40 CFR 261.4(a)(13).

Once the scrap metal has undergone a processing step, it may qualify for the exclusion from the definition of solid waste. A processing step may be performed by the generator, an intermediate scrap handler (e.g., broker, scrap processor), or a scrap recycler.

The EPA used five factors to evaluate partially-reclaimed solid wastes to determine if it is appropriate to exclude a waste from RCRA Subtitle C jurisdiction (40 CFR §260.31(c)). The five factors are: 1) the degree of processing the material has undergone and the degree of

further processing that is required, 2) the value of the material after it has been reclaimed, 3) the degree to which the reclaimed material is like an analogous raw material, 4) the extent to which an end market for the reclaimed material is guaranteed, and 5) the extent to which a material is managed to minimize loss. The EPA applied these five factors to the three categories of unprocessed scrap metal to determine if these categories are "commodity-like" (as used in 40 CFR §260.31(c)) and not part of the waste management problem.



Recycled materials that are solid wastes but not hazardous wastes

The following materials, when recycled, are excluded from the definition of hazardous waste and are therefore not subject to RCRA hazardous waste regulation:

Spent Chlorofluorocarbon Refrigerants – Used chlorofluorocarbon refrigerants from totally enclosed heat transfer equipment, including mobile air conditioning systems, mobile refrigeration, and commercial and industrial air conditioning and refrigeration systems that use chlorofluorocarbons as the heat transfer fluid in a refrigeration cycle, provided the refrigerant is reclaimed for further use. See 40 CFR 261.4(b)(12).

Used Oil Filters – Non-terne plated used oil filters that are not mixed with wastes listed in subpart D of this part if these oil filters have been gravity hot-drained using one of the methods listed at 40 CFR 261.4(b)(13).

Solid and hazardous wastes not subject to hazardous waste regulation when recycled

The following materials are hazardous wastes but are not subject to RCRA Subtitle C regulation when recycled:

Scrap metal – Scrap metal that is not excluded under 40 CFR 261.4(a)(13). See 40 CFR 261.6(a)(3)(ii).

Materials Subject to Alternative Standards

Several types of materials are subject to alternative management standards for collection and/or recycling:

Universal Waste - The universal waste program promotes the collection and recycling of certain widely generated hazardous wastes. At present, the universal waste regulations include batteries, pesticides, lamps (e.g., fluorescent bulbs), and mercury-containing equipment (e.g., thermostats and convenience lighting switches). The universal waste rule is designed to reduce hazardous waste in the municipal solid waste stream by making it easier for universal waste handlers to collect these items and send them for recycling or proper disposal. In addition, the regulations also ensure that the wastes subject to this system will go to appropriate treatment or recycling facilities pursuant to the full hazardous waste regulatory controls. For more information, see: EPA's Universal Waste area or for full regulatory text, see 40 CFR Part 273.

Used Oil - Used oil includes petroleum-based or synthetic oil that has been used. Because used oil has certain unique properties that make it distinct from most hazardous wastestreams and is an easily recyclable material, EPA developed special recycling regulations for used oil that are completely separate from hazardous waste recycling standards. For more information, see: EPA's Used Oil Management Program area or for full regulatory text, see 40 CFR Part 279.

Materials Utilized for Precious Metal Recovery - Precious metals reclamation is the recycling and recovery of precious metals (i.e., gold, silver, platinum, palladium, iridium, osmium, rhodium, and ruthenium) from hazardous waste. Because these materials will be handled protectively as valuable commodities with significant economic value, generators, transporters, and storers of such recyclable materials are subject to reduced requirements. For more information, see: For full regulatory text, see 40 CFR Part 266 SubpartF

Spent Lead-Acid Batteries Being Reclaimed - Persons who generate, transport, regenerate, collect, and store spent leadacid batteries prior to reclamation, but do not perform the actual reclamation, are not subject to hazardous waste regulation. However, owners and operators of facilities that store spent batteries before reclamation, other than spent batteries that are regenerated (processed to remove contaminants and restore the product to a useable condition), are subject to regulation in a manner similar to hazardous waste treatment, storage, and disposal facilities (TSDFs). Note: Lead-acid batteries may also be managed as a Universal Waste. For more information, see: EPA's Spent Lead-Acid Batteries web site or for full regulatory text, see 40 CFR Part 266 Subpart G.

Source: http://www.epa.gov/osw/hazard/recycling/regulations. htm



Iowa Vehicle Recycler's License

To obtain a vehicle recycler's license, you must have a place of business where you maintain regular business hours and the public can contact you. Regular business hours are a minimum of 32 hours, Monday through Friday, where the office is staffed during these hours. Your place of business must include an office, be equipped with a telephone, and comply with local zoning and ordinance requirements. Download the application at https://forms.iowadot.gov/ FormsMgt/External/411117.pdf.

If the business stores, keeps, buys or sells 10 or more wrecked, scrapped, ruined, dismantled or inoperative vehicles, you must comply with the lowa Junkyard Control Law, Chapter 306C.2 of the code. The law prohibits junkyards within 1,000 feet of the nearest edge of any interstate or primary highway, except those which are:

- Effectively screened by natural objects, plantings, fences or other means approved by the lowa DOT.
- Located in industrial zones or unzoned industrial areas.
- Not visible from the main traveled portion of the highway.
- Established prior to July 1, 1972.

Vehicle rebuilders must certify that at their location there is a 14-foot by 24-foot (inside measurement) area in a building for rebuilding and restoring vehicles, sufficient storage for all vehicles in the inventory and equipment necessary to perform rebuilding and restoring of vehicles in the inventory.

Used vehicle parts recyclers must certify that at their location there is sufficient storage for the vehicle parts in the inventory.

Vehicle salvager must certify that there is sufficient storage for vehicles, vehicle parts and vehicle bodies included in the inventory; and that there is sufficient equipment necessary to perform dismantling, scrapping or storing of vehicles and/or vehicle parts included in the inventory.

The license fee is \$70. Any supplemental location within the same county at which business is conducted is referred to as an extension. There is no additional license fee for an extension, but any extension address must be listed when applying. Selling rebuilt vehicles at retail will require a motor vehicle dealer's license. A recycler's license does not authorize selling vehicles at retail. Source : http://www.iowadot.gov/mvd/ovs/recycler.htm

An lowa salvage vehicle is a motor vehicle with a gross vehicle weight rating of less than 30,000 pounds, and:

- ✓ Was acquired by an insurance company as a result of damage or theft; or
- ✓ Was acquired by a licensed recycler or a person engaged in the business of buying and selling or exchanging vehicles of a type required to be registered in lowa, and has repair costs exceeding 50 percent of its fair market value before it was damaged and that value was \$500 or more; or
- ✓ Is from another state, and that state's title indicates the vehicle is damaged and cannot be registered to be driven or moved on the highway until repaired

Such a vehicle must be given a title with the brand "salvage" on it, and it may not be registered. Once a vehicle has a salvage-branded title, Iowa will never issue it a "clean" title only a "prior salvage" title if the vehicle is repaired to street worthiness (at which point it can be registered).

