

November 15, 2011

Mr. Kenton Treat DAMCO, Inc. 831 CR 784 Mountain Home, AR 72653

Dear Mr. Treat:

The Arkansas Department of Environmental Quality (hereinafter "ADEQ") authorized on June 22, 1995, construction of the DAMCO project, which involved placement of 11,620 bales of waste tires on your property. According to an inspection conducted on April 5, 1996, an estimated 450,000-500,000 waste tires were onsite and construction was to start between 30-60 days and was to be completed within eight weeks. Therefore, ADEQ expected the project to be completed by December 31, 2006.

However, the annual solid waste tire report on March 10, 2009, reflected that 971 tons of waste tires per quarter were taken in and designated for the DAMCO project. A review of the average of records for the past 12 years demonstrated that 13,864 tons of waste tires above what were permitted and authorized by ADEQ have been taken in for the DAMCO project.

In addition to storing waste tires onsite in excess of the amount approved for the project, a significant number of tires were placed in the dam and far surpass the original design and scope of the project. ADEQ was not notified nor did ADEQ approve of a modification to the original design and specifications of the DAMCO project.

By stockpiling waste tires that far exceed the amount of waste tires approved for the DAMCO project, you have maintained a waste tire site in violation of state law, specifically Ark. Code Ann. § 8-9-403(c)(1).

"Individuals responsible for creating illegal waste tire piles or responsible for allowing the stockpiling of waste tires shall be responsible for properly removing and disposing of the waste tires in a manner approved by the Department." Arkansas Pollution Control and Ecology Commission Reg.14.804.

As an owner or operator of any waste tire site, you are required to submit a written plan to the Department for review and approval that specifies a method and time schedule for the removal, disposal, or recycling of the tires pursuant to APC&EC Reg.14.802. The written plan should address the stockpile of tires on site as well as those additional tires placed in the project in excess of the original design.

Further, an owner or operator of any waste tire site that does not meet the requirements of APC&EC Regulation 14 shall close such site in accordance with APC&EC Regulation 14, Chapter 15: Closure Requirements within sixty (60) days.

A response to this letter, including a timeline for initiating the closure plan and complying with the procedures as set out by APC&EC Reg.14.1502, is required within thirty (30) days of the date of this letter or the Department may proceed with formal enforcement action.

We have also contacted the Ozark Regional Solid Waste District notifying them of the violation and requesting their immediate attention. A copy of the letter is enclosed.

Sincerely un Røger Lawrence, Chief

Solid Waste Management Division

ARKANSAS DEPARTMENT OF ENVIRONMENTAL QUALITY

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