

REPORT FOR VINYL INSTITUTE EXECUTIVE BOARD MEETING
September 8, 1993

California Environmental Impact Report on Plastic Pipe

As a result of a meeting held on December 2, 1992 at the office of SRI International (SRI) involving representatives of the California Department of Housing and Community Development (HCD), SRI, the contractor originally hired by HCD and representative of the SPI "Ad Hoc" California Pipe Group, a compromise was reached by the three parties that called for a "packager" to be hired at SPI's expense to take the draft EIR prepared by SRI and put it into a form acceptable to HCD. HCD agreed to consider whether the redrafted document would need to be recirculated for comment and new public hearings, prior to certification of the EIR.

Since that date the following have occurred:

1. Pledges of \$ 80,000 (including \$ 20,000 from the Vinyl Institute) were raised to pay for the costs of the EIR packager and additional legal expenses incurred by January 28, 1993.
2. After a delay of several months to resolve internal legal questions, on April 29, 1993, HCD advised SPI that "prior to completion of the final revised EIR, the department is unable to give a commitment that it will not require circulation." In early May, the SPI "Ad Hoc" California Pipe Group reached a consensus that we should proceed notwithstanding the lack of a commitment from HCD regarding recirculation.
3. In May 17, HCD resurfaced an old problem -- the insistence by SRI that it be paid a portion of the outstanding monies it felt was owed to it by the State of California and the reluctance of HCD to authorize payment as it felt that SRI has not discharged its obligations under its contract. SRI indicated that it would not cooperate with the EIR packager until this matter was resolved.
4. The past three months have been spent in trying to resolve these problems so that the cooperation of SRI is assured and the EIR packager can be engaged. As the letter from Lewis R. Freeman, Jr. of SPI to Kenneth Kobrin, Chief Counsel and Deputy Director of HCD dated August 10, 1993 (on the following two pages) indicates, a solution to break the impasse appears to have been crafted. Include in that letter are the conditions under which partial payment to SRI will be released.

At the Executive Board meeting on September 8, I will update the Board on any more recent developments.

Roy T. Gottesman
August 12, 1993

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