You must be a licensed recycler if engaged in the business, or in a calendar year you:

- Sell used bodies, parts of bodies, frames or component parts of more than six used vehicles; or
- ✓ Deal in the wrecking or dismantling of more than six vehicles or parts of more than six used vehicles; or
- Rebuild or restore for sale six or more wrecked or salvage vehicles; or
- Store vehicles not currently registered or damaged unless the storage is incidental to your primary purpose of repairing motor vehicles for others, scrapping, disposing, salvaging or recycling of more than six vehicles or parts of more than six vehicles.

You are exempt from obtaining the recycler's license if you are:

- ✓ An educational institution;
- ✓ Licensed as a new motor vehicle dealer;
- Engaged in the business of purchasing bodies, parts of bodies, frames, or component parts of vehicles only for sale as scrap metal; or
- Engaged in rebuilding or restoring vehicles as a hobby, not for profit.

Taking the Confusion Out of HazCom 2012 and GHS Labeling

By By Jack Rubinger, Graphic Products, Inc. 503-469-3024, jarubinger@graphicproducts.com, www.GraphicProducts.com

What do Crazy Rays, Grandpa Johns and other automotive salvage yards have in common? All embrace recycling motor oil, transmission fluid and antifreeze. The flow from your old Chevy in West Des Moines to a refinery in Western Europe is a financially rewarding path with a great return on investment.

But you risk huge losses if your chemical storage barrel is stopped due to noncompliance. That's why it's important to learn more about OSHA's new HazCom 2012 labeling requirements for US domestic transport **(effective June 1, 2015)** and the Globally Harmonized System (GHS) for labeling and transporting chemicals (international).

OSHA estimates that more than 5 million workplaces in the United States will be affected by the Hazard Communication Standard (HCS). These include all workplaces where employees – a total of approximately 43 million – could be exposed to hazardous chemicals. Included among these 5 million workplaces are an estimated 90,000 establishments that create hazardous chemicals. These chemical producers employ almost 3 million workers.

An example of a HazCom 2012 brake fluid label is shown below:



• SIGNAL WORD: Indicates the relative level of severity of hazard and alerts the reader to a potential hazard on

the label – such as "Danger" and "Warning."

- UNITED NATIONS (UN) NUMBER: Refers to transportation guidelines required by the UN.
- CHEMICAL ABSTRACT SERVICE (CAS) NUMBER: Some chemicals have multiple names and this number uniquely identifies the chemical. It cross-references a chemical database which provides additional information about the chemical.
- EUROPEAN COMMISSION (EC) NUMBER: Uniquely identifies chemical substances.
- PRECAUTIONARY STATEMENT: Explains how to handle a chemical hazard and what precautions to take.
- HAZARD STATEMENT: Explains how and where the substance can harm people.
- PICTOGRAMS (in red diamonds): There are eight mandatory symbols in all, spanning the spectrum of possible hazards -- Health Hazard, Flammable, Danger/ Warning, Compressed Gas, Corrosion, Explosive, Oxidizing and Death.
- SUPPLIER INFORMATION: Chemical companies are required to list company name, street address, city, state, postal code, country and emergency phone number.

The statement, "Consult SDS for additional information on hazards" refers to the safety data sheets chemical manufacturers publish.

Don't be lulled into complacency with the June 2015 deadline two years away. Entering potentially thousands of chemicals into your database will take time and expense. Entering one chemical every 3.5 minutes means it will take a little more than 58 hours just in data entry alone -- not to mention research and obtaining the SDS from the manufacturer.

If the chemicals are shipped domestically, you'll need to apply HazCom 2012 labels. If the chemicals are shipped outside the US, apply GHS labels.

Use DuraSuite software from Graphic Products, Inc. to accommodate both scenarios and take the guesswork out of the labeling process. Running DuraSuite with the DuraLabel Toro printer enables you to print labels in a wide range of dimensions for different applications and needs. As an example for chemical storage barrels and casks, a 4 x 11 inch, marine grade label is recommended. There is also an Environmental Harm symbol that is included in the DuraSuite module, but not mandatory by OSHA for compliance – but required for GHS labels.

We encourage you to correctly identify, store, handle and transport hazardous liquids to comply with regulations, improve safety, protect the environment and manage costs. For more specific questions about the chemical labeling process throughout the product's lifecycle, contact senior advisor Kevin Borchert at Graphic Products, Inc. at 1-800-788-5572 EXT: 5642 or email kborchert@graphicproducts.com. Graphic Products, Inc. (www.GraphicProducts.com) is the world's leading labeling systems manufacturer serving global companies for more than 40 years.



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Used Auto Dealer Continuing Education

Jump start your I-CARE program or non-members begin a safety program and gain insight into environmental compliance. Take Sue Schauls' Environmental and Safety Compliance. Dealers who have a recycler's license, body shop or a service department or anyone with employees and the need to get going on a safety program will greatly benefit from this class. State and federal compliance for automotive shops in lowa will be reviewed so you and your employees are up to date.

Convenient 5-hour renewal classes located at all 15 lowa Community Colleges make it easy. Other classes available are:

- **Compliance Tools for Buy Here Pay Here Dealers** Do you offer your buyers in house financing or are you interested in doing so?
- Carknowlogy: Financing Regulations and Responsibilities This class is aimed at dealers who offer 3rd party financing to their customers.
- **Paperwork, Paperwork, Paperwork** This class is perfect for both new dealers and veterans looking for a refresher.

All 5-hour renewal classes cost \$159 and include a manual. For a complete schedule of classes, visit http://www. iowaiada.com/en/dealer_education.cfm or http://www. sueschauls.com/EnviroEd.html. Sue's Enviro & Safety Ed class are offered most Fridays at various locations.

