

# Strengthening the Program

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In FY95, DoD took a major step in its program by examining its ability to meet obligations in view of increasing constraints on funding and other resources. The Department conducted a self-assessment of the program, from management practices at the top levels to execution in the field, to provide a framework for improving efficiency and maximizing return on investment. The self-evaluation process assessed the management structure and processes that guide environmental restoration planning, programming, and budgeting efforts. The Under Secretary of Defense for Acquisition and Technology led a study of the feasibility and desirability of "devolving" DERA to the Military Departments. A steering committee was organized to perform the analysis and provide recommendations on devolvement and related program considerations. Based on careful review and analysis, on May 3, 1995, the Deputy Secretary of Defense decided to devolve the account.

*Devolvement is the separation of the single Defense Environmental Restoration Account into accounts for each Military Department and a Defense-wide account.*

In analyzing the alternatives for restructuring the restoration program, the Department considered many historical and current issues. During the analysis, DoD reemphasized its commitment to environmental restoration, its basic tenet of reducing risk to human health and the environment, the need to effectively measure the program's performance, and the lessons learned throughout the life of the program.

**DoD's Commitment to Environmental Restoration**--DoD considers environmental restoration an integral part of its daily mission activities. DoD and the nation must continue to invest in environmental security to ensure the most effective use of vital defense resources and to ensure the quality of life for military and civilian personnel and their families working and living on or near defense installations, as well as local communities.

**DoD's Perspective on Legal Requirements**--During the self-evaluation, DoD considered the role of legal requirements. To date, legal requirements have served as the basis for most policies and decisions that affect the priorities and funding of the program. DoD recognizes that the environmental standards dictated by legal drivers and the methods to achieve these standards are often left to interpretation by the various parties involved in the restoration process. Differences in opinion between the regulatory agencies and responsible parties on the most effective ways to meet environmental standards or goals inevitably affect schedules and accurate estimates of overall cleanup costs.

DoD acknowledges its obligation to comply with agreements and satisfy other legal requirements, but it also recognizes that agreements do not always ensure maximum

protection of human health and the environment. In setting forth terms and conditions, procedures to follow, and schedules to meet, typical agreements do not specifically distinguish between or even address the relative risk of the sites governed by the agreement.

Because legal requirements are dynamic and difficult to quantify, a more stable and quantifiable basis is needed to justify requirements and prioritize funding. DoD's relative risk site evaluation approach, introduced in the FY94 Annual Report to Congress, provides this common sense framework for planning, programming, and budgeting requirements.

*DoD has made a commitment to learning and applying lessons, finding the right tools, and working with its regulatory partners to develop a consistent, cohesive, and stable program.*

**Program Goals and Performance Measures**--Effective planning, budgeting, and oversight must be accompanied by clear, specific, and measurable goals. In the restoration program, indicators of performance and progress must be linked to these goals to form a foundation for developing the necessary management and oversight components of the program, which include planning for the future and budget justification. Two overriding goals of the program protecting human health and the environment and making property available for transfer at BRAC installations must be quantified in terms of costs and progress expectations. DoD has established new program goals based on these principles and the relative risk site evaluation framework.

*DoD's program review identified the need to augment legal drivers with the relative risk site evaluation approach; establish specific and measureable goals and performance measures; and apply lessons learned.*

**The Importance of Lessons Learned**--The strategies and initiatives that have been implemented in the past several years--accelerating cleanup, building partnerships, involving the community and the public, and promoting technology have been drawn from the experience of DoD's program and installation managers over the past decade. The relative risk site evaluation framework, the restructured goals of the program and new Measures of Merit, and the devolvement initiative are all the result of lessons learned, and all are intended to maintain the momentum that the program has gained over the past several years.

## **New Program Strategy**

The results of the self-assessment clearly indicated the need for a new strategy and approach to meeting environmental cleanup obligations. The strategy, as well as the underlying rationale for each element of the strategy, are discussed below.

**Devolving the Program**--The decision to devolve the environmental restoration account from the Office of the Secretary of Defense (OSD) to the Military Departments resulted

from (1) senior management's growing recognition of the program's size and complexity and (2) the evolving nature of DoD's relationship with the regulatory community. Since DERA was established in 1984, OSD has centrally budgeted for all environmental restoration activities. Based on proposed legislation, and as part of the devolvement process, beginning in FY97, the Army, Navy, and Air Force will each have individual environmental restoration accounts. The Formerly Used Defense Sites (FUDS) Program, the Defense Logistics Agency (DLA), the Defense Nuclear Agency (DNA), and the Office of the Deputy Under Secretary of Defense (Environmental Security) will continue to be included in the central OSD budgeting process and the department-wide environmental restoration account.

The devolvement of DERA into multiple accounts signifies an internal change in DoD's planning, programming, and budgeting processes. The allocation of cleanup funds within the Military Departments will be part of the standard budget process established for all military requirements.

