Vinyl Institute Executive Board

Abshire Conference Room
International Club
1800 K Street, N.W.
Washington, D.C.

Thursday
May 2, 1985
2 p.m.

Members Present

Bart A. DiLiddo, BFGoodrich Chemical, Chairman
Hal C. Andresen, Vinyl Council of Canada
Steven Schaefer, Occidental
Ron Taylor, Dow Chemical USA
Todd C. Walker, Borden, Inc.
David R. Wallis, PPG Industries
Lawrence Wheeler, Shell Chemical
Roy T. Gottesman, Vinyl Institute
Meredith N. Scheck, Vinyl Institute
Jerome H. Heckman, VI Counsel
Fred Timpe, CertainTeed

Opening Remarks

Mr. Walker asked the Chairman that in the future meeting speakers and committee chairmen be given advance indication of how long they will have to make their presentations, rather than being individually reminded of the time constraints during the meeting. Dr. DiLiddo suggested that future Board meeting agendas include predetermined time schedules for each topic.

Minutes of Previous Meeting

A motion was made by Mr. Wheeler to accept the minutes of the previous meeting of the Executive Board (January 9, 1985/Tab M); the motion was seconded by Mr. Wallis and approved by the Board.

Presentation of Proposed Research Program: Incineration

Dr. O'Mara, Chairman of the Technical Committee, made a brief presentation to the Board on discussions that have taken place to date with the New York State Energy, Research and Development Authority concerning VI financial support and technical assistance to incineration studies that are planned to be conducted at a state-of-the-art incinerator located at Pittsfield, Massachusetts. O'Mara indicated that to assure that the study is useful to the VI and that appropriate experiments are conducted, a meeting involving VI representatives and representatives of NYSERDA has been scheduled for May 10, 1985. Dr. Gottesman noted that the entire project could cost in the $700,000 range, and he indicated that his current thinking is for the VI to "buy into" Phase I of the program, with any subsequent funding of Phase II of the study dependent upon the successful completion of Phase I.

Consent Order: Formosa Plastics and the State of Delaware

John Barr of Air Products & Chemicals, Inc., representing the Manufacturing Practices Committee, reviewed the events leading to the Consent Order being signed between Formosa and the State of Delaware and reviewed the requirements imposed by the Consent Order. Gottesman reviewed the contact to date on this issue between the VI and Formosa. The Board suggested the following items as appropriate steps:

- o Barr to draft letter for Gottesman that would be directed at Formosa and that would again offer the technical assistance of the Vinyl Institute member companies;
- o Appropriate follow up on the final Formosa submission to the State of Delaware be made and the VI Executive Board members be kept apprised of potential impacts;
- o Counsel to determine if additional material is needed by EPA to expand upon the record relative to the January 9, 1985 proposed rule on vinyl chloride.

Membership Prospects

Dr. Gottesman reviewed the status of membership prospects by reviewing contacts made to date with Formosa Plastics. Additionally, Gottesman noted that Charles Montgomery of Georgia Gulf had been invited as a special guest and had attended two committee meetings in addition to the Annual Meeting.

Update on PVC Liquor Bottle Clearance

Robert Buehler of BFGoodrich reviewed the activities he has coordinated relative to requests for status reports on the FDA's review of PVC.noting that additional information on the status of the proposal is contained in the General Counsel's report (Tab K). Buehler stressed the importance of the Food & Drug Administration contacted by individual companies who are interested in the Agency's review of the proposal and noted that several companies have been in repeated contact with the Agency.

Update on California Environmental Impact Report

Dr. Gottesman noted that the Board was briefed on this issue by George Snider of BFGoodrich during the Annual Meeting May 2, 1985.

Consideration of the Budget for FY 1985 - 1986

Mr. Schaefer moved that the proposed budget as presented at the VI Annual Meeting, May 2, 1985, and contained under Tab C, be approved as submitted. The motion was seconded by Mr. Andresen and approved by voice vote. Dr. Gottesman thanked Mr. Wheeler for his contribution to the Vinyl Institute and asked the Board to wish him well in his new assignment with Shell.

Amendment to By-Laws

Dr. Gottesman referred the Board members to the proposed amendment to the Vinyl Institute By-Laws as contained under Tab O. Dr. Gottesman noted that Dr. DiLiddo has already been nominated as a Director-at-Large of the SPI. Counsel noted that it would be, therefore, in order for the Vice Chairman of the VI to be the VI delegate to the SPI Board. Mr. Walker moved that the amendment as stated in the Board book be incorporated into the By-Laws; the motion was seconded by Mr. Schaefer and approved by the Board.

