

# Metals Recycling Advisory Committee

## MINUTES

Tuesday, January 7, 2015

**Committee Members Present:** Major Jay Alexander, Tom Baker, AD RenEarl Bowie, Committee Chairman Arnold Gachman, Daniel Garcia, Captain Aaron Grigsby, Gary Gutierrez, David Landry, Jeff Marin, Mike McGinty, Nick Rozumny, Jim Shaprio, Geanna Tubbs and DAD Oscar Ybarra.

Major Alexander called the meeting to order at 10:00 a.m. and welcomed everyone. All members present introduced themselves. Committee members joining via conference call were also introduced. New committee members Jeff Marin and Daniel Garcia were welcomed to the committee. Minutes from the previous meeting held July 15, 2014, were motioned to be approved by Major Alexander. Gary Gutierrez seconded the motion. Motion passed to approve minutes by all in attendance.

## AGENDA ITEMS

- I. Update of battery and cell tower activity and proposed ways to disrupt theft:** Chairman Gachman advised on the concern involving theft of copper and batteries from cell towers. Tom Baker provided an update on legislative action, stating that meetings are still taking place with the Texas Wire and Cable Association; no further information available at this time. Training sessions are being held in the Dallas area, working to identify types of batteries and other materials being stolen. Although a request has been made to make batteries a regulated material, the committee, as well as Senator Royce West does not wish to make changes to Texas Occupations Code, Chapter 1956. A separate bill is being proposed to specifically address emergency services and facilities that are being affected by battery thefts.
- II. Database update and improvements or comments:** Combined with Agenda Item XIII.
- III. Cooperation with other State databases and enforcement:** Chairman Gachman discussed the effort to form a national database to monitor metals theft activity. Chairman Gachman has reached out to representatives in Washington with Texas' interests in a national committee, and will continue to work with Major Alexander to push efforts forward. AD Bowie sits on a national advisory committee and has shared with them what Texas has done thus far.
- IV. Training and protocol for inspections at MRE locations:** Training is being developed, with materials to be pushed out to MREs. Transactions being properly reported to DPS are the biggest concern. Chairman Gachman asked if field training for MREs would be possible, or is there someone who the MREs could hire to assist. Major Alexander advised that type of training is not something that DPS could mandate, or even insinuate as mandatory. Major Alexander also advised training materials could be prepared at DPS and pushed out to MREs.
- V. Cooperation of County and Municipal reporting:** Major Alexander asked the committee if any feedback had been received concerning contact being made to MREs by email. DPS receives a lot of returned emails sent to MREs due to invalid email addresses, full email

boxes, etc. No feedback from MREs received. Committee feels email is the best means of communication. Major Alexander reviewed the RSD-27 Application for Disabling/Re-Enabling Metals Registration form with the committee. The form can be used to enable or disable a statutory agent or update email and other contact information. Chairman Gachman asked if it would be possible to add a secondary contact or a secondary form of contact for the statutory agent.

- VI. Progress on prosecution and DA support:** Chairman Gachman advised further education is needed to have a greater understanding of what is needed to get a conviction. District Attorney cooperation is needed so that more can be done to increase prosecution. More DAs and Assistant DAs are being proactive and attending local meetings. Both Captain Grigsby and Major Alexander discussed the possibility of DPS working with District County Attorney's Association to invite them to attend future committee meetings.
- VII. Options regarding cash payments for metals:** Jeff Marin brought to the committee the possibility for additional payment options for MREs – check/money order/ credit and debit cards. Concerns were shared by other committee members that other types of payments would be time-consuming, lead to additional reconciliation being necessary, and could also be a potential liability because checks can be altered. Major Alexander reminded the committee that DPS does not get involved with any possible legislation, and does not “lobby” in any way. Chairman Gachman asked the committee to keep an open dialogue going to determine the best course of action for both the industry and its customers.
- VIII. Department enforcement stat and licensing stats:** Major Alexander discussed the enforcement statistics included in the handouts- that 1/3 of MREs were inspected in 2014, achieving the goal. Advisory letters for minor violations sent to MREs were also discussed, with further explanation that following the advisory letter, if no action is taken or if additional violations are found; a formal reprimand can be issued and can lead to a suspension. DPS has worked to ensure the fairness of the system, with justifications being given for all actions taken. Chairman Gachman asked if the suspensions of MREs were public. Major Alexander advised he was working with legal counsel and would follow up with the committee.
- IX. Update on responses received per Sec. 1956.003(c) regarding county, municipality or political subdivisions reporting to the department:** Letter sent by email and regular mail to all cities, counties and political subdivisions in October 2014 advising that any local ordinances concerning metals recycling needed to be reported back to DPS. Very little feedback was received, less than 15 entities responded.
- X. Update regarding creating a guide for MREs regarding inspections by the department and local agencies:** Discussion concerning a training module to be sent out to MREs. The training would be voluntary, but would be sent to all MREs. Major Alexander asked if anyone would be willing to work with DPS on a committee with law enforcement representatives. Tom Baker, Mike McGinty and Jim Shapiro will assist.