With devolvement, the roles of the individual Military Departments and Defense Agencies (together comprising the DoD Components) and OSD in the actual execution of the program remain the same. The DoD Components are responsible for the execution of the restoration program at their respective installations, while OSD retains an oversight role, issuing policy and guidance and evaluating the performance of each Component's program.

*The goals set reflect fiscal realities and are consistent with DoD's overall priorities.*

The principal benefit to result from devolvement is increased efficiency, consistency, and accountability. Devolvement will require that environmental restoration requirements be considered with other mission requirements during the planning, programming, and budgeting cycle. This process will subject the program to the scrutiny of the Military Department's financial managers as part of their internal planning, programming, and budgeting process, and it will contribute to the overall consistency and accountability of the program.

*The relative risk site evaluation framework assigns sites to a high, medium, or low relative risk category.*

**Establishing New Program Goals**--DoD established new planning guidance for FY97 through FY01 outlining goals for both DERA and Base Realignment and Closure (BRAC) restoration efforts. These goals are based on reducing relative risk at sites from one category--high, medium, or low relative risk--to a lower category, or having a remedial system in place.

The goals were developed by program and financial managers to ensure that they would reflect fiscal realities and be consistent with DoD's overall priorities. The goals have become a valuable tool for the program, and will be used to guide investment strategies.

**Evaluating Relative Risk**--The relative risk site evaluation framework is directly linked to the environmental restoration goals. Reduced funding levels require that DoD direct its limited resources to sites that pose the greatest threat to human health and the environment.

This relative risk methodology assigns each potentially contaminated site to a high, medium, or low relative risk category. The framework addresses the following characteristics at each site: (1) specific contaminants present; (2) the significance of the contamination; (3) contaminant migration pathways that determine how contaminants may be carried away from the site; and (4) human and ecological receptors located near the site.

This consistent risk-based approach to categorizing sites allows DoD to communicate and establish priorities for completing restoration work. By using the relative risk site evaluation framework, DoD can work with regulatory agencies and community stakeholders to reach consensus on work priorities.

While focusing on relative risk to prioritize its efforts, DoD must also continue to consider the statutory and regulatory status of a particular installation or site. A legal agreement should not be the sole indicator for allocating future funds, and neither should the site's classification as high, medium, or low relative risk. An appropriate balance between the timely and efficient reduction of risk and adherence to the letter of legal agreements is a major challenge to DoD as well as other stakeholders involved in the program.

As part of its overall risk-based management approach, DoD also considers stakeholders' concerns, program execution strategies, and economic factors. Although challenges remain, DoD's risk-based strategy is proving to be vital to managing the restoration program in the most responsible, efficient, and effective manner.

Involving regulatory agencies and the public in DoD decisions throughout the cleanup process will ultimately be the key to the successful implementation of the relative risk site evaluation framework. For that reason, the framework has been presented to a wide audience of interested and affected parties, including members of the Federal Facilities Environmental Restoration Dialogue Committee, Congressional staff, Federal and state regulatory agency officials, environmental interest groups, public health officials, restoration contractors, and remedial project managers.

In addition to providing a tool for sequencing work, the relative risk methodology also provides a basis for establishing meaningful, measurable goals and performance measures. The status of a site in a particular phase of cleanup or the determination process (such as a "response complete" determination) is no longer the only measure of performance. Now progress is also indicated by a relative risk change from high to medium relative risk, or medium to low relative risk. As regulatory agency and stakeholder acceptance of this methodology becomes more widespread, DoD can truly focus its efforts and resources on sites that require the most attention--a transition that

moves DoD one step closer to achieving its goal of protecting human health and the environment.

*Measures of Merit represent a breakthrough initiative that will greatly enhance DoD's ability to monitor performance and progress in its restoration program.*

## **Measuring Performance**

DoD has developed Measures of Merit to measure progress towards goals. Measuring performance is not limited to simply linking progress to total dollars spent and the number of sites cleaned up by the end of a given fiscal year. That type of statistic does not fully reflect progress made in the cleanup program, nor does it illustrate the true benefits that result when risk is reduced. Newly-developed measures provide the crucial feedback needed to develop and adjust program requirements and budget projections, as well as determine whether established goals reflect fiscal reality.

Three separate categories of Measures of Merit have been developed to assess site remediation progress from one discrete time period to the next, generally at the end of each fiscal year:

- *Relative Risk Reduction.* This measurement applies only to DERA and BRAC sites that are ranked using the relative risk site evaluation framework. DoD classifies sites as having a high, medium, or low relative risk; response complete; or no further action required.
- *Progress at sites.* Gauging the progress of restoration efforts is still a critical measure that requires status reports on particular phases of investigation, design, cleanup, or response complete determinations at specific sites. This Measure of Merit will be applied to sites funded by both the DERA and BRAC accounts, to provide an accurate overview of the progress at each site.
- *Milestones Accomplished.* This Measure of Merit tracks the number of sites where cleanup action has been taken and relative risk has been reduced in one or more media. This measure of merit will be applied to sites funded by both the DERA and BRAC accounts to provide another view of the progress in the restoration program.

