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# Tracking the Fate of Scrap Tires in Texas

Senate Bill 1, Article VI, Rider 16, 79th Legislature states, in part:

**Waste Tires.** Out of amounts appropriated above, The Texas Commission on Environmental Quality (TCEQ) shall enforce statutory requirements relating to waste, scrap, or used tires. It is the intent of the Legislature that all reasonable steps be taken to minimize the illegal storage, transport, or disposal of waste or scrap tires. The TCEQ shall audit or otherwise monitor businesses that sell, transport, or store such tires and identify illegal or improper activities as well as study methods for achieving a greater level of compliance for tire disposal within the State of Texas. The TCEQ also shall seek opportunities for coordination with other agencies, such as the Comptroller of Public Accounts, through interagency agreements or contracts. Cooperating agencies shall use routine contracts with taxpayers during audits or other activity to obtain copies of tire manifests or other information relating to tire transport or storage in accordance with Health and Safety Code, Section 361.112. Such agreements shall provide that the cooperating agency transmit such records to the commission for review and analysis and should be designated to have minimal costs for the cooperating agency. The TCEQ shall submit a report not later than December 1, 2006, to the Legislative Budget Board and the Governor detailing their efforts and findings in accordance with this provision.

This report to the Legislature is provided in compliance with the rider.

## Scrap Tire Management in Texas

The Texas Commission on Environmental Quality (TCEQ) oversees the collection, processing, and recycling or disposal of over 24 million tires discarded each year in Texas. Under this regulatory program, scrap tires must be hauled by a registered transporter to an authorized facility. All facilities must maintain manifests showing the disposition of the scrap tires.

While this program focuses on the ongoing need to prevent the illegal disposal of scrap tires, it is separate from the TCEQ's efforts to reduce the large stockpiles created in years past. To learn more about

the problems posed by current stockpiles and the steps that TCEQ is taking to ensure that these stockpiles are disposed of properly or put to beneficial use, see the 2007 Progress Report on Using Scrap Tires and Crumb Rubber in Texas Highway Construction Projects (TCEQ publication SFR-069/07).<sup>1</sup>

## ***Facilities Regulated***

Through this regulatory program, the TCEQ monitors the activity of these categories of scrap tire handlers:

- **Generators.** Generators are tire dealers, junkyards, fleet operators, and others who generate scrap tires. Most scrap tire generators are not required to register; nonetheless, all scrap tire generators must follow TCEQ rules regarding storage and recordkeeping.
- **Transporters.** Transporters must first register with the TCEQ if they wish to collect scrap tires from another business.
- **Processing or Recycling Facilities.** Any facility where scrap tires are chipped, shredded, baled, recycled, or burned as fuel must register with the TCEQ.
- **Storage Sites.** Any facility where the equivalent of more than 500 scrap tires are stored on the ground or 2000 scrap tires are stored in enclosed, lockable containers must be registered with the TCEQ. These facilities must be designed for safety by a registered professional engineer and must have adequate financial assurance in place to ensure their proper closure.
- **Transportation Facility.** Marine terminals, rail yards, or trucking facilities where the equivalent of more than 500 scrap tires are temporarily stored during the transport process must be registered with the TCEQ. These facilities must also be designed for safety by a registered professional engineer and must have financial assurance in place to ensure their proper closure.
- **Land Reclamation Projects Using Tires (LRPUTs).** When tire pieces or shreds are mixed with soil to restore land to its approximate natural grade, the TCEQ must be notified and approve the operation.
- **Landfills.** As solid waste disposal facilities, landfills operate under the conditions of TCEQ permits. Split, quartered, or shredded tires may be disposed of in a landfill. Tires may also be stored or processed at a landfill if its permit allows these activities.

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<sup>1</sup> The program described in this report monitors only the handling of newly generated scrap tires and enforces environmental regulations to ensure that the illegal disposal of scrap tires is minimized throughout the state.

## ***Monitoring These Activities***

The TCEQ regularly monitors the activities of scrap tire handlers by requiring transporters and scrap tire facilities to maintain manifests showing the disposition of the scrap tires and by completing annual reports to the TCEQ on their activities.

### **Manifests**

A manifest is simply a generation-to-disposition record for each load of scrap tires removed from a generator's site. The generator and every facility handling the tires must keep a copy of the manifest for each load. Manifests are maintained in the following manner:

- The generator completes and signs the first section of the manifest showing how many tires were picked up.
- The transporter signs the manifest and leaves a copy with the generator.
- When the tires are delivered to a permitted landfill or an authorized scrap tire facility, the final sections of the manifest are completed showing how many tires were delivered to the facility.
- The completed manifest must be returned to the generator within 60 days after the scrap tires were transported off site.
- Generators must notify the appropriate TCEQ regional office within 90 days after the tires were picked up if any transporter or authorized scrap tire facility:
  - failed to complete the manifest,
  - altered the generator portion of the manifest, or
  - did not return the manifest to the generator within 60 days after the tires were picked up at the generator's facility.

These facilities must keep on file the original manifests, work orders, invoices, or other documentation for a period of three years and make these documents available to TCEQ investigators on request.

### **Annual Reports**

Scrap tire transporters, processing facilities, and storage sites must report to the TCEQ each year the number of scrap tires they handle and the form of those tires (whole, cut pieces, or shreds). The TCEQ can initiate enforcement activity if an annual report is not filed or if information is improperly reported.

