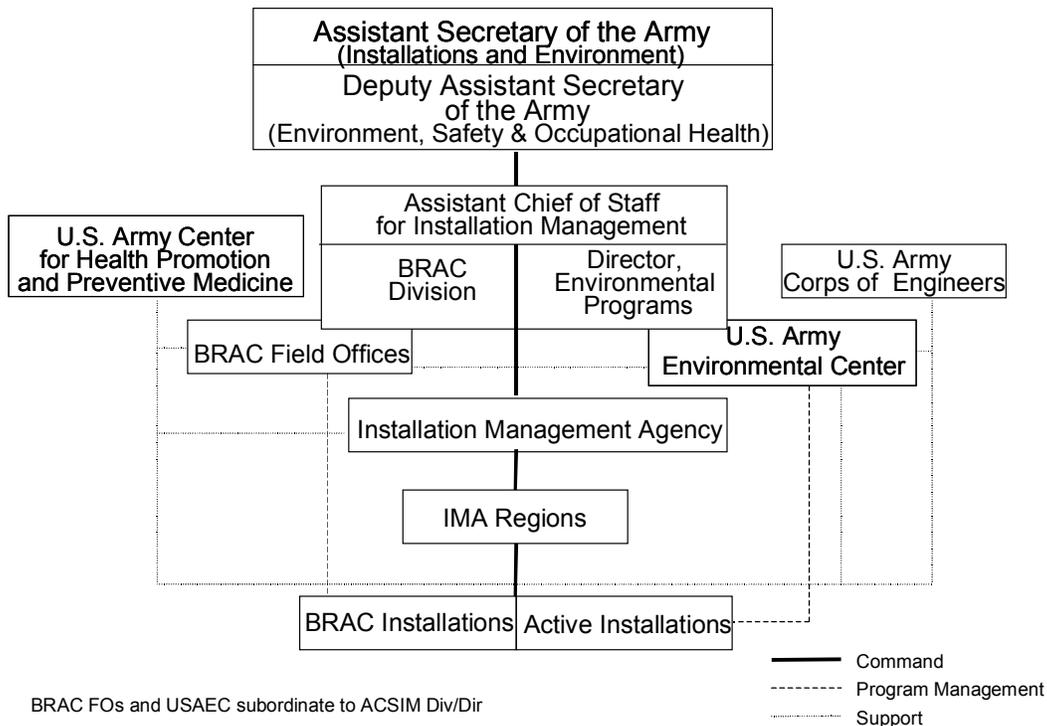


ARMY



Fiscal Year 2003 (FY2003) was a significant year for the Army's Environmental Restoration Program (ERP). On October 1, 2002, the Army established the Installation Management Agency (IMA), under the Assistant Chief of Staff for Installation Management (ACSIM), to provide command and control of all Army garrisons and installation management services. Garrison commanders now report to the IMA regional directors rather than through major commands as they have in the past. Consolidating environmental programs within the ACSIM has enabled the Army to better standardize program funding levels. The ACSIM now centrally manages the Army's ERP, with the Assistant Secretary of the Army for Installations and Environment (ASA(I&E)) providing policy and oversight. Figure 40 outlines the hierarchy for the ERP within the Department of the Army.

FIGURE 40: DEPARTMENT OF THE ARMY ORGANIZATIONAL CHART



Site Status

The Army continues making progress in successfully cleaning up sites and ensuring land is ready for reuse. Commitment to protecting human health and the environment remains the primary focus of the Army's ERP. In FY2003, the Army focused on completing all response action sites in the Installation Restoration Program (IRP) and identifying sites to be included in the Military Munitions Response Program (MMRP).



Installation Restoration Program Site Status

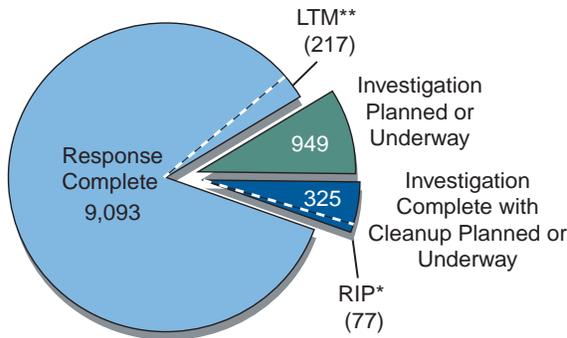
The Army currently has 10,367 sites in the IRP at active installations, an increase of 17 sites from FY2002. The Army is addressing environmental restoration activity at 1,899 IRP sites at Base Realignment and Closure (BRAC) installations, a decrease of 2 sites from the previous year. IRP site status at active and BRAC installations is shown in Figures 41 and 42.

