



**DIVISION OF
ENVIRONMENTAL QUALITY**

H.5(a)

Sarah Huckabee Sanders
GOVERNOR

Shane E. Khoury
SECRETARY

December 16, 2025

VIA EMAIL

Sen. Ben Gilmore, Co-Chair
Rep. Les D. Eaves, Co-Chair
Arkansas Legislative Council
ben.gilmore@senate.ar.gov
les.eaves@arkansashouse.org

Senator Gilmore and Representative Eaves:

Act 713 of 2023 established that all revised Used Tire Program (UTP) business plans resulting in reimbursement rate increases be subject to review by Legislative Council, Ark. Code Ann. § 8-9-408(f). UTP-2 (Northeast) submitted a revised business plan to the Department of Energy and Environment, Division of Environmental Quality (DEQ), for consideration. DEQ completed its review of the revised business plan, and the Pollution Control and Ecology Commission (PC&EC) approved this revised plan on December 5, 2025.

I have enclosed the following documents for Legislative Council's review:

1. UTP-2's Revised Business Plan submission;
2. DEQ's recommendation memo to PC&EC; and
3. PC&EC's Minute Order approving the Revised Business Plan.

The revised business plan will result in UTP-2's reimbursement rate being increased from \$2.86 per tire to \$2.92 per tire.

If you need any additional information, please let me know.

Sincerely,

A handwritten signature in black ink that reads "Bailey Taylor".

Bailey Taylor
Chief Administrator of Environment and DEQ Director
Arkansas Department of Energy & Environment

Encl. (3)

cc: Ms. Marty Garrity – via email (garritym@blr.arkansas.gov)



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Encl. (3)

cc: Ms. Marty Garrity – via email (garritym@blr.arkansas.gov)

Business Plan (TAP-12)

version 1.8

(Submission #: HQE-BG60-R1PCV, version 3)

Details

Submitted 9/4/2025 (82 days ago) by Leslie Kay Morris

Alt ID UTP-2-Northeast Arkansas Tire Program

Submission ID HQE-BG60-R1PCV

Status Submitted

Form Input

Used Tire Program Overview

Reporting Year
2025

Used Tire Program Identification Number
UTP-2

Used Tire Program (UTP) Name
Northeast Arkansas Tire Program

Used Tire Program Processing Facility Address

Address
1500 N. University Avenue, Ste. 770
1800 E. 14th Street (Processing)
LITTLE ROCK, AR 72207

List of Permits Issued to UTP

Permit Type	Permit Number	Permit Expiration Date	Permittee
TPF - Tire Processing Facility	0000000	2/13/2028	N/A

Square Mileage Served by the Used Tire Program (UTP)
18,280

Population based on most Recent Federal Census
1,353,499

Used Tire Program Board Members

Title	First and Last Name	Phone Number	Email	Mailing Address
Director	Craig Douglass	501-580-1608	craig@regionalrecycling.org	1501 N. University Avenue, Suite 770, Little Rock, AR 72207
Mayor	Charles Snapp	870-886-6638	cityhall@cityofwalnutridge.com	300 Main Street, Walnut Ridge, AR 72476
Mayor	Dan Shaw	870-932-0100	dshaw@cityofbono.com	241 E. College Street, Bono, AR 72416
Mayor	Greg Hamby	870-297-3772	greg.hamby@cityofcalicorock.org	265 E. 2nd Street, P. O. Box 370, Calico Rock, AR 72519

Title	First and Last Name	Phone Number	Email	Mailing Address
Mayor	Joe Harris	870-563-5245	jharris@osceolaar.gov	303 W. Hale, Osceola, AR 72370
Judge	Woody Wheelless	870-739-3200	judgewheelless@crittco.com	100 Court Square, Marion, AR 72364
Judge	Allen Dodson	501-450-4900	allen.dodson@faulknercountyar.gov	801 Locust Avenue, Conway, AR 72034
Judge	Eric Smith	870-368-4328	countyjudge@izardcountyar.org	P. O. Box 327, Melbourne, AR 72556
Judge	John Nelson	870-763-0150	countyjudge@mississippicountyar.org	822 W. Plantation Road, Burdette, AR 72321
Judge	Barry Hyde	501-340-8305	bhyde@pulaskicounty.net	201 S. Broadway, Ste. 400, Little Rock, AR 72201
Judge	Kevin Jeffery	870-793-8800	countyjudge@independencecounty.com	192 E. Main Street, Batesville, AR 72501
Judge	Michael John Gray	870-347-5206	michaeljohn.gray@woodruffcountyar.org	P. O. Box 300, Augusta, AR 72006

Attach Inter-District Agreement

[Resolution2023-01Signed.pdf - 06/28/2023 05:05 PM](#)

[Resolution2023-02.pdf - 09/07/2023 10:14 AM](#)

Comment

NONE PROVIDED

Do you have an approved Solid Waste Management Plan filed with DEQ

Yes

Current Calendar Year Operations

Used Tire Program Equipment List

Year	Equipment	Manufacturer	Make	Model	Serial Number	Cost/Value	Amount Owed	Percentage DEQ PAID
2003	Tire Shredder	Columbus McKinnon	NA	NA	TS3128	300,000.00	0	89
2006	Liberator	Columbus McKinnon	NA	NA	LBR4R05006	284,053.00	0	71
2010	Tire Shredder	Columbus McKinnon	NA	NA	TS1012BR	200,000.00	0	100
2011	Forklift	Wiese	NA	NA	NA	29,414.15	0	100
2012	Tire Shredder	Innovative Distribution & Manufacturing	NA	NA	R-113-H2-12-01	261,360.00	0	72
2014	Magnetic Separator	ERIEZ Manufacturing Co.	NA	NA	NA	48,403.96	0	100
2014	Screener	Granutech Saturn Systems	Rotex	NA	NA	96,600.00	0	100
2014	Infeed Shystem with Conveyors	Granutech Satrun Systems	Amadus	NA	NA	78,960.00	0	100
						Sum: 1,298,791	Sum: 0	

Contract Obligations

Contract Name	Length of Contract (Years)	Dollar Amount of Contract
Davis Rubber Contract	5	0000

Attach Actual Contracts[District2DavisContract.pdf - 06/30/2023 04:10 PM](#)**Comment**

NONE PROVIDED

Disposition of Tires and Tire Residuals Collected and Processed

Type of Disposition	Shipped To Facility Name	City and State	Amount in Tons	Percentage
TDF End User: Pulp & Paper	Domtar	Ashdown, Arkansas	23.76	0.17
Solid Waste Disposal Facility	LRS	Mayflower, Arkansas	1,808.62	12.61
Electric Arc Furnace	Nucor	Memphis, Tennessee	859.97	6.00
Electric Arc Furnace	Nucor	Blytheville	5,532.20	38.58
Electric Arc Furnace	Nucor	Hickman	1,550.68	10.81
Other: Tire wire	Nucor	Jewett, Texas	128.9	0.90
Other: Export	India	India	3,783	26.38
Other: Suzano	Pine Bluff	Pine Bluff, AR	142.01	0.99
Solid Waste Disposal Facility	Cannon Landfill	Whitehall, AR	510.69	3.56
Other: NA	NA	NA	0	0.00
			Sum: 14,340	Sum: 100.00

Administration Time Detail (Current Calendar Year)

Category	Coordinator	Administrator 1	Administrator 2
% of Time	70.00	30.00	0.00

Administration Cost Detail (UTP Salaries and Benefits)

Category	Coordinator	Administrator 1	Administrator 2	Current Total for Calendar Year	Projected Total for Calendar Year
Salary	69403	40939	0	110,342	110,342
Total Salary	0	0	0	0	0
Taxes	5309	3132	0	8,441	8,441
Retirement	10632	6271	0	16,903	16,903
Insurance	4759	2019	0	6,778	6,778
Personal Services Matching Total	0	0	0	0	0
Grand Total	0	0	0	0	0
Expenses Total	0	0	0	0	0
Salary and Expense Total	0	0	0	0	0
				Sum: 142,464	Sum: 142,464

