

## CONTRACT FOR PURCHASE AND SALE OF REAL PROPERTY

**OWNER OF PROPERTY:** CITY OF MEMPHIS, herein after referred to "Seller"

**OFFER SUBMITTED BY:** Colossus/xAI or its assigns, located at 2685 Plant Road, Memphis, Tennessee, herein after referred to as "Purchaser".

1. **PRICE OFFERED:** Eight Hundred Twenty Thousand Dollars (\$820,000.00) (the "Purchase Price")

TERMS: All Cash at closing.

**EARNEST MONEY:** Eighty-Two Thousand Dollars (\$82,000.00)

(Certified or Cashier's check or Cash) to be applied on Sales price at closing.

2. **SALE AND PURCHASE:** Purchaser agrees to purchase and accept all of the terms and conditions of this Contract for the Purchase Price (as defined above). Seller agrees to convey and assign to Purchaser the following: a portion of the real property located in the County of Shelby, City of Memphis, State of Tennessee, known as 2685 Plant Road, Parcel Nos 050101 00054 located on the South Side of the T.E. Maxon Water Treatment Facility and described in Exhibit A as the survey shows.

3. **SETTLEMENT:** To be made within Ninety (90) days after offer is accepted and approved by City Council Resolution and signed by the Memphis City Mayor. Failure of Purchaser to perform within time specified shall cause agreement to be voidable at Seller's option without notice and any Earnest Money, cash payment or expense will be forfeited, at Seller's option. Forfeiture of earnest money deposit does not constitute Seller's exclusive remedy and Seller does not waive its option to sue for any damages or losses it may incur resulting from Purchaser's failure to perform within the specified time mentioned herein. Purchaser has the right to perform any and all necessary inspections on the Property, including but not limited to a Environmental Study, and the right to obtain any and all necessary governmental or neighborhood approvals for Purchaser to use Property as its intended purpose, all at Purchaser's expense, for a period of Ninety (90) days after offer is accepted and approved by City Council Resolution and signed by the Mayor (Due Diligence Period). Purchaser may notify Seller in writing at any time prior to the expiration of the Due Diligence Period that the Property is not acceptable, and Seller will refund Earnest Money to Purchaser within ten (10) days of such written notice.

4. **REVERSION CLAUSE:**

Purchaser, and/or any Permitted Affiliate of Purchaser, shall begin, substantial construction to improve the Property in one or multiple phases within one (1) year following the closing. Seller. At a minimum, commencement of substantial construction shall mean that the Purchaser has been issued relevant permits for the construction and operation of the facility and, in good faith, has commenced reasonable construction, as solely defined by the Seller, of the alterations and improvements pursuant to the approved plans and specifications for its intended use. In the event such work has not begun within one (1) year, Seller shall have the

right, exercisable within sixty (60) days following the expiration of the (1) year period, to give the notice of Seller's intent to purchase the Property back from Purchaser, or its assigns, for One Dollar (\$1.00). The closing related thereto shall occur not later than sixty (60) days after the Purchaser's receipt of Seller's notice of election to repurchase. The Purchaser shall not take any action, or fail to undertake any action, that would directly or indirectly prohibit, or otherwise impede, Seller's ability to exercise this right to repurchase.

If, for any reason whatsoever, the Purchaser abandons or, in bad faith, unreasonably delays the project and/or property improvements during the construction phase or after the operation of the facility has begun, the ownership of the property, and all capital improvements, however situated, shall immediately revert and vest in the Seller. Furthermore, any object or surrounding objects that would be considered a fixture under TN UCC 47-2A-309 shall remain a part of the property and not be removed. Prior to the partial or total abandonment of the property and/or its improvements, Purchaser must deactivate and preserve all related equipment and the facility for possible reuse or resale.

5. **TITLE:** To be conveyed by special warranty deed and subject to any rights of persons in possession, condition, restrictions, encroachments, and further subject to any existing easements granted to any public utility or otherwise, reserving any existing easements recorded or unrecorded in favor of the City of Memphis and/or County of Shelby or any quasi-public entity or authority for any existing public utilities, or facilities, including but not limited to storm and sanitary sewer systems, electric, gas, water or communications lines. Seller shall not be required to execute any document concerning condition or marketability of title including but not limited to "Sellers Affidavit as to Title" and Purchaser specifically understands and agrees to accept property in its present condition of marketability without any warranties, guarantees or promises of marketability or insurability of title and without recourse against the Seller, its employees, agents or representatives.
6. **TAXES:** Property to be delivered free of all prior taxes. However, the Purchaser will be responsible for all property taxes levied after the date of settlement of the property transfer.
7. **ABSTRACT TITLE:** To be ordered by Purchaser.
8. **POSSESSION:** Upon Closing.
9. **ACCEPTANCE:** It is understood and agreed that this Contract is subject to approval and acceptance by the proper City of Memphis officials as evidenced by their signatures below and approved City Council Resolution, and in accordance with the City Ordinance: Per the City's Ordinance Number 2-16-1(G) relative to the Sale of City Owned Property for Fair Market Value.