Friday 8am - 1pm 9/14/2012	Ottumwa, Iowa
Indian Hills Community College	
Course#13/YR*REL*2903*501	
Friday 8am - 1pm 9/21/2012	Ft Dodge, Iowa
lowa Central Community College	
Course #ZSR-101-FD03	
Friday 8am - 1pm 9/28/2012	Calmar, Iowa
Northeast Iowa Community College	
Course #13283	
Friday 8am - 1pm 10/5/2012	Spencer, Iowa
lowa Lakes Community College	
Friday 8am - 1pm 10/12/2012	Waterloo, Iowa
Hawkeye Community College	
Friday 8am - 1pm 10/19/2012	Creston, Iowa
Southwest Iowa Community College	:
Friday 8am - 1pm 11/2/2012	Mason City, Iowa
North Iowa Area Community College	е
	Indian Hills Community College Course#13/YR*REL*2903*501 Friday 8am - 1pm 9/21/2012 Iowa Central Community College Course #ZSR-101-FD03 Friday 8am - 1pm 9/28/2012 Northeast Iowa Community College Course #13283 Friday 8am - 1pm 10/5/2012 Iowa Lakes Community College Friday 8am - 1pm 10/12/2012 Hawkeye Community College Friday 8am - 1pm 10/19/2012 Southwest Iowa Community College

Course #80964

- Friday 8am 1pm 11/9/2012 Burlington, Iowa
 Southeastern Community College
 Course #32685
- Friday 8am 1pm 11/16/2012 Sioux City, Iowa Western Iowa Technical Community College Course #13/FY CPCE 1115-02
- Friday 8am 1pm 11/30/2012 Dubuque, Iowa Northeast Iowa Community College Course #13299
- Monday 8am 1pm 12/3/2012 Council Bluffs, Iowa Iowa Western Community College Course #TRADE*99-05
- Tuesday 8am 1pm 12/4/2012 Ankeny, Iowa Des Moines Area Community College Course #16170 Prof 978
- Friday 8am 1pm 12/7/2012 Davenport, Iowa Eastern Iowa Community College District Course #106173

LAST CHANCE!

 Tuesday 8am - 1pm 12/18/2012 Cedar Rapids, Iowa Kirkwood Community College Course #CBBC-2015-25433



	OI AUTON			tomotive Recyclers tion for Membership		
Con	npany N	ame:				
Con	ntact Pers	son & Title (Name in directory):				
Add	dress:					
City,	, State, Zi	p:				
Pho	ne:		_Fa	X:		
E-mo	ail:		_We	eb Site:		
lowo	a Recycl	ers License # (If applicable):				
Iowa Used Car Dealers License # (If applicable): Membership \$250.00 Enclosed is my IAR annual membership check: Direct Member (Iowa business which dismantles and sell used automotive parts) Out-of-state trading partner (dismantle and sell used automotive parts) Rebuilder / Collision Repair Shop and/or Automotive Service Center Vendor of goods and services to automotive recyclers Membership subject to approval of IAR Board.						
Sign	Signature: Please return this form with your membership check to: Iowa Automotive Recyclers, 2214 Regal Avenue, Waterloo, Iowa 50702					
		Iowa Automotive Rec	ycle	rs Code of Ethics		
p	-	e goodwill by maintaining fair business nd the very highest standards possible in all parts.	6.	To make every effort to work towards clean and orderly working conditions and attractive business locations.		
p		e quality parts, recognizing a fair ture, free of deceptive practices and ntations.	7.	To advertise our products honestly, avoiding false, misleading and deceptive statements, in order to maintain goodwill and good faith in our industry.		
g	guarantees	wards customer satisfaction through parts whenever possible and when necessary, nable adjustments.		To make every effort for customers in finding the parts they need through parts locating services.		
4. 1 c	To give cou customers,	nable adjustments. arteous and fair treatment to all answer all questions and make every tisfy any reasonable complaint.	9.	To support the policies and regulations of the Iowa Automotive Recyclers, and to abide by the standard trade practices of the Automotive Recyclers Association.		
	_	te with law enforcement authorities to heft of both autos and parts.				

Iowa Sales Tax Exemption on Recycling Equipment Purchases

In lowa industrial machinery, equipment, computers and replacement parts are sales tax exempt if used directly and primarily in the recycling or reprocessing of waste products.

To qualify for recycling sales tax exemption, the business purchasing or renting qualifying equipment must complete the lowa Sales Tax Exemption Certificate, found online at www.state. ia.us/tax/forms/31014.pdf and submit the completed form to the seller when completing the sales transaction.

For more information on recycling sales tax exemption visit www. state.ia.us/tax/educate/78530.html to view the booklet Sales Tax on Industrial Machinery, Equipment and Computers or call 800.367.3388 to order a free copy of this booklet delivered to your business. For updates on machinery or pollution control equipment, legislative issues and changes to the Iowa Administrative Code, please contact the Department of Revenue at 515.281.6163.





OSHA Hazard Communication Program Goes Global

By Sue Schauls

Some changes are on the horizon for Safety Compliance. What may seem like many changes can actually be broken down to one major change and a reminder that other Safety Rules exist. The main change coming in the U.S. for Safety Compliance is the Globally Harmonized System (GHS) of Classification and Labeling of Chemicals. This simply means that the material safety data sheet (MSDS) for chemicals will look the same in all nations across the globe. It is the agreed United Nation's standard.

What seems like many changes is that OSHA has also been promoting the use of the Hazard Communication Standard as a means to employee training in the workplace. Yes, *"promoting" does mean enforcing!*

What's New? What's Required?

In fact, the Hazard Communication Standard has always been the rule that requires employers to provide training and chemical hazard information to their employees. The requirement of maintaining an inventory and the material safety data sheets (MSDS) for chemical found in the workplace is the most commonly know portion of the rule. Having a Safety Supervisor, MSDSs, monthly training and Safety Plan (actually a written Hazard Communication Standard) is the gist of the rule.

What is new is the format of the MSDS changing to the global standard and becoming known as *Safety Data Sheets*



or SDS which look similar to MSDS and contain the same information but will uniformly convey that information in all languages augmented by the use of universally accepted hazard pictograms.

By December 2013, employers with employees that have chemicals in the workplace must train those employees on the Hazard Communication Standard (HCS) and the Globally Harmonized System (GHS).



The Hazard Communication Standard (HCS) is based on a simple concept - that *employees have both a need and a right to know the hazards and identities of the chemicals they are exposed to when working.*

Identify Responsible Staff by designating a Safety Supervisor. Hazard communication is an ongoing program in the facility. In order to have a successful program, it is necessary to assign responsibility for both the initial and ongoing activities that have to be undertaken to comply with the rule.

