



March 7, 2011

Mr. Mike Boudloche  
Chapter 7 Bankruptcy Court Trustee  
555 North Carancahua, Ste. 600  
Corpus Christi TX 78478

Re: Addendum to the Demolition Work Plan  
Former ASARCO-Encycle Demolition Project

Mr Boudloche,

Per your e-mail correspondence received on March 25, 2011, Specialized Industrial Services (SIS) is submitting this Addendum to provide supplemental information to the existing Demolition Work Plan developed for the former ASARCO-Encycle facility. Supplemental information addressed herein includes the following:

- A Texas PE-certified design of the opening to be utilized in the base of the smokestack to allow equipment access for debris removal;
- A detailed demolition schedule, including a sequencing of events for each major building to be demolished, sequencing of friable asbestos removal, hazardous debris removal, and demolition of buildings with structural issues, and;
- Additional written detail regarding the amount of engineering design and engineering support during demolition.

Visual observation and structural integrity assessment of the smoke stack was conducted on April 1, 2011, by Gary Jaster, P.E. of Jaster-Quintanilla and Associates, Inc. to determine if there are areas of structural concern that could affect planned asbestos abatement and demolition of the stack. No structural issues associated with the stack were noted in the report which is presented in Attachment 1.

A detailed demolition schedule with the estimated sequence of events and phasing of project activities is included in Attachment 2. It is important to note that while the phasing of waste removal and demolition should remain consistent with this document, the sequencing of work activities is subject to change based on field observations, weather, and other unknown issues that may arise that are not



within the direct control of the project team. Updates to the schedule may be provided as the project progresses based on modifications to execution strategy and resultant change in demolition sequence.

With regard to engineering design and engineering support during demolition activities, the project team has several senior demolition managers with 25 years or more of experience and as such are competent individuals at conducting demolition surveys and structure assessment. However, should conditions warrant, the project team has retained the services of a structural engineering firm which can provide advanced engineering assessment as needed.

The information provided above is believed to be sufficient to address the areas of the Demolition Work Plan which were requested to be supplemented. Should additional questions arise please contact SIS directly.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ed Ramirez', is positioned below the word 'Sincerely,'.

Ed Ramirez

Enclosures: As Noted

Attachment 1

Attachment 2