

DLA RESTORATION STATUS AND PROGRESS

Active public participation has improved the environmental cleanup process at DLA installations. Restoration Advisory Boards and other community outreach programs continue to enhance our ability to work closely with local authorities and the public. We strongly support community efforts to economically redevelop closing properties, thereby creating jobs and reinvigorating neighborhoods.

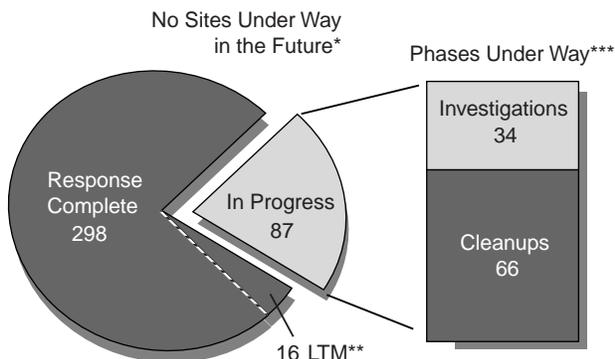
— Lieutenant General Henry T. Glisson
Director, Defense Logistics Agency



The Defense Logistics Agency (DLA) is a combat support agency headquartered at Fort Belvoir, Virginia. DLA is responsible for providing the Department of Defense (DoD) and other federal agencies with a variety of logistics, acquisition, and technical services in peace and war. These services include—

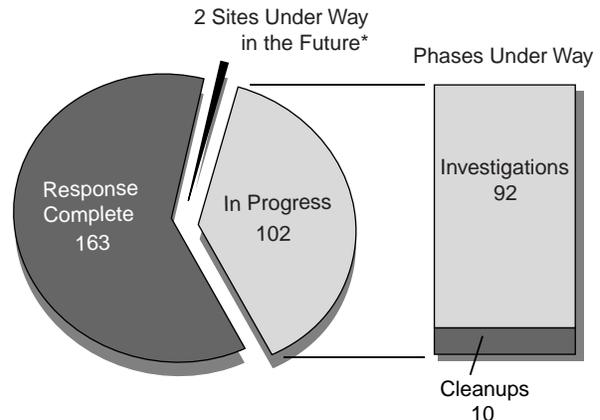
- ◆ Inventory management, procurement, warehousing, and distribution of spare parts, food, clothing, medical supplies, construction materials, and fuel
- ◆ Administration of all acquisition contracts for military service weapons systems
- ◆ Reutilization and disposal of material that is obsolete, worn out, or no longer needed.

Active Site Status
(as of September 30, 2000)



Total Sites: 385

BRAC Site Status
(as of September 30, 2000)



Total Sites: 267

*Includes sites with future preliminary assessment starts planned and cleanup projects that are between phases.

**LTM is a subset of Response Complete.

***Phases Under Way may not add up to Sites in Progress because some sites have multiple phases under way.

DLA Facts

Through Fiscal Year 2000 (FY00)...

- ◆ At the end of FY00, DLA had 652 sites at 23 installations.
- ◆ DLA has 385 active-installation sites and 267 Base Realignment and Closure (BRAC) sites.
- ◆ Investigations are complete at 526 sites and under way at 126 sites.
- ◆ DLA has completed 105 interim actions at 82 sites; 11 interim actions are under way.
- ◆ Response Complete status has been achieved at 461 sites; 24 sites have remedial operations under way.

