



MEMORANDUM

TO: City of Fort Smith Mayor and Board of Directors

FROM: Jeff Noel, Vice President, Whirlpool Corporation

DATE: April 7, 2014

RE: Study Session Presentation Preview

Mayor Sanders and Fort Smith Board of Directors:

Whirlpool Corporation appreciates the City's ongoing interest in our work in Fort Smith and the opportunity to attend the upcoming Fort Smith City Directors Study Session on Tuesday, April 8. We have prepared a brief presentation to provide an update on the progress we have made over the last several months in our ongoing efforts to address the TCE in the groundwater under and near the former Whirlpool manufacturing facility.

Joining me at the Study Session will be Mike Ellis, a Professional Engineer from ENVIRON, the environmental consulting firm responsible for implementing the Final Remedial Action Decision Document (RADD) to ensure the TCE plume is under control, attacked, and carefully monitored on behalf of Whirlpool. Mike is the site lead for the remediation operation and will be available at the meeting to answer any technical questions you may have.

Summary

Whirlpool has made significant progress since our meeting last October. We have been able to do this thanks to your support and engagement, as well as the ongoing oversight from the Arkansas Department of Environmental Quality (ADEQ). With your input, Whirlpool has made progress on several fronts:

- **Remediation** – Whirlpool has pushed ahead quickly with the start of the implementation of the remediation process approved under the Final RADD.
- **Validation** – Whirlpool is continuing to monitor the plume to further confirm there is no health risk to residents – including from soil vapors.
- **Resolution** – Whirlpool has made progress toward a fair resolution with affected residents.
- **Redevelopment** – Whirlpool continues to work diligently to find a purchaser for the site.

Remediation

Over the last few months, Whirlpool has made several major accomplishments in remediation activities both on and off the Whirlpool site.

As you know, Whirlpool's work on the necessary pre-design activities began last September. With ADEQ's concurrence and oversight, this early start enabled us to be well positioned to push ahead with the remediation by providing a strong foundation for the development and implementation of a successful, adaptive remedy to meet the requirements of the Final RADD. The Final RADD, which was released by ADEQ last December, lays out the details of the remediation approach Whirlpool will follow to attack and remove the TCE from the groundwater.



In January 2014, Whirlpool submitted a draft Work Plan, which we updated and re-submitted in February following feedback from ADEQ. ADEQ's feedback reflected the guidance from you – the City Directors and the Fort Smith community – that the implementation of the final remedy should start as quickly as possible. To address this demand, and consistent with Whirlpool's commitment to expedite the remediation process, the updated Work Plan employs an adaptive remedy to accelerate the start of the chemical oxidation injection phase of the remediation while maintaining the science-based, step-by-step process needed for the successful implementation of in-situ chemical oxidation (ISCO) remediation.

Following the updated plan, we began installing the injection system arrays, testing the system with a non-toxic "tracer material" to confirm the system delivery, distribution safety, and performance before introducing the selected oxidizer, and then began initial chemical oxidation injections. As we move forward in this process, we are continuing to monitor the effectiveness of the initial oxidant injection and will use data from the extensive field work to validate remediation steps for the additional rounds of treatment. The next series of injections, a substantial expansion of the injections that have taken place, are scheduled to begin in May 2014. Whirlpool also anticipates additional injection phases over the summer and fall of 2014, each following data collection and analysis of the success of prior injections.

All of these steps are essential to demonstrate progress toward the remediation goals within 24 months of the release of the Final RADD. Whirlpool will continue to keep the residents and elected officials in Fort Smith informed of important developments, and continue to make additional background information, including all site testing data and reports submitted to ADEQ, publically available on WhirlpoolFortSmith.com.

Validation

Whirlpool continues to closely monitor the TCE plume to validate ADEQ's conclusion that there is no health risk to Fort Smith residents. The boundaries of the plume remain stable and there is no indication of new risks of exposure.

In order to provide additional confirmation, Whirlpool continues to conduct soil vapor monitoring. We have also been working to install additional soil vapor monitoring points. As you know, we discovered that our proposal to install a soil vapor monitoring point in the city right-of-way along Jacobs Avenue was not possible because of substantial utility lines, including a major drinking water distribution main. We are working to install soil vapor points in the neighborhood north of the Whirlpool property, but have made less progress than we had hoped in our efforts to work with the Attorneys representing property owners to gain access for installation of additional soil vapor monitoring points.

Resolution

Whirlpool is actively engaged in ongoing conversations with the local residents' legal counsel in an effort to find a fair and equitable resolution for all parties. These ongoing discussions have been fruitful and all parties take them seriously. It goes without saying that the process of reaching such a resolution takes time, especially when the goal is to find what is fair and appropriate for both sides.

Whirlpool has made some great progress on this front over the past three months and we anticipate continued progress moving forward to resolve the issue in the coming months.

Redevelopment

Whirlpool is confident in the redevelopment opportunities the 152 acre plant site affords the residents of Fort Smith. While we will not know exactly what will happen until a sale is finalized, we anticipate that the use of the property may be mixed – green space, industrial, commercial, and retail – to maximize the full use of the site. We have spoken with multiple interested parties and hope to finalize a plan in the near future. The prospective buyers have all expressed the benefits they see in the quality of the local



workforce and the opportunities that exist doing business in a community with such a strong reputation as Fort Smith. We will keep the community updated on the progress of these efforts.

Additionally, to help facilitate the economic development of the area, Whirlpool has committed to donating an easement along Jenny Lind to widen the road. It is our understanding that the signed agreement on this donation will be completed in the near future.

Conclusion

Whirlpool appreciates the opportunity to provide the City Directors with an update and answer your questions. We remain committed to keeping you and the residents informed as our remediation efforts continue and are very thankful for the input we have received from you, as well as the oversight from ADEQ in moving this process forward.

Whirlpool is 100% committed to staying in the Fort Smith area until this issue is resolved. We have posted a significant amount of information about our findings and proposals to date on WhirlpoolFortSmith.com – including all of the documents submitted to ADEQ and thousands of pages of background documents. We will continue to update our website with new documents as they become available.