

# **Exhibit 27**



# STATE OF IOWA

CHESTER J. CULVER, GOVERNOR  
PATTY JUDGE, LT. GOVERNOR

DEPARTMENT OF NATURAL RESOURCES  
RICHARD A. LEOPOLD, DIRECTOR

## CERTIFIED MAIL

April 28, 2008

Mr. Jeff Kramer, Operations Manager  
Titan Tire Corporation  
2345 East Market Street  
Des Moines, Iowa 50317

RE: NOTICE OF VIOLATION  
40 CFR 61.145(b) Notification Requirements  
40CFR 61.145(a) Thorough Inspection

Dear Mr. Kramer:

The Iowa Department of Natural Resources (DNR) conducted an Asbestos NESHAP investigation at 200 16<sup>th</sup> Street, Des Moines Iowa on April 16 and April 21, of 2008. The inspection revealed that, Titan Tire Corporation had demolished two buildings at the 16<sup>th</sup> Street location.

**Titan Tire Warehouses  
200 16<sup>th</sup> Street  
Des Moines, Iowa**

DNR determined that the notification requirements of the National Emission Standard for Hazardous Air Pollutants (NESHAP) had not been complied with. No inspection for asbestos-containing materials had been conducted and no notification to the DNR was issued.

The Iowa Department of Natural Resources (DNR) has been charged with the responsibility of maintaining a healthy environment in which the citizens of Iowa can live. Environmental pollutants that are harmful to the health and well-being of Iowa citizens are of concern to the DNR. Asbestos is a known to cause cancer and is considered a hazardous air pollutant.

DNR has been delegated the authority to administer and enforce the asbestos portions of the NESHAP regulations as created pursuant to section 112 and 114 of the Act, 42 U.S.C. Subsections 7412 and 7414 respectively. Failure to comply with the requirements as specified in 40 CFR Part 61 is a violation of the Clean Air Act (the Act), as amended 42 U.S.C. Section 7401

et seq. The DNR can assess and recover penalties for violations of the NESHAP from both the building owner and operator.

Any demolition or renovation project subject to the regulations specified in 40 CFR Part 61 must be conducted according to the methods specified therein, including applicability determination, notification procedures for asbestos emission controls, and waste disposal.

Each owner or operator of a demolition or renovation activity shall thoroughly inspect the affected facility or part of the facility where the demolition or renovation operation will occur for the presence of asbestos, including Category I and Category II nonfriable ACM prior to the commencement of the demolition or renovation [40CFR 61.145(a)]. The thorough inspection was not conducted prior to the start of demolition.

Each owner or operator of a demolition or renovation activity to which this section applies shall provide the Administrator with written notice of the intention to demolish or renovate [40CFR 61.145(b) (1)]. The required notice for a demolition operation was not provided.

Titan Tire Corporation is found to be in violation of the asbestos NESHAP for failing to thoroughly inspect and failing to notify prior to demolishing a regulated facility.

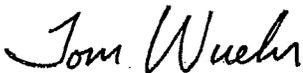
An analysis of two of the three samples, taken on April 21, 2008, were found to contain 15% Chrysotile asbestos.

This letter does not preclude the DNR from taking further action pursuant to their delegated authority under the Clean Air Act, as amended, 42 U.S.C. Section 7401 et seq

Questions concerning this letter should be directed to Tom Wuehr at (515) 281-7212.

Sincerely,

**Environmental Protection Division**



Tom Wuehr

Environmental Specialist/Compliance Section  
Iowa DNR - Air Quality Bureau

CC: Brian Hutchins, Supervisor  
Kelli Book, Legal Services Bureau  
Larry Hacker, EPA Region VII  
John Haan, Department of Workforce Development  
Brian Mills, Safety and Environmental Coordinator  
Titan Tire Corporation  
2345 East Market Street  
Des Moines, IA 50317

# DICO, INC.

May 22, 2008

Tom Wuehr  
Environmental Specialist  
Compliance Section  
Air Quality Bureau  
Iowa DNR  
7900 Hickman Rd., Suite 1  
Urbandale, IA 50322

RE: N.O.V. / DICO Asbestos / DNR letter 4/28/08

Dear Mr. Wuehr:

First of all, Titan Tire is not associated with Dico operation and are two separate legal entities. Letters should be addressed to Dico Inc. therefore your letter to Titan should be withdrawn. The address for Dico is: *Dico, Inc. 200 SW 16th Street, Des Moines, IA 50305*

NESHAP regulations you refer to apply to all demolitions and renovation activities involving the presence of defined quantities by length or volume of friable asbestos-containing material greater than or equal to 160 square feet, 260 linear feet, or 35 cubic feet.

In your letter you state:

Titan Tire Corporation is found to be in violation of the asbestos NESHAP for failing to thoroughly inspect and failing to notify prior to demolishing a regulated facility.

An analysis of two of the three samples, taken on April 21, 2008, were found to contain 15% Chrysotile asbestos.

Dico wants to state for the record that it has neither a record of your sampling during April, of 2008, nor your having any sample in your possession that regulatory agencies usually disclose to allow the Company to have a split sample. We have contacted our consultants that were at the site while you were there and the following are their accounts:

- 1) Mr. Brian Mills of Fehr Graham who is contracted as the Environmental Coordinator at the Titan Des Moines facility received a call from you on April 16, 2008:

D1234

"I received a call from Tom Wuehr of the Iowa DNR Air Quality Bureau. He told me that a Notification of Demolition and Renovation form should have been completed and submitted before any of the buildings at Dico were removed. Tom said that a contractor should have been used to confirm or deny that asbestos was present in these buildings"

On April 21, 2008, Mr. Mills contacted us regarding a call from the writer of the IDNR letter stating "I had a voicemail on my phone from Tom Wuehr of the Iowa DNR Air Quality. Tom left the voicemail at 11:09a.m. Tom stated that he was at Dico with other personnel from the EPA.