This property Is Not Is subject to a bidding process per City of Memphis Ordinance\_\_\_\_\_. Initial here

10. **CLOSING EXPENSES:** Purchaser and Seller shall pay their respective closing costs. Seller will provide a special warranty deed using the Seller's form.
11. **REAL ESTATE COMMISSION:** The parties hereto acknowledge that each party is responsible for their respective real estate commission resulting from this contract if applicable.
12. **TITLE GUARANTY POLICY:** Purchaser may elect to acquire a title guaranty policy, at its own expense. If the Purchaser is unable to acquire a title guaranty from any of the local title companies prior to closing, said Purchaser may elect to withdraw its offer by notifying the Seller in writing, and the Earnest Money deposit shall be refunded. The Seller in no way agrees to warrant title or marketability of same. The Seller shall not be liable for expenses incurred by the Purchaser in its attempt to insure title.
13. **WARRANTIES:** Seller makes no warranties and does not accept any liability arising out of the environmental condition of the property or any compliance with applicable laws and regulations regarding environmental issues.
- Seller also makes no representations or warranties about the condition of the improvements on the Property and Purchaser agrees to accept same in an "as is" condition.
14. **SUITABILITY OF USE:** Seller makes no warranties or representations as to the use and/or suitability of the property for the Buyer's purposes. Buyer agrees to comply with all laws, zoning and regulations applicable when developing the property. It is hereby agreed and understood between the parties, that if the Purchaser seeks a change of zoning or use on the Property described herein, notice will be given to the Land Use Control Board and the Memphis City Council. In the event that the City of Memphis does not grant approval of the plan submitted by the Purchaser in a similar form, then the contract will be null and void and earnest money returned.
15. **LANDMARKS APPROVAL OF PLANS:** Purchaser's obligations to complete Closing are specifically contingent upon Purchaser's receipt of all governmental approval, including OPD and the Landmarks Commission for development.
16. **PROHIBITED USES:** Purchaser agrees not to use the Property for purposes of erecting an outdoor advertising sign or billboard and further Purchaser understands that the deed conveying the Property will restrict all future owners from using the Property to erect an outdoor advertising sign or billboard.
17. **COST TO ENFORCE CONTRACT:** Should any party to this contract bring an action against any other party to this Contract to enforce the terms hereof, then the prevailing party in such action shall be entitled to recover from the other party all costs incurred by the prevailing party in bringing the action, including attorney's fees.

18. **ENTIRE AGREEMENT:** This Contract contains the entire agreement of the parties relating to the subject matter hereof and cannot be changed except by their written consent.

19. **NOTICES:** All notices shall be in writing and delivered to the notice address set forth below by one of the following methods: (1) by a prepaid overnight delivery service; or (2) by U.S. postal service, postage prepaid, certified or registered mail, return receipt requested. In the case of delivery by prepaid overnight delivery service or U.S. postal service, postage prepaid certified or registered mail, return receipt requested, such notice shall be deemed received on the day of delivery or on the third business day after postmark for U.S. postal service.

TO SELLER: City of Memphis Real Estate Manager  
City Hall, 125 North Main, Room 568  
Memphis, Tennessee 38103  
(901) 576-6332

With copy to: Chief Legal Officer/City Attorney  
City Hall, 125 North Main, Room 336  
Memphis, Tennessee 38103

TO PURCHASER: Tiffany Wilson-Vargas  
CTC Property LLC  
PO Box 491727  
Los Angeles, CA 90049

With copy to: Rob Keele, xAI Counsel  
450 Page Mill Road  
Palo Alto, CA 94304

20. **GOVERNING LAW:** The validity, meaning and effect of this Contract shall be determined in accordance with the laws of the State of Tennessee applicable to contracts made and to be performed in Tennessee. All actions, whether sounding in contract or in tort, relating to the validity, construction, interpretation and enforcement of this Contract shall be instituted and litigated in the courts of the State of Tennessee, located in Shelby County, Tennessee, without regards to conflicts of laws principles. In accordance herewith, the parties to this Contract submit to the jurisdiction of the courts of the State of Tennessee located in Shelby County, Tennessee.

21. **COUNTERPARTS:** This Contract may be executed in two (2) or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

22. **PARTIAL INVALIDITY:** If any provision or provisions, or any portion of any provision or provisions, of the Contract is found by a court of law to be in violation of any applicable local, state or federal ordinance, statute, law, administrative or judicial decision, or public policy, and if such court should declare such portion, provision or provisions of the Contract

to be illegal, invalid, void, or unlawful as written, then it is the intent of Seller and Purchaser that any such portion, provision or provisions shall be given force to the fullest possible extent that they are legal, valid, and enforceable, that the remainder of this Contract shall be construed as if such illegal, invalid, unlawful or void portion, provision , or provisions were not contained herein, and that the rights, obligations, and interests of Seller and Purchaser under the remainder of the Contract shall continue in full force and effect.