The Standard requires a list of hazardous chemicals in the workplace as part of the written hazard communication program. The list will serve as an inventory of everything for which a MSDS/SDS must be maintained. The best way to prepare a comprehensive list is to survey the workplace.

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Purchasing records may also help. Employers should establish purchasing procedures that result in MSDS/SDSs being received before a material is used in the workplace.

Check your files against the inventory of chemicals in the workplace to ensure that an MSDS/SDS exists for each potentially hazardous chemical. If any are missing, contact the supplier and request one. As chemical manufacturers convert their existing MSDSs to GHS SDS format, GHS labels will accompany these new Safety Data Sheets. All workplaces where employees are exposed to hazardous chemicals *must have a written plan which describes how the standard will be implemented in that facility.* The plan does not have to be lengthy or complicated. It is intended to be a blueprint for implementation of your program--an assurance that all aspects of the requirements have been addressed. *Keep a copy of this written plan in the MSDS binder or readily available in case of an OSHA inspection.*

Present the Hazard Communication Standard to employees as a monthly Safety Training topic by simply reviewing this article and your written Hazard Communication Plan. Following the presentation, have each employee sign a training log. A sample log can be downloaded at_http://www.sueschauls.com/ Employee_Training_Log.pdf. Keep the monthly Safety Training Record on file (such as in the RED MSDS binder) in the event of an OSHA inspection.

Of course you may have some homework to address before you can present this material as training! So get started on the basic Haz Comm program so that you will be ready to provide the UPDATED training that will be required by December of 2013.

Order an MSDS Starter Kit

Every automotive recycler should have a Hazardous Communication Standard written program also known as a Material Safety Data Sheet (MSDS) program. Having this chemical product information readily available develops a

Get started on a compliant Safety Program with some simple steps:

- Use a RED three-ring binder to keep all Safety Training & MSDS/SDSs;
- Create a written Hazard Communication Plan using the information in this article;
- Keep logs of monthly Safety Training assigned to employees such as using SP2.org modules or having monthly safety meetings.

safe working environment. Not having *it* is the number one OSHA inspection violation. It is an easy safety compliance requirement to meet. To order an MSDS Starter kit from Sue Schauls for \$25 send an email to Schauls3@mchsi.com.

The Iowa Certified Automotive Recyclers Environmental (I-CARE) Program and the ARA Certified Auto Recyclers (CAR) program requires that participating yards conduct occupational safety and health employee training as mandated by federal and state OSHA rules as well as training on the safe use of gas cutting torches, if used at the facility. Additionally, some environmental regulations require employee training be conducted annually and documented to maintain compliance.

To meet these safety training needs, *Sue Schauls Consulting* has introduced the **Safety Subscription** service. The Safety Subscription is available to any automotive recycler for the subscription price of \$179 per year. The Safety Subscription is a monthly safety email that includes one safety topic and an employee training log. To subscribe send an email to Schauls3@mchsi.com.

Each month the topic will include timely and pertinent safety information that will meet all I-CARE and CAR certification requirements, environmental regulatory compliance and industry specific safety awareness. The Safety Subscription topic can then be delivered to facility employees either as a presentation at safety meetings or by passing out copies to meet the IOSH and OSHA requirements and when applicable the Iowa DNR permits standards. Following each training session an employee training log should be signed by the trainees and the administrator and maintained in the safety training records such as the facility's red MSDS binder.



Many standards promulgated by the Occupational Safety and Health Administration (OSHA) explicitly require the employer to train employees in the safety and health aspects of their jobs. Other OSHA standards make it the employer's responsibility to limit certain job assignments to employees who are "certified," "competent," or "qualified"—meaning that they have had special previous training, in or out of the workplace.

These requirements reflect OSHA's belief that training is an essential part of every employer's safety and health program for protecting workers from injuries and illnesses. Many researchers conclude that those who are new on the job have a higher rate of accidents and injuries than more experienced workers. OSHA concluded that effective management of worker safety and health protection is a decisive factor in reducing the extent and the severity of work-related injuries and illnesses. Effective management addresses all work-related hazards, whether or not they are regulated by government standards. Employee training on Hazard Communication will be a key factor in the success of your organization's implementation of the Globally Harmonized System (GHS). The end result will be improved safety for workers via their awareness of the pictograms and other information provided on manufacturers' GHS SDSs and labels, in particular the necessary steps to protect people and the environment when responding to a chemical hazard.

Sue Schauls is an independent environmental consultant with automotive expertise. She is the Environmental & Safety Consultant for CCAR-GreenLink the EPA automotive compliance assistance center. She is the Executive Director & regulatory consultant for the Iowa Automotive Recyclers (IAR), she developed and implements the Iowa – Certified Auto Recyclers Environmental (I-CARE) Program. She contributes articles to several trade publications and is a member of ARA Technical Advisory and Certified Auto Recyclers Committees. Sue has a bachelors of Arts degree in Science: Environmental Planning from the University of Northern Iowa, 1996. www.SueSchauls.com



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Deadline for submission is December 15, 2012.

Make check payable to "IAR" and mail to: lowa Automotive Recyclers 2214 Regal Avenue Waterloo, Iowa 50702

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NFPA 704 Hazard Rating System

By Sue Schauls

NFPA 704 Hazard Rating System a standard maintained by the U.S.-based National Fire Protection Association. It defines the colloquial "fire diamond" used by emergency personnel to quickly and easily identify the risks posed by nearby hazardous materials. This is necessary to help determine what, if any, special equipment should be used, procedures followed, or precautions taken during the first moments of an emergency response.

The National Fire Protection Association (NFPA 704) system uses a diamond-shaped diagram of symbols and numbers to indicate the degree of hazard associated with a particular chemical or material. These diamond- shaped symbols are placed on containers of chemicals or materials to identify the degree of hazard associated with the chemical or material.



The diagram identifies three color-coded categories of hazard for each material:

Health hazard (blue sections),

Flammability (red sections),

Reactivity (yellow sections), and

Other hazard information (white section).