Attach Profit and Loss Statement[2025 P&L.pdf - 08/06/2025 08:40 AM](#)**Comment**

NONE PROVIDED

Access-Controlled Collection Centers

Collection Center	Address	Hours	Cost
Jim's Tire	500 WEst Elm Street, Corning, AR 72422	8	200
Xtreme Treadz	200 Libby Road, Heber Springs, AR 72543	8	200
Conway City Landfill	4550 HWY 64 W., Conway, AR 72033	8	200
Northeast Arkansas Regional Landfill	1810 Greene - 890 Road, Paragould, AR 72451	8	200
Tank's Tires & More	628 E. Page Avenue, Malvern, AR 72104	8	200
Cennex Farm Services	1106 SW Front Street, Walnut Ridge, AR 72336	8	200

Collection Center	Address	Hours	Cost
Lee County Road Department	529 HWY 243, Marianna, AR 72360	8	200
Lonoke Tire & Lube	808 N. Center Street, Lonoke, AR 72086	8	200
Monroe	(case-by case retailer notifications)	8	200
Mississippi County Landfill	1695 E. County Road 506, Luxora, AR 72358	8	200
Poinsett County Landfill	704 N. East Street, Harrisburg, AR 72403	8	200
Harvey's Garage	1905 Main Street, Des Arc, AR 72086	8	200
Davis Rubber Company	1800 E. 14th Street, Little Rock, AR 72202	8	200
Randolph County Transfer Station	145 Landfill Road, Pocahontas, AR 72455	8	200
Republic Landfill	18511 W. Sardis Road, Benton, AR 72011	8	200
NEARCO	604 MLK Drive, Madison, AR 72359	8	200
Legacy Landfill	238 CR Road 476, Jonesboro, AR 72404	8	200
Main Street Tire & Auto	351 Main N. Main Street, Salem, AR 72576	8	200
Kent's Firestone	1316 E. Main Street, Batesville, AR 72501	8	200
Teegarden Tire	734 East Main Street, Melbourne, AR 72556	8	200
Rick's Tire	15 Bobo Drive, Hardy, AR 72572	8	200
Stone County Recycle Center	164 Recycle Road, Mountain View, AR 72560	8	200
Tommy's Pit Row Tire & Auto	290 AR 367, Bald Knob, AR 72010	8	200
Woodruff County Yard	997 Poplar, McCrory, AR 72101	8	200

What is the Quantity of Tires Currently on Any Property Owned, Lease, or Otherwise Controlled by this UTP?

100000

Outstanding Debts

Creditor	Monthly Payment Amount	Total Amount Owed	Maturity Date
0	0	0	8/8/2025

Proposed Next Year Operations

Used Tire Program Equipment List

Year	Equipment	Manufacturer	Make	Model	Serial Number	Cost/Value	Amount Owed	Percentage DEQ PAID
2003	Tire Shredder	Columbus McKinnon	0	0	TS03128	300,000.00	0	89
2006	Liberator	Columbus McKinnon	0	0	LBR4R05006	284,053.00	0	71
2010	Tire Shredder	Columbus McKinnon	0	0	TS1012BR	200,000.00	0	100
2011	Forklift	Wiese	0	0	0	29,414.15	0	100
2012	Tire Shredder	Innovative Distribution & Manufacturing	0	0	R-113-H2-12-01	261,360.00	0	72
2014	Magnetic Separator	ERIEZ Manufacturing Co.	0	0	0	48,403.96	0	100
2014	Screener	Granutech Saturn Systems	Rotex	0	0	96,600.00	0	100
2014	Infeed System with Conveyors	Granutech Saturn Systems	Amadus	0	0	78,960.00	0	100
						Sum: 1,298,791	Sum: 0	

Contract Obligations

Contract Name	Length of Contract (Years)	Dollar Amount of Contract
N/A	0	0

Disposition of Tires and Tire Residuals Collected and Processed

Type of Disposition	Facility Name	City and State	Amount in Tons	Percentage
Electric Arc Furnace	Nucor	NA	16,000	44.82
Solid Waste Disposal Facility	LRS	Mayflower, AR	1,700	4.76
Other: Export	India	India	18,000	50.42
			Sum: 35,700	Sum: 100.00

Administration Time Detail (Next Calendar Year)

Category	Coordinator	Administrator 1	Administrator 2
% of Time	70.00	30.00	0.00

Administration Cost Detail (UTP Salaries and Benefits)

Category	Coordinator	Administrator 1	Administrator 2	Current Total for Calendar Year	Projected Total for Calendar Year
Salary	72109	50848	0	122,957	122,957
Total Salary	0	0	0	0	0
Taxes	5516	3889	0	9,405	9,405
Retirement	11047	7789	0	18,836	18,836
Insurance	4800	2100	0	6,900	6,900
Personal Services Matching Total	0	0	0	0	0
Grand Total	0	0	0	0	0
Expenses Total	0	0	0	0	0
Salary and Expense Total	0	0	0	0	0
				Sum: 158,098	Sum: 158,098

Access-Controlled Collection Centers

Collection Center	Address	Hours	Cost
Jim's Tire	500 West Elm Street, Corning, AR 72422	8	50
Xtreme Treadz	200 Libby Road, Heber Springs, AR 72543	8	50
Lee County Road Department	529 HWY 243, Marianna, AR 72360	8	50
Lonoke Tire & Lube	808 N. Center Street, Lonoke, AR 72086	8	50
Monroe	(case by case retailer notifications)	8	50
Mississippi County Landfill	1695 E. County Road 506, Luxora, AR 72358	8	50
Poinsett County Landfill	704 N. East Street, Harrisburg, AR 72403	8	50
Harvey's Garage	1905 Main Street, Des Arc, AR 72086	8	50
Davis Rubber Company	1800 E. 14th Street, Little Rock, AR 72202	8	50
Randolph County Transfer Station	145 Landfill Road, Pocahontas, AR 72455	8	50
Republic Landfill	18511 W. Sardis Road, Benton, AR 72011	8	50
Rick's Tire	15 Bobo Drive, Hardy, AR 72572	8	50
NEARCO	604 MLK Drive, Madison, AR 72359	8	50
Stone County Recycle Center	164 Recycle Road, Mountain View, AR 72560	8	50
Tommy's Pit Row Tire & Auto	2900 AR 367, Bald Knob, AR 72010	8	50
Woodruff County Yard	997 Poplar, McCrory, AR 72101	8	50
Teegarden Tire	734 East Main Street, Melbourne, AR 72556	8	50
Kent's Firestone	1316 E. Main Street, Batesville, AR 72501	8	50
Tank's Tire & More	628 E. Page Avenue, Malvern, AR 72104	8	50
Northeast Arkansas Regional Landfill	1810 Greene-890 Road, Paragould, AR 72451	8	50

Collection Center	Address	Hours	Cost
Main Street Tire & Auto	351 N. Main Street, Salem, AR 72576	8	50
Conway City Landfill	4550 HWY 64 W, Conway, AR 72033	8	50
Legacy Landfill	238 CR Road 476, Jonesboro, AR 72404	8	50

Outstanding Debts

Creditor	Monthly Payment Amount	Total Amount Owed	Maturity Date
N/A	0	0	6/28/2023

Attach Capital Improvement and Maintenance Plan with Estimated Expenditures and Cost for the Next Calendar Year

[District2DavisContract.pdf - 06/30/2023 04:22 PM](#)

Comment

Refer to Section 7 of the DRC Contract

What are the District's Tire Management and Processing Goals for the Next Three (3) Calendar Years?