23. **BINDING EFFECT:** This Contract and all provisions surviving the Closing shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, personal representatives, administrators, successors, and assignees.
24. **CAPTIONS:** The captions of this Contract are inserted for convenience of reference only and in no way describe or limit the scope of this Contract or any of the provisions hereof.
25. **TIME OF THE ESSENCE:** Time is of the essence of this Contract.
26. **EXECUTED:** By Seller and Purchaser in multiple originals on the date(s) shown below their respective signatures. The date upon which this Contract is fully executed by the last party signatory hereto is the "Effective Date."

IN WITNESS THEREOF, the parties have signed this CONTRACT FOR SALE AND PURCHASE OF REAL PROPERTY, effective as of the Effective Date, by their duly authorized representatives.

**SELLER**

**CITY OF MEMPHIS**

\_\_\_\_\_

Mayor Paul A. Young

Approved:

\_\_\_\_\_

Chief Legal Officer/City Attorney

**ATTEST:**

\_\_\_\_\_

City Comptroller

\_\_\_\_\_

Director of Public Works

\_\_\_\_\_

City Engineer

\_\_\_\_\_

Director of General Services

\_\_\_\_\_

Real Estate Manager

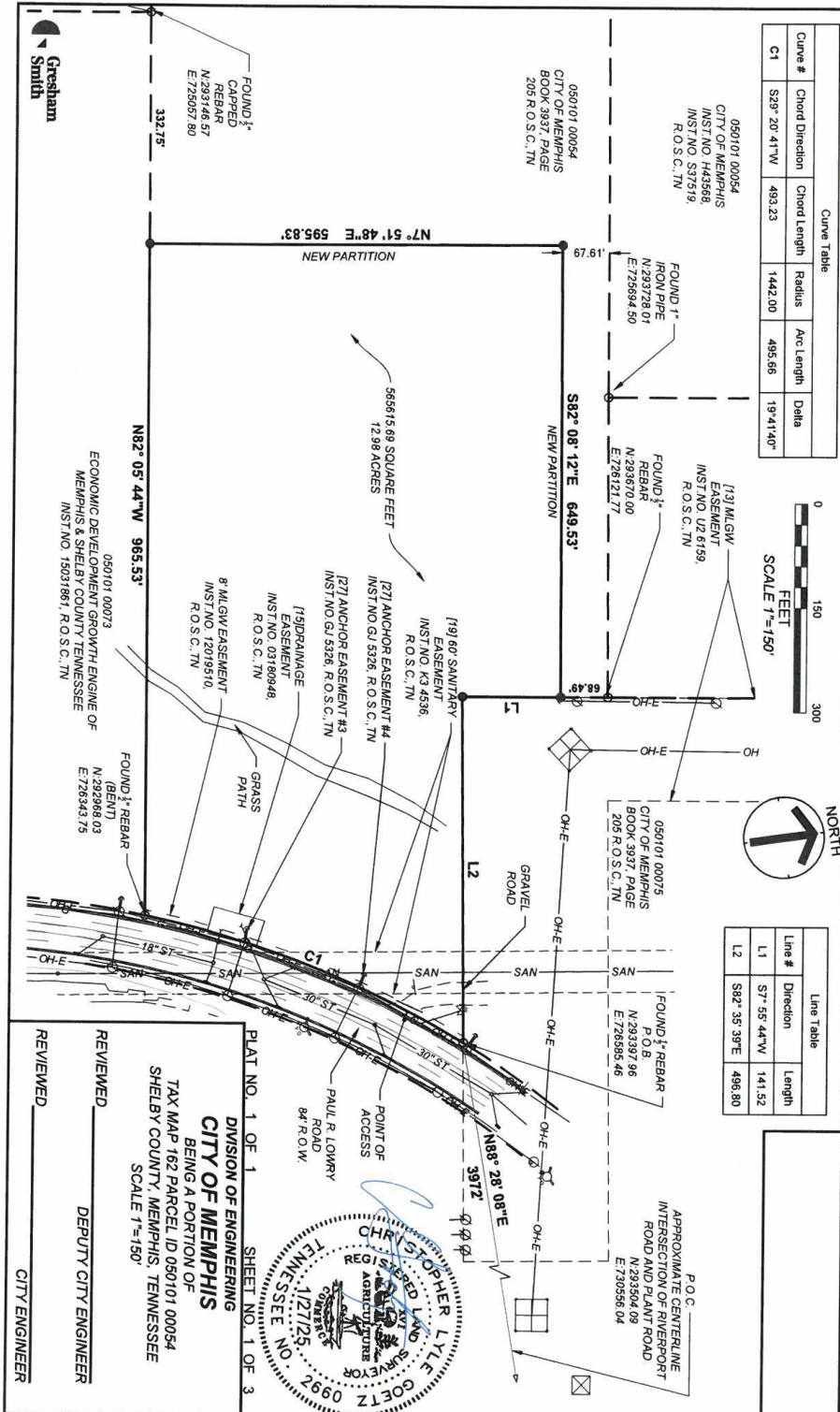
**PURCHASER**

**Colossus/xAI**

\_\_\_\_\_

Title\_\_\_\_\_

# EXHIBIT A



PLAT NO. 1 OF 1  
 DIVISION OF ENGINEERING  
**CITY OF MEMPHIS**  
 BEING A PORTION OF  
 TAX MAP 162 PARCEL ID 090101 00054  
 SHELBY COUNTY, MEMPHIS, TENNESSEE  
 SCALE 1" = 150'