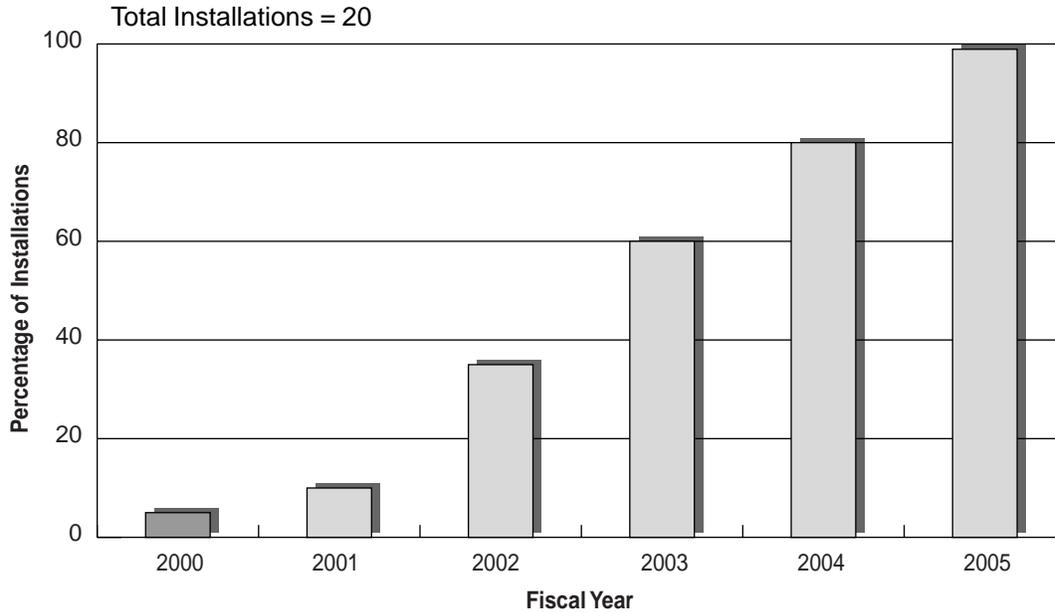
DLA also provides the DoD Components and the nation with several environmental services, including—

- ◆ Hazardous waste disposal
- ◆ Technical information on hazardous waste
- ◆ Fuel services
- ◆ Management of the ozone-depleting substances reserve
- ◆ Storage and maintenance of stockpiles of strategic and critical materials for national defense.

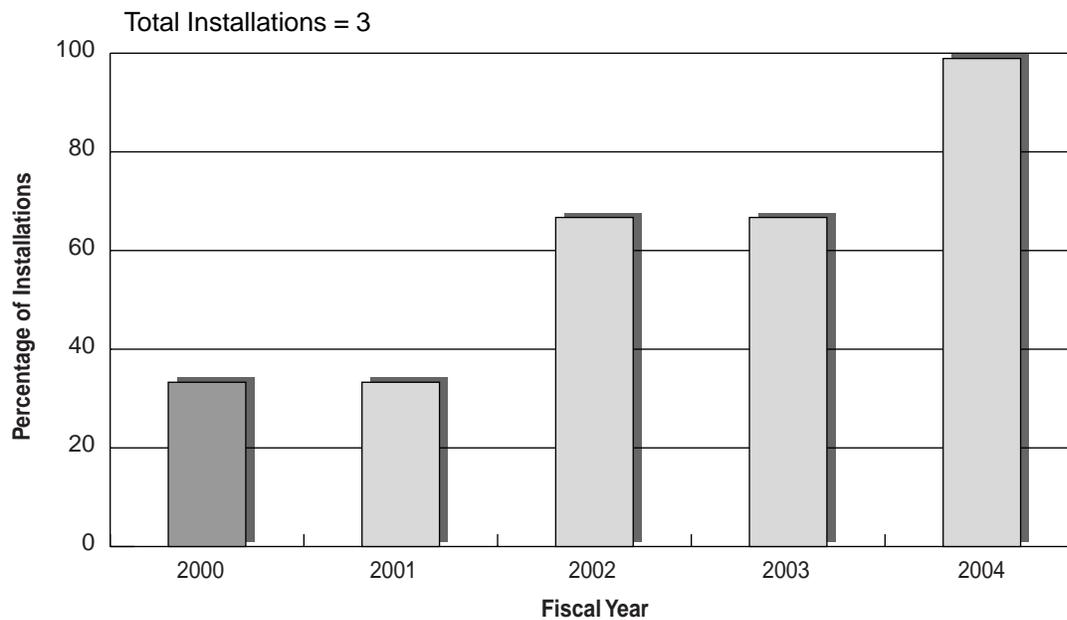
Associated with some of these services is the responsibility for environmental compliance and cleanup. Under DLA's Defense National Stockpile program, unique environmental issues arise in relation to storage, disposal, and sale of materials such as asbestos, lead, mercury, and thorium nitrate. The primary contaminants of concern at these sites are fuels, solvents, polychlorinated biphenyls (PCBs), and heavy metals. DLA also is involved in cleanups at 45 active third-party sites where contamination has resulted from improper disposal or transfer of DoD hazardous wastes.