## ***Enforcing Environmental Laws***

Although no specific funding is provided to the TCEQ for the management of activities relating to scrap tires, the agency pursues

these and other activities to ensure that environmental laws are enforced:

- inspecting registered scrap tire storage sites, processing and recycling facilities, and LRPUs;
- investigating registered transporters, generators, and illegal sites when complaints are received;
- taking enforcement actions as necessary if generators, transporters, or scrap tire facilities are not operating in compliance with TCEQ rules;
- cooperating with local officials to enforce laws against illegal dumping and encourage recycling projects;
- coordinating with local governments to take action as necessary to ensure that scrap tire handlers operate in compliance with scrap tire management regulations;
- participating in numerous educational or outreach events; and
- developing guidance, including the translation of related materials into Spanish, to meet a recognized need for clearer communications with this audience.

Financial support for these and related activities is primarily drawn from Solid Waste Disposal Fees, which are collected as a part of the tipping fees at municipal solid waste facilities.

## **Auditing the Effectiveness of This Program**

The TCEQ coordinated with the Office of Public Accounts to obtain information regarding tire manifests and other information regarding scrap tire transport, processing, storage, and disposition. While conducting scheduled Comptroller's audits of ten tire vendors in calendar year 2006, the auditor also obtained the following information:

- A determination whether the tire vendor is registered with the TCEQ as a scrap tire generator, transporter, processor, or end-use facility and the tire vendor's registration number if applicable.
- The number of scrap tires present on the vendor's facility during the audit and the number of tires removed during 2006.
- Verification that the tire vendor completed and retained manifests documenting scrap tire pickup and disposition.
- The name and TCEQ transporter registration number of the companies that removed scrap tires from the vendor's facility.
- The name, location and TCEQ authorization numbers of the facilities to which the vendor's scrap tires were transported for disposition.

## Results of the Audit

The results of the audit support the TCEQ's contention that the vast majority of scrap tires are being properly managed from generation through end use or disposal. Although one of the 10 audited vendors has not registered as a generator (as required by TCEQ rule), each of the vendors provided information indicating that they used manifests to track and document the pickup and disposition of their scrap tires and used registered transporters to remove their scrap tires to authorized processing or end-use facilities for disposition. Specifically, the audit information indicated:

- All 10 tire vendors audited used manifests to track and document the pickup and disposition of their scrap tires. Nine of the 10 vendors properly completed and maintained the manifests; the remaining vendor maintained partial manifest records.
- Each of the vendors used TCEQ registered transporters for scrap tire transport.
- All scrap tires removed from the sites were transported to authorized processing or end-use facilities for disposition.

## Findings of the Comptroller's Audit

The following pages are the Comptroller's audit reports as delivered to the TCEQ which include:

- Kens's Tire Center, San Antonio (1 page)
- Quality Truck Tires, Inc., Midland (4 pages)
- Frankie Maharaj, Houston (2 pages)
- Green Tree Resorts, Houston (6 pages)
- Affordable Scrap Tires, Lancaster (2 pages)
- C & M Tire, Garland (1 page)
- C & M Tire and Muffler, Wylie (1 page)
- Walmart #2978, Fort Worth (1 page)
- AC Tire Company, Fort Worth (1 page)
- Accent Tire Company, Arlington (1 page)



**From:** "Laura Biemer" <Laura.Biemer@cpa.state.tx.us>  
**To:** <jforehan@tceq.state.tx.us>  
**Date:** 8/8/2006 5:10:34 PM  
**Subject:** FW: Audits of Scrap Tire Dealers

John -

We contacted a used tire dealer in San Antonio to get the answers to your questions.

1. Was the tire dealer registered with TCEQ as a scrap tire "Generator"?

A - Yes. TCEQ ID No. 6004. (Kens's Tire Center)

2. How many scrap tires were stored (on the ground or in trailers) at the facility at the time of the audit?

A - 50-75.

3. How many scrap tires were removed from the facility during the year?

A - 125.

4. Did the collection facility manifest the removed scrap tires?

A - Yes.

5. Were completed manifests (documenting "cradle-to-grave" handling of the scrap tires) maintained by the tire dealer?

A - Yes.

6. Was the company used to remove the scrap tires registered with the TCEQ as a transporter?

A - Yes. Company name is National Tire Recycling, LLC. Registration number 6025071.

7. Where were the scrap tires transported for disposition?

A - Texas Tire Recycling Inc. Registration number 6044095, 6302 Wade Rd., Baytown, TX 77521

Please call me if you need anything further.

Laura Biemer  
San Antonio Audit Manager  
210-257-4610

**From:** "Gary Williamson" <Gary.Williamson@cpa.state.tx.us>  
**To:** <jforehan@tceq.state.tx.us>  
**Date:** 9/12/2006 9:23:48 AM  
**Subject:** FW: TCEQ Information Request

Attached is the information requested on Scrap Tire Dealers noted during our audit of Quality Truck Tires, Inc.

Please let me know if you need further information.

Gary Williamson, Manager  
Odessa Audit Office  
Ph: 432/550-9113

-----Original Message-----

From: David Whitaker [mailto:david.whitaker@cpa.state.tx.us]  
Sent: Monday, September 11, 2006 8:36 AM  
To: Gary Williamson  
Subject: TCEQ Information Request

Gary:

Attached is the information gathered from Quality Tires (TP # 17514109481) for TCEQ:

1. Was the tire dealer registered with TCEQ as a scrap tire "Generator"? (note: they are not required to be registered if they maintain fewer than 500 scrap tires on the site at any given time)

RESPONSE: This dealer is not registered as a scrap tire generator even though they maintained over 500 scrap tires on their premises at the time of my examination.