SHEET NO. 1 OF 3

REVIEWED \_\_\_\_\_ DEPUTY CITY ENGINEER  
 REVIEWED \_\_\_\_\_ CITY ENGINEER



PROPERTY OWNER: CITY OF MEMPHIS  
PARCEL ID: \_\_\_\_\_  
INSTRUMENT NUMBER: \_\_\_\_\_



**PURCHASE AREA DESCRIPTION**

LAND SITUATED IN THE 6<sup>TH</sup> COUNCIL DISTRICT OF THE CITY OF MEMPHIS, SHELBY COUNTY, TENNESSEE, BEING A PORTION OF THE LAND PREVIOUSLY CONVEYED TO THE CITY OF MEMPHIS, OF RECORD IN BOOK 3937, PAGE 205, IN THE REGISTER'S OFFICE FOR SHELBY COUNTY, TENNESSEE (R.O.S.C.,TN), SAID LAND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE CENTERLINE INTERSECTION OF PLANT ROAD AND RIVERPORT ROAD, SAID POINT HAVING A GROUND SCALED TENNESSEE STATE PLANE COORDINATE VALUE OF N:293504.09, E:730556.04, THENCE SOUTH 88 DEGREES 28 MINUTES 08 SECONDS WEST A DISTANCE OF 3972 FEET TO A 1/2" IRON REBAR FOUND ALONG THE WESTERLY MARGIN OF PAUL R. LOWRY ROAD, SAID REBAR HAVING A GROUND SCALED TENNESSEE STATE PLANE COORDINATE VALUE OF N:293397.96, E:726585.46 AND BEING THE POINT OF BEGINNING OF THE HEREIN DESCRIBED LAND;

THENCE WITH SAID MARGIN AND ALONG A CURVE TURNING TO THE LEFT, WITH A RADIUS OF 1442.00 FEET, A CHORD BEARING OF SOUTH 29 DEGREES 20 MINUTES 41 SECONDS WEST, A CHORD DISTANCE OF 493.23 FEET, FOR AN ARC DISTANCE OF 495.66 FEET TO AN UNCAPPED AND BENT 1/2" REBAR FOUND ALONG SAID MARGIN;

THENCE LEAVING SAID MARGIN AND WITH THE LINE OF THE ECONOMIC DEVELOPMENT GROWTH ENGINE OF MEMPHIS AND SHELBY COUNTY TENNESSEE, OF RECORD IN INSTRUMENT NUMBER 15031861, R.O.S.C., TN, NORTH 82 DEGREES 05 MINUTES 44 SECONDS WEST, A DISTANCE OF 985.53 FEET TO A 1/2" CAPPED IRON REBAR SET WITH A GRESHAM SMITH CAP;

THENCE LEAVING SAID LINE AND ALONG A NEW PARTITION FOR THE REMAINING CALLS, NORTH 07 DEGREES 51 MINUTES 48 SECONDS EAST, A DISTANCE OF 585.83 FEET TO A 1/2" CAPPED IRON REBAR SET WITH A GRESHAM SMITH CAP;

THENCE SOUTH 82 DEGREES 08 MINUTES 12 SECONDS EAST, A DISTANCE OF 649.53 FEET TO A 1/2" CAPPED IRON REBAR SET WITH A GRESHAM SMITH ALONG AN EASEMENT LINE CALLED FOR INSTRUMENT NUMBER U28159, R.O.S.C.,TN;

THENCE ALONG SAID EASEMENT LINE, SOUTH 07 DEGREES 55 MINUTES 44 SECONDS WEST, A DISTANCE OF 141.52 FEET TO A 1/2" CAPPED IRON REBAR SET WITH A GRESHAM SMITH CAP;

THENCE CONTINUING WITH SAID EASEMENT, SOUTH 82 DEGREES 35 MINUTES 39 SECONDS EAST, A DISTANCE OF 496.80 FEET TO THE POINT OF BEGINNING OF THE HEREIN DESCRIBED LAND, CONTAINING 565,615.69 SQUARE FEET OR 12.98 ACRES OF LAND.

THIS DESCRIPTION WAS PREPARED BY CHRISTOPHER LYLE GOETZ, TENNESSEE REGISTERED LAND SURVEYOR NUMBER 2850 ON JANUARY 24, 2025 UNDER GRESHAM SMITH PROJECT NUMBER 49272.00.

PLAT NO. 1



THIS PLAT HAS BEEN SIGNED,  
SEALED AND DATED DIGITALLY.