Military Munitions Response Program Site Status

In the MMRP, the Army is planning munitions response activities for 383 sites at active installations, an increase of 278 from FY2002. The Army established site-level data for an additional 37 percent of its MMRP inventory in FY2003, resulting in the increased number of sites. As of the end of FY2003, the Army had identified site-level data for 52 percent of its MMRP inventory.

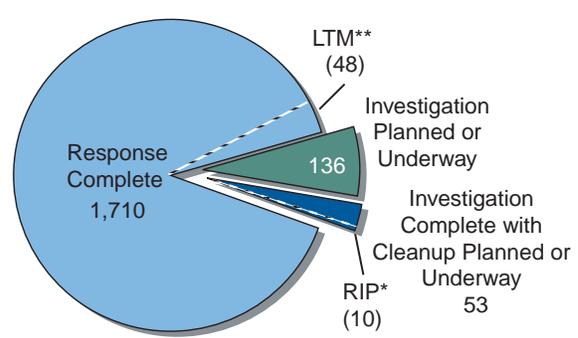
There are 177 MMRP sites at BRAC installations, an increase of 119 from the previous year. This increase is a result of transferring these previously identified munitions response sites that are known or suspected to contain unexploded ordnance (UXO) to sites identified in the Phase 3 Range Inventory for tracking consistency. The munitions response sites, which were formerly listed as UXO sites in the Army's environmental restoration database, were closed and were established as new sites when data was imported from the Army Range Inventory Database.

FIGURE 41: ARMY ACTIVE IRP SITE STATUS
(As of September 30, 2003)



Total Sites: 10,367

FIGURE 42: ARMY BRAC IRP SITE STATUS
(As of September 30, 2003)



Total Sites: 1,899

Active and BRAC MMRP Site Status

Response Complete	124
Investigation Underway or Planned	416
Cleanup Underway	20
LTM Underway**	18

Total MMRP Sites 560

*Remedy in Place (RIP) includes sites where remedial action operations are underway.

**Long-term management (LTM) occurs at a subset of the sites that have achieved response complete.

Progress Toward Program Goals

The Army is focused on achieving program completion. In the IRP, both the active and BRAC installations continue to progress toward completion of restoration activities in a cost-effective manner. In the MMRP, the Army is focused on making progress toward completing investigations.



Installation Restoration Program Goals

The Army projects meeting the FY2014 IRP goal of having all sites at active installations achieve remedy in place/response complete (RIP/RC). The Army also expects meeting the FY2011 goal of achieving RIP/RC at all medium relative-risk sites. However, the Army will not meet the interim goal of having all high relative-risk sites at RIP or RC by FY2007. In FY2003, 320 IRP sites achieved RIP or RC, including 243 at active installations. Ten active installations achieved RIP or RC at all sites. The relative-risk pie charts in Figures 43 and 44 illustrate that the Army has made significant progress in reducing the number of sites of all categories that need to be addressed.

FIGURE 43: ARMY RELATIVE-RISK RANKING FOR ACTIVE SITES IN PROGRESS

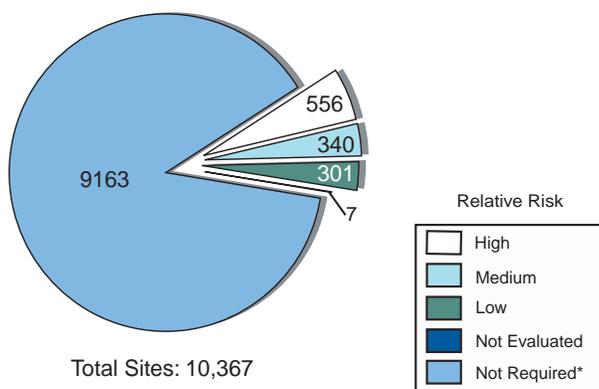
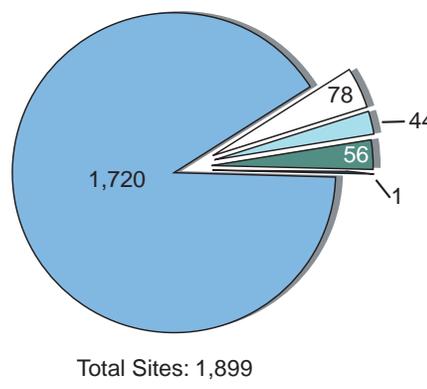