Election of Officers

Mr. Walker moved that the slate of officers proposed by the Nominating Committee at the Annual Meeting be approved. Mr. Timpe made a second to the motion, and the proposed slate as listed below was unanimously approved by the Board:

Bart A. DiLiddo	Chairman
Steven W. Schaefer	Vice Chairman
Robert Sander	Treasurer
Ron Taylor	Secretary

Imported PVC Having High VCM Content

Substantial concern was expressed by the Board about the importation of PVC that might contain high levels of RVCM. Gottesman and Heckman were directed to investigate appropriate activities for remedial action and report their findings to the Board at the earliest date.

Relocation of Institute Offices

Dr. DiLiddo reviewed the status of the decision by the SPI Board to move its headquarters to Washington, D.C. effective July 1, 1985, while giving the divisions the discretion to locate their staff wherever appropriate. It was noted that SPI President O'Connell is now in the process of determining what functions will be in the Washington headquarters. DiLiddo noted that he told O'Connell May 1 that the VI would not do anything until the new President "got his feet on the ground." Gottesman stated that location continues to be of concern to him and asked for an expression from the Board regarding their thinking on the future location of the Institute. Gottesman was directed by the Board to provide more definitive budgetary numbers on the cost of such a move to a northern New Jersey location.

Future Meeting Dates

Gottesman noted that the FY 1985 - 1986 meeting schedule is suggested to be amended from that contained in the briefing book to be:

Wednesday, August 28, 1985
Wednesday, December 4, 1985
Wednesday, February 26, 1986
Wednesday, May 28, 1986 (Annual Meeting)

It was noted that Gottesman will disseminate this information by letter to the Board requesting any feedback on the proposed dates by May 31, 1985. It is further noted that the May 28 Meeting will be preceded by a full day of committee meetings.

Adjournment

There being no further business the meeting was adjourned at 3:30 pm. The motion to adjourn was made by Mr. Schaefer and the second was made by Mr. Taylor.

Respectfully submitted,

Meredith N Scheck

Meredith N. Scheck
(as approved by Ron Taylor 7/29/85)

minutes

SPI

VINYL INSTITUTE EXECUTIVE BOARD MEETING

International Club
1800 K Street, N.W.
Washington, D.C.

Wednesday
August 28, 1985
9:00 a.m.

Attendees

Hal C. Andresen, Vinyl Council of Canada
Bart A. DiLiddo, BFGoodrich Chemical, Chairman
Guy E. Disch, Tenneco Polymers
John L. Russ, Borden Chemical
Robert C. Sander, Air Products and Chemicals, Treasurer
Steven W. Schaefer, Occidental Chemical, Vice Chairman
George R. Snider, Jr., BFGoodrich Chemical
Brian Suthers, Shell Chemical
Ron Taylor, Dow Chemical, Secretary
Fred Timpe, CertainTeed Corp.
Todd C. Walker, Borden Chemical

Jerome H. Heckman, Keller and Heckman, VI Counsel
Peter L. de la Cruz, Keller and Heckman
Roy T. Gottesman, Vinyl Institute

Guests: Donald Goodman, Tenneco Polymers (in part)
Alan Olson, BFGoodrich Chemical (in part)

Opening Remarks:

The meeting was opened by Dr. Bart A. DiLiddo, Chairman of the Vinyl Institute Executive Board at 9:05 a.m. He asked that those giving reports be brief so that it would be possible to move quickly to consider the items under New Business and adjourn the meeting by 2:00 p.m.

Approval of Minutes:

Guy Disch motioned that the minutes of the Annual Meeting and Executive Board Meeting held on May 2, 1985 and found in the briefing book for this meeting under Tab A be approved. The motion was seconded by Brian Suther. The minutes were approved by voice vote without correction.

Financial Reports:

VI Treasurer Bob Sander discussed the final financial report for the 1984-1985 fiscal year which is contained in the briefing book under Tab B. He noted that the results were pretty close to projections and that of the shown available funds of $ 182,869, $140,000 had been applied to the 1985-86 budget. He also reviewed the Status of Expenditures for the first two months of the current fiscal year (through July 31) noting that Legal expenditures are running higher than originally budgeted due to the necessity for filing briefs to intervene in the NRDC v. EPA case. Further extraordinary expenditures are expected to help pay for SPI intervention in a case aimed at overturning the Pittsburgh Ordinance banning plastic pipe.

Bob Sander indicated that all assessments for the first half of the current fiscal year have now been received.

