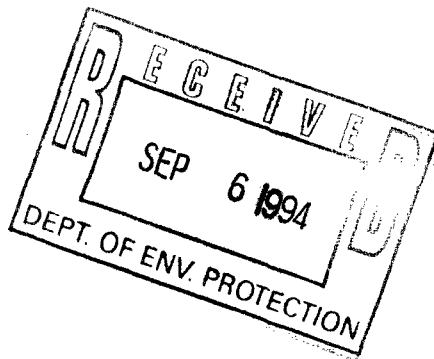




Florida Tire Recycling, Inc.



August 29, 1994

Joseph Kahn, P.E.
Solid Waste Supervisor
Florida Department of Environmental Protection
P.O.Box 15425
West Palm Beach, FL 33416

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DEPT OF ENV PROTECTION
WEST PALM BEACH

Re: Stipulation and Consent for Injunction
Case No. 93-895 CA

Dear Mr. Kahn,

I am writing in reply to your letter dated August 19, 1994 which was received in our office on August 25, 1994. Please note as follows:

1. Regarding your comment under the caption "FTRI Monthly Summary Report #4, Exhibit A - Item 2", please note as follows: We acknowledge your comments in our meeting on Thursday, August 25, 1994 in your offices in West Palm Beach to the effect that DEP is now willing to accept a standard of reasonableness in interpreting this issue. Inasmuch as FTR's fire lanes are "reasonably" free of tire shreds at this time, we must assert that we are in compliance with this requirement.

2. Regarding your comments under the caption "Exhibit A - Item 4" at the bottom of the first page, please note as follows: There is nothing in the Stipulation Agreement requiring FTR to arrange a land survey for DEP. The Site Plan submitted with FTR's several permit applications contain accurate measurements and reference points for the FP&L easement. FTR believes DEP can reasonably delineate the boundary of the easement with the information at hand and sees no need for further expense on the part of FTR.

3. As for the items on which DEP claims noncompliance as a result of its inspection report of August 4, 1994, we comment as follows:

a. Item 10 B: DEP demanded a loop road around the storage area within the FP&L easement at the time substantial inventory was located in that area. FTR submitted plans for such a road as required. However

Providing An Environmental Solution

FP&L refused to allow the road to be constructed. Thus two issues are in play here. First we have a force majeure situation wherein FTR cannot compel a third party to acquiesce to DEP's demands. Secondly, the need for the loop road was to facilitate access to the storage area by fire control vehicles. Inasmuch as substantially all of the tire shreds have been removed, the need for the road is a moot point. Both of these points have been made in prior responses. Based on the principal of force majeure, FTR asserts it has complied to the extent it is able.

b. 10 C.2.(b): A gate has been installed at the southern access road as required by the Stipulation Agreement. Webster's New World Dictionary defines "gate" as "A moveable framework or solid structure" FTR's gate meets that definition and was found acceptable by DEP personnel in an early inspection. FTR is in compliance with this item. (As an aside, the MSSW permit has not been issued as indicated in your letter. Only the intent to issue has been distributed as this time.)

c. 10 C.3. & 4: As has been previously reported to DEP, SLCFPFCD has no program to certify FTR's fire protection plan. In this respect we are faced with another force majeure situation inasmuch as neither FTR or DEP can compel SLCFPFCD to perform a function outside its jurisdiction. Despite this SCLFPFCD did provide a letter to FTR dated July 14, 1994 which was forwarded to DEP in which Deputy Chief Perry Sessoms stated, "...I have no problem with the proposed plan... ." FTR submits that there is not other interpretation of this statement than as an approval from SCLFPFCD. Consequently, FTR asserts it is in compliance with this item.

d. 10 C.8: See Paragraph 3.(c), above.

e. 10 D.1: See Paragraph 1, above.

f. 10 D.2 and 3: See Paragraph 1, above.

g. 10 D.5: FTR's position is that the 180 day tolling period does not commence until all permits requested to start its storage plan have been issued. These include the dredge and fill and MSSW permits. Notwithstanding DEP's delay in issuance of these permits, your organization acknowledged that FTR has made material progress in your August 17, 1994 request for additional information relating to FTR's application for an operating permit. That letter stated "The Southwest District informed all parties [i.e., the Southeast District] of the substantial compliance that FTRI had made with the stipulation."

h. 10 F: FTR has established a Solid Waste Management Trust Fund and has deposited the sum of \$50,000 to that account. In addition, FTR has arranged the transfer of \$15,791.87 from our letter of credit to the trust fund which was completed on July 1, 1994. Finally, FTR deposited an additional \$4,000 to the trust account on August 15, 1994. With this in mind, we are confused as to how you conclude FTR is anything other than in compliance with this item.

To conclude, FTR is in compliance or in substantial compliance with all items of the Stipulation Agreement.

Sincerely



David L. Quarterson
FLORIDA TIRE RECYCLING, INC.

DLQ:ms

CC: James Brindell, Gunster Yoakley and Stewart
Skip Robinson
Jack Wilson