Active Installations Achieving Final Remedy in Place or Response Complete
(cumulative and projected, FY00 through completion)



BRAC Installations Achieving Final Remedy in Place or Response Complete
(cumulative and projected, FY00 through completion)

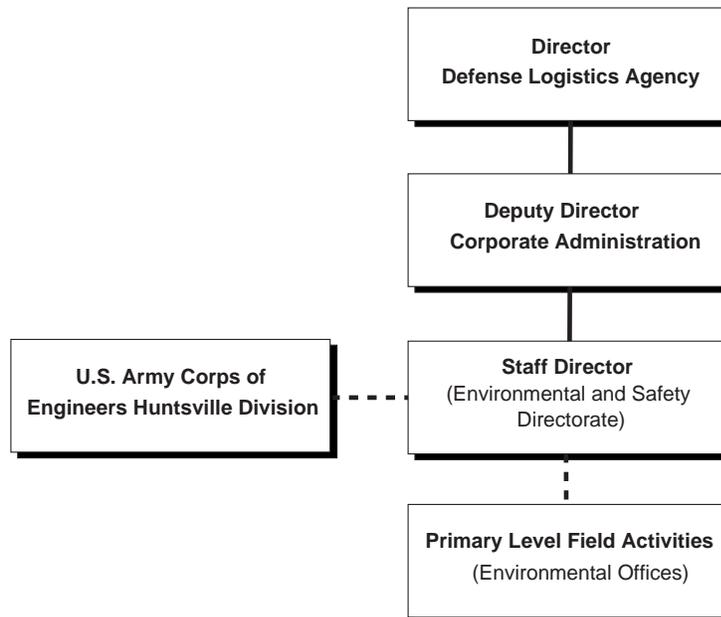


Program Execution

DLA has a staff of 410 environmental specialists. These specialists are located throughout the world and are responsible for ensuring that DLA's activities are conducted in full compliance with applicable environmental requirements. Three hundred fifty DLA staff members work on Defense Reutilization and Marketing Service missions. The DLA logistics mission gives the agency special opportunities to provide services and support that are critical to the environmental programs of its military service customers.

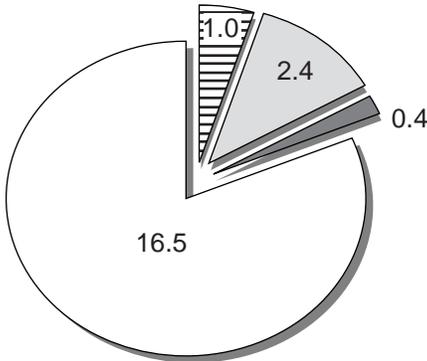
The goal of DLA's environmental restoration program is to reduce risk to human health and the environment by expediting remediation of sites where hazardous materials were managed in the past. DLA is making good progress in its environmental restoration program and is meeting all DoD cleanup goals on time, and in some cases, ahead of schedule. The U.S. Army Corps of Engineers (USACE) handles the bulk of DLA's restoration program. Most of the contracts administered by USACE for this work are cost-reimbursement-type contracts. Performance-based contracting is used at all DLA sites, with good results, including the promotion of innovation and an increase in cost-effectiveness. The Defense-wide Environmental Restoration Account funds DLA cleanup efforts at active installations; efforts at closing installations receive funds from the BRAC account.

Defense Logistics Agency

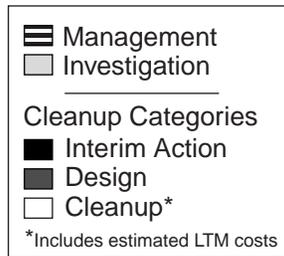
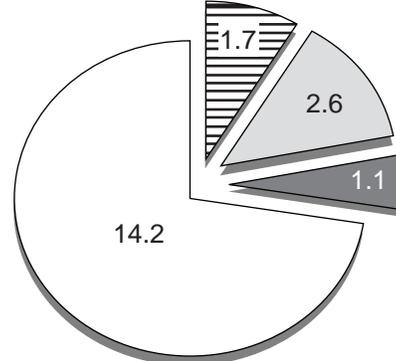


DLA Environmental Restoration Funding Profile
(in millions of dollars)***

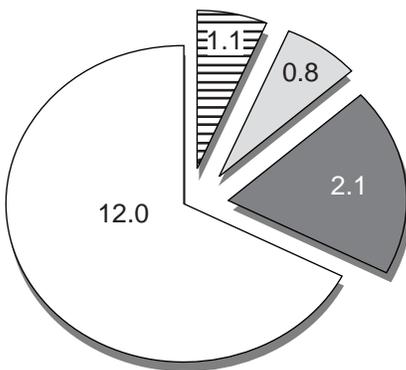
FY99 DLA Funds Executed
Total = \$20.3 million