District 2's goals include improving collection center locations and operations, with a focus on, operational hours, staffing, and waste tire manifest collection and accuracy; increasing efficiency of tire collection and transport for processing; and reducing management and administration costs.

Discuss the District's Initiatives to Increase Efficiency and Productivity for the Next Three (3) Calendar Years

District 2 is considering the location of an additional tire shredding facility in Northeast Arkansas to collect, transport, and process tires for use as Tire Derived Fuel by Mississippi County steel mills, thus reducing the annual transport cost of roughly 600,000 passenger tires currently being processed in the District.

Analyze the District's Efforts to Promote Recycling and Sustainability for the Next Three (3) Calendar Years

District 2 will revise and promote its waste tire website, TiresBeGone.com, to inform tire retailers, businesses, residents, local governments, and waste tire collection centers of the benefits of tire recycling and the impact it has on economic development, the public health, and the state's shared environment. The District's efforts will also include the promotion of ReportDumping.com, to help address the problem of illegal dumping of solid waste, including waste tires.

Fiscal Evaluation

Used Tire Program Expenses

Category	Explain	Previous Calendar Year (Actual Cost)	Current Calendar Year (Projected Cost)	Next Calendar Year (Projected Cost)
Wages		105,785	110,342	122,957
Personal Services Matching		20,960	32,122	35,141
Mileage		9,956	10,015	11,000
Insurance		2,225	2,298	2,500
Rent (UTP Space)		8,490	8,315	8,400
Utilities (Electricity Gas, Water, Telephone)		0	0	0
Office Expenses	Admin	34,533	34,952	35,000
Processing and Disposal Fees		0	0	0
Advertising		0	0.00	0.00
Contractual Services		4,086,302	4,220,085	4,225,000
Miscellaneous	Other services	4,458	4,210	4,300
Equipment Purchases		0	0	0
Vehicle Purchases		0	0	0
Maintenance and Repair		0	0	0
		Sum: 4,272,709	Sum: 4,422,339	Sum: 4,444,298

Reimbursements from DEQ

Previous Calendar Year (Actual Reimbursements)	Current Calendar Year (Project Reimbursements)	Next Calendar Year (Projected Reimbursements)
3905734	3912399.92	3918200.00

Used Tire Program Local Revenue

Category	Explain	Previous Calendar Year (Actual Revenue)	Current Calendar Year (Projected Revenue)	Next Calendar Year (Projected Revenue)
DEQ Tire Monies		0.00	0.00	0.00
Other Tire Monies	Tire Fees	7163	19778	20000
District Fees on Fee-Paid Tires		0	0	0
TDF Sales		0	0	0
Mulch Sales		0	0	0
Other Sales from Used Tires		0	0	0
Rental Tire Trailers		0	0	0
Other	Bank Interest	1062.27	823.18	900
		Sum: 8225.27	Sum: 20601.18	Sum: 20900

Tire Management

Tire Type	Previous Calendar Year (Actual Count)	Current Calendar Year (Projected Count)	Next Calendar Year (Projected Count)
Small Tire	1,055,954	1,367,972	1,370,000
Large Tire	99,947	127,654	128,000
Extra Large Tire	13,704	15,036	15,000
	Sum: 1,169,605	Sum: 1,510,662	Sum: 1,513,000

Management Cost Per Tire (UTP Expenses Per Number of Tires Managed)

Category	Previous Calendar Year Actual	Current Calendar Year Projected	Next Calendar Year Projected
Total	3.65	2.93	2.94

Management Cost minus Program Local Revenue Per Tire (UTP Expenses Per Number of Tires Managed)

Category	Previous Calendar Year Actual	Current Calendar Year Projected	Next Calendar Year Project
Total	3.65	2.91	2.92

Attachments

Date	Attachment Name	Context	User
11/23/2025 5:51 PM	UTP-2 Draft Business Plan Review MEMO ts_cj BMT bl ts BMT BL 11.23.docx	Submission	Bryan Leamons
11/21/2025 1:22 PM	UTP-2 Draft Business Plan Review MEMO ts_cj BMT bl ts(2) BMT (2)11.21.docx	Submission	Terry Sligh
11/20/2025 8:57 PM	UTP-2 Draft Business Plan Review MEMO ts_cj BMT bl ts(2) BMT.docx	Submission	Bailey Taylor
11/14/2025 9:23 AM	UTP-2 Draft Business Plan Review MEMO ts_cj BMT bl ts(2).docx	Submission	Terry Sligh
10/13/2025 6:21 PM	UTP-2 Draft Business Plan Review MEMO ts_cj BMT bl.docx	Submission	Bryan Leamons

Inter District Waste Tire Program
Profit & Loss by Class
January through July 2025

	<u>Unclassified</u>	<u>TOTAL</u>
Ordinary Income/Expense		
Income		
5004 · ADEQ - Waste Tire Grant	2,002,031.46	2,002,031.46
5005 · Waste Tire Processing Fees	10,278.00	10,278.00
5009 · Bank Interest	411.59	411.59
Total Income	2,012,721.05	2,012,721.05
Expense		
5099 · Administrative Set Aside	89,136.00	89,136.00
6106 · Bank Service Charge	210.00	210.00
6190 · Miscellaneous	3,105.94	3,105.94
6310 · Waste Tire Contractor	2,496,284.72	2,496,284.72
Total Expense	2,588,736.66	2,588,736.66
Net Ordinary Income		
	-576,015.61	-576,015.61
Net Income		
	-576,015.61	-576,015.61



CONTRACT

TIRE COLLECTION, TRANSPORT, AND PROCESSING

THIS CONTRACT, which shall be effective _____, 2023, is entered into by and between Davis Rubber Company, Inc. (Contractor), and the District 2 Waste Tire Accountability Program, governed by its Waste Tire Accountability Board (Board), for the operation of a Waste Tire Accountability Program to be managed and administered by the Pulaski County Regional Solid Waste Management District (Program).

1. General Conditions. Contractor agrees to operate the Program, complying fully with applicable Arkansas statutes, and Arkansas Pollution Control and Ecology Commission Regulation 36, promulgated by the Division of Environmental Quality, hereinafter referred to as "DEQ."
2. District 2 Waste Tire Accountability Program. Pursuant to Section 6(2)(B), Arkansas Code § 8-9-410, District 2 consists of the following counties: Cleburne, Clay, Craighead, Crittenden, Cross, Faulkner, Fulton, Greene, Independence, Izard, Jackson, Lawrence, Mississippi, Poinsett, Pulaski, Randolph, Sharp, Stone, White, and Woodruff.
3. Interlocal Agreements. Pursuant to Section 6(c)(2)(d), Arkansas Code § 8-9-410, Programs may enter into inter-local agreements to determine the highest level of efficiency regarding tire processing. As stated in Resolution 2023-01, adopted by the Board on June 7, 2023, District 2 and District 4 agree District 2 shall manage the collection, transport, and processing of waste tires in Lonoke, Prairie, Monroe, St. Francis, and Lee Counties; and as stated in Resolution 2023-01, adopted by the Board on June 14, 2023, District 2 and District 3 agree District 2 shall manage the collection, transport, and processing of waste tires in Saline and Hot Spring Counties.
4. Waste Tire Collection Centers. Contractor accepts responsibility and liability for waste tires at the time they are deposited at the Program's Waste Tire Collection Centers (Center[s]) during hours in which the Centers are open for business.

