



Thursday, January 15, 2015

Robin Gifford
Enforcement and Inspection Branch
Hazardous Waste Division, ADEQ
5301 Northshore Drive
North Little Rock, Arkansas 72118-5317

Whirlpool Fort Smith 2014 Annual Progress Report

Dear Ms. Gifford:

Whirlpool Corporation is pleased to provide the 2014 Annual Progress Report to the Arkansas Department of Environmental Quality (ADEQ), the residents of Fort Smith, and the Directors and staff of the City of Fort Smith. This Annual Progress Report summarizes the 2014 activities related to the remediation of trichloroethylene (TCE) in the groundwater beneath and to the north of the former Whirlpool property in Fort Smith. This report, as well as all other site data and reports submitted to ADEQ this year, is available on www.whirlpoolfortsmith.com.

In summary, during the first twelve months of the two-year process described in the 2013 RADD, Whirlpool has kept its commitments to the Fort Smith community by:

- 1) Completing a significant number of required and supplemental remediation activities that have made a real impact on the contamination using a proven, science-driven process under the oversight and guidance of ADEQ;
- 2) Closely monitoring the TCE to ensure there remains no health risk to residents, track the progress of the remediation work, and determine appropriate next steps;
- 3) Keeping the community fully informed through our website and regular presentations to City Directors;
- 4) Making significant progress in the redevelopment of the Whirlpool property; and
- 5) Working diligently with residents and their attorneys to set forth a path towards achieving a fair resolution with affected property owners.



As shown above, Whirlpool's work in Fort Smith during 2014 was extensive. The activities included completing groundwater oxidation injections, proposing and executing supplemental hot-spot soil treatment and removal activities and enhancing ongoing monitoring efforts. Under the Adaptive Remedy Approach, new data has been constantly gathered, validated, analyzed and incorporated into our activities to increase the effectiveness of the remediation efforts.

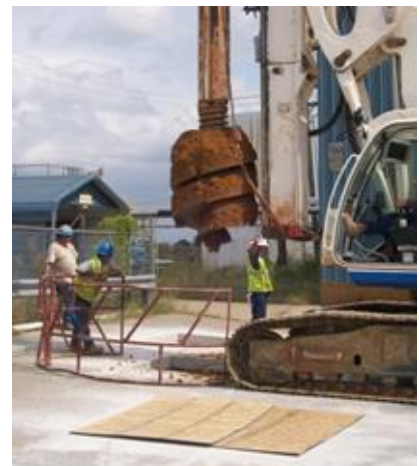
Importantly, the data collected and submitted to ADEQ during 2014 shows that despite some expected fluctuations in the groundwater plume boundary, the plume remains under control and does not present health risks to residents or workers. Residents may continue to use and enjoy their properties and their neighborhood as they have in the past.

In 2015, Whirlpool will continue to keep its commitments by moving forward in a proven, deliberate manner to implement the plans and actions necessary to meet the requirements of the 2013 RADD.

I. Summary of 2014 Activities

1. Whirlpool completed the following remedial activities required by the RADD:
 - a. Submitted work plans to ADEQ;
 - b. Conducted bench scale tests of in-situ chemical oxidation (ISCO) in a laboratory;
 - c. Administered three phases of ISCO injections in Area 1 (on-site/Whirlpool property), Area 2 and Area 3, designed to provide chemical treatment to degrade TCE in groundwater;
 - d. Performed quarterly groundwater monitoring for treatment effectiveness and to determine progress of ongoing natural attenuation of TCE;
 - e. Recorded institutional controls for the Area 1 portion of the Whirlpool property; and
 - f. Continued fulfillment of the community participation requirements of the RADD.