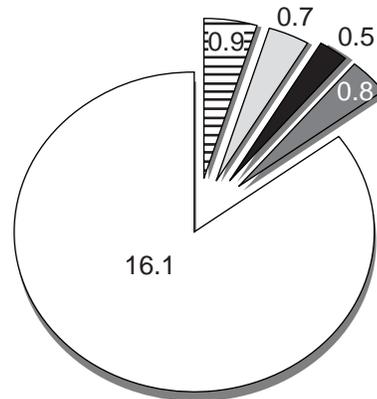
FY00 DLA Funds Obligated
Total = \$19.6 million



FY01 DLA Execution Planned
Total = \$16.1 million**



FY02 Planning Estimates
Total = \$18.9 million



**Does not include \$1.2 million applied against prior year Huntsville U.S. Army Engineering and Support Center obligations.
***Due to rounding, category subtotals may not equal fiscal year totals.

Program Accomplishments

The accomplishments of the DLA cleanup program reflect the program's complexity and its many, diverse goals. In particular, these achievements illustrate how DLA advances and harmonizes the competing needs of safeguarding the environment, conserving limited funds, reusing property at closing installations, and, above all, safeguarding human health. Several initiatives illustrate DLA's success in these areas.

DLA's Remedial Process Optimization Initiative

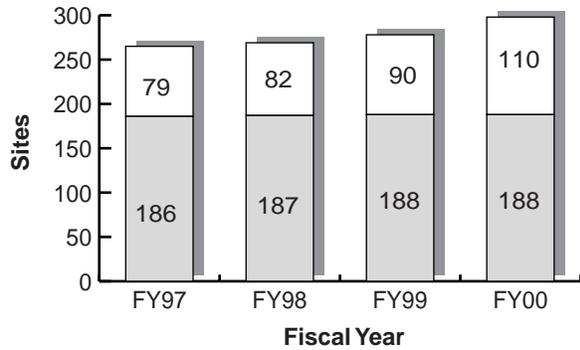
In response to the DoD Inspector General's "Evaluation Report of DoD Waste Site Groundwater Pump-and-Treat Operations" (Report Number 98-090), DLA initiated a program to review its pump-and-treat systems and all other remedial systems that require long-term operation and monitoring. DLA implemented remedial process optimization (RPO) in FY00. This initiative is a systematic, iterative evaluation process designed to improve the cost-effectiveness of site remediation and performance through adequate monitoring, while maintaining or improving a project's overall quality. The optimization process uses several strategies to accomplish its goals:

- ◆ Evaluating feasibility to meet environmental restoration goals and data quality objectives
- ◆ Assessing the feasibility of the remedial design to meet environmental restoration goals
- ◆ Establishing decision rules for technology selection and performance evaluation
- ◆ Optimizing remedial action operation and long-term monitoring procedures for remediation systems, including establishing decision rules for well location and sampling frequency
- ◆ Verifying that field procedures and analytical methods meet data quality objectives
- ◆ Streamlining and standardizing data management.

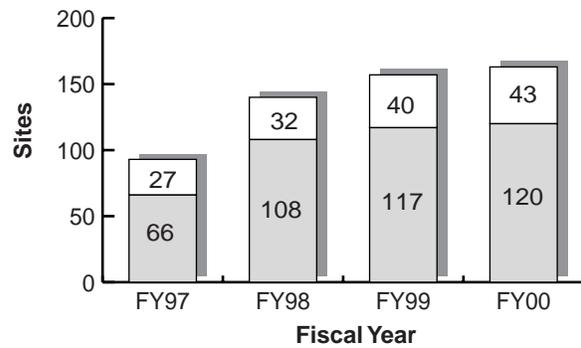
In FY00, DLA completed the initial phase of RPO at five of its installations and started Phase II detailed evaluations at one BRAC and two active installations. The site assessments identified opportunities at all five installations where improvements could expedite site closeout and reduce life-cycle costs. The Phase II evaluations will assess the feasibility for improving the design or changing the technology to improve efficiency and reduce cost.



