



THE UNDER SECRETARY OF DEFENSE

3010 DEFENSE PENTAGON
WASHINGTON, DC 20301-3010

ACQUISITION,
TECHNOLOGY
AND LOGISTICS

The Honorable Daniel K. Inouye
Chairman
Committee on Appropriations
United States Senate
Washington, DC 20510

OCT 03 2012

Dear Mr. Chairman:

Pursuant to House Report 112-94, page 29, accompanying H.R. 2055, the Military Construction, Veterans Affairs, and Related Agencies Appropriations Bill for Fiscal Year 2012, enclosed is the Department of Defense (DoD) report to Congress on the 1990 Base Realignment and Closure (BRAC) Account Progress. The report outlines the Department's plan to expedite and expand remaining cleanup activities at Legacy BRAC bases (i.e., those affected by 1988, 1991, 1993, and 1995 BRAC), and explains how the Department will fully use its appropriated funds.

The report demonstrates that the Department is making progress at all Legacy BRAC locations, with remedies in place or cleanup complete at 87 percent of Legacy BRAC sites. Further, we will have remedies in place or complete cleanup activities at 98 percent of Legacy BRAC sites by FY 2015. The report also outlines the appropriations and obligation amounts for the 1990 BRAC Account since FY 2007. Finally, we are pleased to report that work remains at only a few Legacy BRAC locations and that the Department is using innovative tools to expedite BRAC property transfer while cleanup is ongoing.

A similar letter has been sent to the House Committee on Appropriations.

Sincerely,

A handwritten signature in black ink, appearing to read "Frank Kendall", is positioned below the word "Sincerely,".

Frank Kendall

Enclosure:
As stated

cc:
The Honorable Thad Cochran
Vice Chairman



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ACQUISITION,
TECHNOLOGY
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The Honorable Harold Rogers
Chairman
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

OCT 03 2012

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Frank Kendall

Enclosure:
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cc:
The Honorable Norman D. Dicks
Vice Chairman

**Department of Defense
Report to Congress on
Base Realignment and Closure 1990 Account Progress**

Introduction

The Department of Defense (DoD) is pleased to respond to the request of the House Committee on Appropriations for information about the remaining cleanup activities of bases affected by the Legacy Base Realignment and Closure (BRAC). Since 1988, there have been five rounds of base closures and realignments: in 1988, 1991, 1993, 1995, and 2005. The first four rounds of installation closures and realignments are known as “Legacy BRAC,” and the 2005 round is known as “BRAC 2005.” This report focuses on the progress of cleanup at Legacy BRAC sites.

DoD measures cleanup progress against two milestones:

- Remedy in Place (RIP) occurs when cleanup systems are constructed and operational.
- Response Complete (RC) occurs when cleanup is complete (i.e., the site has achieved the agreed-upon cleanup objectives). At that point, DoD formally seeks regulatory agreement that it has met the cleanup objectives.

DoD Cleanup Progress at Legacy BRAC Sites

The Department has made significant progress cleaning up sites at its Legacy BRAC installations. There are 5,209 sites requiring cleanup at 208 Legacy BRAC installations. The Department has invested \$11.7 billion (including management costs) in cleanup at these installations over the last 20 years. We either have remedies in place or have completed cleanup at 87 percent of the sites on Legacy BRAC installations, a total of 4,551 sites.

Table 1 shows progress by BRAC Round.

BRAC Round	Total Number of Sites	Total Number of Sites at RIP	Percentage of Sites at RIP	Total Number of Sites at RC	Percentage of Sites at RC
1988	1,268	1,169	92%	1,123	89%
1991	1,338	1,278	96%	1,185	89%
1993	964	893	93%	753	78%
1995	1,639	1,211	74%	1,159	71%
Total	5,209	4,551	87%	4,220	81%

Table 1: Progress at Legacy BRAC Sites as of the End of FY 2011

There are 409 sites that are in long-term management (LTM). These are sites where we have completed cleanup (reached RC), but still need to monitor site conditions and conduct periodic reviews to ensure the conditions have not changed – the site conditions continue to protect human health and the environment.

<p>Preparation of this report/study cost the Department of Defense a total of approximately \$2,000 for the 2012 Fiscal Year. Cost Estimate Generated on September 6, 2012 RefID: D-9BC5BBC</p>

Future Cleanup at Legacy BRAC Sites

The Department is on target to have remedies in place or to complete cleanup at 98 percent of the sites at Legacy BRAC installations by the end of FY 2015. The remaining cost-to-complete (CTC) is approximately \$3.3 billion.

While we have made significant progress, the remaining sites represent more complex cleanups and require more time. Many of these sites are distributed across a small number of installations. For example, over half of the remaining sites from BRAC 1995 are located at the former McClellan Air Force Base (AFB). The Department will invest more than 50 percent of the remaining CTC at only seven Legacy BRAC installations, as shown in Table 2 below.