"Met the following persons at Dico at approximately 11:45 a.m.":

Mary Peterson, USEPA Region 7 Superfund Division,  
Todd Campbell, USEPA Region 7 Superfund Division,  
John Frey, USEPA Region 7 Superfund Division,  
Tom Wuehr, Iowa DNR Air Quality Bureau, and  
Sue Casteel, ATSDR

Mr. Mills stated for the record that at NO TIME did Mr. Wuehr sample any location at the pads of the removed buildings. In fact, there were no samples collected by any of the individuals. It is customary for inspected facilities to ask for a split sample is such sampling is done.

- 2) Mr. Louis Barrentine, P.E., our consultant from EME Environmental of Nashville, TN was at the site only days before the alleged sampling event, he stated that to the best of his knowledge there was nothing to sample from at the pads for the demolished buildings. He further stated that to the best of his knowledge there was no asbestos issue at the demolished buildings on record except for the existing and remaining building that houses the boiler.
- 3) The attached photographs Exhibits 1-5 were taken by Ms. Peterson of USEPA Region 7 at the same alleged time of your alleged "sampling" and site visit. They are representative of the three demolished buildings, please observe these photographs carefully.

DICO is puzzled at your claim of a sample from the demolished buildings and is providing proof of no such activity taking place even using the USEPA official documents taken at exactly the same time of your "sampling".

- 4) Gazi George, Ph.D., CHMM, of George Technical Services, Rochester, Michigan, a consultant with Dico who was present at the same time as Mr. Barrentine of EME Consultants, stated for the record that he was not aware of any asbestos issues at the three buildings and only referenced the remaining boiler.

- 5) Dico supports the above statements by further listing the following facts;
- a) The above buildings were extensively remediated in 1994 and received a letter from Ms. Peterson of EPA Region 7 in 1997 according to the EPA Removal Plan. We reference (b);
  - b) On October 19, 1993, a final report was issued by USEPA for "in house analysis" for samples received from the Dico site on May 20, 1993, even prior to any remediation efforts, signed by Mark Thomas, Project A42, extensive building samples in the demolished areas did not show ANY asbestos contrary to your claim and false allegations.
  - c) On February 5, 1997, Ms. Peterson of USEPA Region 7 sent an EPA notice of completion of the removal work plan in accordance with paragraph 22.1 of the Administrative Order. In that report Ms. Peterson stated that "The report documents the completion of the activities necessary to bring this removal action to conclusion, with the exception of ongoing maintenance activities." Please refer to your own records to get the facts straight.
- 6) I refer to your EPA adopted regulations that you quote in your N.O.V. letter;

*(a) Applicability. To determine which requirements of paragraphs (a), (b), and (c) of this section apply to the owner or operator of a demolition or renovation activity and prior to the commencement of the demolition or renovation, thoroughly inspect the affected facility or part of the facility where the demolition or renovation operation will occur for the presence of asbestos, including Category I and Category II non-friable ACM. The requirements of paragraph (b) and (c) of this section apply to each owner or operator of a demolition or renovation activity, including the removal of RACM as follows:*

Mr. Wuehr, your regulations clearly stated that if there is NO asbestos in those buildings, then an N.O.V. is not justified. It is a fabrication to include and over among other things, your alleged sampling and the presence of asbestos. It is clear where the sample was taken, from the boiler which is housed in an existing building, that is if any sample was actually taken. This is a clear attempt to crucify Dico, again fourteen years later. As if the 250 jobs that were lost in the mid 1990's were not sufficient to make certain regulators happy. This is clearly an abuse of power and authority that we the tax payers have vested in you and your organization.

Unless you provide from your records, applicable and specific testing and results within the removed buildings from pre-1994 and after the clean closure that USEPA acknowledged on February 5, 1997, your allegations are neither verified nor do they pertain to Dico.

Under the Freedom of Information Act, Dico is requesting the following documents from IDNR:

1. detailed sampling locations and the demolished buildings plus the exact location within the building pads, the alleged asbestos was detected,
2. the chain of custody for the sampling and testing events showing all of the above,
3. a detailed sample description and material sampled,
4. split sample for our records and possible further testing,
5. results of the tests on laboratory letterhead,
6. the notification to Dico of a sampling event as the site is secured and formal protocols issued by State and Federal agencies require notification of sampling even by regulators,
7. witnesses that were present during sampling and preparation of sample and chain of custody,
8. a copy of Mr. Tom Wuehr 40 hour and asbestos training certificate in compliance with 40 CFR/ 29CFR 1910 and/or AHERA-certified asbestos inspector training certificates valid at the time of inspection, and
9. any data provided by USEPA and IDNR resulting from the relevant buildings testing at or prior to 1994 that shows the presence of asbestos in the demolished buildings. As Dico recalls, the buildings were subjected to extensive testing by USEPA own laboratory and asbestos was never mentioned as a contaminant or even a potential contaminant.

Therefore, we are asking Iowa DNR to retract these allegations and that it is time to stop harassing an Iowa company that was destroyed by EPA and IDNR merely for the sake of flexing muscle and political gains. We hereby also notify the IDNR that all future communications are directed to Dico and not Titan Tire.



Cheri T. Holley  
General Counsel

cc: Mr. Maurice Taylor  
Gazi George ✓  
Stan Reigel, Esq.