Active Sites with Response Complete*



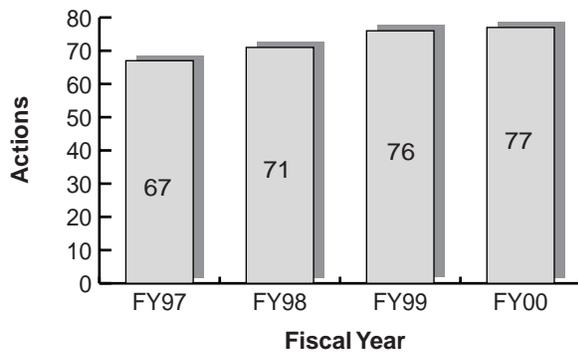
BRAC Sites with Response Complete*



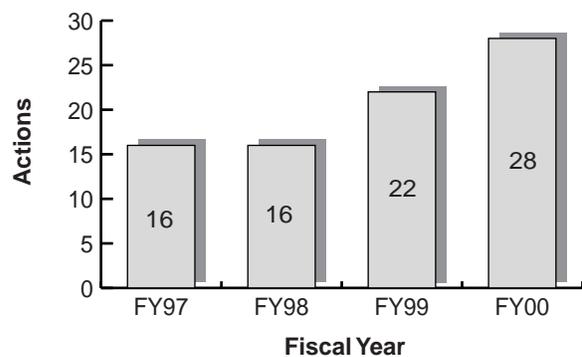
Sites reaching Response Complete from Cleanup
 Sites reaching Response Complete directly from Investigation

*FY97 through FY99 totals have been updated since the previous Annual Report to reflect new and revised data as of FY00.

Cumulative Interim Actions Completed at Active Sites*



Cumulative Interim Actions Completed at BRAC Sites*



*FY97 through FY99 totals have been updated since the previous Annual Report to reflect new and revised data as of FY00.

Remediation at Atchison Caves Completed Ahead of Schedule and Within Budget

An environmental team from DLA's Defense Distribution Center, New Cumberland, Pennsylvania; the Omaha Corps of Engineers; and IT Corporation has completed all required remedial actions at the Atchison Caves facilities in Kansas.

Remedial actions consisted of removing sludge from two drainage pits that contained elevated levels of heavy metals and total petroleum hydrocarbons (TPHs). A small submersible pump was used to remove liquids, and solid components were shoveled into drums. The sumps were then cleaned by pressure washing, and all rinse water was collected. The top several inches of soil was excavated at two locations that had elevated TPHs. During excavation, soil was placed directly into a roll-off container, and confirmation samples were taken. Once samples were confirmed as clean, the areas were backfilled with clean soil and revegetated.

In addition, the team placed a cap over a former landfill that contained PCBs in concentrations exceeding regulatory limits. Initial activities involved clearing all trees and brush within the limits of the landfill. Once the site was cleared, 18 inches of clay soil was compacted onto the surface, followed by a 6-inch layer of topsoil. The site was then reseeded.

The work was outlined in the final engineering evaluation and cost analysis action memorandum and was performed ahead of schedule and within the budget estimate of \$342,000.

Cleanup Continues at the Defense Distribution Depot San Joaquin

Over the past year, the Defense Distribution Depot San Joaquin, California, has continued to advance its cleanup program at both its Tracy and Sharpe locations. Construction has concluded, and operation of the trichloroethene soil vapor extraction system and the total petroleum hydrocarbon (TPH) bioventing system has begun at both sites. Also, the environmental staff is close to completing the Phase I RPO and to beginning the Phase II RPO evaluations at the two locations.

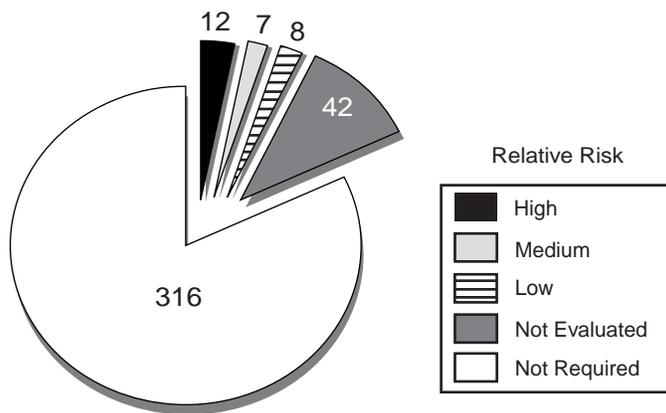
At the Tracy location, the baseline ecological risk assessment of the stormwater pond was completed. DLA anticipates that this will lead to the preparation of a Record of Decision (ROD) amendment to change the remedy from soil removal to no further action (NFA) with institutional controls (ICs). The evidence supports the view that there is no risk to the species of concern, mallard ducks and great blue herons, when bioavailability and forage range use are considered. The ROD amendment also designated an NFA remedy for another site, which will allow surface discharge from groundwater treatment systems.