Program will provide oversight of the permitted Centers and shall ensure that they are in or effectively comply with Regulation 36, Chapter 15, Tire Collection Centers (36.1501). Contractor shall routinely observe, record, and provide to the Program all information necessary to ensure proper operation of the Centers. Program with Contractor's assistance agrees to post signs at each permitted Center location that clearly indicate the days and hours the Centers are open for business, contact information including the Program's website and telephone number, and warning that illegal dumping will be investigated and prosecuted. The Program will coordinate with the Contractor and will be responsible for the design, language, location, and cost of appropriate signage. A list of current permitted Centers is attached hereto, subject to change. (See EXHIBIT A)

The Program is responsible for providing to the Contractor the name and location of a minimum of one Tire Collection Center in each of the counties comprising the Program area, including counties comprising the inter-local agreements, with the Program recommending the addition of Centers per county as volume requires. Contractor may appeal to the Program the location of Centers requested per county on a case-by-case basis. In considering such appeals, the Program shall confer with the Board and obtain a solution that accommodates the volume of waste tires within that county.

Contractor and Program acknowledge that the location of Centers may change during the term of this Contract. If Program or Contractor is notified by a Center that the Center wishes to terminate their agreement to act as a Collection Center, closure of that Center will not occur until thirty (30) days after said notice. Program and Contractor agree that thirty (30)-days' notice is necessary to properly inform tire generators and the public in which the Center is located. Contractor agrees to obtain Program's approval of a new location or re-location of a Center. Program agrees to approve or deny the establishment of a newly located Center(s) within the thirty (30)-day closure notice period.

5. Waste Tire Volumes. Contractor shall provide to the Program the volume of waste tires collected at each Center. Waste tire volumes shall be reported to the Program monthly. Reporting and accountability of monthly waste tire volumes shall be contained on paper manifests, as required by Regulation 36. Contractor shall be responsible for ensuring that all paper manifest data provided to the Program accurately documents information related to the type, collection, transportation, distribution, recycling, and disposal of recyclable tires, waste tires, and used tires culled for re-sale. Program shall be responsible for timely and

accurate data entry and shall perform duties consistent with the requirements of Regulation 36 for the use of paper manifests and will be responsible for costs associated with data entry and the supply of paper manifest forms.

6. Rejection of Collected Waste Tires. Waste tires submitted on manifests from Centers or tire retailers to the Contractor without a Waste Tire Number shall not be collected. Likewise, waste tires submitted on manifests from Centers or tire retailers to the Contractor for fee-paid tires that do not indicate money was collected from the Center or tire retailer shall not be collected. No waste tires shall be collected from Centers or retailers without a properly completed manifest, including the Center's or the retailer's Waste Tire Number.

7. Processing and Recycling. A processed tire shall be defined consistent with Regulation 36, Chapter 2 Definitions (36.201). Contractor shall finance, construct, operate, and maintain a waste tire processing facility. The processing facility shall be sufficient in design and capacity to process for recycling or disposal a minimum of one million (1,000,000) tires per 12-month period. Classes of tires shall be defined as Small, Large, and Extra Large consistent with Regulation 36, Chapter 2 Definitions (36.201). Contractor shall be responsible for obtaining all permits and regulatory approvals for the processing facility. Contractor may process waste tires other than those collected through the Program and shall ensure that only Program-related tires are represented on the manifests. Contractor agrees that waste tires collected through the Program will be processed and recycled on site achieving a minimum fifty percent (50%) recycling rate, and that landfilling or mono-filling of waste tires collected through the Program shall not exceed fifty percent (50%). Exceptions to the above prohibition of landfilling or mono-filling of waste tires due to equipment failure, Force Majeure, or other unforeseen processing- or reimbursement- or payment-related circumstances, may be granted on a case-by-case basis by the Program.

Contractor agrees to obtain Program's approval on a case-by-case basis for temporary stockpiling of waste tires and waste tire parts and scraps when an end-user cannot take immediate delivery of the waste tire materials. Upon the effective date of this Contract, Contractor shall identify Program-related waste tires and waste tire parts and scraps over and above the thirty (30) times the Contractor's daily processing capacity that the Contractor has stockpiled and will provide to the Program within thirty (30) days of the effective date of this Contract a plan for the processing of said stockpiles.

Contractor shall agree to a maximum level of stockpiling of no more than said thirty (30) times the daily capacity of the processing equipment used as set forth in Regulation 36 Section Storage (36.1602), including signage that indicates the type of tire in the tire storage areas. Contractor shall provide to the Program any equipment upgrades necessary to ensure the agreed-upon recycling rate. Equipment upgrades may be covered in a separate agreement or a grant application and agreement between Contractor and the Program.

Contractor agrees to a minimum maintenance schedule of no less than six (6) times per twelve (12)-month period on each piece of equipment necessary to maintain the agreed-upon minimum annual recycling rate. Contractor shall provide to the Program on each anniversary date of the Contract a maintenance schedule. The maintenance schedule shall include a description of each piece of equipment necessary to maintain the minimum annual recycling rate and subject to the schedule. A maintenance accountability report shall be submitted to the Program within thirty (30) days of the anniversary dates of the Contract and reported to the Board at their next regularly scheduled meeting. Equipment in use for recycling waste tires shall be contained on a list attached to this Contract, and shall be updated on January 1 of each contract year. (See EXHIBIT C)

8. Per-Tire or Per-Ton Rates and Monthly Invoicing. Contractor shall invoice Program monthly for waste tires collected and processed, as accounted for on paper manifests. Only manifests with Waste Tire Numbers shall be accepted by the Program. Waste tire manifests shall accompany Contractor's monthly invoice. Program shall be billed on a per-tire or per-ton basis for Small, Large, and Extra-Large tires based on the cost per tire or per ton proposed by the Contractor and agreed to by the Program and the Board. The cost per tire or per ton shall be consistent with the approved reimbursement costs contained in the Program business plan or any subsequent revised business plan submitted to and approved by DEQ and reviewed by the Arkansas Legislative Council (ALC). (See EXHIBIT B)
9. Payment. Program will compensate Contractor monthly with funds from the Used Tire Recycling Fund based upon manifest-supported invoices submitted by Contractor. Only manifests with Waste Tire Numbers shall be accepted by the Program for payment. All payments from the Program to the Contractor shall come exclusively from the Used Tire Recycling Fund. There is no liability for such payment from other funds and resources of the Program. If no Used Tire Recycling Funds are received by the Program, this Contract will be automatically

suspended until such time as funds are received. In no event will Program be obligated to compensate Contractor if no Used Tire Recycling Funds are available. Program may choose to pay Contractor from reserve funds, if any.

Any fees collected by Contractor for disposal shall be remitted to the Program. Only the costs for transport and processing of waste tires that are supported by properly filled-out paper manifests shall be approved for payment to the Contractor by the Program.

10. Maximum Compensation. In no event shall the total compensation due Contractor exceed the amount of reimbursement funds obtained by the Program from the Used Tire Recycling Fund for the Program's previous quarter's submitted reimbursement requests. Program may choose to compensate Contractor from reserve funds, if any.
11. Additional Compensation. In the event at any time after June 15, 2023, Davis contracts with a private entity paying to Davis fees or any other form of compensation, including the reduction in cost of operations, Davis will notify the Program of the private-entity agreement and share same with the Program. Upon such event, the Program will determine at its discretion, based on per-tire or per-ton costs contained herein, if the compensation paid to Davis should be re-negotiated or otherwise revised. Cost of operation includes but is not limited to the cost associated with landfilling waste tires.
12. Performance Audit and Financial Audit. Districts may require Program-related Contractor records for purposes of monitoring Program performance and for conducting Program financial audits.
13. Term of Contract. The term of this Contract shall be _____, 2023, through June 30, 2028. The contract shall not be in force unless and until a business plan, as defined by Arkansas Pollution Control and Ecology Commission Regulation 36, submitted to DEQ and reviewed by ALC, including the per-tire and per-ton rates contained herein, is approved by both DEQ and ALC.
14. Contract Extension. The contract may be revised and extended upon agreement of all parties not to exceed two (2), two (2)-year periods.