Gresham  
Smith

**DIVISION OF ENGINEERING**  
**CITY OF MEMPHIS**  
BEING A PORTION OF  
TAX MAP 162 PARCEL ID 050101 00054  
SHELBY COUNTY  
MEMPHIS, TENNESSEE  
FIELD SURVEY BY: GS DATE: 9/30/24-10/03/24  
DRAWN BY: GG DATE: 1/27/25



PROPERTY OWNER: CITY OF MEMPHIS  
PARCEL ID: \_\_\_\_\_  
INSTRUMENT NUMBER: \_\_\_\_\_

**DESCRIPTION PER TITLE COMMITMENT**

BEING A PORTION OF THE SAME PROPERTY CONVEYED TO CITY OF MEMPHIS, A MUNICIPAL CORPORATION IN THE COUNTY OF SHELBY, STATE OF TENNESSEE AND COUNTY OF SHELBY, ONE OF THE COUNTIES OF THE STATE OF TENNESSEE BY WARRANTY DEED FROM JOSEPH C. GALLINA AND WIFE, FRANCES FACELLI GALLINA AND JOHN GALLINA AND WIFE, AGATHA MENA GALLINA OF RECORD IN BOOK 3837, PAGE 205, REGISTER'S OFFICE FOR SHELBY COUNTY, TENNESSEE, DATED DECEMBER 27, 1957 AND RECORDED ON DECEMBER 27, 1957.

BEING A PORTION OF THE SAME PROPERTY CONVEYED TO CITY OF MEMPHIS, A MUNICIPAL CORPORATION BY QUITCLAIM DEED FROM THE MEMPHIS AND SHELBY COUNTY PORT COMMISSION, AN ORGANIZATION CREATED BY CHAPTERS 500 AND 529 OF THE PRIVATE ACTS OF TENNESSEE OF 1947, AS AMENDED, THE CITY OF MEMPHIS, A MUNICIPAL CORPORATION AND THE COUNTY OF SHELBY, ONE OF THE COUNTIES OF THE STATE OF TENNESSEE OF RECORD IN INSTRUMENT NO. 03180949.

BEING A PORTION OF THE SAME PROPERTY CONVEYED TO CITY OF MEMPHIS, A MUNICIPAL CORPORATION BY SPECIAL WARRANTY DEED FROM CITY OF MEMPHIS, A MUNICIPAL CORPORATION, SHELBY COUNTY, TENNESSEE, ONE OF THE COUNTIES OF THE STATE OF TENNESSEE, AND MEMPHIS AND SHELBY COUNTY PORT COMMISSION, AN ORGANIZATION CREATED BY CHAPTERS 500 AND 529 OF THE PRIVATE ACTS OF TENNESSEE FOR 1947, AS AMENDED OF RECORD IN INSTRUMENT NUMBER S3 7519, REGISTER'S OFFICE FOR SHELBY COUNTY, TENNESSEE, DATED APRIL 01, 1981 AND RECORDED ON APRIL 02, 1981.

BEING A PORTION OF THE SAME PROPERTY CONVEYED TO CITY OF MEMPHIS, A MUNICIPAL CORPORATION BY SPECIAL WARRANTY DEED FROM SHELBY COUNTY TENNESSEE OF RECORD IN INSTRUMENT NUMBER H4 3568, REGISTER'S OFFICE FOR SHELBY COUNTY, TENNESSEE, DATED MARCH 02, 1972 AND RECORDED ON DECEMBER 04, 1972.

I HEREBY CERTIFY THAT THIS IS A CATEGORY I SURVEY, WITH A RELATIVE POSITIONAL ACCURACY OF LESS THAN 0.07' BETWEEN BOUNDARY CORNERS, AND WAS DONE IN COMPLIANCE WITH CURRENT TENNESSEE MINIMUM STANDARDS OF PRACTICE.



CHRISTOPHER LYLE GOETZ, TN RLS 2860  
SURVEY MANAGER  
GRESHAM SMITH

THIS PLAT HAS BEEN SIGNED,  
SEALED, AND DATED DIGITALLY.

**DIVISION OF ENGINEERING**  
**CITY OF MEMPHIS**  
BEING A PORTION OF  
TAX MAP 162 PARCEL ID 050101 00054  
SHELBY COUNTY  
MEMPHIS, TENNESSEE  
FIELD SURVEY BY: GS. DATE: 9/30/24-10/03/24  
DRAWN BY: CG DATE: 1/27/25



# Municipal Wastewater Reuse Projects Using Membrane Technology



## ***The WaterHub at Piedmont Atlanta Hospital***

**Location:** Atlanta, Georgia

**Treatment Capacity:** 0.25 MGD

**Wastewater Source:** Municipal Wastewater

**Treatment Units:** MBR followed by Disinfection

**Reuse Uses:** Hospital Campus Utility Uses (Cooling Tower and Boiler Makeup)

*The WaterHub project will reduce the hospital's water footprint by 40% over the next decade.*

## ***Brightwater Reclaimed Water Facilities***

**Location:** Woodinville, Washington

**Treatment Capacity:** 30 MGD

**Wastewater Source:** Municipal Wastewater

**Treatment Units:** MBR followed by Disinfection

**Reuse Uses:** Irrigation, Toilet Flushing, Industrial, and Commercial Use

*The wastewater treated at the Brightwater Treatment Plant meets reclaimed water standards and can be safely recycled for irrigation and industry.*