The business owner complained to me that he used the only disposal business in the area and that they could only furnish him with one (1) trailer per week to load scrap tires in for disposal. This trailer held approximately 300-400 tires however he had over 500 tires coming in a week that needed disposal therefore he had old tires stacking up that he could not dispose of in a timely manner. He also complained that he employed three (3) employees at \$11.00 per hour who did nothing but load the trailer with old tires to meet the state's regulations and he was very unhappy with what it was costing him to meet the state's guidelines.

2. How many scrap tires were stored (on the ground or in trailers) at the facility at the time of the audit?

RESPONSE: There were too many tires to perform an individual count, but I would estimate well over 1,000 tires on the dealer's lot that needed hauled to disposal.

Again the owner told me that he could not get the needed trailers from the disposal company in order to properly dispose of all the tires he had coming into his business on a weekly basis.

3. How many scrap tires were removed from the facility during the year?

RESPONSE: Scrap tires removed were accounted for by weight (lbs.) instead of a tire count. During the fiscal year beginning September 1, 2005 through August 31, 2006, this tire dealer had 784,358 lbs of tires removed from his location at a cost of \$21,561.99.

4. Did the collection facility manifest the removed scrap tires?

RESPONSE: The collection and disposal company did prepare a manifest that was given to the tire dealer. The manifest showed the address and certification information of the disposal company but there was no indication shown as to how many tires were picked up or where the tires were being taken to for disposal.

5. Were completed manifests (documenting "cradle-to-grave" handling of the scrap tires) maintained by the tire dealer?

RESPONSE: The tire dealer did maintain manifests from the tire disposal company however these manifests did not document the "cradle-to-grave" handling of the scrap tires. (copy of manifests is attached).

6. Was the company used to remove the scrap tires registered with the TCEQ as a transporter? If so what was their registration number?

RESPONSE: The company used to remove the scrap tires was registered with the TCEQ. Their registration information was Synergy Stamford Partners, registration number 6200140.

7. Where were the scrap tires transported for disposition? Provide the TCEQ authorization number for the disposition facility if available.

RESPONSE: The manifests completed by Synergy Stamford Partners did not state where the tires were being transported to for disposition.

I have attached a copy of the invoice and manifest given to Quality Tires by Synergy Stamford Partners.

David L. Whitaker  
Auditor  
Phone Number: 432-550-9113  
Email: david.whitaker@cpa.state.tx.us

Odessa Audit Office  
Texas Comptroller of Public Accounts



**SYNERGY  
STAMFORD  
PARTNERS**

**INVOICE**

Date	Acct ID-Invoice #
8/9/2006	QTT-0026

**Bill to: Quality Truck Tire  
PO BOX 60366  
Midland TX 79711  
TCEQ#**

**PH: 432-563-5301**

**Via Fax to: 432-563-4331**

trailers: PU 808 DO:790

Date	Trailer Number	Weight (LB)	Weight (Tons)	Type	Qty	Rate	Disposal Fee	Freight Charge	Total
8-Aug	808	34,580	17.3	pass		\$ 55.00	\$ 950.95	\$ 250.00	\$ 1,200.95
			0.0	truck			\$ -		\$ -
			0.0	agri			\$ -		\$ -
			0.0	other			\$ -		\$ -
			0.0				\$ -		\$ -
			0.0				\$ -		\$ -
			0.0				\$ -		\$ -
			0.0				\$ -		\$ -
<b>Sub-Total</b>									\$ 1,200.95
<b>CREDIT</b>									
<b>Credit Payment</b>									\$ -
<b>Pay This Amount</b>									\$ 1,200.95

Check# \_\_\_\_\_

**Terms of Service:**

This account is set-up for immediate payment. Please remit your payment to the address shown below. Synergy reserves the right to halt service if payment has not been received within 7 days of service delivery.

Synergy accepts all tire sizes as well as tubes and flaps. We will accept tires on rims, however, these are charged at triple the base disposal fee.

All equipment required for collection is provided by Synergy with all service provided on a drop and hook basis. If our driver is required to load tires, there will be an additional charge of \$45 per hour.

Synergy will provide documentation that all tire materials removed from your location have been disposed of in accordance with all applicable laws and regulations. If you do not receive such notification within 30 days, please call us at the number listed below.