15. Termination of Contract. If Contractor's performance under this Contract is found to be deficient, or if Contractor fails to fulfill any portion of the Contractor's agreed-upon responsibilities, Program will notify Contractor of the deficiency and Contractor shall have thirty (30) days to correct it. If Contractor fails to correct the deficiency in a thirty (30)-day period, Program may terminate this Contract by giving a thirty (30)-day notice in writing to the Contractor. Notice shall be given by certified mail, return receipt requested. Services under this Contract are automatically postponed if reimbursement funds are depleted prior to the end of the term of the contract until the Program receives an additional disbursement from the Used Tire Recycling Fund. Further, the Contract terminates with no liability to the Program, or to the counties and municipalities within the Program, if the Program does not receive reimbursement funds, or if the Program ceases to exist.
16. Contractor Indemnity. Contractor agrees that to the extent requirements apply for reclamation of tires and tire components, it shall complete the same in compliance with all Federal, State, and local requirements and shall keep in full force and effect all local, state, and federal permits necessary or required to conduct such operations. Upon receipt of the tires into the possession of Contractor, Contractor agrees to indemnify Program, counties, and municipalities within the Program from any and all claims for the wrongful disposal or disposition of waste tires.
17. Authorization to Execute This Contract. The Director of the Program and the Chair of the Program are authorized to execute this agreement on behalf of the Program Board upon a majority of the Board membership agreeing to the provisions of this contract.
18. Force Majeure. The performance of this contract shall be delayed for so long as acts of God or other events, such as floods, labor strikes, wars, and other such catastrophes or natural disasters, beyond the control of either party hereto prevent the performance thereof. However, such events shall only delay the performance of the contract and shall not terminate the contract unless the circumstances are such that the continued performance is rendered unfeasible.

EXHIBIT A

Collection Centers

(subject to change)

Clay	Clay Co. Road Dept. 2643 Heritage Park Rd. Piggott, AR 72454
Cleburne	Cleburne Co. Transfer Station 154 Libby Rd. Heber Springs, AR 72543
Crittenden	Crittenden Co. Road Dept. 2349 Hwy. 64 W Marion, AR 72364
Craighead	Legacy Landfill 238 CR Rd. 476 Jonesboro, AR 72404
Cross	Cross Co. Road Dept. 1730 AR-193 Wynne, AR 72396
Faulkner	Conway City Landfill 4550 Hwy. 64 W Conway, AR 72033
Fulton	Main St. Tire & Auto 251 N. Main St. Salem, AR 72576
Greene	Northeast Ark. Regional Landfill 1810 Greene-890 Rd. Paragould, AR 72451
Hot Spring	K&A Tires and More 628 E. Page Ave. Malvern, AR 72104

Independence	Ken's Firestone District 2 Waste Tire Accountability Program Contract with Davis Rubber Company, Inc.
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1316 E. Main St.
Batesville, AR 72501

Izard	Izard Co. Yard 9 Timber Lane Melbourne, AR 72556
Jackson	Newport City Yard 420 Morris Ave. Newport, AR 72112
Lawrence	Lawrence Co. Rd. Dept. 1776 Hwy. 67 Hoxie, AR 72433
Lee	Lee Co. Road Dept. 529 Hwy. 243 Marianna, AR 72360
Lonoke	Lonoke Tire & Lube 808 N. Center St. Lonoke, AR 72086
Mississippi	Mississippi Co. Landfill 1695 E. County Rd. 506 Luxora, AR 72358
Poinsett	Poinsett County Landfill 704 N. East St. Harrisburg, AR 72403
Prairie	Harvey's Garage 1905 Main St. Des Arc, AR 72086
Pulaski	Davis Rubber Co. 1800 E. 14 th St. Little Rock, AR 72203
Randolph	Randolph Co. Transfer Station 145 Landfill Rd. Pocahontas, AR 72455
Saline	Republic Landfill

18511 W. Sardis Rd.
Benton, AR 72011

Sharp Sharp Co. Road Dept.
 2 Progress Lane
 Ash Flat, AR 72513

St. Francis NEARCO
 604 MLK Dr.
 Madison, AR 72359

Stone Mt. View Transfer Station
 164 Recycle Rd.
 Mt. View, AR 72560

White White River Reclamation
 220 Conway Rd.
 Bald Knob, AR 72010

Woodruff Woodruff Co. Yard
 997 Poplar
 McCrory, AR 72101

(Retailers in the District may request waste tires for collection on a case-by-case basis, as approved by the Program's Waste-Tire Coordinator.)

EXHIBIT B

Tire Definitions and Contractor Processing Charges

1. Tire Definitions

- a. Small Tire means a tire that has a load rating of "F" or lower and a rim size of nineteen inches (19") or smaller and includes low-profile tires. Small tire includes automobile, motorcycle, all-terrain vehicle, lawn mower, or golf cart tires.
- b. Large Tire means a tire with a rim sized greater than nineteen inches (19") and a load rating of "F" or higher, including without limitation a wide-base or extra-wide single tire.
- c. Extra-large Tire means a tire with a load rating of "G" or higher and that, due to its size or construction, is more difficult to process for recycling or disposal other than a large tire and costs substantially more to process than a large tire. Extra-large tire includes without limitation tires used, capable of being used, or designed to be used on any of the following vehicles or equipment: A skid steer loader; excavation equipment; farm implement, including without limitation, a tractor; backhoe; road grader; industrial equipment; skidder; or heavy-duty truck used off-road for mining. The Program may establish additional fees for accepting extra-large tires. Specialty tire shall be included with extra-large tires.

2. Contractor Costs

The per-tire and per-ton costs for collecting, transporting, and processing waste tires to be paid to Contractor from the Used Tire Recycling Fund are agreed to as follows:

a. Per-Tire Costs

1. Small Tires w/Transport:	\$2.78
2. Small Tires w/o Transport:	\$1.61
3. Large Tires w/ Transport:	\$10.76
4. Large Tires w/o Transport:	\$6.66

b. Per-Ton Costs

1. Mixed Loads of Small and Large Tires w/ Transport:	\$198
2. Mixed Loads of Small and Large Tires w/o Transport:	\$128
3. Extra-Large Tires w/ Transport:	\$260
4. Extra-Large Tires w/o Transport:	\$180

(Signatures of parties appear on next page.)

District 2 Waste Tire Accountability Program
Contract with Davis Rubber Company, Inc.

EXHIBIT C

Tire Processing Equipment

May 2, 2023

Davis Rubber Company Equipment list

The first 9 pieces of equipment are used to move material and equipment around the site as needed. Loaders and telehandlers are used to load trucks with tire shreds and products. Telehandlers are also used as cranes to help repair and maintain equipment.

Caterpillar forklift	2p5000	2003	2003
Ditch Witch skid steer	SK800	2017	2021
Caterpillar 908H wheel loader		2011	2011
Caterpillar 924 wheel loader		2014	2015
Caterpillar 930M wheel loader		2021	2022
Caterpillar TH 514C telehandler		2014	2021
Caterpillar Th 560 telehandler		2010	2013
Caterpillar TH 360B telehandler		2009	2011
Geni GTH-5519 telehandler			2022
Caterpillar 308E		2016	2022
excavator with powered thumb attachment. Used to load tires in bulk into tire shredder			
Caterpillar 314E			2022
excavator with powered thumb attachment. Used to load tires in bulk into tire shredder			

Komatsu PC300LC excavator with Labounty Shear 1993 2020

Used to shear XL tires before further processing or landfilling

Volvo Dump Truck, Yard Truck 2004 2015

Used to move tire material around the yard as needed

On the road trucks. These trucks are used to pull 48' to 53' trailers around the state to collect and bring in tires, to haul product to market and to haul material to the landfill.