## ***Orange County Water District Groundwater Replenishment System***

**Location:** Orange County, California

**Treatment Capacity:** 130 MGD

**Wastewater Source:** Municipal Wastewater Secondary Effluent

**Treatment Units:** Microfiltration followed by Disinfection

**Reuse Uses:** Irrigation, Aquifer replenishment and salt water intrusion barrier

*The Groundwater Replenishment System (GWRS) is the world's largest water purification system for indirect potable reuse.*

## ***Pumpkinvine Creek Water Reclamation Facility***

**Location:** Paulding County, Georgia

**Treatment Capacity:** 2.5 MGD

**Wastewater Source:** Municipal Wastewater

**Treatment Units:** Membrane Bioreactor (MBR) followed by Disinfection

**Reuse Uses:** Residential and golf course irrigation



## ***Cauley Creek Water Reclamation Facility***

**Location:** Atlanta, Georgia

**Treatment Capacity:** 5.0 MGD

**Wastewater Source:** Municipal Wastewater

**Treatment Units:** MBR followed by Disinfection

**Reuse Uses:** Golf course irrigation

*The Cauley Creek WRF was one of the first MBR facilities in the US and helped establish a benchmark for designing future MBR facilities.*



# Colossus Water Reuse Plant

In June 2024, Elon Musk's xAI, the corporation developing the Colossus supercomputer at the former Electrolux facility in Southwest Memphis, announced the development of a water reuse plant onsite to reduce aquifer usage at the supercomputer and other nearby industries.

## What we do know about the plant:

As a private development, details are scarce and less accessible for public scrutiny. However, here's what we do know about the plant:

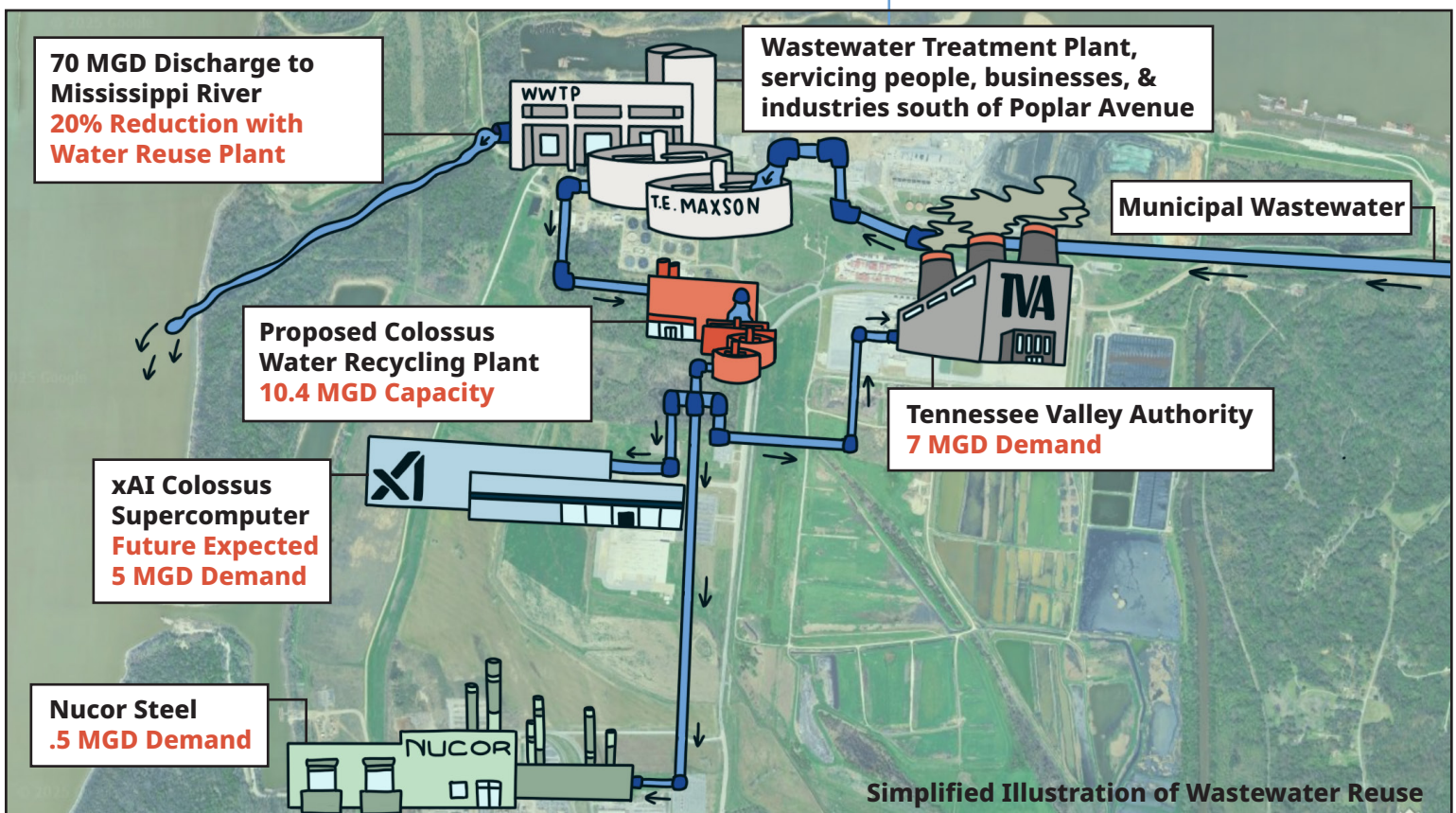
- The "Colossus Water Recycling Plant" will process municipal wastewater from T. E. Maxson Wastewater Treatment Plant for reuse by nearby industries.
- The plant is currently in the design phase, with a planned capacity of 10.4 million gallons of water per day (MGD).
- TVA and NuCor Steel have signed Letters of Intent to buy water from Colossus instead of MLGW alongside xAI; peak demand by all facilities is estimated at 12.5 MGD.
- xAI intends to own, operate, and maintain the facility and has requested to purchase 13 acres from the City of Memphis to build near Maxson Wastewater Treatment Plant.
- TDEC has requested that a Reclaimed Wastewater Management Plan is submitted with the operating permit required for this facility. That has yet to be drafted.