**To schedule service or for inquiries, call (325) 773-2313**

**P.O. Box 150, Stamford, Texas 79553**

# Whole Used or Scrap Tire Manifest

TEXAS NATURAL RESOURCE CONSERVATION COMMISSION ♦ P.O. Box 13667 ♦ Austin, Texas 78711-3667 ♦ 512-239-6001

*Sofie*

**1. GENERATOR INFORMATION AND CERTIFICATION:**

Date and Time of Pickup \_\_\_\_\_

Registration Number/Type of Generator \_\_\_\_\_

(432) 563-6301

Area Code/Telephone Number \_\_\_\_\_

Quality Truck Tire

Company Name \_\_\_\_\_

12700 W I 20 E

Street Address \_\_\_\_\_

Midland TX 79711

City State Zip

No. Passenger Tires \_\_\_\_\_ @ \$ \_\_\_\_\_ Total \$ \_\_\_\_\_

No. Truck Tires \_\_\_\_\_ @ \$ \_\_\_\_\_ Total \$ \_\_\_\_\_

No. Agri Tires \_\_\_\_\_ @ \$ \_\_\_\_\_ Total \$ \_\_\_\_\_

No. Other Tires \_\_\_\_\_ @ \$ \_\_\_\_\_ Total \$ \_\_\_\_\_

Total \$ \_\_\_\_\_

Sales Tax \$ \_\_\_\_\_

Total \$ \_\_\_\_\_

**2. TRANSPORTER INFORMATION AND CERTIFICATION:**

Company Name \_\_\_\_\_

6200140

Registration Number \_\_\_\_\_

01129681

Driver's License Number \_\_\_\_\_

Print Name: Charles Campbell

Signature: \_\_\_\_\_

**3. SECONDARY TRANSPORTER INFORMATION AND CERTIFICATION:**

Company Name \_\_\_\_\_

Registration Number \_\_\_\_\_

Driver's License Number \_\_\_\_\_

Print Name: \_\_\_\_\_

Signature: \_\_\_\_\_

I certify that the information provided above is true and correct. I am aware that falsification of this manifest may result in suspension, revocation, or denial of renewal of my generator/transporter registration.

Print Name: Mike Page

Signature: \_\_\_\_\_

ADJUSTMENT BOX	Location and Intended Use of Removed Tires:
# of Tires Picked Up: _____	
Passenger Tires _____	Truck Tires _____
Removed for Reuse: _____	
Passenger Tires _____	Truck Tires _____
To Be Delivered: _____	
Passenger Tires _____	Truck Tires _____

**4. PROCESSOR/RECYCLER INFORMATION AND CERTIFICATION:**

6200140

Registration Number \_\_\_\_\_

Date and Time of Pickup \_\_\_\_\_

No. Passenger Tires \_\_\_\_\_ No. Truck Tires \_\_\_\_\_ OR \_\_\_\_\_ Lbs. Weight of Tires

(325) 773-2313

Area Code/Telephone Number \_\_\_\_\_

SYNERGY

Company Name \_\_\_\_\_

6810 US 277 S

Street Address \_\_\_\_\_

Stamford TX 79553

City State Zip

**5. STORAGE/DISPOSAL SITE INFORMATION AND CERTIFICATION:**

Registration Number \_\_\_\_\_

Date and Time of Pickup \_\_\_\_\_

No. Passenger Tires \_\_\_\_\_ No. Truck Tires \_\_\_\_\_ OR \_\_\_\_\_ Lbs. Weight of Tires

( )

Area Code/Telephone Number \_\_\_\_\_

Company Name \_\_\_\_\_

Street Address \_\_\_\_\_

City State Zip

I certify that the information provided above is true and correct and that I have been authorized by the Texas Natural Resource Conservation Commission to accept whole used or scrap tires for storage, processing, or disposal. I am aware that falsification of this manifest may result in suspension, revocation, or denial of renewal of my processing or storage site registration, or my disposal site permit.

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Name: \_\_\_\_\_

A copy of each transaction must be retained by each party for a period of three years. The processor or disposal facility operator must mail a copy of the completed manifest back to the generator. Following each transaction, the copy separated from the manifest should be the bottom copy. (Green-Generator; yellow-transporter; blue-processor; pink-disposal facility; white original-generator)

**From:** "Treva Sullivan" <Treva.Sullivan@cpa.state.tx.us>  
**To:** <JFOREHAN@tceq.state.tx.us>  
**Date:** 9/13/2006 3:30:02 PM  
**Subject:** Scrap Tire Dealers

Below you will find the requested answers to the questions. Let me know if you need additional information. The information was obtained from the taxpayer by auditor Jason Kennedy.

From: John Forehand [mailto:JFOREHAN@tceq.state.tx.us]  
Sent: Tuesday, July 18, 2006 8:22 AM  
To: jesse.ancira@cpa.state.tx.us; otis.fields@cpa.state.tx.us  
Cc: Patricia Fontenot  
Subject: Audits of Scrap Tire Dealers

Dear Mr. Ancira and Fields,

The last Legislature again adopted a rider requiring the TCEQ to "provide a report not later than December 1, 2006, to the Legislative Budget Board and the Governor "detailing their efforts to audit or otherwise monitor businesses that sell, transport, or store waste, scrap, or used tires". The rider states (in part) "The TCEQ shall also seek opportunities for coordination with other agencies, such as the Comptroller of Public Accounts, through interagency agreements or contracts . Cooperating agencies shall use routine contracts with taxpayers during audits or other activity to obtain copies of tire manifests or other information relating to tire transport or storage in accordance with Health and Safety Code Section 361.112".

As I am tasked with preparing the report to the Legislature by December 1, 2006, I need scrap tire facility audit information to prepare the report in the very near future. In past years I have coordinated with each of you to obtain this information. We have, in past years, requested that your auditors request the following information during scrap tire dealer audits:

Frankie Maharaj TP# 32010618430

1. Was the tire dealer registered with TCEQ as a scrap tire "Generator"?  
note: they are not required to be registered if they maintain fewer than 500 scrap tires on the site at any given time).

No

2. How many scrap tires were stored (on the ground or in trailers) at the facility at the time of the audit?

76 tires

3. How many scrap tires were removed from the facility during the year?

1936 tires so fire in 2006

4. Did the collection facility manifest the removed scrap tires?

Yes

5. Were completed manifests (documenting "cradle-to-grave" handling of the scrap tires) maintained by the tire dealer?

Yes

6. Was the company used to remove the scrap tires registered with the TCEQ as a transporter? If so what was their registration number?