2. In addition to the requirements of the RADD, Whirlpool completed the following supplemental activities in 2014:
 - a. Voluntary supplemental investigation beneath the manufacturing building;
 - b. Voluntary supplemental ISCO treatments in the "neck area" of the plume;
 - c. Additional delineation of Area 1;
 - d. Voluntary supplemental targeted hot-spot soil removal in Area 1 through large-diameter borings and related soil removal. After soil removal, the large diameter borings were backfilled with limestone gravel and a clean soil cover to promote natural attenuation;
 - e. Additional delineation activities in the northeast

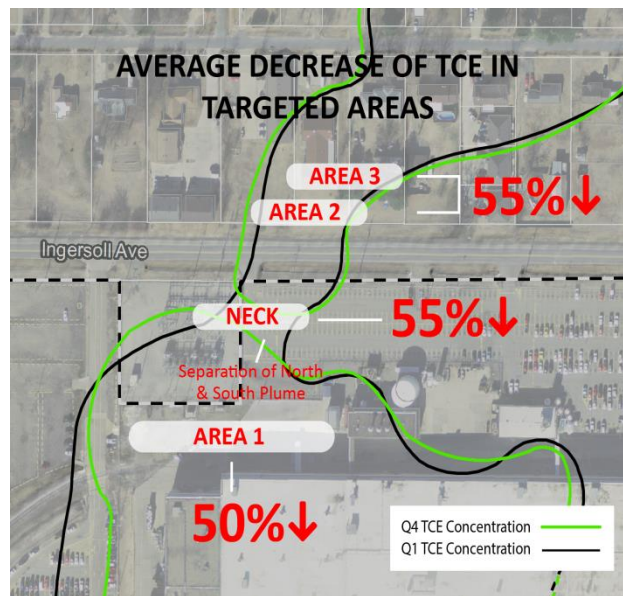


- corner of the facility, including the Boys and Girls Club;
- f. Surface water and sediment sampling;
- g. Voluntary supplemental investigation of the entire site boundary; and
- h. Sale of the warehouse distribution facility to Spartan Logistics in 2014.

II. Impacts, Results and Conclusions of 2014 Activities

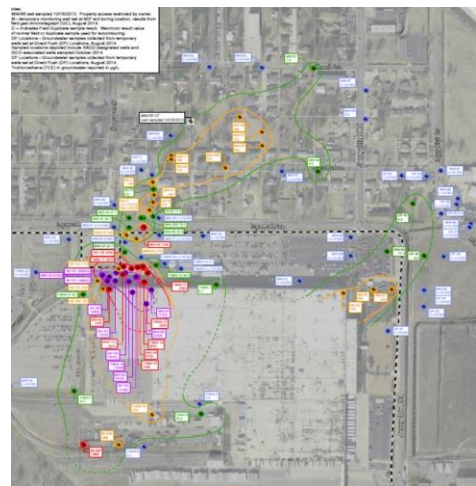
1. Implementation of the Adaptive Remedy activities completed in targeted areas in 2014 resulted in the following:

- a. An approximate 55% reduction in TCE concentrations in the “neck area,” located on the Whirlpool property in the parking area north of the northwest corner of the facility;
- b. An approximate 55% decrease in TCE concentrations in Areas 2 and 3 north of Ingersoll Avenue; and
- c. An approximate 50% decrease in TCE concentrations in Area 1 in (based on the 30-day ISCO monitoring event performed in early December).



2. Extensive data collected in 2014 indicated the following:

- a. No change in the prior determination that there is no health risk to area residents;
- b. Decreasing or stable TCE concentrations in 83% of the monitoring wells both on- and off-site;
- c. A separation of the plume in the neck area, signaling that TCE in Area 1 is not contributing to contamination beneath the neighborhood to the north;
- d. A small expansion of the plume boundary in the area of MW-61.
- e. There is no health risk to employees, visitors or workers at the Boys and Girls Club from the impacted groundwater near the northeast corner of the Whirlpool site, which only extends beneath a small corner of the undeveloped piece of the Boys and Girls club property that will be separated from the rest of the Club by the Ingersoll Avenue



- Expansion project;
- f. No health risk from vapor intrusion based on updated modeling and soil vapor measurements;
- g. No evidence of TCE in the groundwater beyond the south or west boundaries of the Whirlpool property;
- h. Monitored Natural Attenuation (MNA) is occurring via biological mechanisms in both on-site and off-site groundwater; and
- i. Incidental historical releases of TCE from degreasing operations in and around the degreaser building off the northwest corner of the former manufacturing facility were the likely primary source of TCE found in soils in Area 1 and an associated linear drainage feature.

III. Property Redevelopment

In 2014, Whirlpool made significant progress toward the site’s redevelopment.



The warehouse was sold to Spartan Logistics in September. Spartan is already generating new economic activity in the area and has indicated an intention to invest further in this property.