Committee Reports:

Codes and Regulatory- In the absence of Committee Chairman Don Hunter, Roy Gottesman reported on the Committee's activities which are found under Tab D in the briefing book. He specifically highlighted an information pamphlet which has been developed by George Snider and which is aimed at 21,000 code and building officials. This will contain contact information. He also stated that each member company will be asked to provide the names of people within their own companies having expertise in various vinyl code areas so that they could be called upon when the need arises.

Communications- Committee Chairman George Snider reported on recent activities including production of the film Fire Safety in America, the SPI film for which he served as Executive Producer,the IAFF Press Conference of August 21(which SPI had effectively pre-empted), the appearance by Pat Toner on the August 27 "Today" program and the Crisis Communications program being developed with Marketshare. He discussed the Home and Garden show at which the Vinyl House was exhibited. Considerable favorable newspaper publicity was received including a full page color spread in the Santa Ana Register. Also a videotape of this exhibit was shown. Dr. Bart DiLiddo suggested using reprints of the newspaper article as a promotional tool. George Snider stated that a more focused approach aimed at architects, builders, engineers and specifiers is planned in the future because of the costs and manpower required to display such a house throughout the country. Mr. Andresen reported on the success the Vinyl Council of Canada had with with their displays of a house and villa in building markets.

Dr. DiLiddo noted with satisfaction the aggressive posture that had been taken by SPI in meeting the challenge of the IAFF press conference. He indicated his belief that progress is being made and that over time we should be able to become a more promotional organization touting vinyl products.

Committee Reports: (continued)

Legal - Since Legal Committee Chairman Harold Fast was not present, Roy Gottesman reported on the major committee activity. He noted that the fire investigation team established by the Legal Committee had been utilized twice in July. The first situation involved a fire during the dismantling of an old water treatment plant in Cedar Rapids, Iowa in which 10,000 people were evacuated. A lawsuit has already been instituted against the city and a contractor dismantling the plant. The second fire was at the Washington,D.C. Hilton Hotel in which a transformer blew up during restart and media reports mentioned PVC coated electrical wiring. He also indicated that a generic Material Safety Data Sheet had been developed by Bob Luss of Occidental Chemical and was undergoing review by members of the Legal Committee.

Bart DiLiddo advised the group that Goodrich was still embroiled in the Younkers Department Store lawsuit and would be seeking summary judgement since there were no proofs that any of the materials involved in the fire came from Goodrich.

Manufacturing Practices- Roy Gottesman reported for W.C. Holbrook and highlighted the items given under Tab G of the briefing book. He reported on the follow-up of the June 10 meeting with representatives of Formosa Plastics' Delaware City Plant. The Formosa submission to the Delaware Department of Natural Resources and Environmental Quality has now been received from Robert Boyer, Formosa's Plant Manager and is undergoing review by members of the Committee.

Roy Gottesman handed out draft letters to Congressman Thomas Carper and Delaware State Representative Jeffery Mack prepared by Joe Ledvina of Vista. Basically these letters are meant for the VI to go on record as indicating that the gas containment system proposed by Formosa is not a real solution because these have been shown to be inadequate and impractical and that catalyst deactivation by "short-stop" systems is an effective approach. The Executive Board unanimously approved sending such letters and the Executive Director was instructed to make any needed modifications to the draft letters prior to sending them out.

Technical - Roy Gottesman also gave highlights of this Committee's report found under Tab H of the briefing book as submitted by Dr. Michael O'Mara. He specifically covered the incineration project to be underttaken in Pittsfield, MA by a group coordinated by NYSERDA. He noted that the project is divided into two phases and that Phase I is aimed at establishing the ability to control temperature and get reliable results. The VI cost for Phase I is $ 34,600. Proceeding on to Phase II will be completely dependent on the outcome of Phase I and Ron Taylor noted that Dave Wilson of Dow, who is a member of the Technical subcommittee on this project, had expressed some concerns about the ability to get useful data from this work. The Board was assured that Phase II would not be undertaken unless the Technical subcommittee following this project was completely satisfied and the contract being entered into with NYSERDA will be so written. Roy Gottesman also noted that APME has agreed to contribute $ 40,000 to Phase II of the project, if the VI continues on to Phase II.

Hal Andresen reported that the Ontario Hospital Association had sought to ban PVC from use in hospitals because of the problem created by HCl liberated when PVC-based devices, viz. blood bags, are incinerated. This has not occurred because there are no suitable alternatives to PVC in these hospital-uses.

Legal Counsel's Report:

Jerome Heckman reported on the status of clearance of a PVC liquor bottle based on his most recent contacts at FDA. He indicated that the last redraft of the proposal is in the General Counsel's office at FDA for a general review of a clean draft. The promised release date from that office is in September at which point it must be cleared by the Secretary of Health and Human Services, Margaret Heckler. Unless it is slowed down for political reasons, it would then be sent to OMB where Jerry Heckman believes it would be very rapidly cleared. When finally released by FDA, Jerry Heckman indicated that he had a "semi-commitment" from Sandy Miller at FDA to help expedite BATF approval of the liquor bottle.