Yes, Al Tires Disposals, TCEQ 6200345, TDL 20539645

7. Where were the scrap tires transported for disposition? Provide the TCEQ authorization number for the disposition facility if available.

Greentree Transporting TCEQ 6200174, Processing 6200189, LRUP 6200188

Have you conducted any scrap tire dealer audits to date and if not, can you conduct audits and provide the above-noted information to me by mid to late September 2006? I truly appreciate your assistance regarding this issue. I have attached a PDF file of the Rider language for your information. If you have any questions or comments please contact me at the above e-mail address or by telephone at 512-239-2515. Thanks.

John Forehand, Tire Liaison

TCEQ

Treva M. Sullivan  
Comptroller of Public Accounts  
Houston South Audit Office  
Phone No. 713 / 314-5718  
Fax No. 713 / 660-6406

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The following information was provided by Butch Battreall. Butch Battreall is the General Manager for Green Tree Resorts LLP. Green Tree Resorts, LLP hold three TCEQ Registration ID Number:

1. TCEQ Tire Registration ID Number 6200174 is their “**Transporter Registration Application number**” and allows them to “...transport scrap tires in the State of Texas as specified...” in their application to the TCEQ.
2. TCEQ LRPOT Registration ID Number 6200188 is their “**Land Reclamation Project Using Tires (LRPOT) Registration Notification number**” and allows them to “...fill, rehabilitate, improve, and/or restore already excavated, deteriorated or disturbed land, which uses not more than 50% by volume of tire pieces along with inert fill materials, for the purpose of restoring the land to its approximate natural grade and to prepare to reclaim the land for re-use as specified...” in their application to the TCEQ.
3. TCEQ Processor Registration ID Number 8200189 is their “**Scrap Tire Facility Registration Application number**” and allows them to “...process used or scap tires as specified...” in their application to the TCEQ. This facility is also authorized to store a 30 calendar day supply of 50,000 scrap tires on-site in enclosed, lockable trailers until the tires are processed and used as fill material in the approved Land Reclamation Project.

This response to your information request and copies of all three TCEQ ID Number Applications will be emailed and faxed to you. Able Tire Disposal, whom I originally contacted to retrieve your requested information, is not a processor. They are a registered Scrap Tire Management and Transportation Facility as identified in the guidelines specified in the Proposed Standards for a Scrap Tire Transportation Facility, by TNRCC, dated 04/06/01. Able Tire sends most of the tires they collect to Green Tree Resorts, LLP for processing. The tires they don't send to Green Tree Resorts, LLP are still in usable condition and are sold to used tire retailers. My contact at Able Tire Disposal, was Joseph Ramos, General Manager for the Houston, Texas location.

Last but not least, Green Tree Resorts, LLP and Able Tire Disposal, wanted me to pass on to you and your staff a couple of comments. They believe that most scrap tires are properly being sent to the proper facility for processing and disposal. The small amount of scrap tires that are not properly processed and disposed of belongs to the small independent retailer rather than the large independent retailer (ie. Discount Tire Company) or corporate owned retailer, (ie. Sears). Both companies provide vital and helpful information to the authorities when called to do so.

One way to increase the number of tires going to valid transporters and processors and thus decrease the small number of tires that are not being properly processed and disposed of is to compare and cross reference companies that are sending tires to the processors with those that are not sending them but have a Sales & Use Tax Permit to sell tires. The comptroller can audit the companies that are not sending the tires to the processor and see where the tires are going.

If you have any questions regarding any of the enclosed documents please call me at (713) 864-0276 ext. 8221. I hope the enclosed information is helpful to your agency.

1. Identify if the scrap tire processing company is registered with the TCEQ as a "Scrap Tire (Processing) Facility"? If registered, provide the name under which the company is registered and the company's TCEQ registration number.  
**Green Tree Resorts, LLP Registration #6200189**
2. Provide a brief description of the method(s) used by the company to process the scrap tires or scrap tire pieces.  
**Subchapter#328.66 shredded, split or quartered**
3. Note if the processing facility has a TCEQ approved "30 day supply" authorization. If they have a "30 day supply" authorization, identify the amount of scrap tire material the company is authorized to temporarily store under the authorization.  
**Processor #6200189, authorized to store 30 day calendar supply of 50,000 scrap tires.**
4. Provide the total amount of scrap tire material stored on the facility (at the time of the audit). Provide the number of whole scrap tires and the number of processed scrap tires stored on the site and the manner in which they are stored. For example: 2,431 whole scrap tires in trailers, 376 whole tires on the ground, 1,300 cut scrap tires in trailers, etc.  
**On September 18, 2006 Auditor noted 15 lockable and enclosed trailers on Green Trees Resorts, LLP premises and estimated that their was around 20,000 tires in them (1,300 tires per trailer). Butch Battreal, General Manager concurred with this assessment. It should be noted that Green Tree Resorts, LLP does not have a storage facilities per se, because they process the tires as they come into the facility. On this day, the facility was changing out the 20 blades on their tire shredder. This process take half a day to be completed. By the end of the day there should be no tires in any of the 15 containers waiting to be emptied.**
5. Provide the number of scrap tires that were processed by the facility from January 1, 2006 to current (or during the audited period).  
**From January 3, 2006 to September 11, 2006, Green Tree Resorts, LLP processed approximately 79,697,585 lbs of tires. The average PTE equal 20# and thus they processed approximately 3,984,879 PTE from January 3 2006 thru September 11 2006. Green Tree Resorts, LLP provided auditor with records to support and back up the above statement.**