Mack Truck with Grapple GR64FT 2021 2020

Mack Truck CXU613 2014 2020

Peterbuilt with Grapple 567 2022 2021

Perterbuilt 567 2020 2021

International 9900 2016 2020

Kenworth T800 2012 2021

Pickup Trucks

GMC ¾ ton pickup truck 2020 2021

Run errands, pull 24 foot trailers if needed

GMC 3/4 ton pickup truck 2021 2023

Run errands, pull 24 foot trailers if needed

Walking floor trailers

Used to collect and transport whole tires to our processing facility, to haul product to market and to haul material to the landfill.

Wilkins Inds. Inc.	2004	2020
Travis Body and Trailer	2007	2020
Travis Body and Trailer	2006	2021
Mac Trailer	2011	2021

79each 24 foot trailers

These trailers are pulled with ¾ ton pick up trucks. They are parked at tire stores for waste tires to be loaded in. Once full they are transported to Davis Rubber Company processing facility.

See attached list

Waste Tire Trailers Equipment List

	Yr.	Make	Model	Vin #	Cost/Value	License Plate		
1	1/2010	Big Tex	12PI-24T	16VPX2426A2348753	\$ 5,050	X17728		
2	1/2010	Big Tex	12PI-24T	16VPX2428A2348754	\$ 5,050	X17738		
3	1/2010	Big Tex	12PI-24T	16VPX2422A2348751	\$ 5,050	X17726		
4	1/2020	Big Tex	12PI-24T	16VPX2420A2348750	\$ 5,050	X15522		
5	5/2010	Big Tex	12PI-24T	16VPX2421A2353083	\$ 5,006			
6	5/2010	Big Tex	12PI-24T	16VPX2429A2353123	\$ 5,006	X17737		
7	5/2010	Big Tex	12PI-24T	16VPX2427A2353122	\$ 5,006	No Plate		
8	5/2010	Big Tex	12PI-24T	16VPX2425A2353121	\$ 5,006	48K8005	Temporary plate	
9	5/2010	Big Tex	12PI-24T	16VPX2423A2353120	\$ 5,006	X17740		
10	7/2012	Big Tex	12PI-24T	16VPX2423C2331170	\$ 4,800	X19166		
11	7/2012	Big Tex	12PI-24T	16VPX2429C2331173	\$ 4,800	X19167		
12	7/2012	Big Tex	12PI-24T	16VPX2422C2331175	\$ 4,800	X19168		
13	7/2012	Big Tex	12PI-24T	16VPX2424C2331176	\$ 4,800	X19169		
14	7/2012	Big Tex	12PI-24T	16VPX2426C2331177	\$ 4,800	X19165		
15	11/2012	Big Tex	12PI-24T	16VPX2420C2331174	\$ 4,800	X20009		
16	11/2012	Big Tex	12PI-24T	16VPX2425C2344874	\$ 4,800	X20012		
17	11/2012	Big Tex	12PI-24T	16VPX2427C2344875	\$ 4,800	X20011		
18	11/2012	Big Tex	12PI-24T	16VPX2429C2344876	\$ 4,800	X20010		
19	11/2012	Big Tex	12PI-24T	16VPX2421C2337405	\$ 4,800	X20013		
20	8/2013	Big Tex	12PI-24T	16VPX2423D2390642	\$ 4,900	X20484		
21	8/2013	Big Tex	12PI-24T	16VPX2425D2390643	\$ 4,900	X20485		
22	8/2013	Big Tex	12PI-24T	16VPX2427D2390644	\$ 4,900	X20906		
23	8/2013	Big Tex	12PI-24T	16VPX2429D2390645	\$ 4,900	X20907		
24	12/2013	Big Tex	12PI-24T	16VPX2426E2311126	\$ 5,065	X20927		
25	12/2013	Big Tex	12PI-24T	16VPX2428E2311127	\$ 5,065	X20925		
26	12/2013	Big Tex	12PI-24T	16VPX242XE2311128	\$ 5,065	X20926		
27	12/2013	Big Tex	12PI-24T	16VPX2428E2311130	\$ 5,065	X20924		
28	12/2013	Big Tex	12PI-24T	16VPX242XE2311131	\$ 5,065	X20928		
29	1/2014	Kraftsman	HG 9	5E7HG2420DR001819	\$ 13,360	X20920		
30	1/2014	Kraftsman	HG 9	5E7HG2427DR001820	\$ 13,360	X20921		
31	10/2014	Big Tex	12PI-24T	16VPX2428E2339980	\$ 5,100	X21477		
32	10/2014	Big Tex	12PI-24T	16VPX242XE2339981	\$ 5,100	X21476		
33	1/2015	Big Tex	12PI-24T	16VPX242XF2072018	\$ 5,215	X21867		
34	1/2015	Big Tex	12PI-24T	16VPX2421F2072019	\$ 5,215	X21868		
35	1/2015	Big Tex	12PI-24T	16VPX2428F2072020	\$ 5,215	X21869		
36	1/2015	Big Tex	12PI-24T	16VPX242XF2072021	\$ 5,215	X21870		
37	7/2015	Big Tex	12PI-24T	16VPX2426F2003990	\$ 5,250	X22077		
38	7/2015	Big Tex	12PI-24T	16VPX2428F2003991	\$ 5,250	X22076		
39	3/2016	Big Tex	12PI-24T	16VPX2429G2040159	\$ 5,250	X22720		
40	3/2016	Big Tex	12PI-24T	16VPX2425G2040160	\$ 5,250	X22721		
41	3/2016	Big Tex	12PI-24T	16VPX2427G2040161	\$ 5,250	X22722		
42	3/2016	Big Tex	12PI-24T	16VPX2429G2040162	\$ 5,250	X22719		
43	10/2016	Big Tex	12PI-24T	16VPX2425H2001585	\$ 5,215	X23532		
44	10/2016	Big Tex	12PI-24T	16VPX2427H2001586	\$ 5,215	X23531		
45	10/2016	Big Tex	12PI-24T	16VPX2429H2001587	\$ 5,215	X23533		
46	10/2016	Big Tex	12PI-24T	16VPX2420H2001588	\$ 5,215	X23534		
					\$ 248,295			

Year	Make	Model	Style	VIN #	Purchase Price
2008	SUPP	BIG TEX 24' TRAILER	MINIMUM 20	16VPX242782313598	
2008	SUPP	BIG TEX 24' TRAILER	MINIMUM 20	16VPX242X82308098	
2008	SUPP	BIG TEX 24' TRAILER	MINIMUM 20	16VPX242482309573	
2008	SUPP	BIG TEX 24' TRAILER	MINIMUM 20	16VPX242882909574	
2008	SUPP	BIG TEX 24' TRAILER	MINIMUM 20	16VPX242282310530	
2008	SUPP	BIG TEX 24' TRAILER	MINIMUM 20	16VPX242682310532	
2008	SUPP	BIG TEX 24' TRAILER	MINIMUM 20	16VPX242782310538	
2008	SUPP	BIG TEX 24' TRAILER	MINIMUM 20	16VPX242X82310584	
2008	SUPP	BIG TEX 24' TRAILER	MINIMUM 20	16VPX242882310589	
2008	SUPP	BIG TEX 24' TRAILER	MINIMUM 20	16VPX242182310595	
2008	SUPP	BIG TEX 24' TRAILER	MINIMUM 20	16VPX242382310536	
2008	SUPP	BIG TEX 24' TRAILER	MINIMUM 20	16VPX242582310523	
2008	SUPP	BIG TEX 24' TRAILER	MINIMUM 20	16VPX242782310524	
2008	SUPP	BIG TEX TRAILER	MINIMUM 20	16VPX242282310527	
2008	SUPP	BIG TEX TRAILER	MINIMUM 20	16VPX242982310525	
2008	SUPP	BIG TEX TRAILER	MINIMUM 20	16VPX242682310529	
2008	SUPP	BIG TEX TRAILER	MINIMUM 20	16VPX242X82310520	
2012	SUPP	G & G TRAILER	MINIMUM 20	51N8F2427CT111119	
2012	BIG TEX	TRAILER	MINIMUM 20	16VPX2427C2331172	
2012	BIG TEX	TRAILER	MINIMUM 20	16VPX2428C2331178	
2012	SUPP	BIG TEX TRAILER	MINIMUM 20	16VPX242XC2331179	
2012	SUPP	G & G TRAILER	MINIMUM 20	51N8F2429CT111114	
2015	SUPP	BIG TEX 12' TANDEM A)	MINIMUM 20	16VNX1222F2096909	

