



City of Berryville

P.O. BOX 227 — 305 E. MADISON

Berryville, Arkansas

July 29, 2011

Gary Meador, Inspector
Solid Waste Management Division
Arkansas Department of Environmental Quality
5301 Northshore Drive
North Little Rock, Arkansas 72118-5317

AFIN: 03-00208

Permit #: 0022-SWTP

REC'D

SCAN



AUG 02 2011

Doc ID#: 606017

To: G M 7 file

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Re: AFIN/CSN 03-00208

Permit Nbr. 0022-SWTP

Dear Mr. Meador:

I am writing on behalf of the Ozark Mountain Solid Waste District (the "District") in response to your June 30, 2011 letter and inspection report regarding the permitted waste tire processing facility ("permitted facility") situated on a portion of the Damco Project Site in Mountain Home, Arkansas. The District contracted with Tire Disposal Systems, Inc. ("TDS") to operate the permitted site. Under the terms of that contract, TDS was responsible for operating the permitted facility within permit parameters and for properly disposing of all tires processed at the permitted facility. Moreover, the District paid Damco, Inc. ("Damco") to properly dispose of the baled tires generated by the permitted facility, and it did not do so.

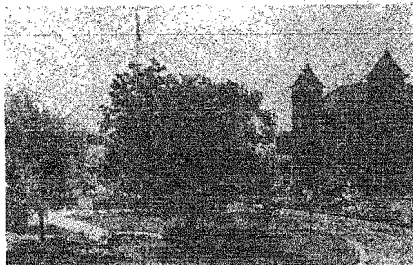
The District is currently seeking to have the tires removed under the terms of its contracts with TDS and Damco without the expenditure of public funds and has sent a demand letter to both TDS and Damco demanding that they remove and properly dispose of all tires at the permitted facility and that TDS remove its equipment from the facility.

As the permit-holder, the District is also in the process of assessing the number of tires on the permitted facility, getting bids for the removal and appropriate disposal of the tires, and evaluating the funds that may be available to remove the tires from the permitted facility if TDS and Damco continue to disregard their contractual duties. However, the District believes that TDS and Damco are responsible for the proper disposal of the baled tires at the permitted facility and will seek to have its contracts with them enforced in court if necessary.

Sincerely,

Tim McKinney,
Chairman, OMSWD

cc: Roger Lawrence, ADEQ
Al Eckert, QGTB



City of Berryville

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Berryville, Arkansas

July 29, 2011

Tire Disposal Systems, Inc.
HC 80, Box 241
Marshall, Arkansas 72650

Tire Disposal Systems, Inc.
c/o Kerry D. Chism, Registered Agent
119 East 6th Street
Mountain Home, Arkansas 72653

Don Young, President
Tire Disposal Systems, Inc.
356 Paradise Lane
Marshall, Arkansas 72650

Re: Permitted Waste Tire Processing Facility at the Damco, Inc. Project Site

To Whom It May Concern:

Through a series of contracts with the Ozark Mountain Solid Waste District (the "District"), Tire Disposal Systems, Inc. ("TDS") contracted to collect, bale, and dispose of waste tires for the District. The processing and baling of tires took place at a permitted waste tire processing facility ("permitted facility") located on a portion of the Damco, Inc. Project Site in Mountain Home, Arkansas. It has come to the District's attention that a number of bales of tires have been improperly stored at the permitted facility in violation of TDS's contract with the District, despite the fact that the District paid TDS to properly dispose of those bales.

Under the terms of your contracts with the District, you were required to maintain the permitted site in accordance with state laws and regulations regarding waste tire operations and to store tires only at approved and permitted locations. You have breached those contracts. The District hereby demands that you properly dispose of all tires at the permitted facility. We expect your response to this letter, including a plan to properly dispose of the tires at the permitted facility, by no later than August 15, 2011. Your failure to respond may result in legal action.

Sincerely,

Tim McKinney,
Chairman, OMSWD

cc: Roger Lawrence, ADEQ



City of Berryville

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Berryville, Arkansas

July 29, 2011

DAMCO, Inc.
c/o Kerry D. Chism, Registered Agent
119 East 6th Street
Mountain Home, Arkansas 72653

Kenton Treat, President
DAMCO, Inc.
831 CR 784
Mountain Home, Arkansas 72653

Re: Permitted Waste Tire Processing Facility at the Damco, Inc. Project Site

To Whom It May Concern:

For a number of years, the Ozark Mountain Solid Waste District (the "District") paid Damco, Inc. ("Damco") to dispose of bales of tires generated at a permitted waste tire processing facility ("permitted facility") located on a portion of the Damco, Inc. Project Site in Mountain Home, Arkansas. It has come to the District's attention that, despite having been paid by the District to properly dispose of the baled tires, Damco failed to properly dispose of a large number of tire bales and instead allowed them to accumulate on the Project Site. Some of these bales are located at the permitted facility.

Damco is in violation of its contract with the District. The District hereby demands that you properly dispose of all tires at the permitted facility. We expect your response to this letter, including a plan to properly dispose of the tires at the permitted facility, by no later than August 15, 2011. Your failure to respond may result in legal action.

Sincerely,

Tim McKinney,
Chairman, OMSWD

cc: Roger Lawrence, ADEQ