6. Provide the number of scrap tires removed (whole or processed) from the facility from January 1, 2006 to current (or during the audited period).  
**None of the tires that Green Tree Resorts, LLP brings back to their facility as a Transporter or accepts as a Processor leave their facility because the tire are used as fill material for their Land Reclamation Project ie. TCEQ LRPUR Registration ID Number 6200188.**
  
7. Identify if the processing facility manifested all scrap tire materials (whole scrap and processed tire material) removed from the facility from January 1, 2006 to current (or during the audited period).  
**Not applicable. Please see Green Tree Resorts, LLP reply to Information Inquiry Number 6 above.**
  
8. Identify the transport companies used to remove the whole scrap tires and processed scrap tire materials from the site and if the transporters are registered with the TCEQ. Provide a registration number for each Transporter if available.  
**Not applicable. Please see Green Tree Resorts, LLP reply to Information Inquiry Number 6 above.**
  
9. Identify the specific facilities to which the scrap tires and processed scrap tire material were transported for disposition. Provide the TCEQ authorization number for each disposition facility if available.  
**GreenTree TCEQ-LRPUR#6200188.**
  
10. Identify if completed manifests (documenting "cradle-to-grave" handling of the scrap tires) are maintained by the scrap tire processor.  
**GreenTree LRPUR#6200188 and Processor #6200189.**

**Duc Phan, Auditor VI  
Texas Comptroller of Public Accounts  
1919 North Loop West, Suite 311  
Houston, Texas 77008**

**Telephone: 713-864-0276 ext. 8221  
Facsimile: 713-863-9125  
duc.phan@cpa.state.tx.us**

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Robert J. Huston, *Chairman*  
R. B. "Ralph" Marquez, *Commissioner*  
Kathleen Hartnett White, *Commissioner*  
Margaret Hoffman, *Executive Director*



## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

*Protecting Texas by Reducing and Preventing Pollution*

July 31, 2003

Mr. Butch Battreall  
Green Tree Resorts, LLP  
11800 Sheridan Road  
Houston, TX 77050

Re: Scrap Tire Management Registration Issuance for:  
Green Tree Resorts, LLP, 11800 Sheridan Road, Houston, Harris County, Texas  
TCEQ Tire Registration ID Number 6200174

Dear Mr. Battreall:

The Texas Commission on Environmental Quality (TCEQ) has completed the review of your **Transporter Registration Application**. The application was determined to be complete and has been approved for registration. Your Registration Identification Number is **6200174**, which should be used on all correspondence and documentation related to this registration. This registration allows you to transport scrap tires in the State of Texas as specified in your application. This registration will not expire and will remain valid as long as you file an annual report and adhere to the rules for scrap tire management.

Please be aware that the manner in which used or scrap tires are stored should not create a hazard to the health and safety of the public or the environment. If the operating conditions of your site change, please contact the DFW Region Office for guidance on amending your registration. A copy of the rules for management of used or scrap tires has been included as an enclosure to this letter. By registering you have agreed to become familiar with and to comply with the rules governing scrap tire management. Failure to comply could result in revocation of your registration.

If you have questions regarding registration requirements, please feel free to contact Ms. Cynthia Hackathorn, Scrap Tire Management Registration Coordinator, at 817-588-5817.

Sincerely,

  
Samuel L. Barrett  
Waste Section Manager  
DFW Region Office

Enclosure

cc: Janet Cornelissens, Registration and Reporting Section, R&E Division, MC-129  
Marsha Hill, Waste Section Manager, Houston Region Office

REPLY TO: REGION 4 • 2301 GRAVEL DR. • FORT WORTH, TEXAS 76118-6951 • 817/588-5800 • FAX 817/588-5700

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Robert J. Huston, *Chairman*  
R. B. "Ralph" Marquez, *Commissioner*  
Kathleen Hartnett White, *Commissioner*  
Margaret Hoffman, *Executive Director*



## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

*Protecting Texas by Reducing and Preventing Pollution*  
October 20, 2003

Mr. Butch Battreall  
Green Tree Resorts, LLP  
11800 Sheridan Road  
Houston, TX 77050

Re: Land Reclamation Project Using Tires (LRPUT) Registration Notification for:  
Green Tree Resorts, LLP, 6710 S. Lake Houston Parkway, Houston, Harris County, Texas  
TCEQ LRPUT Registration ID Number 6200188

Dear Mr. Battreall:

The Texas Commission on Environmental Quality (TCEQ) has completed the review of your **Land Reclamation Project Using Tires (LRPUT) Registration Notification**. The notification was determined to be complete and has been approved for registration. Your registration identification number is **6200188**, which should be used on all correspondence and documentation related to this registration. This registration authorizes Green Tree Resorts, LLP, to fill, rehabilitate, improve and/or restore already excavated, deteriorated or disturbed land, which uses not more than 50% by volume of tire pieces along with inert fill materials, for the purpose of restoring the land to its approximate natural grade and to prepare to reclaim the land for re-use as specified in your application. Following completion of all fill activities for the LRPUT, Green Tree Resorts, LLP shall submit to the executive director a documented certification signed and sealed by a registered professional engineer verifying that the project has been completed in accordance with 30 TEXAS ADMINISTRATIVE CODE §328.66.