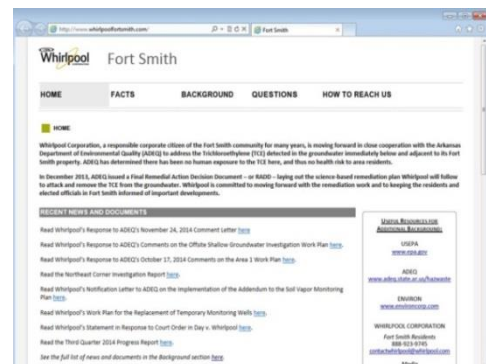
Whirlpool remains in discussions with multiple interested buyers for the remainder of the property. In light of the many attractive attributes of the property, including size, location and amenities of the 100-acre parcel, we remain confident in completing a transaction that will result in long-term and productive development of the parcel.

Additionally, land donations on Jenny Lind Road and Ingersoll Road were completed by Whirlpool to facilitate the ongoing road expansion projects that will help drive development in the neighborhood.

IV. Community Engagement

Whirlpool undertook a series of activities to keep residents of Fort Smith informed of important developments in 2014.

Whirlpool continues to regularly update the website www.whirlpoolfortsmith.com to provide the Fort Smith



community, elected officials and members of the press with information on important developments and extensive background materials, including all reports and data submitted to ADEQ related to this project.



Representatives from Whirlpool and ENVIRON participated in public meetings conducted by the City of Fort Smith on April 8, July 8, and October 14, where they provided updates on recent activities, outlined upcoming plans, and answered questions from elected officials. Members of the Whirlpool team also met individually with several community residents and maintained a 1-888-923-9745 hotline to answer questions from the community.

With the goal of reaching fair resolutions based on unique individual circumstances, Whirlpool continues to communicate directly with residents and with legal representatives of property owners who reside over the plume. Lawsuits have been filed on behalf of many residents and Whirlpool remains committed to respecting the legal process. Whirlpool remains hopeful that a fair and equitable resolution can be achieved by all parties.

V. Looking Forward: 2015

Whirlpool will continue to meet its commitments to the Fort Smith community in 2015 on all fronts.

Remediation activities will continue to move forward, driven by the Adaptive Remedy Approach that has been so successful to date. Activities in 2015 related to the 2013 RADD are anticipated to include:

1. Installation of the soil cover during the third quarter of 2015;
2. Installation of additional soil vapor monitoring points in the first quarter of 2015;
3. Completion of Quarterly Progress Reporting for the first, second, third and fourth quarters of 2015;
4. Continued monitoring of the effectiveness of ISCO and MNA for reduction of TCE concentrations in groundwater; and
5. Preparation and submittal of the Remedy Effectiveness Report to ADEQ on or before December 31, 2015.

Whirlpool is currently reviewing the proposed Revised RADD made public by ADEQ in December 2014 and intends to file public comments on the proposal. Whirlpool is committed to working constructively with ADEQ and the public to assess the extent, if any, to which further remedial actions are necessary or appropriate at the Whirlpool site. Whirlpool will continue to conduct extensive monitoring, share that data with ADEQ and the public, and incorporate that information into future planning as part of the Adaptive Remedy process.



Whirlpool will continue to move forward with efforts to reach a resolution with affected residents that is fair to all parties.

Finally, Whirlpool will continue efforts to achieve long-term redevelopment of the property to benefit the entire Fort Smith community.

VI. Conclusion

Through the hard work of ADEQ, the City of Fort Smith, and area residents, we have made remarkable progress since the 2013 RADD was signed just over one year ago, and are beginning to see the results of the ongoing work by all parties.

Whirlpool Corporation appreciates the leadership of ADEQ in providing the appropriate regulatory oversight to protect the environment and health and safety of the residents of Fort Smith, Arkansas. We also thank elected officials and staff of the City of Fort Smith who have continued to be a strong and clear voice on behalf of residents of the community.

The regulatory and political process is working when options, plans, and results are openly shared and sometimes differing perspectives are appropriately discussed. We look forward to continuing to work with everyone who has an interest in the successful resolution of this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Noel". The signature is stylized and written in a cursive-like font.

Jeff Noel
Vice President, Whirlpool Corporation