## What is Water Reuse?

Water reuse is the process of treating & repurposing wastewater for beneficial uses. Water from the Memphis sewer system is treated at the Wastewater Treatment Plant & discharged into the Mississippi River. This plant would divert some water for further treatment & distribute it to industrial customers.

## What are the Aquifer Impacts?

Currently, xAI, TVA, and Nucor Steel all buy aquifer water from MLGW. This new facility would reduce pumping by 9% or up to 30% at Davis Wellfield, slow drawdown of pollution, and get TVA off of our drinking water infrastructure.



## Key Concerns & Opportunities

This project is an example of sustainable water practices and is a real solution to reduce industrial consumption of the Memphis Sand Aquifer. But the company's lack of transparency establishes real concerns that we must address to mitigate unintended consequences:

### Why has xAI and the Administration perpetuated the lack of transparency and community engagement?

The sale of land was added to the Memphis City Council committee agenda the afternoon of February 3, 2025, less than 18 hours before a vote was expected the next morning.

### How can we ensure the plant continually operates regardless of ownership?

Contractual agreements like a "reversion clause," "right of first refusal," or lease agreement can ensure the land and facility could become City-owned. The management plan should be available for public input and include cross-training for Public Works employees.

### How can the City ensure this land is used only for one specific purpose?

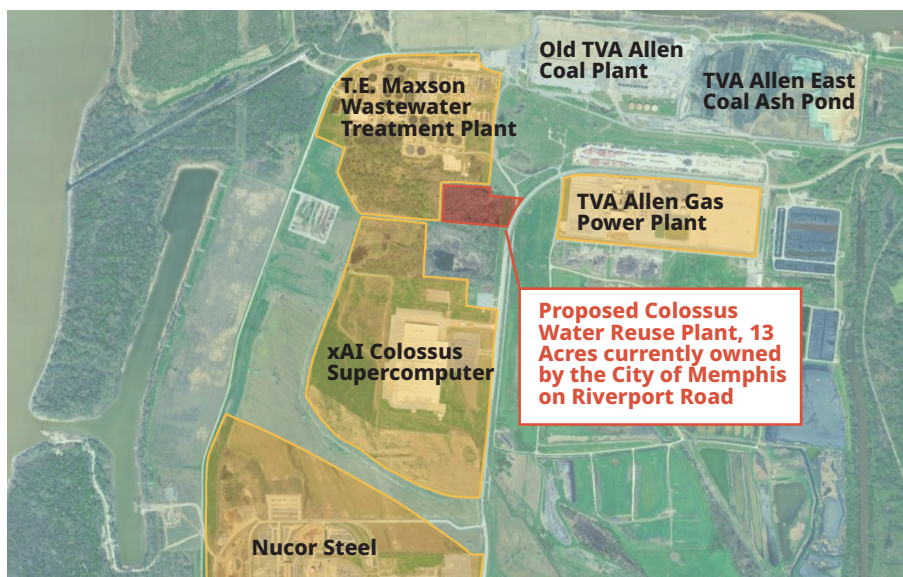
Deed restrictions should disallow use of the land for any other purpose than water recycling.

### What are the potential environmental impacts and how will they be mitigated?

The water reuse plant will be using water that Memphis currently considers waste and is released into the Mississippi River. The byproduct will primarily be sludge similar to what the City's wastewater plant produces. There must be regular sampling and enforcement of the industrial pretreatment ordinance by Public Works.

### How can we ensure the facility is powered sustainably?

The plant will require 2 MW of power that could increase our fossil fuel dependence - or be offset with renewable energy.