Please be aware that the manner in which used or scrap tires are stored should not create a hazard to the health and safety of the public or the environment. If the operating conditions of your site change, please contact the DFW Region Office for guidance on amending your registration. A copy of the rules for management of used or scrap tires has been included as an enclosure to this letter. By registering you have agreed to become familiar with and to comply with the rules governing scrap tire management. Failure to comply could result in revocation of your registration.

If you have questions regarding notification requirements, please contact Ms. Cynthia Hackathorn, Scrap Tire Management Registration Coordinator, at 817-588-5817.

Sincerely,

  
Samuel L. Barrett  
Waste Section Manager  
DFW Region Office

Enclosure

cc: Janet Cornelissens, Registration and Reporting Section, R&E Division, MC-129  
Marsha Hill, Waste Section Manager, Houston Region Office  
John Forehand, Tire Liaison, Field Operations Division, MC-174

REPLY TO: REGION 4 • 2309 GRAVEL DR. • FORT WORTH, TEXAS 76118-6951 • 817/588-5800 • FAX 817/588-5700

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## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

*Protecting Texas by Reducing and Preventing Pollution*

October 20, 2003

Mr. Butch Battreall  
Green Tree Resorts, LLP  
11800 Sheridan Road  
Houston, TX 77050

Re: Scrap Tire Management Registration Application for:  
Green Tree Resorts, LLP, 6710 S. Lake Houston Parkway, Houston, Harris County, Texas  
TCEQ LRPOT Registration ID Number 6200188  
TCEQ Processor Registration ID Number 6200189

Dear Mr. Battreall:

The Texas Commission on Environmental Quality (TCEQ) has completed the review of your **Scrap Tire Facility Registration Application**. The application was determined to be complete and has been approved for registration. Your Registration Identification Number is **6200189**, which should be used on all correspondence and documentation related to this registration. This registration allows you to **process** used or scrap tires as specified in your application. Additionally, the facility is authorized to store a 30 calendar day supply of **50,000 scrap tires** on-site in enclosed, lockable trailers until the tires are processed and used as fill material in the approved Land Reclamation Project. This registration is issued for an indefinite period and will remain valid as long as you file an annual report and adhere to the rules for scrap tire management.

Please be aware that the manner in which used or scrap tires are stored should not create a hazard to the health and safety of the public or the environment. If the operating conditions of your site change, please contact the DFW Region Office for guidance on amending your registration. A copy of the rules for management of used or scrap tires has been included as an enclosure to this letter. By registering you have agreed to become familiar with and to comply with the rules governing scrap tire management. Failure to comply could result in revocation of your registration.

If you have questions regarding registration requirements, please contact Ms. Cynthia Hackathorn, Scrap Tire Management Registration Coordinator, at 817-588-5817.

Sincerely,

  
Samuel L. Barrett  
Waste Section Manager  
DFW Region Office

Enclosure

cc: Janet Cornelissens, Registration and Reporting Section, R&E Division, MC-129  
Marsha Hill, Waste Section Manager, Houston Region Office  
John Forehand, Tire Liaison, Field Operations Division, MC-174

REPLY TO: REGION 4 • 2301 GRAVEL DR. • FORT WORTH, TEXAS 76118-6951 • 817/588-5800 • FAX 817/588-5700

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# INTEROFFICE MEMO

*Carole Keeton Strayhorn*

*Texas Comptroller of Public Accounts*

**Date:** November 16, 2006

**To:** John Forehand, TCEQ

**From:** Fred Nixon, Auditor, Dallas West Audit Office

**Via:** Mike Holmberg, Supervisor, Dallas West Audit Office

**Subject:** Audits of Scrap Tire Dealer

A sales tax audit is being performed on Affordable Scrap Tires. (Juan S Moreno and David A French)

TP# 3-20-1564256-7

July 1, 2004 through December 31, 2005.

The taxpayer failed to charge tax on their service and was missing certain sales tax documentation which precluded a quick resolution of the audit, but the answers to pertinent questions requested by the tire liaison are detailed below.

**1) Was the tire dealer registered with TCEQ as a scrap tire “Generator”? (Note: they are not required to be registered if they maintain fewer than 500 scrap tires on the site at any given time)**

Affordable Scrap Tire is a scrap tire **transporter**. They pick up scrap tires from various car dealers, tire dealers and other scrap tire generators.

The Tire transporter was registered during the audit period. The main company TCEQ # is 602780488. The regulated industry RN# is 104519699. Their scrap tire program number is 6200237.

**2) How many scrap tires were stored at the facility (on the grounds or in trailers) at the time of the audit?**

At the time of the audit there were 1100 scrap tires at the facility stored in trailers awaiting pick up.

**3) How many scrap tires were removed from the facility during the year?**

During 2005 there were 94,167 scrap tires removed from the facility.

**4) Did the collection facility manifest the removed scrap tires?**

Yes

**5) Were completed manifests (documenting “cradle-to-grave” handling of the scrap tires) maintained by the tire dealer?**

Yes

**6) Was the company used to remove the scrap tires registered with the TCEQ as a transporter? If so what was their registration number?**

The taxpayer transported the tires from the generator for storage. The tires were then transported by Able Tire to the receiver. Their TCEQ # is 26303.

