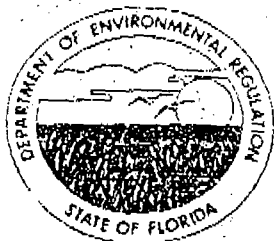


FROM: der general counsel

TO: DER WEST PALM

NOV 23, 1992 12:45PM #324 P.01



Please FAX to Carol
Florida Department of Environmental Regulation

Twin Towers Office Bldg. • 2600 Blair Stone Road • Tallahassee, Florida 32399-2400

Lawton Chiles, Governor

Carol M. Browner, Secretary

F A X T R A N S M I T T A L L E T T E R

DATE: November 23, 1992

TO: Carol Meeks

AGENCY: DER - West Palm Beach

TELEPHONE NO. (FAX) (407) 433-2666

TELEPHONE NO. (BUS.) _____

NO. OF PAGES (includes cover sheet) 10

FROM: Janet Browner

AGENCY: Florida Department of Environmental Regulation

Fax # (904) 4882439

SENDER'S NAME: _____

COMMENTS: What do you think?

IF ANY OF THE PAGES ARE NOT PROPERLY RECEIVED, PLEASE CALL THE
SENDER IMMEDIATELY AT (904) 488-9730 OR SC: 488-9730
278

GUNSTER, YOAKLEY & STEWART, P.A.

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13936.9000

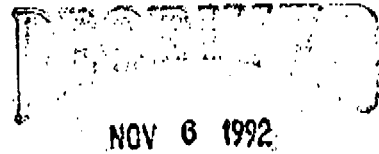
OUR FILE NUMBER:

WRITER'S DIRECT DIAL NUMBER:

(407) 650-0511

November 5, 1992

Janet Bowman, Esquire
Florida Department of
Environmental Regulation
Office of General Counsel
2600 Blair Stone Road
Tallahassee, FL 32399-2400

FEDERAL EXPRESS

Re: Florida Tire Recycling, Inc.

Dear Janet:

Dept. of Environmental Reg.
Office of General Counsel

You will find enclosed two forms which relate to performance bonds and which have been supplied to Florida Tire by Sid Banack Insurance in Vero Beach. These are standard American Institute of Architects forms for a performance bond and an associated labor and material payment bond.

We would appreciate your informing us as to whether these forms would be acceptable to the Department as the bond documents to support the tire removal costs at Florida Tire's facility. The bond would be based upon an agreement between Florida Tire and the Department whereby Florida Tire would agree to remove the tires at such time as they cease operations or under other circumstances which might be described in the agreement. It seems to me that the forms with some minor alterations could be applicable to the situation we are trying to address at Florida Tire's facility. Certainly, the fewer modifications that could be made to the forms the better with respect to the comfort level of a bonding agency.

Janet Bowman, Esquire
November 5, 1992
Page 2

Once you provide us with your comments on the bond documents, then we would be in a position (assuming those comments are generally positive) to seek a further reaction from bonding companies. Obviously, the agreement between DER and Florida Tire would be the key to the ultimate reaction of bonding companies. In that regard, I am enclosing a draft of such an agreement for your review.

Sincerely yours,



James R. Brindell, Esquire

JRB:prl
:6

Enclosures

cc: Jack Wilson
Skip Robinson

GUNSTER, YOAKLEY & STEWART

PROFESSIONAL ASSOCIATION

ATTORNEYS AT LAW

AGREEMENT

FLORIDA TIRE RECYCLING, INC., a Florida corporation (hereinafter referred to as "Florida Tire"), and the State of Florida Department of Environmental Regulation (hereinafter referred to as "DER"), for good and valuable consideration mutually given and received do hereby enter into the following agreement.

1. Florida Tire owns and operates a tire collection processing and recycling facility in St. Lucie County, Florida (hereinafter referred to as the "facility"). DER regulates the facility pursuant to Chapter 17-711, Florida Administrative Code.

2. Section 17-711.510(2), Florida Administrative Code, requires that Florida Tire provide proof of financial responsibility with regard to the removal of all waste tires (*i.e.* whole tires) remaining at the facility at such time as operations at the facility are terminated.

3. Florida Tire agrees to remove or cause to be removed all waste tires which are present at the facility at such time as Florida Tire ceases to operate said facility.

4. In the event that the circumstances described in provision 3 of this Agreement occur, Florida Tire agrees to commence the removal of the required waste tires within thirty days of the occurrence of the events described in provision 3 of

this Agreement and shall continue the required removal in an expeditious manner until the required removal is completed.