As a measurement tool, these new Measures of Merit will allow DoD to more accurately measure and report progress toward cleanup goals as well as fundamental efforts to protect human health and the environment.

*DoD's environmental restoration program is a technically and statutorily complex undertaking that has evolved during its history to the mature and effective program of today.*

Measures of Merit represent a breakthrough initiative that will greatly enhance DoD's ability to monitor the performance and progress of the restoration program. DoD is currently applying Measures of Merit throughout its environmental programs, with high

expectations that they will serve as a model to improve performance measurement and increase efficiency for other programs throughout the Federal government.

*DoD's environmental requirements are still rising, and will continue to do so through the 1990s. DoD is shifting from measurement and analysis to far more expensive cleanup efforts.*

--Excerpted from the *Report of the Defense Science Board Task Force on Environmental Security, April 1995*

## **Commitment to the Program**

DoD believes that it can improve the restoration program's efficiency and stability through devolvement, its new goals, and its new progress and performance measures. With these initiatives in place, budget and program execution decisions can more fully focus on reducing risk and protecting human health and the environment. However, DoD's success in its devolvement efforts and in achieving the goals of the program require a stable funding mechanism. Funding stability from year to year will ensure an efficient and effective return on previous as well as future investments in DoD's environmental restoration program.

*The current stability and momentum of the program must be maintained to foster trust and good working relationships among installations, regulatory agencies, and communities.*

## **Maintaining the Momentum**

DoD is proud of the progress that has been made in pursuit of its cleanup goals. Restoration has become increasingly efficient and cost-effective as the environmental restoration program and its strategic initiatives have developed and matured. The restoration program continues to meet its goals through initiatives that strengthen the working relationships among installations, regulatory agencies, and communities. These initiatives also create an environment of innovation built of good science and public trust. The program's ability to foster trust and good working relationships will become increasingly important as DoD's cleanup program is devolved and as regulatory drivers are augmented by risk-based decisions in an approach that will allow greater flexibility and innovation while protecting human health and the environment.

DoD's commitment to accelerating cleanup and restoring property for reuse is evident in the progress made to date as well as in the momentum gained throughout the environmental restoration program. The current stability and momentum of the program must be maintained so that past investments can provide return. DoD must continue to respond to regulatory commitments and to community concerns so that working relationships vital to the success of the environmental restoration program are maintained.

The stories in this report discuss cleanup achievements at various installations and clearly show how partnerships, community involvement, environmental technology, and cleanup initiatives are working in concert to accelerate schedules, reduce costs, and protect human health and the environment. The themes of the stories gaining efficiency through such common sense practices as Fast-Track Cleanup, improving communication and partnering with regulatory agencies and the community, and meeting cleanup goals through sound application of technologies all emerge as central to installation accomplishments and the continued success of DoD's restoration program.

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## **Secretary of Defense Perry Presents First Environmental Cleanup Award**



*The Whidbey Island team is featured with William J. Perry, Secretary of Defense; Sherri W. Goodman, Deputy Under Secretary of Defense (Environmental Security); and John Dalton, Secretary of the Navy.*

Whidbey Island Naval Air Station in Washington achieved a first within DoD. As a result of its efforts in accelerating cleanup, promoting partnerships, using innovative technologies, and involving the community, Whidbey Island was awarded the first Secretary of Defense Environmental Cleanup Installation Award.

Whidbey Island won the award for developing a model multidisciplinary approach for environmental restoration at the installation. Accomplishments at Whidbey Island include creating a wetland habitat out of a former National Priorities List (NPL) site, streamlining the Hazardous Waste Evaluation Study protocol, and using innovative methods to save time and money on meeting environmental reporting requirements.

Whidbey Island developed a *Reader's Guide to Remedial Investigation/Feasibility Study (RI/FS)* reports as well as ancillary documents. The guide presents an expanded executive summary that provides a technical synopsis of the RI/FS report in nontechnical terms, including figures and data tables. The guide was produced to help to explain technical

reports to the community. The guide was also presented to the Restoration Advisory Board, where it was well received.

The efforts at Whidbey Island have accelerated cleanup; in September 1995, the Seaplane Base site became the Navy's first site to be removed from the NPL. Community involvement in this process reduced communication barriers and resulted in an immense savings in environmental restoration costs.

The continued success of community involvement and environmental cleanup at Whidbey Island makes it a model for environmental restoration at other installations.

*Whidbey Island Naval Air Station received the first environmental cleanup award for its multidisciplinary approach, ability to streamline the site evaluation process, and use of innovative methods.*

*"I consider it a great honor to present the annual DoD environmental awards. It is no surprise to me how the Armed Forces have emerged as national leaders in protecting and preserving the lands, airways, and waters we use to train and operate. I am proud of the men, women, and installations recognized here today."*

--William J. Perry, Secretary of Defense  
Opening remarks at the 1995 DoD Environmental Security Awards