

# Florida Department of Environmental Regulation

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

Lawton Chiles, Governor

Carol M. Browner, Secretary

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DEC 03 1992

November 24, 1992

DEPT. OF ENVIRONMENTAL REG.  
WEST PALM BEACH

James Brindell, Esquire  
Phillips Point, Suite 500 East  
777 South Flagler Drive  
West Palm Beach, Florida 33401-6194

Re: Florida Tire Recycling, Inc.

Dear Jim:

DER staff members have reviewed the performance bonds you sent to me by letter of November 5, 1992 and have the following comments. First, the Department requires that financial responsibility mechanisms follow the forms adopted by Rule 17-701.130(11), Florida Administrative Code. I have included copies of three possible forms of demonstrating financial responsibility: 1) "State of Florida Solid Waste Management Facility Irrevocable Letter of Credit;" 2) "State of Florida Solid Waste Management Facility Financial Guarantee Bond To Demonstrate Closure and/or Long-Term Care Financial Assurance;" 3) "Solid Waste Management Facility Performance Bond to Demonstrate Closure and/or Long-Term Care Financial Assurance." In addition, forms are available to demonstrate financial responsibility by insurance certificate, letter from chief financial officer, corporate guarantee, trust fund or stand-by trust.

Hence, the standard American Institute of Architecture forms for a performance and an associated labor and material payment bond would not be acceptable forms to demonstrate financial responsibility as required by Chapter 17-711, Florida Administrative Code.

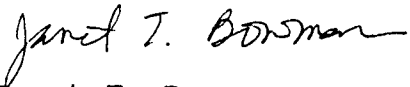
Second, in your draft performance bond "Agreement", paragraph 5 states that Florida Tire agrees to obtain a performance bond in the amount of \$150,000. Rule 17-711.510, F.A.C., requires that: "Owners or operators of waste tire sites must provide the Department with proof of financial responsibility issued in favor of the State of Florida in the amount of such approved estimate for closure of the facility." Further, tire estimates must be revised yearly and approved by the Department. By letter dated August 26, 1992, Culpepper and Terpening, Inc. estimated the closure cost of the Florida Tire facility as \$241,849.25. Although this estimate has not been

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accepted by the Department, one may assume that the Department would not accept a performance bond for anything less than \$241,849.25 and; according to the tire estimate of the Department's consultant, the closure cost would likely be well in excess of \$241,849.25

If you any questions regarding the above, please call me at (904)488-8245.

Sincerely yours,

  
Janet E. Bowman  
Assistant General Counsel

JEB:cj

cc: ✓ Carol Meeds