5. Florida Tire agrees to obtain and continue in full force and effect a performance bond in the amount of \$150,000 to guarantee, up to the amount of the bond, the removal of waste tires as required by this Agreement. Said bond shall be issued in a form acceptable to DER and shall be issued for the benefit of DER.

6. If Florida Tire fails to remove waste tires as required by this Agreement, DER shall have the right to certify in writing said failure (hereinafter referred to as "Certification") to the bonding company. Upon receipt of a Certification from DER, the bonding company shall provide to DER the funds necessary to complete the required removal of waste tires up to the amount of the bond. More than one Certification may be issued by DER, but the bonding company's cumulative obligation to provide funds shall never exceed the face value of the bond for the period of time covered by the face value of the bond. Prior to the issuance of the Certification, DER shall notify Florida Tire in writing of the alleged failure of Florida Tire to comply with the tire removal requirements under this Agreement (hereinafter referred to as "Notification"). Florida Tire shall have ten days to cure said failure or otherwise satisfy DER. Failure of Florida Tire to cure or otherwise

satisfy DER within ten days of receipt of a Notification, shall entitle DER to issue the Certification to the bonding company.

7. Compliance by Florida Tire with the requirements in provision 5 of this Agreement shall constitute compliance by Florida Tire with the financial responsibility requirement in Section 17-711.510(2), Florida Administrative Code.

Executed this _____ day of _____, 1992.

FLORIDA TIRE RECYCLING, INC.

BY: _____
Its:

STATE OF FLORIDA DEPARTMENT OF
ENVIRONMENTAL REGULATION

BY: _____
Title:

78/942
110592

THE AMERICAN INSTITUTE OF ARCHITECTS



AIA Document A311/CM

CONSTRUCTION MANAGEMENT EDITION

Labor and Material Payment Bond

THIS BOND IS ISSUED SIMULTANEOUSLY WITH PERFORMANCE BOND IN FAVOR OF THE OWNER CONDITIONED ON THE FULL AND FAITHFUL PERFORMANCE OF THE CONTRACT

KNOW ALL MEN BY THESE PRESENTS: that

(Here insert full name and address or legal title of Contractor)

as Principal, hereinafter called Principal, and,

(Here insert full name and address or legal title of Surety)

as Surety, hereinafter called Surety, are held and firmly bound unto

(Here insert full name and address or legal title of Owner)

as Obligor, hereinafter called Owner, for the use and benefit of claimants as hereinbelow defined, in the

amount of

(Here insert a sum equal to or less than half of the contract price)

Dollars (\$),

for the payment whereof Principal and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS,

Principal has by written agreement dated

(Here insert full name, address and description of project)

, 19 , entered into a contract with Owner for

In accordance with Drawings and Specifications prepared by

(Here insert full name and address or legal title of Architect)

which contract is by reference made a part hereof, and is hereinafter referred to as the Contract.

11/02/92 14:14

407 362 3488

SID BANACK INS.

006

LABOR AND MATERIAL PAYMENT BOND

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION, is such that, if Principal shall promptly make payment to all claimants as hereinafter defined, for all labor and material used or reasonably required for use in the performance of the Contract, then this obligation shall be void; otherwise it shall remain in full force and effect, subject, however, to the following conditions:

1. A claimant is defined as one having a direct contract with the Principal or with a Subcontractor of the Principal for labor, material, or both, used or reasonably required for use in the performance of the Contract, labor and material being construed to include that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental of equipment directly applicable to the Contract.

2. The above named Principal and Surety hereby jointly and severally agree with the Owner that every claimant as herein defined, who has not been paid in full before the expiration of a period of ninety (90) days after the date on which the last of such claimant's work or labor was done or performed, or materials were furnished by such claimant, may sue on this bond for the use of such claimant, prosecute the suit to final judgment for such sum or sums as may be justly due claimant, and have execution thereon. The Owner shall not be liable for the payment of any costs or expenses of any such suit.

