Preliminary Incident Report

August 31, 2010 Fire Liberty Tire Recycling, LLC 9675 Range Line Road, Port St. Lucie, FL 34987

Shortly before 3:30 p.m. on August 31, 2010 smoke began issuing from the northwest quadrant of the main shredded tire storage area of the Liberty Tire Recycling - Port St. Lucie (LTR-PSL) facility. Immediately after the smoke plume became visible the facility implemented the Emergency Preparedness Plan and simultaneously dialed 911 (at 3:28 p.m.) to request help from St. Lucie County Fire District.

Members of the facility's quick response team who reached the fire very shortly after sighting the smoke identified an area on top of a pile of 3/8 in. tire material as the fire's origin. By about 3:40 p.m. the quick response team began applying water from the facility's fire truck and a portable pump drawing suction from the wet detention area. These water streams were insufficient to contain the blaze with the brisk northeasterly winds prevalent.

The first St. Lucie County Fire-Rescue (SLC F-R) crew arrived at the site around 4:00 p.m. and began applying water from the northwest corner of the pile storage area. Plant loader operators worked in the meantime moving tire chips away from the active fire zone and spreading them to improve the surface of the perimeter road for passage of the fire trucks. A ladder truck began applying water from the "dry" detention area at about 5:00 p.m. SLC F-R continued to bring more equipment on site to facilitate application of water to all affected areas.

SLC F-R crews contained the active burning by approximately 1:30 a.m. on September 1st. They remained on-site continuously for an additional 48 hours applying water while plant and contractor equipment operators turned over the piles to expose hot material. Plant employees and contractors have maintained this effort for the entire period since SLC F-R demobilized early on the morning of September 3rd.

At the request of SLC F-R Chief Ron Parrish, LTR-PSL reported the incident to Don Keirn of Florida Department of Environmental Regulation, Law Enforcement Division, Bureau of Emergency Response via a telephone call at 6:15 p.m. on August 31. Mr. Keirn recommended construction of berms around the affected area to contain run-off of potentially contaminated water from fire-fighting. LTR-PSL then immediately contracted with C. Jock Trucking to begin berm construction along the western boundary of the site. Plant loader operators also began building berms along the northern and southern boundaries of the fire-affected area, but heavy smoke prevented access to finish construction of the berm along the southern end of the western boundary until approximately 12:00N on September 2nd. Prior to completion of the dike in this section on the afternoon of September 2nd, run-off from fire-fighting entered the neighboring

property immediately west of the site. To mitigate against further intrusion of this material into the neighboring property, LTR-PSL contracted Hydrologic Associates USA, Inc. of Miami to install absorbent booms and pads on September 2nd and 3rd.

Cause of the fire has not yet been definitively identified. The pile of 3/8 in. tire material where the blaze started does not appear to have generated excessive internal heat. An open burn in an orange grove upwind of the site on the day of the fire has been identified as a possible source of an airborne spark, but the distance appears too great to make that a likely cause.

LTR-SLC is currently working with SLC F-R and several engineering firms and contractors on a major fire prevention and protection upgrade program for the facility.

G.D. Woodward September 14, 2010