

SR

Bryan W. Shaw, Ph.D., *Chairman*
Buddy Garcia, *Commissioner*
Carlos Rubinstein, *Commissioner*
Mark R. Vickery, P.G., *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

January 10, 2011

Mr. Mike Boudloche
Encycle Texas Chapter 7 Trustee
555 N. Carancahua #600
Corpus Christi, Texas 78478

Re: Protection of Human Health and the Environment During Remediation and Demolition Activities at the Encycle Site

Mr. Boudloche:

As you know, the remediation of the Encycle Site and demolition of the buildings thereon are a matter of great importance to the Texas Commission on Environmental Quality (TCEQ) as well as the surrounding community. Community members have expressed concerns regarding activities at the Encycle Site, especially the potential fugitive air emissions from demolition activities. The TCEQ is committed to protecting human health and the environment throughout the entire demolition and remediation of the Encycle Site. Due to the dilapidated condition of the buildings and the potential hazards they pose, they must be removed in a controlled manner before they collapse on their own or are compromised by weather conditions such as a tropical storm or a hurricane. The demolition and remediation must be conducted in a manner protective of human health and the environment.

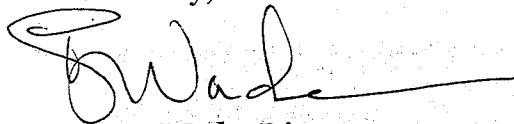
To date, the TCEQ and the trustee have experienced effective communication and cooperation. We anticipate this will continue during the demolition and remediation activities. The TCEQ plans to be a proactive partner by exercising the full authority granted by the Bankruptcy Court through the Settlement Agreement. Therefore, the TCEQ will review, comment on, and approve all contract documents in consultation with the Environmental Protection Agency (EPA). These documents include scopes of work, plans, invoices, and other contract documents, in accordance with the Settlement Agreement, Section III, Paragraph 3, pg. 5; Section III, paragraph 4, pg. 5; Section IV, paragraph 7, pg. 6; and Section V, paragraph 11, pg. 8. The TCEQ looks forward to working with the contractor to determine an appropriate scope of work, as set out in the Settlement Agreement, Section V, paragraph 11, pg. 8.

Mr. Mike Boudloche
Page 2
January 10, 2011

Please keep in mind all site cleanup work must be pre-approved by the TCEQ after consultation with the EPA, and approval shall not be unreasonably denied, as stated in the Settlement Agreement, Section V, paragraph 11, pg. 8. The TCEQ plans to maintain a strong presence at the Encycle Site during demolition and remediation activities.

If you have any questions please contact William J. Shafford, P.E. of my staff at (512) 239-6651.

Sincerely,



Brent Wade, Director
Remediation Division
Texas Commission on Environmental Quality

BW/WJS/jdm

cc: Mike Schmidt, Attorney
Dan Long – TCEQ Legal Division
Charmaine Backens – TCEQ Legal Division
Susan Clewis – TCEQ Region 14, Corpus Christi
Noel Bennett, U.S. EPA Region 6 Office – Dallas
Jane Atwood, Office of the Attorney General