Each category is divided in five levels of hazard potential with zero (0) used to indicate no special hazards and four (4) for

severe or extreme hazard potential. The degrees of hazard in each of these categories are given as follows:

Health - The degree of health hazard of a chemical or material is based on the form or condition of the material, as well as its inherent properties. The degree of health hazard of a material should indicate the degree of personal protective equipment required for working safety with the material. A rating of 1 is for slightly hazardous (toxic) material that requires only minimal protection (for example, safety glasses and gloves) in addition to normal work clothing to work with safely. A rating of 2 is for moderately toxic or hazardous material that requires additional PPE or equipment (e.g. chemical goggles, lab/work smock, local ventilation) than required for less toxic material. Consult the MSDS for specific health hazard and proper PPE to use with this material. A rating of 3 or 4 is for highly to extremely toxic (deadly) material (and any carcinogen, mutagen, or teratogen /teratogen /teratogen/ any agent or factor that induces or increases the incidence of abnormal prenatal development.]) These materials will require specialized equipment (e.g. respirator (or exhaust hood), full face shield, rubber apron, specialized glove, handling tongs, etc) beyond that required for moderately toxic material. You must consult the MSDS and/or other safety information to determine the hazard (acute or chronic) and the proper PPE and engineering controls to safely use of this material. Most of the automotive fluids evacuated from the salvage vehicles are Health Hazard Level 1. Batteries may be Level 3.

Flammability - The flammability hazards deal with the degree of susceptibility of the material to ignite and burn. The form or condition of the materials, as well as their properties, affects the extent of the hazard. Many hazardous materials such as acetone and gasoline, have a flash point (ignition temperature) far below freezing and will readily ignite with a spark if the vapor concentration is sufficient. **A low rating of 1** is for material with a flash point above 200F while more hazardous **ratings of 2, 3, and 4** are for materials with respective flash point below 200, 100 and 73 F, respectively. Most solvents and thinners have a flashpoint below 140F so have a Flammability Level 2 while diesel is Level 2 and gasoline has a Level 3 rating.

Reactivity - The reactivity hazards deal with the potential of a material or chemical to release energy. Some materials are

capable of rapid release of energy without any catalyst, while others can undergo violent eruptive or explosive reactions if they come in contact with water or other materials. Generally this rating is used to indicate the potential to be reactive if the material is heated, jarred, or shocked. **A low rating of 1** indicates a material that is normally stable but may be reactive if heated. The more **hazardous ratings of 2, 3, and 4** indicate a material is capable of violent reaction, shock/ rapid heating and detonation respectively. Most automotive fluids have a Reactivity Level 0 while batteries are Level 2.

Other Hazard Information - An open space at the bottom of the NFPA diagram can be used to indicate additional information about the chemical or material. This information may include the chemical or material's radioactivity, proper fire extinguishing agent, skin hazard, its use in pressurized containers, protective equipment required, or unusual reactivity with water. For example, the usual signal to indicate unusual reactivity with water is the letter "W" with a long line through the center. Similarly the words ACID, COR (corrosive), RAD (radiation), OXY (oxidizer), Rad (radioactive), CARC (carcinogen) or other abbreviations may be used.



It is recommended that each container be labeled with the warning information. Whether or not the building itself needs to be placarded with a 15 x 15 inch NFPS diamond depends on the volume of hazardous material stored within the facility. Lead-acid batteries have the highest Health rating 3 of any automotive hazardous material therefore if more than 100 pounds are stored inside a diamond warning is warranted or any amount stored in a room of the facility should have a diamond NFP warning sign to alert emergency personnel that corrosive acid is present and may pose a danger in an emergency response situation.

Gasoline has the highest Flammability rating of 3 therefore if more than 55 gallons are stored inside the facility then a diamond warning is warranted with a 3 in the top, red, flammability section. Likely gas and diesel are stored outside. For used oil and antifreeze with low rating of 1 more than 220 gallons would need to be stored inside to warrant posting the warning label on the outside of the building, which does seem likely. Each container should be labeled for clarification.

Placards shall be affixed to buildings or areas within the facility on each side where entry can be made at an appropriate height to be easily seen from approaching emergency equipment. A placard must be placed at the property line on a facility gate or post if a placarded building or area within a facility cannot be easily seen when approaching the property. Affix subdivision (room) placards next to access points into the room. These placards must be visible when doors into subdivisions are opened or closed.



Iowa Certified Automotive Recyclers Environmental Program

Important Information From ARA

Reprinted with permission from ARA

Dear Fellow Automotive Recyclers,

While the political spotlight has been focused on the Presidential race and control of the U.S. House and Senate, the automotive recycling industry cannot afford to ignore the many local and state campaigns going on closer to home. The outcome of November elections for city and state political office have tremendous potential to tip the balance of power in many local governments and state legislatures, with far-reaching implications for your business.

Many of the regulations impacting our daily business operations originate at the state level, as do many of the legislative trends that we later observe nationwide. As an automotive recycler and small business owner in your community, you are uniquely qualified to communicate with your elected officials and help them understand the value of recycled auto parts.

- Educate him/her about the automotive recycling industry and value of recycled auto parts in the marketplace.
- Educate him/her about the importance of competition and the implications of restrictive legislation and regulation.
- Urge him/her to support initiatives that promote safe and legitimate reuse of recycled vehicles and component parts.

This election year presents us with countless opportunities to become engaged in the political process on all levels: city, state, national. Knowing and being responsive to the needs and concerns of the voters is the top priority of those running for elected office: it is what got them elected and will help get them re-elected. Through letters, phone calls, and faceto-face meetings, legislators learn what's important to the "people back home." Call your local representative running for re-election today, talk to those individuals running for office for the first time, attend a fundraiser, send in a donation -- the list of ways to participate goes on and on. Even a small donation to a local candidate can make a difference -- politicians remember who helped get them elected.

Each ARA member has the ability to be an effective voice for the industry -- we are the only ones who can speak with authority about auto recycling. It is crucial that ARA members get to know the candidates running for all levels of government, so we can get qualified, pro-business oriented representatives elected into office. For more information or help reaching out to your state and federal representatives, contact ARA's Government Affairs staff.

Thank you for all you do for ARA and automotive recycling businesses.

Norman Wright Chairman, Governmental Affairs Committee

ARA Government Affairs Staff Invites You to Drop By The ARA Booth At This Year's Convention & Expo To Strengthen ARA's Advocacy Efforts

Make plans to stop by the Government Affairs section of the ARA Booth at the upcoming ARA Annual Convention and Expo to participate in four brief online surveys - your responses will help inform our future advocacy actions.

While walking through the show, look for the four banners at the ARA booth that alert you to the questions included in the online survey. On these banners you will see the following objectives under which relevant questions will be posed:

Banner 1: Tell Your Story to ARA....Enrich ARA's Mission.

Banner 2: Help Turn Your Customers into Your Advocates.

Banner 3: Pick a Policy on Which You can Help.

Banner 4: Brag About Your Contacts.