Year	Make	Model	Style	VIN #	Purchase Price
2005	SUPP	24' HD RAIL TRLR	MINIMUM 100	5FLRP242X58111111	
2005	SUPP	24' TRAILER	MINIMUM 20	5FLRP242X58204204	
2008	SUPP	BIG TEX TRAILER	MINIMUM 20	16VPX242182310521	
2008	SUPP	BIG TEX TRAILER	MINIMUM 20	16VPX242482310531	
2008	SUPP	BIG TEX TRAILER	MINIMUM 20	16UPX242082310526	
2008	SUPP	BIG TEX TRAILER	MINIMUM 20	16UPX242482310528	
2008	SUPP	BIG TEX 24' TRAILER	MINIMUM 20	16VPX242582310537	
2008	SUPP	BIG TEX 24' TRAILER	MINIMUM 20	16VPX242982313599	
2008	SUPP	BIG TEX 24' TRAILER	MINIMUM 20	16VPX242582313597	
2008	SUPP	BIG TEX 24' TRAILER	MINIMUM 20	16VPX242182313595	
2008	SUPP	BIG TEX 24' TRAILER	MINIMUM 20	16VPX242382313596	

Processing Equipment

IDM R-110 200 horse power Hydraulic Shredder	2013	2013
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Used to shred small, large and Extra Large tires one pass.

Davis Manufactured Infeed conveyor	2015	2015
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Feeds whole tires into shredder

Davis Manufactured Infeed conveyor	2015	2015
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Feeds whole tires into shredder

Davis Manufactured discharge conveyor	2015	2015
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Carries shreds away from shredder

Davis Manufactured discharge conveyor	2015	2015
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Carries shreds away from shredder

Davis Manufactured discharge conveyor	2015	2015
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Carries shreds away from shredder

Jomar TC-500 Tire Shredder	2022	2022
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Used to shred whole small and whole large tires plus one pass shreds from other shredders. Internal screen allows you to make smaller shreds that are then processed further.

Jomar Infeed conveyor	2022	2022
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Allows you to feed tires one at a time or in bulk to the TC-500 shredder

Jomar discharge conveyor	2022	2022
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Carries tire shreds away from the shredder

5 Drum magnets	2015	2015
Used to pick tire wire out of a stream of ground tire material.		
3 eriez shaker tables	2015	2015
Used to help separate tire wire from ground tire material.		
2 head pully magnets	2015	2015
Used to help separate tire wire from ground tire material.		
2 bucket elevators	2015	2015
Used to move shredded tire material to a higher level for further separation		
1 Rotex Screener	2015	2015
Used to sort tire rubber into different sizes		
1 Alan Ross Crossbelt Magnet	2015	2015
Used to remove tire wire from rubber		
1 Davis manufactured infeed hopper	2000	2000
Stores rubber material and feeds it out at a controlled rate		
1 Painter Auger	2017	2017
Used to paint rubber products		
1 Dryer Davis Manufactured	2017	2017
Used to dry painted rubber products before bagging		
1 Dryer Conveyor	2017	2017
Used to dry painted rubber products before bagging		

In Witness Whereof, the parties have hereunto set their hands:

Davis Rubber Company, Inc.

Davis Rubber Company, Inc.

By: Roger Davis, President

By: Phillip Davis, Vice President

Date:_____

Date:_____

District 2 Waste Tire Accountability Program

By: Barry Hyde, Chairman

Date:_____

By: Craig Douglass, Executive Director

Date:_____

RESOLUTION NO. 2023-01

A RESOLUTION OF THE BOARD
OF
DISTRICT 2 TIRE ACCOUNTABILITY BOARD
AUTHORIZING INTERLOCAL AGREEMENTS

WHEREAS, Act 713 of the 2023 Regular Session of the Arkansas General Assembly, the Used Tire Recycling and Accountability Act (the “Act”), codified at Ark. Code Ann. § 8-9-401 *et seq.*, established Used Tire Program District 2 consisting of the following counties: Fulton, Sharp, Randolph, Clay, Izard, Lawrence, Greene, Stone, Independence, Jackson, Craighead, Mississippi, Cleburne, Faulkner, White, Poinsett, Woodruff, Cross, Pulaski, and Crittenden (“**District 2**”);

WHEREAS, Act 713 of the 2023 Regular Session of the Arkansas General Assembly, the Used Tire Recycling and Accountability Act (the “Act”), codified at Ark. Code Ann. § 8-9-401 *et seq.*, established Used Tire Program District 3 consisting of the following counties: Polk, Montgomery, Sevier, Howard, Pike, Clark, Little River, Hempstead, Nevada, Miller, Lafayette, Saline, Dallas, Ouachita, Union, Garland, Hot Spring, and Columbia (“**District 3**”);

WHEREAS, Act 713 of the 2023 Regular Session of the Arkansas General Assembly, the Used Tire Recycling and Accountability Act (the “Act”), codified at Ark. Code Ann. § 8-9-401 *et seq.*, established Used Tire Program District 4 consisting of the following counties: Grant, Jefferson, Arkansas, Phillips, Cleveland, Lincoln, Desha, Calhoun, Bradley, Drew, Ashley, Lonoke, Prairie, Monroe, St. Francis, Lee, and Chicot (“**District 4**”);

WHEREAS, the Act provides that respective Districts may enter into an interlocal agreement to determine the highest level of efficiency regarding tire processing in their respective used tire programs;

NOW, THEREFORE LET IT BE RESOLVED THAT THE TIRE ACCOUNTABILITY BOARD OF DISTRICT 2 HEREBY RESOLVED AS FOLLOWS:

RESOLVED, District 2 hereby authorizes and approves an interlocal agreement, as allowed under the Act, with District 4 whereby the waste tires in the counties of Lonoke, Prairie, Monroe, St. Francis, and Lee shall be managed by District 2 to ensure the highest level of efficiency for transportation and processing of waste tires collected in the identified counties located within the designated area for District 4;

RESOLVED, District 2 hereby authorizes and approves an interlocal agreement, as allowed under the Act, with District 3 whereby the waste tires in the counties of Saline and Hot Spring shall be managed by District 2 to ensure the highest level of efficiency for

transportation and processing of waste tires collected in the identified counties located within the designated area for District 3;

RESOLVED, any and all expenses associated with the preparation and implementation of the interlocal agreements authorized hereunder shall be the responsibility of and included in the Business Plan of District 2;

RESOLVED, the undersigned Executive Director of District 2 is hereby authorized to take such actions and execute such documents as deemed necessary and proper to carry out the interlocal agreements authorized herein; and

RESOLVED, the actions of the undersigned Executive Director of District 2 taken prior to the passage of this Resolution that have been taken in furtherance of the interlocal agreement authorized herein are hereby ratified.