Legacy BRAC Installations	CTC	Final RIP or RC Date
McClellan Air Force Base (AFB), CA	\$683.6 million	FY 2017
Treasure Island Naval Station, Hunter's Point Annex, CA	\$413.8 million	FY 2021
Fort Ord, CA	\$247.8 million	FY 2022
Fort McClellan, AL	\$201.7 million	FY 2027
Fort Wingate Depot Activity, NM	\$152.1 million	FY 2022
Alameda Naval Air Station, CA	\$131.6 million	FY 2019
Adak Naval Air Station, AK	\$125.3 million	FY 2017

Table 2: Progress at Legacy BRAC Installations as of the End of FY 2011

Although there are nine sites at three installations that will not achieve RC for many years, this represents only 0.2 percent of all sites currently undergoing cleanup. These few remaining sites have complex chemicals locked deep into bed rock and they pose no immediate risk to human health and the environment. While complete cleanup at these sites will take a significant amount of time, the Department is committed to achieving its long-term cleanup goals and, in the interim, to managing any potential risk posed at cleanup sites. These complex cleanups should not impede redevelopment.

Tools to Transfer Property

Cleanup does not have to prevent property transfer; in fact, the private sector is often more interested in taking responsibility for the entire life-cycle of the property as part of cost-effective redevelopment planning. Because of this, the Department has tools to expedite BRAC property transfer while cleanup is ongoing. One such tool is the Early Transfer Authority, under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, which allows Federal land owners to transfer property before completing cleanup. In one such example of successful early property transfer, in 2011, the Army transferred 4,438 acres of land, including 3,336 acres transferred to the Fort Ord Reuse Authority (FORA). FORA received the property and agreed to conduct the cleanup with funds provided by the Army. Early transfers allowed FORA to use the land before cleanup was complete.

Another example of successful early transfer occurred at McClellan AFB, where the Air Force has completed two early transfers. At \$683.6 million, McClellan AFB represents the largest requirement for future-planned BRAC investment. After completing initial site characterization work on two parcels of land, the Air Force transferred the property to the County of Sacramento and a

private developer. As part of the transfer agreement, the Air Force negotiated the cost it would pay to conduct the remaining cleanup, and assigned responsibility to the developer for carrying out those cleanup actions. Such early property transfers allow for more efficient land redevelopment by returning property to productive use while cleanup is ongoing.

Similar examples of early transfer success stories exist at Grissom AFB, Fitzsimons Army Medical Center, Colorado; Naval Air Station Memphis, Tennessee; Tooele Army Depot, Utah; Mather AFB, California; and Alabama Army Ammunition Plant, Alabama, to name a few.

In addition to expediting property transfer, the Department continues to improve its cleanup program in other ways. Technological innovations in hazardous waste and munitions response technologies have greatly advanced over the past decades, allowing the Department to clean up much more efficiently – saving time and resources. For example, we have developed revolutionary technology that allows us to discriminate unexploded ordnance from harmless scrap metal. When this technology is fully demonstrated, we believe it will free us from the necessity of digging up millions of objects that pose no danger. The technology, which is now going through final validation and testing and will be widely available within a few years, has the potential to save billions of dollars and greatly expedite site clearing.

The Department has long been committed to fostering more productive and cooperative relationships with Federal and state environmental regulators. From our years working together, our relationships with these professionals have matured, minimizing misunderstandings and disputes which can prolong the cleanup process. The Department has also gained valuable knowledge by working with local reuse authorities and our Restoration Advisory Boards, resulting in improvements to the property transfer process.

Legacy BRAC Funding

The Department has obligated 95.4 percent of the funds provided between FY 2007 and FY 2011 in the BRAC 1990 Account. We use appropriated funds, funds received from land sales, and funds reprogrammed from other non-environmental portions of the BRAC 1990 Account.

The most recent accounting report identifies the total obligational authority and obligations by FY, as shown in Table 3. Because the accounting reports are all-inclusive, the dollar amounts reflect all BRAC costs, not just environmental costs. The obligation rates indicate the Department has improved its program execution.

	Total Obligational Authority (\$ millions)	Obligated Amount (\$ millions)	Percentage Obligated
FY 2007	605.9	531.5	87.7%
FY 2008 ¹	540.0	533.8	98.9%
FY 2009 ²	489.0	486.4	99.5%
FY 2010	523.9	508.0	97.0%
FY 2011	369.5	351.2	95.0%

Table 3: Appropriations and Obligations by Fiscal Year

¹ Includes Land Sale Revenue.

² Includes Land Sale Revenue.

The investment, or cost-to-complete, for all remaining Legacy BRAC cleanup is \$3.3 billion. Of that amount, \$1.4 billion is for maintaining and monitoring remedies for sites that are at RC. Only \$55.5 million of the investment is for completing studies necessary to fully identify cleanup requirements, and \$1.8 billion is for designing and constructing cleanup systems.

Conclusion

The Department has made substantial progress toward its goal of completing cleanup at sites on Legacy BRAC installations. We have achieved RIP or RC at 87 percent of cleanup sites, which represents 4,551 sites. In addition, we continue to monitor the 409 sites in LTM to ensure that we are protecting human health and the environment. When appropriate, we use tools that allow us to expedite property transfer while cleanup is ongoing. At current funding levels, we will achieve RIP or RC at 98 percent of Legacy BRAC sites by FY 2015.