Look for the countertops on which will sit 4 computer terminals with the surveys ready to access. Staff will be on hand to walk you through the process and at the end of each day, the results will be tabulated and shared with attendees the following day. Upon staff's return to the office after the convention ends, it is hoped that ARA will have new groups of automotive recyclers and their customers to provide the story behind our policy asks.

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Small Business Administration Staff Visits with ARA and Local Auto Recycler To Discuss Issues Impacting the Automotive Recycling Industry

ARA CEO, Michael Wilson, along with Government Affairs staff Delanne Bernier and Jessica Thomas, met with officials from the Small Business Administration's Office of Advocacy last week onsite at M&M Auto Parts, Inc. in Stafford, Virginia. ARA and SBA staff had the opportunity to tour M&M's beautiful Stafford facility, as well as their impressive new 148,000 square foot indoor facility in nearby Fredericksburg, with owner Rick Morrow.

The Small Business Administration's Office of Advocacy is an independent office within the federal government working to advance the views and concerns of small business before Congress, the White House, the federal agencies, the federal courts and state policy makers. ARA staff and Mr. Morrow discussed with SBA staff the many regulations and issues impacting the automotive recycling industry and its small business owners.

Throughout the facility visit, Mr. Morrow and ARA staff were able to showcase for SBA staff the sophisticated equipment, personnel, advanced mechanical and environmental processes, safety features, zoning and building details, and many more aspects of a professionally licensed automotive recycling facility. The legislative and regulatory topics discussed included implications of the healthcare reform law on small businesses, OSHA and EPA regulations, the problem of unlicensed buyers at salvage auctions, and storm water testing and permits. SBA staff particularly appreciated the details Mr. Morrow shared with them about his business and the family history behind M&M Auto Parts.

ARA staff would like to thank M&M Auto Parts for taking



the time to host a visit and showcase for the Small BusinessAdministration staff what a professional, licensed automotive recycling facility has to offer consumers and the local community. SBA 's staff at the Office of Advocacy work on a regular basis with many of the federal agencies that have oversight of the automotive recycling industry. It is for this reason that educating the public and decision makers about the automotive industry and our issues is so important.

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CA Sales Tax Legislation Sent to Governor's Office for Signature

In California, legislation seeking to protect the tax advantage afforded to licensed dealers, dismantlers, automotive repair dealers, and scrap metal processors has unanimously passed the state Senate and was sent to the Governor's office last week for his signature. As previously reported, Assembly Bill 2618 addresses a serious concern about who may purchase salvage vehicles without paying sales and use tax to the state. It defends a tax advantage currently afforded to licensed dealers, dismantlers, auto repair dealers, and scrap metal processors in California by requiring all other non-licensed individuals to pay sales and use tax directly to the auction at the time of vehicle purchase. AB 2618 passed the General Assembly in late May and passed the Senate last week on August 13 by a unanimous vote. The California automotive recycler associations and ARA are strongly supportive of this legislation. ARA would like to recognize the efforts and leadership of all the California automotive recyclers associations in pushing for the passage of the bill and congratulate them on their success. We look forward to providing this law (when enacted) to other states as a model for their possible use.

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FIRE!!! It Will Never Happen To Me! Think Again - Are You Prepared? By: Shannon Nordstrom

Nordstrom's Automotive of Garretson, SD is very proud of the fact that they have achieved and maintained the Automotive Recyclers Association's (ARA) Certified Auto Recycler (CAR) accreditation since 1999. We are also excited we took the next step in customer service by agreeing to the Code of ethics and participating in the CSI portion of Gold Seal Program. Our involvement in these programs has been paramount in the growth of our business and bringing us amazing business opportunities doing business the Gold Seal way and putting our company on a shorter list of facilities in the country that have taken these steps. Part of the Certified Auto Recycler Program outlines Safety Standards that should be used as Best Management Practices in the operation (BMP). We have strived to adhere to these standards as we have grown our business in rural South Dakota from a dairy farm harvesting crops and milk to a full time Automotive Recycling Facility with 70 plus employees.

Have we done things perfect along the way? Of course not, but we have learned from the school of hard knocks, our peers, industry teachings and numerous publications. At

4PM almost exactly, on July 25th, I had one of our staff members briskly interrupt a meeting our leadership team was having with visiting business partners from out of town with the words you never want to hear, "we got a fire! It's bad!" I will never forget the look on our team member's face, and he was not even involved - he was just asked to run and break the news. This is where the reason I write this article comes into view. The fact that we had a fire in one of our dismantling areas is horrible. Team members' lives were at stake and the very heartbeat of any recycling business surrounds your dismantling efforts. This is the event you think will never happen to your company, it will be someone else I will read about. (This time it was me, who is it next time?)

In our TD-08 Dismantling bay, (two of our 8 dismantling stations) two dismantlers work on a variety of vehicles. Today on one hoist was a 90 Ranger being prepped for the EWE PULLET self-service operation and on the other hoist was a 2011 Crown Victoria squad car being dissected with many low mileage high quality parts being removed. The dismantler of the squad car had just gotten assistance from another co-worker to negotiate the fuel tank away from the filler neck and lowered it onto the rubber lined transport cart that is used to bring the tanks to the pneumatic transfer station. This is the safe process that takes the fuel out of the building to outside storage that is in secondary containment under roof cover. In the process of lowering the almost full tank to the cart and working to suck the tank dry, some gas was spilled. While a small gas spill is not un-common in the process of dismantling, this spill was a bit more than that occasional splash that will come out when removing a line or pump. As the dismantler was draining the tank, he decided to multi-task and work on removing the fuel pump from the tank. He was using an 18v brand name rechargeable ¹/₄ inch



impact tool, not unlike a tool you will find in the hands of dismantlers across the country. As he triggered the device for what we believe was the 8th time, disaster struck. His arm could feel the rush of the fire as it grew from the back of his tool and felt as if it was crawling up his arm. In reaction he threw his arm back and dropped the tool. As he did this, fire instantaneously traveled from his tool to the previously mentioned spill of gas on the floor and quickly the tank engulfed in a huge ball of fire in the corner of the shop. He was able to get away from the fire with only some singed hair on his arm. The other dismantler reacted quickly and got away from the fire ball also. No one was injured.

Here is where my story talks to you about how I am proud of our staff and the importance of being a Certified Auto Recycler. I want to encourage everyone to pay attention to the things I write to tell you.