ADOPTED:

DATE: 6-14-23

APPROVED:

Barry Hyde
By: Barry Hyde
Title: Board Chair

ATTEST:

John Alan Nelson
By: John Alan Nelson Mississippi County Judge
Title: Board Secretary

ACKNOWLEDGED:

Craig Douglass
Craig Douglass, Executive Director

RESOLUTION NO. 2023-02

**A RESOLUTION OF THE BOARD
OF
DISTRICT 2 TIRE ACCOUNTABILITY BOARD**

WHEREAS, per Act 713 of the 2023 Regular Session of the Arkansas General Assembly, the Used Tire Recycling and Accountability Act (the “Act”), codified at Ark. Code Ann. § 8-9-401 *et seq.*, and separate Interlocal Agreements with Districts 3 and 4, District 2 consists of the following counties: Fulton, Sharp, Randolph, Clay, Izard, Lawrence, Greene, Stone, Independence, Jackson, Craighead, Mississippi, Cleburne, Faulkner, White, Poinsett, Woodruff, Cross, Pulaski, Crittenden, Saline, Hot Spring, Lonoke, Prairie, Monroe, St. Francis, and Lee (collectively referred to herein as “**District 2**”);

WHEREAS, Regulation No. 36 of the Arkansas Pollution Control & Ecology Commission, dated July 27, 2018, as amended (“Reg. 36”), allows District 2 to establish a used-tire program for extra-large tires accepted by the District, and set fees related to such use-tire program for extra-large tires;

WHEREAS, the District desires to set the fees associated with the District’s acceptance of extra-large tires as set forth below;

NOW, THEREFORE LET IT BE RESOLVED THAT THE TIRE ACCOUNTABILITY BOARD OF DISTRICT 2 HEREBY RESOLVED AS FOLLOWS:

RESOLVED, in reliance upon Section 36.201 included in Reg. 36, District 2 acknowledges that the term “extra-large tire” means the following:

“Extra-large tire” means a tire that due to its size or construction is more difficult to process for recycling or disposal than a large tire and costs substantially more to process than a large tire. Extra-large tire includes without limitation tires used, capable of being used, or designed to be used on any of the following vehicles or equipment:

- (1) A skid steer loader;
- (2) Excavation equipment;
- (3) A farm implement, including without limitation, a tractor;
- (4) A backhoe
- (5) A road grader;
- (6) Industrial equipment;
- (7) A skidder; or
- (8) A heavy duty truck used off-road for mining.

“Extra-large tire” includes a tire with a load rating of “G” or higher.

RESOLVED, pursuant to Section 36.201 included in Reg. 36, District 2 hereby sets and establishes the fee of \$30.00 per extra-large tire (the "XL Tire Fee") accepted by District 2, with such XL Tire Fee being charged at the point of purchase as a rim removal fee as allowed pursuant to Section 36.802 included in Reg. 36, to be collected on the District's behalf by the Arkansas Department of Finance & Administration;

RESOLVED, the undersigned Executive Director of District 2 is hereby authorized to take such actions and execute such documents as deemed necessary and proper to carry out the establishment of the program authorized herein as needed to collect the XL Tire Fee; and

RESOLVED, the actions of the undersigned Executive Director of District 2 taken prior to the passage of this Resolution that have been taken in furtherance of the program authorized herein are hereby ratified.

ADOPTED:

DATE:

6-14-23

APPROVED:

Danny Hyde
By:

Danny Hyde
Title: Board Chair

ATTEST:

By:

Title: Board Secretary

ACKNOWLEDGED:

Craig Douglass **CRAIG DOUGLASS**
Craig Douglass, Executive Director



ENVIRONMENTAL QUALITY

Certification of ePortal Submission

This form is to be used to certify electronic ePortal submissions. Please check with the appropriate section for who has the authority to sign this form. A hardcopy of this form with original signature must be sent to DEQ, 5301 Northshore Drive, North Little Rock, AR 72118. Please do **not** send a hardcopy of the ePortal submission with this form. **All fields are required.**

1. Section to which the ePortal Submission was Submitted:	Tire Accountability Program
2. Form Name:	Business Plan (TAP-12)
3. Arkansas DEQ Facility Identification Number (AFIN), if available:	UTP-2-Northeast Arkansas Tire Program
4. Facility Name:	Northeast Arkansas Tire Program
5. Facility Physical Address:	1500 N. University Avenue, Ste. 770 LITTLE ROCK, AR 72207

I certify under penalty of law that the ePortal submission with Submission ID# HQE-BG60-R1PCV and revision # 3 which was submitted electronically on 9/4/2025 10:00:09 AM and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Craig Douglass

Director

typed/printed name of signatory authority

title

11-26-25

signature of signatory authority

date

**ARKANSAS POLLUTION CONTROL
AND ECOLOGY COMMISSION**

**SUBJECT: Used Tire Program 2
Business Plan Rate**

MINUTE ORDER NO. 25-_____

Docket No. 25-

PAGE 1 OF 2

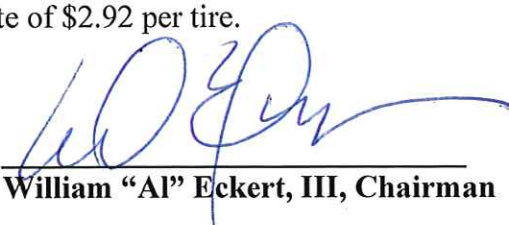
On August 25, 2025, with updates provided through September 4, 2025, Used Tire Program 2 (UTP-2) submitted a revised business plan to the Department of Energy and Environment, Division of Environmental Quality (DEQ), proposing an increased rate of \$2.92 per tire, to address the increased administrative costs of waste tire management within UTP-2. Pursuant to 8 CAR § 64-304(c), a revised business plan that results in a business-plan rate increase is subject to approval by the Arkansas Pollution Control and Ecology Commission. DEQ has reviewed the proposed revised business plan, and pursuant to 8 CAR § 64-305 recommends the requested rate of \$2.92 per tire.

Tire Program Business Plan Administration Costs				
Tire District	Salary and Benefits	Estimated Tire Count	Cost Per Tire	Admin Percentage
UTP1	\$191,574.00	1,126,904	17 cents/tire	5.90%
UTP2 - existing	\$93,896.00	1,297,818	7.2 cents/tire	2.50%
UTP2 - proposed	\$158,098.00	1,297,818	12 cents/tire	4.10%
UTP3	\$75,759.00	416,203	18.2 cents/tire	6.50%
UTP4	\$23,289.00	253,330	9.2 cents/tire	3.17%

With the \$64,202 increase in administration costs per year, DEQ can expect UTP-2's reimbursement requests to increase by approximately \$91,778.76 per year.

DEQ notes that this rate increase exceeds the amount that a special report by the legislative audit identified as supported by collected revenues, potentially requiring *pro rata* reimbursements provided in Ark. Code Ann. § 8-9-405(e)(2).

This revised business plan rate is subject to Commission approval and Legislative Council review pursuant to 8 CAR § 64-304(c) and Ark. Code Ann. § 8-9-408. Having considered the matter at its regularly scheduled meeting on December 5, 2025, the Commission hereby approves UTP-2's revised business plan with a rate of \$2.92 per tire.

BY: 

William "Al" Eckert, III, Chairman

ARKANSAS POLLUTION CONTROL
AND ECOLOGY COMMISSION

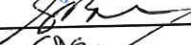
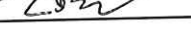
SUBJECT: Used Tire Program 2
Business Plan Rate

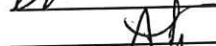
MINUTE ORDER NO. 25-_____

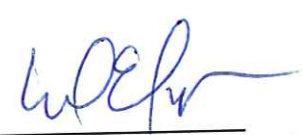
Docket No. 25-

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COMMISSIONERS:

 A. Eckert, III
 R. McMullen
 R. Moss, Jr.
 C. Spakes

 B. Batten
 W. Ward
 T. McWilliams


William "AP" Eckert, III, Chair

SUBMITTED BY: Bailey Taylor PASSED: 12/05/25