



October 9, 2007

Mr. Donald E. Jakeway  
President and CEO  
Brooks Development Authority  
1 B.D.A. Crossing, Suite 100  
San Antonio, TX 78235

Dear Mr. Jakeway:

On October 25, 2002, the Texas Commission on Environmental Quality (TCEQ) and United States Environmental Protection Agency (EPA) Region 6 jointly issued a technical determination that Brooks City-Base (formerly Brooks Air Force Base, Texas) was "Ready for Reuse." This "Ready for Reuse Determination" was an acknowledgment that environmental conditions on the property were protective of human health and the environment based on its current and anticipated future use as a technology and business park.

The purpose of this letter is to confirm that the 48-acre parcel, located on Brooks City-Base, which is being negotiated for purchase by the Baptist Health System, is also "Ready for Reuse" as a hospital/medical office campus development.

The parcel in question includes a 27.5-acre vacant tract, which is located along the recently constructed Research Plaza roadway and will be the first phase of the hospital and medical office development. The remaining acreage is currently improved with five office buildings and three storage warehouse buildings and will be developed as future phases of the medical campus development. (A map indicating the location of these areas is enclosed.) The later phases of proposed medical office building development will likely require the demolition of these structures.

In the July 22, 2002, deed officially conveying Brooks Air Force Base to the Brooks Development Authority (BDA), the "Grantee" (i.e., BDA) covenants and agrees that its continued possession, use and management of buildings or structures on the property will comply with all applicable laws and regulations relating to asbestos. Accordingly, the demolition of these facilities must be performed in accordance with applicable laws and

regulations, including the Texas Department of State Health Services Texas Asbestos Health Protection Rules. In addition, BDA must ensure that all wastes, including lead-based paint debris generated during the demolition activities are properly characterized and disposed of in accordance with 30 Texas Administrative Code (TAC) Chapter 330, Municipal Solid Waste, and Chapter 335, Industrial Solid Waste and Municipal Hazardous Waste. This "Ready for Reuse Determination" is conditioned on compliance with these laws and regulations.

The proposed hospital/medical office campus encompasses a site identified by the Air Force as Data Gap 64 (DG-64). This area housed an armory and a 19 square-foot refuse incinerator facility. The contaminant of concern at DG-64 was benzo(a)pyrene, which was remediated by excavating approximately 30 cubic yards of soil at a depth of six inches. The excavated material was disposed of off-site. The site was remediated to Texas Risk Reduction Program Remedy Standard A for residential use, which does not require any institutional controls or post-closure care.

With this "Ready for Reuse Determination," TCEQ and EPA Region 6 agree that the environmental conditions on the proposed sites are protective of human health and the environment based on their current use and anticipated future use as a hospital/medical office campus development. This evaluation is based on a review of the documentation previously provided to TCEQ and EPA by the U.S. Air Force.

If conditions at the sites change, including environmental conditions, land use, site receptors, and remedy performance, it will be necessary to revisit this evaluation of suitability for reuse to ensure its continuing protectiveness. The undersigned expressly reserve all rights and authorities to require future action by owners or operators if new or additional information comes to light that impacts this "Ready for Reuse Determination," whether such information is known as of this date, or is discovered in the future.

Good luck in your continued revitalization efforts at Brooks City-Base!

Sincerely yours,



Alan R. Batcheller, P.G.  
Director  
Remediation Division  
Texas Commission on  
Environmental Quality

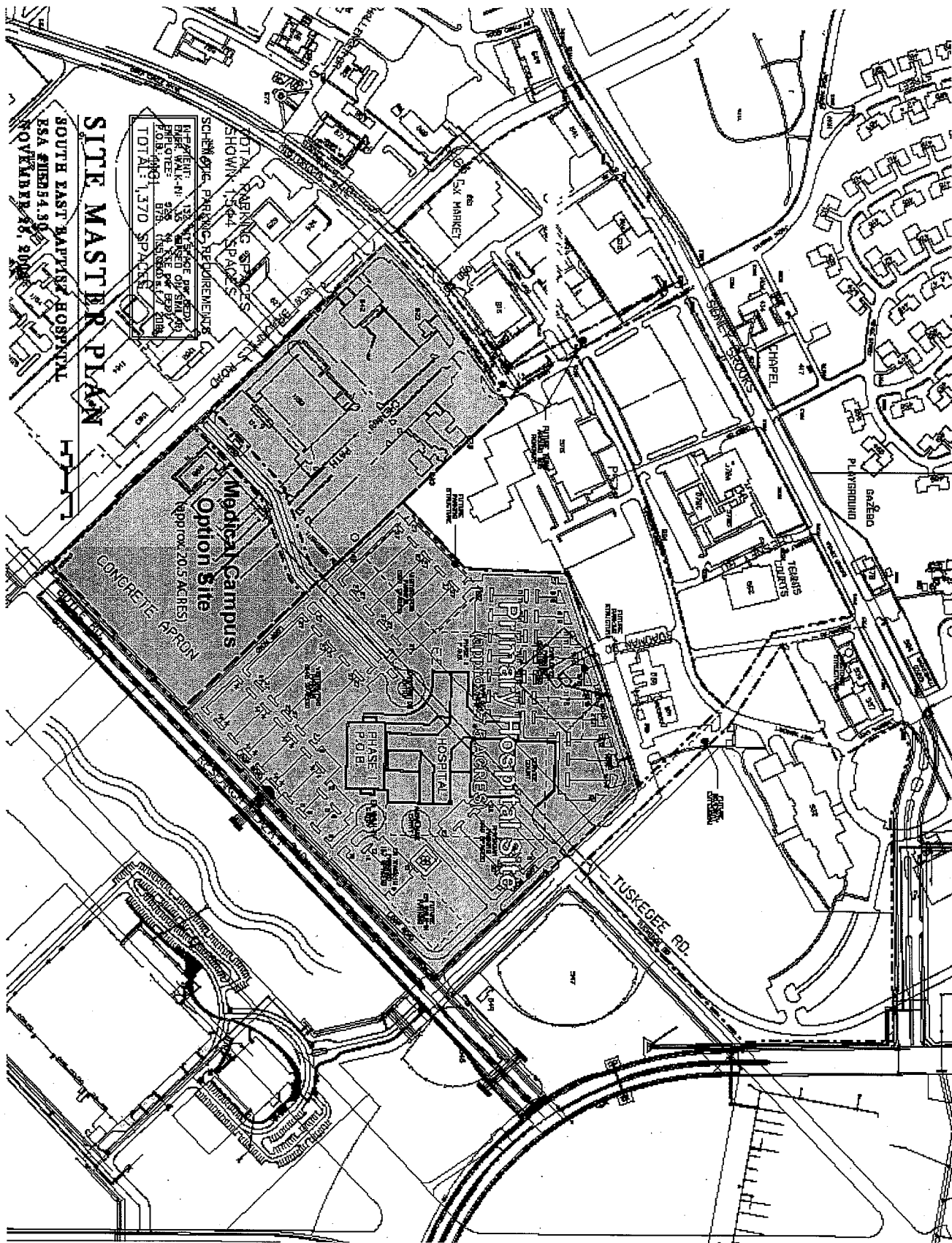


Troy C. Hill, P.E.  
Associate Director for RCRA  
Multimedia Planning and  
Permitting Division  
EPA Region 6

Enclosure

cc: Mr. Trip Pilgrim  
CEO, Baptist Health System

# Enclosure



**SITE MASTER PLAN**  
SOUTH EAST BAPTIST HOSPITAL  
RSA #HSD54.30  
NOVEMBER 18, 1966