- XI. Update on explosives found in MREs:** DPS is currently working on training for law enforcement and MREs on recognition of potentially dangerous materials. Chairman Gachman posed the question whether training should be included on nuclear material as well.
- XII. Any feedback on mass correspondences from MRE's:** Major Alexander advised the committee that any necessary communications between DPS and MREs have been handled via email, and also asked the committee if they had heard any feedback from MREs on this type of communication. DPS has received a number of emails returned for invalid email address. Chairman Gachman has not heard of any feedback from the MREs, but will ask and advise the committee.
- XIII. Presentation regarding current database upgrades and future upgrades:** Presentation given by Program Supervisor Nick Rozumny concerning completed upgrades made to the Metals Registration. Theft notifications are now viewable immediately upon log-in; you must acknowledge the theft notification before you can advance further into the database. The material that was stolen, point of contact and pictures (if available) are all available. The theft notification will be live for 30 days, and will then be archived. Once DPS receives notification of the theft, the information is added to the database the same day. Captain Grigsby advised that the theft notifications would not list DPS as the point of contact; it will identify the law enforcement agency working directly on the theft. Nick Rozumny said DPS would like to receive notifications from cities, counties and other municipalities, also so theft notification information that is pushed out to MREs is more complete. Chairman Gachman shared his concerns that data entry personnel who would see the theft notifications online are not the same personnel who are in charge of sales so the information could potentially not be passed along. Jim Shapiro also shared concerns that dealers are loading all transactions at the end of the day and would not see pertinent theft information from the previous night until the end of the following business day. Committee discussed how to ensure the proper person or the MREs statutory agent is viewing theft notification information. Captain Grigsby mentioned the possibility of sending an automated email to the statutory agent on file that a new theft notification has been added to the site for viewing.

Update also provided on rejected loads, that the amount of rejected loads in comparison to "normal" transactions is miniscule. Additional training with MRE locations is still needed to help them recognize potential stolen material, etc. Concern was expressed by several committee members that if an individual was unable to sell materials to one MRE that they would continue to shop around until they find an MRE willing to purchase. The risks involved in accepting potentially stolen materials are too great for most MREs due to lost revenue and the risk of bad publicity.

Transactions uploaded to the database are now linked back to the MRE that loaded the transaction. The ability to view new MREs has also been added, as well as an investigative query function with multiple search parameters for use by law enforcement.

Separate accounts will be created in the future for law enforcement personnel and non-law enforcement. The law enforcement account will have a secure log-in feature. Once the upgrade has been completed, an update will be sent out to all committee members. Full

disclosure of what information can be released will also be available on secured law enforcement log-in. The separation of law enforcement and civilian accounts would also allow for any city or county ordinances to be added for law enforcement accessibility.

Upgrade also in progress so that the RSD-5 Salvage/MRE Inspection Report to be uploaded directly to the database as opposed to being manually scanned. An update will be sent to all committee members once the upgrade has been completed.

MRE information will potentially be linked to TXMAP feature, so you can see all the pertinent MRE location information when you hover over a location.

Major Alexander reviewed the RSD-5 Salvage/MRE Inspection Report. Jim Shapiro asked if MREs could be notified of suspensions, or if that would be a violation. Major Alexander advised he would check with DPS legal counsel and provide the committee with an answer.

- XIV. MREs by location and dealer:** Up-to-date information on MRE locations and dealers is available on the DPS website, direct link given in handout.
- XV. Administrative Rules:** Discussed by Major Alexander, explanation of the authority given to DPS to issue reprimands to MREs, as granted by the Texas Legislature. Copy was given to all committee members.
- XVI. Other items:** Jim Shapiro asked if there were any bills that the committee knew of that would impact metals registration. Major Alexander advised there were no pending bills that DPS is aware of at this time. However, we are still in pre-session.

**Meeting adjourned at 12:10 pm by Chairman Arnold Gachman.**