As we quickly departed the meeting our Assistant manager, grabbed the extinguisher from the wall of my office and we stopped by the maintenance shed to grab extras from the reserve units just in case. As we approached on foot, we could see the smoke and flames already making their way out of TD-08. We found our team members from different departments rallying together in EXTREMELY brave fashion, relaying fire extinguishers and taking turns approaching the fire to knock down the fire and work the side wall of the adjoining buildings. We had a gathering point and assured ourselves that no one else was in the blazing area. Our staff expelled over 50 fire extinguishers in our efforts to contain the blaze. The staff member who had the blaze start in his hand new from employee orientation that he was empowered to call 911, and help was on the way. We worked feverously to save what we could. The fire department arrived in 14 minutes from the time of the call and was able to drive through clear and open path ways to a very good spot to set up. With the



help of 5 Volunteer fire departments with 68 firefighters logged into the scene available and an aerial ladder truck the blaze was contained to the shop area. There was only minor damage to the connected warehouses D and E that house countless dollars of ready to sell inventory. Firewalls designed into the buildings to seal the shop from other buildings in case of a fire held up long enough for containment of the blaze.

Our staff knew how to use the extinguishers and they were ALL current, inspected and operational. They knew where they were located because they are strategically placed around our facility, over 100 of them! Why would I write to expose to the recycling world about Nordstrom's having a fire in the portion of its dismantling area? I do it because I am PROUD of our organization. The CAR standards gave our facility in rural South Dakota the road-map for being prepared for the worst. We had good housekeeping that allowed for 27 fire trucks and support vehicles to easily get close to the shop area. We had ample tested, correct, and ready fire extinguishers available. We had team members who had been trained in monthly meetings to know how to properly used the extinguishers and understand things such as meeting points and locations of safety equipment. Our Safety committee had many recommendations from their monthly meetings that had been brought to staff. All in all, without the organization and proper equipment and training, staff members could have been injured or worse yet killed; our entire complex of connected buildings would have easily been destroyed. Because of what we do on a regular basis, we were prepared with the correct equipment and what to do during a time of crisis. Other than the mistakes that caused the fire; good housekeeping minimized potential fuel sources that would have allowed the fire to quickly spread beyond the initial area. Doors that connect the buildings were closed, not allowing for any more spreading than necessary. Our use of the ARA torch protocol and our rules that do not allow for open flame or cutting wheel in our dismantling shop have kept us fire free since we built this shop in 1999; but we learned we were not safe enough if proper procedures are not followed. We were not ready to have a building destroyed, but we were ready to react guickly and efficiently. Thank you brave staff members! Thank you volunteer fire departments!

Thank you, Shannon, for sharing your story!

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2

Unregulated Buyers...continued from cover

the unregulated buyer has on the environment. Without the regulation of reporting, permitting and tracking as the business owners adhere to for the processing of each vehicle and maintaining a place of business, **the Unregulated Buyer has no documentation as to the disposal of the wastestreams coming from their salvage vehicle operation**. A regulatory enforcement officer would assume a business without documentation for the disposal of their waste has illegally released it to the environment.

Perhaps they do not have waste simply because the fluids are NOT evacuated. When the unregulated buyer continues to act as a consumer upon delivery of the vehicle to the scrap processor the burden of processing the metal to a commodity-like state for recycling under the exemption from hazardous and solid waste regulation for metal recovery falls on the scrap metal processor. This is the same burden assumed when an actual consumer brings in an end-oflife-vehicle. If the hazardous constituents of the metal are not removed then the scrap metal will not fit the criteria for exemption from hazardous waste regulation for processed metal reclamation. DOT title processing is also expected as well as DOJ reporting under NMVTIS.

What is the detrimental effect of the Unregulated Buyer to STATE REVENUE? Unregulated buyers reap the benefits of being a consumer by not acquiring environmental permits, avoiding the cost of legal waste disposal or at least moving the burden of waste management to the scrap processor, and depending on the tax payer to bear the burden of environmental cleanup if wastes are illegally dumped. Yet they also reap the benefit of a small business automotive salvage owner in that they are buying goods at wholesale without paying sales tax. If the unregulated buyer is in fact a consumer not required to have permits or manage waste then their retail sales purchase of a vehicle would be taxed like most other consumer purchasing behavior. The amount of revenue the states are losing could be easily tracked with purchase records.

The state of California has already addressed the problem with the proposal of Assembly Bill 2618 as amended. To summarize, it will mean that the auction pool will collect sales tax on all vehicles sold but licensed salvage operators will have filed an exemption for resell. Thus leaving consumers (unregulated buyers) to pay sales tax on their retail purchase as expected! (Reference: http://www.aroundthecapitol.com/ Bills/AB_2618/20112012/)

What is the detrimental effect of the Unregulated Buyer to CRIME PREVENTION? Another hole in the dam is the NMVTIS requirement. "The National Motor Vehicle Title Information System is designed to protect consumers from fraud and unsafe vehicles and to keep stolen vehicles from being resold. NMVTIS is also a tool that assists states and law enforcement in deterring and preventing title fraud and other crimes." (Reference: http://www.vehiclehistory.gov).

The program is woefully under-funded for enforcement action as it is and again consumer purchases made by unregulated buyers in a business-only regulatory arena circumvent the intention of the new data reporting system and the law. Or does it? Upon closer inspection, regardless of the state regulation, it would seem that the unregulated buyer is required to report End-of-Life-Vehicle purchases upon acquisition. There is no loophole in this federal regulation that requires state permit, licensing or another designation. The Anti-Car Theft Act, defines junk and salvage yards "as individuals or entities engaged in the business of acquiring or owning junk or salvage automobiles for resale in their entirety or as spare parts or for rebuilding, restoration, or crushing. Included in this definition are scrap-vehicle shredders and scrap-metal processors, as well as "pull- or pick-apart yards," salvage pools, salvage auctions, and other types of auctions, businesses, and individuals that handle salvage vehicles (including vehicles declared a "total loss").

It would seem that the presence of the unregulated buyer in the salvage pool market have no beneficial affect on the pricing and have detrimental effects on consumer safety, crime prevention, state revenue and environmental stewardship. All important aspects to consider as well as the blemish they place on the industry of professional automotive recycling facilities and used auto parts stores by perpetuating the JUNK YARD image.

Sue Schauls is an independent environmental consultant with automotive expertise. She is the Environmental & Safety Consultant for CCAR-GreenLink the EPA automotive compliance assistance center. She is the Executive Director & regulatory consultant for the Iowa Automotive Recyclers (IAR), she developed and implements the Iowa – Certified Auto Recyclers Environmental (I-CARE) Program. She contributes articles to several trade publications and is a member of ARA Technical Advisory, Safety and Certified Auto Recyclers Committees. Sue has a bachelors of Arts degree in Science: Environmental Planning from the University of Northern Iowa, 1996.