**7) Where were the scrap tires transported for disposition? Provide the TCEQ authorization number for the disposition facility if available.**

The tires were transported to several locations:

Ashgrove	#76902	Midlothian, Texas
Nathaniel Energy	#6044115	Hutchins, Texas
Cemex	#6200152	New Braunfels, Texas

**From:** "Annette Drinkwater" <Annette.Drinkwater@cpa.state.tx.us>  
**To:** <JFOREHAN@tceq.state.tx.us>  
**Date:** 9/26/2006 9:43:42 AM  
**Subject:** Scrap Tire Dealer Information/Results

Below is the information requested about the scrap tire dealer that was looked at by auditor Tony Hill from the Dallas East Audit Office.

Obtained the following information on a Scrap Tire Dealer:

Name: Eva Enterprises, Inc. TP# 32002851072 (dba C & M Tires). The taxpayer has two locations. Information below is on each location. There is \$1.00 environmental/recycling fee charged per tire to the consumer and \$0.90 removal fee per tire paid to the transporter.

C & M Tire 4005 Broadway Blvd., Garland, Texas

1. Was the tire dealer registered with TCEQ as a scrap tire "Generator"? (note: they are not required to be registered if they maintain fewer than 500 scrap tires on the site at any given time) Yes. Generator #5068
2. How many scrap tires were stored (on the ground or in trailers) at the facility at the time of the audit? 200
3. How many scrap tires were removed from the facility during the year? 5,400
4. Did the collection facility manifest the removed scrap tires? Yes
5. Were completed manifests (documenting "cradle-to-grave" handling of the scrap tires) maintained by the tire dealer? Yes
6. Was the company used to remove the scrap tires registered with the TCEQ as a transporter? Yes If so what was their registration number? Able Tire Registration # 26303
7. Where were the scrap tires transported for disposition?. Ash Grove Texas LP 900 Gifco Road Midlothian, Texas Provide the TCEQ authorization number for the disposition facility if available. 76905

C & M Tire Muffler 1300 Martinez Lane Wylie, Texas

1. Was the tire dealer registered with TCEQ as a scrap tire "Generator"? (note: they are not required to be registered if they maintain fewer than 500 scrap tires on the site at any given time) Yes. Generator #5068
2. How many scrap tires were stored (on the ground or in trailers) at the facility at the time of the audit? 160
3. How many scrap tires were removed from the facility during the year? 5,000
4. Did the collection facility manifest the removed scrap tires? Yes

5. Were completed manifests (documenting "cradle-to-grave" handling of the scrap tires) maintained by the tire dealer? Yes

6. Was the company used to remove the scrap tires registered with the TCEQ as a transporter? Yes If so what was their registration number? Able Tire Registration # 26303

7. Where were the scrap tires transported for disposition?. Ash Grove Texas LP 900 Gifco Road Midlothian, Texas Provide the TCEQ authorization number for the disposition facility if available. 76905

Anthony Hill  
Auditor  
Texas Comptroller of Public Accounts  
Dallas East Audit Office  
972-644-4300 Telephone  
972-234-6376 Fax  
817-608-5076 Voice Pager

Annette Drinkwater  
Dallas East Audit  
972/644-4300

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**Date:** November 17, 2006

**To:** John Forehand, Tire Liaison, TCEQ

**From:** David J. Brown, Team Leader, Ft. Worth Audit Office

**Subject:** Information Request – Audit of Scrap Dealers

Mr. Forehand,

We were able to obtain information from 3 local scrap tire generators and I have compiled the information for you below. If you need additional information from us, don't hesitate to let me know.

1. Was the tire dealer registered with TCEQ as a scrap tire "Generator"?  
Wal-Mart #2978 – Unknown; AC Tire Company – Yes; Accent Tire – Yes
2. How many scrap tires were stored (on the ground or in trailers) at the facility at time of visit?  
Wal-Mart #2978 – 96 on 10-11-06; AC Tire Company – 50; Accent Tire – 90 to 125
3. How many scrap tires were removed from the facility during the year?  
Wal-Mart #2978 – 3078 for year to date 2006; AC Tire Company – 466; Accent Tire – 15,490
4. Did the collection facility manifest the removed scrap tires?  
Wal-Mart #2978 – Yes. Manifest document number 63623/6044095; AC Tire Company – Yes; Accent Tire – Yes
5. Were the completed manifests (documenting "cradle to grave" handling of the scrap tires) maintained by the dealer?  
Wal-Mart #2978 – Yes. Environment log (green binder) located TLE office; AC Tire Company – Yes; Accent Tire – Yes
6. Was the company used to remove the scrap tires registered with the TCEQ as a transporter? If so, what was their registration number?  
Wal-Mart #2978 – Permit # 6044095; AC Tire Company – Yes; Accent Tire – Yes – Reg # 26986
7. Where were the scrap tires transported for disposition? Provide the TCEQ authorization number for the disposition facility if available.  
Wal-Mart #2978 – Eagle Tires – Registration # 26607; AC Tire Company – Ash Grove Texas LP, 900 Gifco Road, Midlothian, TX 76065; Accent Tire – Ash Grove Texas, LP - #76905, from Jan. '06 to Mar. '06 used Tex. American Recycling Inc – Reg. # 6200097

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Wal-Mart #2978  
7451 McCart Avenue  
Fort Worth, TX 76133  
(817) 361-6032

AC Tire Company  
1008 Nashville Avenue  
Fort Worth, TX 76105  
(817) 531-2797

Accent Tire Company  
1216 E. Abram  
Arlington, TX 76010  
(817) 861-6700