A draft explanation of significant differences (ESD) for selected remedies in the ROD has been completed for the lagoons at the Tracy location. The ESD proposes modification of the cleanup standard for DDT byproducts and an NFA remedy based on further risk analysis after interim soil removal. For the Northern Depot Soil Area, the ESD proposes correction of arsenic and manganese cleanup standards and the change of the remedy from an asphalt cover to an appetite mineralized supplemented aggregate base with ICs.

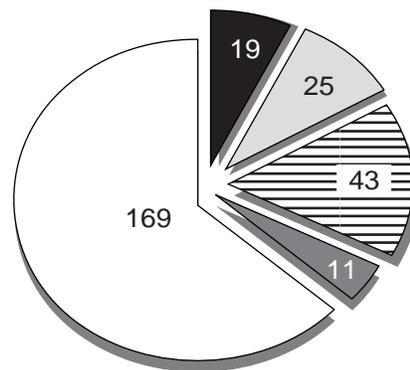
At the Sharpe location, the environmental staff has completed calibration of a three-dimensional sitewide groundwater model. Both the U.S. Environmental Protection Agency (EPA) and the state regulatory authorities provided input. The groundwater model will be used for treatment systems and monitoring as the systems are optimized.

Relative Risk Ranking for Active Sites in Progress



Total Sites = 385

Relative Risk Ranking for BRAC Sites in Progress



Total Sites = 267

Former Defense Depot Ogden Makes Progress in Cleanup and Transfer

In FY00, the Former Defense Depot Ogden was able to complete required soil remediation at five sites. As a result, of Ogden's original 107 sites, only 5 sites require further action. Two require soil remediation for lead at the former pistol range and TPHs at a parade ground area. The other three sites are pump-and-treat systems for groundwater remediation. Ogden completed Phase I and II RPO evaluation of these systems. The data generated by these studies look promising and are on target for demonstrating that the systems are operating properly and successfully, thus supporting the transfer of the property by 2002.

Ogden attributes these successes to a cooperative relationship with the state, EPA, the Ogden local redevelopment authority, and the community.

Community Involvement and Progress at the Former Memphis Depot

In FY00, the Memphis Depot began an important phase of its ongoing environmental cleanup program with the start, or completion, of a number of short- and long-term activities on the main installation and Dunn Field. These activities have moved the Memphis Depot and the community closer to the goal of safely restoring the Depot property for productive reuse.

The installation's BRAC Cleanup Team (BCT) finalized the main installation remedial investigation report, and the Depot provided the document for public review. This report provided the BCT with an in-depth scientific analysis for the environmental conditions at the main installation and the potential risks to human health and the environment. The BCT used this information to identify areas that required cleanup.

The Depot also provided the public with the chemical warfare materiel (CWM) removal project site safety submission that was reviewed and approved by the Department of Army and Department of Health and Human Services before the CWM removal work began. In addition, the Depot held a community information session and a media day to update the community about the Depot's CWM removal project. The project began with construction of a vapor containment structure designed to protect the community during CWM removal activities.

The CWM project team began removal activities at the first of three suspected CWM disposal sites at Dunn Field. The Depot began weekly briefings to update the community on the progress of the CWM removal project. Sverdrup Civil, Inc., completed the cleanup project at the old paint shop and maintenance area of the main installation. The BCT



finalized the main installation feasibility studies for groundwater and soil, which evaluated various cleanup alternatives and the main installation proposed plan, which presented the BCT's preferred cleanup alternative. The Depot then provided the documents to the public for review and began the public comment period. The CWM project team completed removal activities at the first suspected CWM disposal site at Dunn Field in FY00 and began work at the second suspected CWM disposal site.