Peter de la Cruz reported on other activities of Keller and Heckman in behalf of the Vinyl Institute which are detailed under Tab I in the briefing book. He specifically discussed the case filed challenging the Pittsburgh Pipe Ordinance and noted that it is not yet clear how the City Solicitor will address this case. A preliminary meeting is expected with the Judge handling this case to determine how he wishes to procede, i.e with oral arguments or written briefs. The Pittsburgh contractor involved, Tom Mistick and Sons, has provided information regarding comparative costs which will be useful for submission to the FTC in connection with the SPI request for an investigation of "The Burning Issue". Savings of 0.5 to 1 % of the total building costs can be achieved substituting plastic piping for metal and these are mainly labor savings.

Peter de la Cruz also discussed the briefs filed in the NRDC v. EPA case, the current status of the New York State Combustion Toxicity Data Bank and the California EIR on plastic pipe. He noted that Lew Freeman has assumed the leadership role for SPI on the latter project and that a new lawyer in

California (Bill Holliman) has been engaged. A review meeting is scheduled to be held in Washington on September 4.

State Legislative Activity Report:

Meredith Scheck prepared the report given under Tab J in the briefing book which included a summation prepared by the SPI Washington Office on Combustibility- related legislation in various states. Roy Gottesman specifically pointed out that at the August 15 hearing in Albany on the New York State Toxicity Data Bank,the Uniform Fire Prevention and Building Code Council merely listened but asked no questions of industry testifiers. This hearing was held to fulfill Governor Cuomo's commitment to provide industry an opportunity to voice its views on the proposed regulation. It is now considered unlikely that the Code Council will not adopt the Secretary of State's proposal at its August 28 meeting. It will now be necessary to provide testimony at the five hearings to be held throughout the state so as to build a record for a possible legal challenge.

Roy Gottesman also advised the Board that a draft of an alternate recycling bill has been developed in New Jersey, a sponsor has been found and bi-partisan support is being sought. This proposed bill includes incineration with energy recovery within the definition of "recycling".

Fred Timpe advised the Board that a moratorium has been declared in Seattle, WA on new installation of plastic pipe as a result of permeation problems. Don Goodman reported that none of the five incidents appeared to involve PVC pipe,polybutylene was involved in three cases and all occurred in highly contaminated soil. The competitive cast-iron pipe interests are capitalizing on this moratorium. The situation is being investigated by Uni-Bell PVC Pipe Association and the Plastics Pipe Institute prior to the forthcoming AWWA meeting which is to be held in Seattle. The VI will coordinate with Uni-Bell and PPI on this.

Executive Director's Report:

Roy Gottesman briefly reviewed the major issues management activities since the last Board Meeting. These are fully reported under Tab K in the briefing book.

Old Business:

The following agenda items had been covered earlier in the meeting: Formosa Plastics' Delaware City Plant VCM emission problems, the status of clearance of a PVC liquor bottle and the solid waste mangement issue involving incineration.

Old Business (continued):

Replies were received only from Tenneco and Occidental in response to questions raised in the June 3 letter to all member companies concerning imported PVC resins having high residual VCM contents. While information received indicates that the volume of imported resin is about 50% higher in 1985 over the prior year, there is no real case that can be made that RVCM levels in imported resins are higher and so could result in processors exceeding the OSHA action level. It was concluded that we are not in any position to do anything on this issue at this time. Jerry Heckman noted that there is a strong and growing protectionist movement in Congress which might gain further support should President Reagan veto the shoe import bill. If this occurs, the VI may wish to urge SPI to get involved in the protectionist issue.

New Business:

A. Approval of Membership Application from Georgia Gulf Corp.

Ron Taylor made a motion that the membership application from Georgia Gulf Corp. be approved and that Georgia Gulf be admitted to full regular membership in the Vinyl Institute. The motion was seconded by Steve Schaefer and unanimously approved.

B. Relocation of Vinyl Institute Offices

A proposal for relocation of the Vinyl Institute offices prepared by the Executive Director dated August 14 had been sent to all Board members by Chairman DiLiddo. In presenting this, Bart DiLiddo noted that SPI had moved its headquarters from New York City to Washington and that, for the time being, a New York Office was being maintained. He stated that by SPI by-laws divisions have discretion on location and that it was perfectly within the SPI by-laws for operating divisions to locate where they desire.