Direct Member Telephone Directory (Updated September 14, 2012)

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A & L Auto Parts, Holland	
Ace Auto Recyclers, Iowa City 319-338-7828 • 800-223-2886	
Action Auto Parts, Marshalltown	
Aikey Auto Salvage, Cedar Falls 319-266-4763 • 800-722-4763	
AWE Auto Service, Traer	
B & B Salvage, Sioux Center	
Birdnow Auto Salvage, Inc., Fayette	
Boyes Auto & Truck Wrecking, Dubuque 563-583-5683	
Charlie Brown Auto, Ltd., Creston	
Chase Auto Parts Company, Inc, Waterloo 319-234-2445 • 800-728-2568	
Delp Auto & Truck, Fort Dodge 515-576-5409 • 866-294-1552	
Don's Auto & Truck Salvage, Des Moines 515-262-8283 • 800-372-6000	
Dumont Auto Parts, Dumont	
Grab & Go Auto Salvage, LLC, Spencer712-580-2886	
Hawkeye Auto Salvage, Inc., De Soto 515-834-2436 • 800-362-1654	
High Country Auto, Cherokee	
Hogeland Auto Plaza & Salvage,	
Hulett & Son Auto Salvage, Creston	
Hurst Salvage, Spencer	
Jeff Smid Auto, Inc., Davenport	
Jerry Carney & Sons, Ames	
John's Auto, Aplington	
Kabele Truck & Auto Parts, Spirit Lake 507-856-1672 • 800-225-6908	
King Automotive Salvage Center, Cedar Falls	
Lems Auto Recyclers, Inc., Doon	
Leon Recycling & Auto Parts, LLC, Leon	
Lyle's Auto Salvage, Oto	
Midwest Auto Parts, Inc., Waterloo	
Monson Salvage, Inc., Lone Rock	
North End Auto Wrecking, Dubuque 563-556-0044 • 800-545-8885	
Nugent Auto Sales & Salvage, Inc., 563-652-2231 • 877-652-0576 Maquoketa	
Osage Auto Salvage, Osage	
P.Q. Auto Parts, Sioux City	
Pat's Auto Salvage, Waterloo 319-232-0704 • 877-232-0704	
Piper's Auto Salvage, Bloomfield 800-247-9135	
Poell's Enterprises, Inc., De Witt 563-659-8111 • 877-659-8111	
Powerhouse Auto, Ackley	
Preferred Auto Sales, Inc., Lockridge	
Quandt Auto Salvage, Inc, Carroll	
Sam's Riverside Auto & Truck Parts, 515-265-8792 • 800-383-2163 Des Moines	
Sanborn Auto, Inc., Sanborn	

Sandhill Auto Salvage, Tama
Smith Auto Parts & Sales, Inc., Fairfield 641-472-4200 • 800-452-1095
Smitty's Auto Parts, Inc., Des Moines 515-266-4903 • 800-372-6030
Snyder's Auto Body, Clarinda
Spilman Auto Parts, Inc, Bloomfield 641-664-2463 • 800-477-1367
Sun Line Inc., Cedar Rapids
Sunset Beach Auto Salvage, Des Moines 515-266-5201 • 800-383-5201
Swift's Auto Salvage, Des Moines 515-262-8860 • 800-627-8788
Trail's End Auto & Truck Salvage, 515-265-5696 • 800-717-6505 Des Moines
Van Gorp Used Cars, Inc., Oskaloosa
Van Horn Auto Parts. Inc., Mason City 641-423-0655 • 800-392-5600
Vander Haag's, Inc., Council Bluffs
Vander Haag's, Inc., Des Moines 515-265-1451 • 800-262-5030
Vander Haag's, Inc., Sioux Falls, SD 605-336-6737 • 800-274-5030
Vander Haag's, Inc., Spencer
Walker Auto Salvage, Waverly
Waterloo Auto Parts, Waterloo
West Edge Auto Salvage, Independence 319-334-2048 • 888-484-9344
Wilken Auto Salvage Britt
Wilken Auto Salvage Iowa Falls
Wilken Auto Salvage Kensett
Wilken Auto Salvage Nashua
Wilken Auto Salvage Waukon 563-568-3698 • 800-382-1887
Wrench 'N Go, Des Moines 515-265-7509 • 800-362-2942
Yaw Auto Salvage, Des Moines 515-266-2046 • 800-728-2046



Associate Member Telephone Directory (Updated July 9, 2012)

Al-Jon Manufacturing, Ottumwa, IA 641-682-4506 • 800-255-6620
Alter Metal Recycling, Des Moines, IA 515-262-0764 • 800-344-2947
Auto Data Direct, Inc., Tallahassee, FL
Behr Iron & Metal, Mason City, IA
Car-Part.com, Ft Wright, KY 859-344-1925 • 800-347-2247
David Ruberg Repair Service, Winona, MN 507-429-4489
DeVries Equipment, Ankeny, IA
Donate A Car 2 Charity, Escondio, CA 877-505-5775
EZ Crusher, Annandale, MN
Full-Line, Edinburgh, IN
Gerdau Ameristeel, Wilton, IA
Global Parts Solution & Transport, LLC, Florence, WI 414-861-8442
Holiday Wrecker Service, Inc., Tiffin, IA 319-351-9091 • 800-383-9091
Hollander, a Solera Company,
Plymouth, MN
I Buy Converters Too, Joliet, IL
Iowa Independent Auto Dealers Assoc, Panora, IA
Integrated Recycling Technologies,
JP Salvage & Core LLC, Des Moines, IA
Legend Smelting & Recycling, Spring Valley, CA 800-697-5556
LKQ Corporation
The Locator Magazine, Whiting, IA
Logan Oil, San Diego, CA
LSB Financial, Cedar Falls, IA
Metro Salvage Pool, Des Moines, IA
Nordstrom's Automotive, Inc.,
Olston's Auto Recycling, Lincoln, NE
Pal Fleet Truck Equipment Company, Council Bluffs, IA
PAM's Auto, St Cloud, MN 320-363-0000 • 800-560-7336
QRP Salvage Solutions, Tomahawk, WI 715-551-3759 • 888-241-0294
Quad City Salvage Auction QCSA, Eldridge, IA
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S & L Auto Parts, Inc., Kellogg, IA
Shine Bros. Corp., Spencer, IA
Sioux City Compressed Steel, Sioux City, IA
United Milwaukee Scrap LLC, Inver Grove Heights, MN 651-552-9008
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