The Depot kept the community involved through additional means, including—

Weekly Briefings

The on-site coordinator for USACE conducts weekly briefings, which are open to all community members, as a means of receiving regular updates on the CWM removal action project at Dunn Field and discussing any questions or concerns the community might have. The briefings are publicized in local newspapers and in the *EnviroNews* newsletter.

Restoration Advisory Boards

The Restoration Advisory Board (RAB) includes representatives from the former Memphis Depot community, including neighbors; public officials; local, state, and federal regulators; and interest groups. The RAB meets monthly to review and provide input for the environmental cleanup program. Several RAB meetings have been held off-site at locations within the community. RAB representatives have also been involved in educational opportunities, including visits to other cleanup projects in Ogden and Spring Valley. They have also received training from the EPA on the risk assessment process.

EnviroNews Newsletter

The former Memphis Depot produces and distributes a bimonthly newsletter to more than 5,000 households and businesses in the neighborhoods surrounding the former Memphis Depot. The newsletter includes updates on cleanup activities, technical and environmental findings, and announcements of upcoming Depot events.

Media Releases and Fact Sheets

At significant points during the program, media releases are prepared and distributed to all local print and electronic media. The media releases include program updates, findings to date, release of technical reports, public comment periods, and community information sessions. The information is also formatted into fact sheets that are distributed to the mailing list or made available at the information repositories and at all public events, including RAB meetings.

Defense Energy Support Center Assists in Cleanup at Former Defense Supply Center, Philadelphia

A hydrocarbon plume encompassing an area of approximately 100 acres in South Philadelphia, including the site of the former Defense Supply Center Philadelphia (DSCP) property and the Passyunk Homes area, has been identified. As a result, Sunoco, DSCP, and the Pennsylvania Department of Environmental Protection (PADEP) entered into a Consent Order and Agreement (COA). The requirements of the COA included installation of a remedial system to remove recoverable product.

Two separate remediation systems were constructed at the former DSCP property and in the Passyunk Homes area. PADEP issued a cleanup order to DSCP for remediation of the hydrocarbon plume. DLA requested that their field activity, the Defense Energy Support Center (DESC), take over site remediation activities.

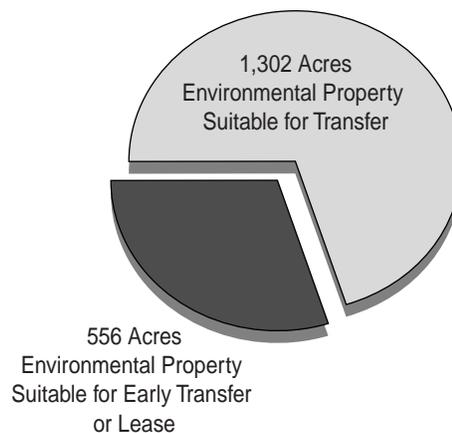
DESC entered into emergency contracts to comply with the PADEP administrative order. Emergency contracts were established with the contractors operating and maintaining the remediation system and preparing the risk assessment. During the transition, DESC obtained all the necessary permits for operation of the system, developed the site safety plan, ensured continued fuel recovery, and entered into contracts for the transfer of recovered product and sewer system vapor from the site. In February 2000, DESC awarded an environmental contract for long-term site remediation. DESC ensured an overlap with the former contractor for 3 weeks to accomplish a problem-free takeover.



Keys to cleanup success and cost savings included—

- ✦ A small team focused on accomplishing work, resulting in faster turnaround times
- ✦ Daily communication with regulators
- ✦ Rapid turnaround of task orders
- ✦ Verbal approvals and changes by DESC in the field to enhance responsiveness
- ✦ Presumptive solution approach to field problems
- ✦ Hands-on project management and trust of partners.

**Environmental Condition
of BRAC Property**



***Expediting Lease and Transfer Actions at Closing
DLA Properties Creates Jobs***

DLA has been actively pursuing opportunities to return portions of its closing BRAC properties to local communities for beneficial reuse. To that end, DLA has expedited cleanup, while continuing to protect human health and the environment, to support leasing and transfer actions through the Army. This effort has enabled DLA to transfer properties at the earliest possible time to local communities to support rapid reuse and redevelopment. At DLA's facility in Ogden, there are 29 subleases in effect, providing about 620 jobs. At the Memphis facility, 13 subleases provide about 950 jobs; and in Philadelphia, 1 sublease provides about 300 jobs.

DEFENSE ENVIRONMENTAL RESTORATION PROGRAM

