

Q&A Related to Exide Plant Closure and Proposed Remediation Procedures

Question: *Why is it better for the citizens of Frisco to keep contaminated material at the current site vs. moving to a qualified waste dump?*

Answer: The city's consultant, who identified and provided projected costs for the two alternatives 1) capping in place (for approximately \$20 million) or 2) excavating and transporting to a permitted industrial waste landfill (for an estimated \$135 million or more), has stated the better solution is to place the contaminated material within slurry walls (constructed from ground level down to a impervious surface, rock, which, when combined with a cap, encapsulates the material), caps, and then provide long-term monitoring. City staff has requested a more detailed response as to why he considers this to be the better option. Our consultants have also advised the type of lead and cadmium contaminated material found at the Exide site does not readily move with the groundwater and, if properly contained, is no threat to human health or the environment.

Question: *How can we be assured that placing the waste in a container near the current Exide facility won't cause problems in years to come?*

Answer: Monitoring wells will be checked regularly for any contamination outside the landfill. If contamination is detected, measures will be taken to correct any problem which may be causing contamination.

Question: *What safe guards would be put in place if contaminated material is not moved?*

Answer: Slurry walls will be installed to surround the secured areas to prevent groundwater movement into and out of those areas. In addition, the landfill will be capped. As stated wells will be checked on a regular basis to make sure no movement of contaminated material is occurring outside of the landfill.

Question: *What about the potential of economic development?*

Answer: The Exide plant operated in Frisco from 1964 until 2012. During Exide's operations, it expanded the plant and its operations, resulting in an increase in lead emissions and other constituents or contaminants. Despite Exide's presence and the potential negative effects of its operations, land values increased in and around the plant, significant high-end development occurred, and schools and other public buildings were constructed resulting in an increase in tax collections and generally a higher quality of life in Frisco. To date, all of this occurred without any verifiable negative impact on our citizens. Demolition of the plant assures no new lead and other emissions will be air-borne. Plant demolition also ensures no increase in hazardous and other waste stored at the site. As a result, development should not be affected by the former plant or proper remediation of the site.

Question: *If the material is moved, what safe guards would there be to prevent damage to health and safety? For example, what if the truck was involved in an accident?*

Answer: There is no way to protect against all potential accidents. This is one reason it is believed that leaving the contaminated material in place is the safer course of action.

Question: *Are there any health and safety issues in relationship to the high school located near Exide? Have there been soil sample tests done at the high school?*

Answer: The EPA did extensive soil testing on public owned property in the area, including Frisco High School, and did not find any test results for lead which caused any alarm.

Closing Summary

At this time, city staff believes installing slurry walls around the landfill to prevent groundwater movement, capping the landfill to prevent water penetration and any dust borne particles, along with long-term monitoring make up the better solution. While an estimate has been made for excavating and hauling the contaminated material away, the final amount would not be known for certain until all of the material was exhumed, tested, transported, and placed in a permitted industrial waste landfill. Moving this volume of contaminated material will itself entail public health and safety issues. In addition, more potential liability would be incurred if the contaminated material is moved since the city would have significant additional long term financial responsibility at the new site if a problem developed and the owner of the site was not financially able to remedy the problem.

Exide is in bankruptcy and the Delaware bankruptcy judge may not support imposing a \$135M+ liability on Exide when current statutes and regulations may not require much of the contaminated material to be moved off-site. City staff believes a better option may be to ask that the funds the Frisco entities escrowed for the purchase of the Exide buffer property be applied to a reasonable solution even if that solution is not ordered by the responsible regulatory agencies (TCEQ and EPA). While it is not certain the bankruptcy judge will order additional money be withdrawn from the escrow amount to pay for properly containing the contaminated material on site, city staff believes there is a much better chance of the bankruptcy judge ordering some of the escrowed funds authorized to be spent on a \$25M solution as compared to a \$135M + option,

For the long term, the city believes a portion of the statewide battery recycling fee charged on every lead-acid battery sold in Texas should go towards some of the environmental issues caused by the recycling of lead-acid batteries, such as those facing Frisco. If legislation is passed to this effect, then it is possible funds may become available over time to assist the city in long-term monitoring and maintenance of the Exide site.