## How we got here

**2015** - TVA originally considered using recycled wastewater for their new gas plant.

**2016** - TVA drilled wells into the Memphis Sand Aquifer across from coal ash ponds.

**2017** - Protect Our Aquifer was founded to stop the TVA wells from pulling arsenic into the drinking water supply.

**2019** - TVA was ordered to only use MLGW wells farther from the coal ash ponds.

**2022** - December rolling blackouts left TVA competing with residents for water.

**2023** - POA led a public campaign asking the MLGW Board to support TVA using recycled wastewater.

**2024** - Memphis leaders tell xAI about the need for a water reuse facility; MLGW announces in June.

## Take Action Now!

Tell City Council you support this innovative project — as long as the deal is done right! We need legal protections that the land can ONLY be used for a water reuse facility.

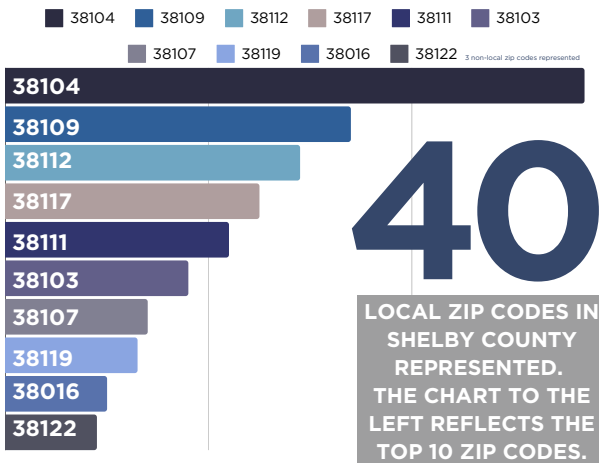
**Send a 1-Click Email at**  
**[ProtectOurAquifer.org/NOW](https://ProtectOurAquifer.org/NOW)**

For more information, contact Sarah Houston at (901) 214-5181 or [sarah@protectouraquifer.org](mailto:sarah@protectouraquifer.org).

# X1 COMMUNITY IMPACT SURVEY DATA REPORT

This survey gathered community opinions from October-December 2024 on the xAI Supercomputer in Memphis and its expansion. The focus was on local perceptions and potential benefits for residents, while ensuring anonymous responses for advocacy purposes. This survey was conducted by Memphis Community Against Pollution, Protect Our Aquifer & Young, Gifted and Green.

## WHO TOOK THE SURVEY

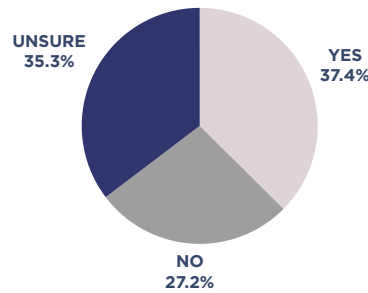


When asked for their level of agreement only

# 18%

OF MEMPHIS RESIDENTS ANSWERED STRONGLY AGREE & AGREE

THE XAI SUPERCOMPUTER PROJECT WILL HAVE LONG-TERM POSITIVE EFFECTS ON THE LOCAL ECONOMY.



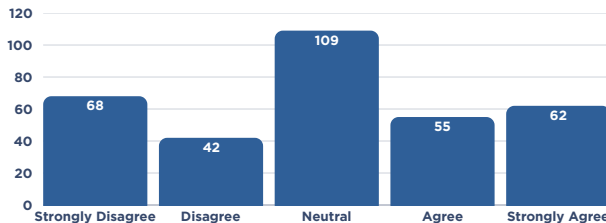
LOCAL OFFICIALS AND PROJECT LEADERS HAVE BEEN TRANSPARENT ABOUT THE IMPACT OF THE XAI EXPANSION.

# 7%

OF MEMPHIS RESIDENTS ANSWERED STRONGLY AGREE & AGREE

## XAI'S POTENTIAL AS AN INNOVATOR

Respondents had mixed feelings when asked, "If xAI agrees to support sustainability and workforce initiatives in Memphis, they can be a leader in innovation."



WOULD YOUR CONCERNS BE REDUCED IF XAI MET DEMANDS?

## TOP 3 RANKED

NEEDS TO REDUCE HARM TO NEIGHBORS AROUND XAI

Water reuse and recycling to minimize impact on local water sources



Environmental monitoring of local air, soil, and water quality



Reduce electricity usage on demand during peak times



## REQUESTS FOR MORE INFORMATION

Transparency and lack of information were concerns across all respondent groups. The top questions related to:

- Environmental Impact:** water usage, pollution risks, carbon footprint
- Economic Impact:** property tax, job distribution, impact on property values
- Decision-Making Process:** why Memphis was chosen, who benefits most, need community engagement
- Operational Details:** power sources, long-term sustainability, security risks

## WHAT COMMUNITY BENEFITS ARE NEEDED FROM XAI?



philanthropy  
local jobs & training  
use renewable energy  
Support STEM education  
**community benefits**  
internet in underserved neighborhoods  
partnership with MSCS  
build water reuse  
training

THE MOST REQUESTED COMMUNITY BENEFIT FROM RESIDENTS LIVING CLOSEST TO XAI IN ZIP CODE

# 38109

Creation of local jobs & training opportunities