After discussion, Todd Walker made a motion that the Executive Board approve relocation of the Vinyl Institute offices to a Northern New Jersey location effective January 1, 1986 and that the Executive Director be authorized to procede with locating suitable space consistent with the information provided in the proposal for relocation. The motion was seconded by Guy Disch and was passed unanimously by voice vote.

It was also agreed that some negotiation with SPI was in order to obtain financial credit for the space and services that would no longer be provided after relocation. Bart Di Liddo indicated that he would be happy to pursue this with

SPI. Further, at the request of Roy Gottesman, Bob Sander and Steve Schaefer agreed to visit the final office location being considered to give their concurrence.

C. Incinerator Project Expenditure Approval

Bob Sander made a motion that the Executive Board authorize the expenditure of $ 109,600 for participation in the Pittsfield incineration project being coordinated by the New York State Energy Research and Development Authority (NYSERDA) and that the Executive Director be authorized to enter into a contract for same. This motion was seconded by Steve Schaefer and passed unanimously by voice vote, it being understood that the only firm commitment is the expenditure of $ 34,600 in Phase I. The second phase at a cost of a total of $115,000 would only be authorized if the Technical subcommittee is convinced that meaningful results will be obtained based on the preliminary work in Phase I. Of the $ 115,000, $ 40,000 will be contributed by APME and a separate letter agreement with APME will be entered into to cover this.

D. Proposal to Carry Out Leaching Studies on CPVC/PVC Pipe

Alan Olson reviewed the background on the California EIR. The State of California contract with Versar has been cancelled and the state is now considering doing the leaching studies at the University of California at Berkeley. It is unlikely that this work can be completed by the time the SRI contract for the EIR runs out at years' end. He stated that all data and documents submitted for the record must be considered by the lead agency but not necessarily embraced.

Don Goodman presented a very strong case for the VI to carry out its own studies at McKesson Environmental Sciences, Dublin, CA stating that personnel now are available, might not be if the project were taken on at a later time, and that Mc Kesson would dismantle the equuipment used for the metal pipe testing. Such a study would be useful in states other than California and would enable a comparative risk assessment. He estimated the total project cost to be $ 162,000 including the risk assessment work but by application of $12000 from current pipe-related projects, he requested Board approval for an expenditure of $ 150,000 for this work.

Bart DiLiddo noted that while it is an uphill struggle, we should first explore getting the State of California to pay for the proposed studies at McKesson and it was indicated that the new attorney,. Bill Holliman, was laying the groundwork for the state to do oversight on a study thast industry would pay for. The protocol to be used at McKesson would be that approved for the EIR.

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Todd Walker suggested that approval be given to the Technical Committee to carry out the study recommended by Don Goodman, said approval being contingent upon the Technical Committee exploring first,within seven days, getting the State of California to fund this study. It the state cannot be convinced to do so, the VI would procede promptly to carry out the work.

It was pointed out that there are no funds available for this proposed project and that, pending availability of some funds not already spoken for, there could be the need for an additional assessment in the area of $ 100,000 to $ 120,000.

Guy Disch made a motion that the study be approved, contingent on first exploring State of California funding this project (as suggested by Todd Walker) and that should it be necessary for the Vinyl Institute to totally fund this project, an additional assessment be levied to cover the funds needed. The motion was seconded by Todd Walker and was passed by a vote of 8-2, negative votes being cast by Ron Taylor and Brian Suthers.

E. Proposal for VI Sponsorship of Cooperative Effort with Uni-Bell PVC Pipe Association

In the absence of Don Hunter, Roy Gottesman presented the proposal from Uni-Bell PVC Pipe Association for a cooperative program that would enable expansion of their pivotal cities program to increase PVC use in larger diameter pipe markets. He indicated that the Codes and Regulatory Committee was in favor of the program,that details of cities to be involved remained to be worked out but what was now being sought was approval in principle from the Board to financially underwrite this program at a cost of $ 50,000/yr. for a minimum of three years.

Fred Timpe stated that real opportunities exist in the market place for 14, 16 and 18 in. diameter C-900 PVC pipe and 18 to 30 in. sewer pipe that could result in moving an additional 100 million pounds of PVC resin next year. He stated that Uni-Bell has only 6 member companies and does not have the resources to do specification work. He believes this is more important now because pipe distributers are promoting ductile iron due to PVC price volatility.

While this program could be of interest,budgetary limitations precluded further consideration until the next Board meeting. Bart DiLiddo asked Roy Gottesman to work with Bob Sander and re-examine the budget to determine if money can be found within the framework of the current budget to support this pivotal cities program. All committee chairman will be asked to reconsider all programs to determine if any funds can be