3. No suit or action shall be commenced hereunder by any claimant:

a) Unless claimant, other than one having a direct contract with the Principal, shall have given written notice to any two of the following: the Principal, the Owner or the Surety above named, within ninety (90) days after such claimant did or performed the last of the work or labor, or furnished the last of the materials for which said claim is made, stating with substantial accuracy the amount claimed and the name of the party to whom the materials

were furnished or for whom the work or labor was done or performed. Such notice shall be served by mailing the same by registered mail or certified mail, postage prepaid, in an envelope addressed to the Principal, Owner or Surety, at any place where an office is regularly maintained for the transaction of business, or served in any manner in which legal process may be served in the state in which the aforesaid project is located, save that such service need not be made by a public officer.

b) After the expiration of one (1) year following the date on which Principal ceased work on said Contract or after the expiration of one (1) year following the Date of Substantial Completion of the Project, whichever is later. It being understood, however, that if any limitation embodied in this bond is prohibited by any law controlling the construction hereof such limitation shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

c) Other than in a state court of competent jurisdiction in and for the county or other political subdivision of the state in which the Project, or any part thereof, is situated, or in the United States District Court for the district in which the Project, or any part thereof, is situated, and not elsewhere.

4. The amount of this bond shall be reduced by and to the extent of any payment or payments made in good faith hereunder, inclusive of the payment by Surety of mechanics' liens which may be filed of record against said improvement, whether or not claim for the amount of such lien be presented under and against this bond.

Signed and sealed this

day of

, 19

_____ (Witness)	<div style="border: 1px solid black; padding: 5px; display: inline-block; width: 90%;"> _____ (Principal) </div> <div style="text-align: right; padding-right: 10px;"> _____ (Seal) </div> <div style="border-top: 1px solid black; margin-top: 5px; text-align: center;"> _____ (Title) </div>
_____ (Witness)	<div style="border: 1px solid black; padding: 5px; display: inline-block; width: 90%;"> _____ (Principal) </div> <div style="text-align: right; padding-right: 10px;"> _____ (Seal) </div> <div style="border-top: 1px solid black; margin-top: 5px; text-align: center;"> _____ (Title) </div>

THE AMERICAN INSTITUTE OF ARCHITECTS



RECEIVED
NOV 6 1992

Dept. of Environmental Reg
Office of General Counsel

AIA Document A311/CM

CONSTRUCTION MANAGEMENT EDITION

Performance Bond

KNOW ALL MEN BY THESE PRESENTS: that

(Here insert full name and address or legal title of Contractor)

as Principal, hereinafter called Contractor, and,

(Here insert full name and address or legal title of Surety)

as Surety, hereinafter called Surety, are held and firmly bound unto

(Here insert full name and address or legal title of Owner)

as Obligor, hereinafter called Owner, in the amount of

Dollars (\$),

for the payment whereof Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS,

Contractor has by written agreement dated , 19 , entered into a contract with Owner for
(Here insert full name, address and description of project)

in accordance with Drawings and Specifications prepared by

(Here insert full name and address or legal title of Architect)

which contract is by reference made a part hereof, and is hereinafter referred to as the Contract.

PERFORMANCE BOND

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION, is such that, If Contractor shall promptly and faithfully perform said Contract, then this obligation shall be null and void; otherwise it shall remain in full force and effect.

The Surety hereby waives notice of any alteration or extension of time made by the Owner.

Whenever Contractor shall be and declared by Owner to be in default under the Contract, the Owner having performed Owner's obligations, thereunder, the Surety may promptly remedy the default, or shall promptly

1) Complete the Contract in accordance with its terms and conditions, or

2) Obtain a bid or bids for completing the Contract in accordance with its terms and conditions, and upon determination by Surety of the lowest responsible bidder, or, if the Owner elects, upon determination by the Owner and the Surety jointly of the lowest responsible bidder, arrange for a contract between such bidder and Owner, and make available as Work progresses (even though there should be a default or a succession of defaults under the contract or contracts of completion arranged under this paragraph)

sufficient funds to pay the cost of completion less the balance of the contract price; but not exceeding, including other costs and damages for which the Surety may be liable hereunder, the amount set forth in the first paragraph hereof. The term "balance of the contract price," as used in this paragraph, shall mean the total amount payable by Owner to Contractor under the Contract and any amendments thereto, less the amount properly paid by Owner to Contractor.

Any suit under this bond must be instituted before the expiration of two (2) years from the date on which final payment under the Contract falls due or before the expiration of one (1) year from the Date of Substantial Completion of the Project, whichever is later.

No right of action shall accrue on this bond to or for the use of any person or corporation other than the Owner named herein or the heirs, executors, administrators or successors of the Owner.

Signed and sealed this

day of

, 19

(Witness)	(Principal) (Seal)
	(Title)
(Witness)	(Principal) (Seal)
	(Title)