

Exhibit 3

EXHIBIT 3

Summary of the Facts Associated with the Generation of Hazardous Waste by Penske and Zenith.

On October 9, 1997, a highway accident involving a truck owned by Penske Truck Leasing Co., L.P. and operated by Penske Logistics, Inc. ("Penske") resulted in the generation of a waste comprised of over 1000 damaged or broken cathode ray tubes ("CRTs"). (Exhibit 2) These CRTs were owned by Zenith Electronics Corporation ("Zenith"). The CRTs were being transported between Zenith's manufacturing plants pursuant to a contract between Zenith and Penske Logistics. This contract included an agreement that Penske would indemnify Zenith. To perform the contract, Penske leased the truck from Penske Truck Leasing, which also provided logistical and accident handling services to Penske Logistics.

Because of the nature of the broken and discarded CRTs, and its substantial lead content, the resulting waste (the "CRT Waste") was and remains a toxic characteristic hazardous waste, a "D008" waste. At the accident scene, however, the Penske Logistics driver initially misrepresented the CRT waste as a non-hazardous waste. Penske did not inform accident response personnel that the broken CRTs needed to be managed as hazardous waste until more than 6 truck loads of the CRT waste had been sent to TDSL's facility.

Yet, before the accident in October 1997, other loads of Zenith CRTs had been broken or damaged while being transported, and Zenith has arranged to dispose of the waste from those accidents as D008 hazardous waste in authorized hazardous waste landfills. Moreover, the transportation agreement between Zenith Electronics and Penske Logistics, entered into months before the accident, recognized the hazardous nature of the CRTs if they were broken or discarded. The agreement placed the burden on Penske to assure proper disposal.

Nevertheless, instead of taking the CRT Waste to a facility authorized to accept hazardous wastes, Penske initially designated the CRT Waste as non-hazardous waste and allowed the CRT Waste to be taken to the municipal solid waste landfill operated in Travis County by TDSL. Upon later notification by Penske that the CRT Waste was in actuality a hazardous waste, TDSL refused to accept additional loads of CRT Waste and isolated the hazardous CRT waste that had been commingled in the working face with municipal solid wastes and soils.

When Penske and Zenith corrected the original erroneous classification of the CRT Waste, it classified the waste as D008 hazardous waste. Penske and Zenith took that action after some of the CRT Waste was delivered to TDSL's facilities and placed in its landfill. The remainder of the CRT Waste was then apparently managed by Penske and Zenith properly as a hazardous waste and shipped to a facility authorized to accept hazardous waste.

The CRT Waste that was accepted by TDSL prior to proper classification of the waste is currently at TDSL's facilities in a mixture; i.e. the hazardous CRT waste, mixed with municipal solid waste and clay cover soil. It is still awaiting proper removal and management by Penske and/or Zenith. In the meantime, TDSL was authorized by TCEQ to containerize this mixture and leave at the TDSL facility.

TDSL has repeatedly requested that TCEQ require Penske or Zenith to remove the CRT waste and properly manage it as a hazardous waste. TCEQ has refused to do so in a way that complies with federal law for the management of hazardous waste. For example, Penske requested and

TCEQ approved the use of a manifest for the waste that would have allowed Penske to claim that it was not the generator of the hazardous waste.

TCEQ's most recent actions can be summarized as follows:

On May 13, 2004, the Executive Director of TCEQ issued an enforcement letter notifying Penske that Penske had violated Texas law by failing to determine that the waste it generated and sent to TDSL's facility was a hazardous waste. (Exhibit 6)

Thus, TCEQ had found that Penske was the generator of the hazardous (D008) waste. The attached October 12, 2005 letter, however, indicates that TCEQ does not intend to pursue enforcement of this violation.

On June 18, 2004, the Executive Director of TCEQ issued a letter to Penske authorizing disposal of the hazardous D008 waste along with the municipal waste with which it had been commingled as non-hazardous waste. (Exhibit 7)

On June 30, 2004, the Executive Director of TCEQ issued a follow-up letter regarding methods for disposal of the commingled waste. (Exhibit 8)

On September 16, 2004, the Commissioners of TCEQ reversed the actions of the Executive Director, granting TDSL's Motion to Overturn the decision and appearing to interpret state law consistent with federal law. (Exhibit 9)

On September 24, 2004, the Executive Director of TCEQ issued a new letter that provided several options to Penske for management of the hazardous waste that remains at TDSL's facilities. One option would allow the commingled waste to be managed as a hazardous "until such time as it is conclusively determined that no D008 waste at the level that is characteristically hazardous remains." (Exhibit 4) Based on further documents, it is clear that the Executive Director actually intended to return to his original position so that Penske and Zenith could manage the commingled waste, i.e. the mixture of the original CRT waste, the municipal solid waste and soil, as a non-hazardous waste if samples from the mixture were analyzed and the mixture did not test as a hazardous waste. No separation of the CRT waste in the mixture would first be required.

On December 1, 2004, the Commission took no action on TDSL's Motion to Overturn the improper alternative in the September 24, 2004 decision of the Executive Director and, thus, allowed that decision of the Executive Director to remain in effect.

On October 12, 2005, the Executive Director issued a letter that made it clear that TCEQ would not pursue its May 13, 2004 enforcement action. (Exhibit 5) In essence, the Executive Director of TCEQ has taken the official position that Penske does not have to comply with the clear language of state and federal rules for the proper treatment or disposal of the mixture of the CRT hazardous waste with the soils and municipal solid waste from TDSL's landfill.