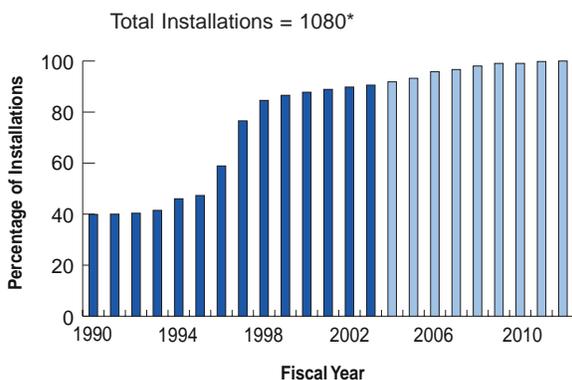
FIGURE 44: ARMY RELATIVE-RISK RANKING FOR BRAC SITES IN PROGRESS



*The Not Required category includes sites that have already achieved RIP or RC.

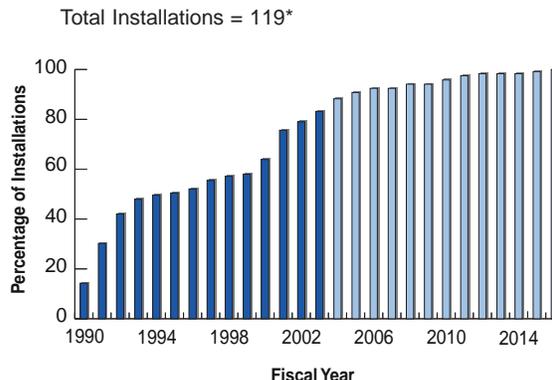
In FY2003, 77 BRAC IRP sites achieved RIP or RC and 5 BRAC installations achieved RIP/RC. Current projections show that 58 BRAC sites at 11 installations will not achieve RIP/RC by FY2005. The bar charts in Figures 45 and 46 show the status of active and BRAC installations in achieving RIP/RC.

FIGURE 45: ARMY ACTIVE INSTALLATIONS ACHIEVING FINAL RIP OR RC AT ALL IRP SITES
(Cumulative and projected, FY1990 through completion)



*Excludes MMRP Sites.

FIGURE 46: ARMY BRAC INSTALLATIONS ACHIEVING FINAL RIP OR RC AT ALL IRP SITES
(Cumulative and projected, FY1990 through completion)



*Excludes locations without environmental restoration sites.



Military Munitions Response Program Objectives

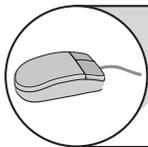
The Army progressed as planned for a December 2003 completion of its Phase 3 MMRP Inventory of non-operational ranges. By the end of FY2003, the Army had identified 383 nonoperational ranges and defense sites with UXO, discarded military munitions, or munitions constituents, representing 52 percent of the inventory. This inventory will fulfill the requirements for the preliminary assessment (PA) phase.

In addition to continuing the Phase 3 Inventory, the Army began site inspections this year at 11 active installations. At BRAC installations, 35 investigations were underway and two sites completed remediation efforts.

Program Initiatives and Improvements

The Army continues to seek the most efficient and cost-effective strategies for achieving program completion. In April 2003, the ASA(I&E) approved the first update of an Army cleanup strategy in over 10 years, and the Army produced a plan to execute the strategy. Both are available online at the ACSIM Web site. A major component of the strategic plan is implementing performance-based contracting. The Army awarded five performance-based

contracts at active installations in FY2003. Efforts to utilize performance-based contracts will continue over the next several years, with an Army goal to have 50 percent of project funds going toward performance-based contracts by the end of FY2005.



ACSIM Web site:

<http://www.hqda.army.mil/acsimweb>

In FY2003, the Army achieved its goal to transfer 100,000 acres of BRAC property. In addition, in September 2003 the Army completed the Department of Defense's (DoD's) first-ever land transfer using the conservation conveyance authority granted to DoD under Public Law 107-314, transferring 57,633 acres at Sierra Army Depot, California, to the Center for Urban Watershed Renewal and the Honey Lake Conservation Team. The Army also executed an environmental services cooperative agreement at Fort McClellan, Alabama which included the first-ever privatization of a UXO cleanup.

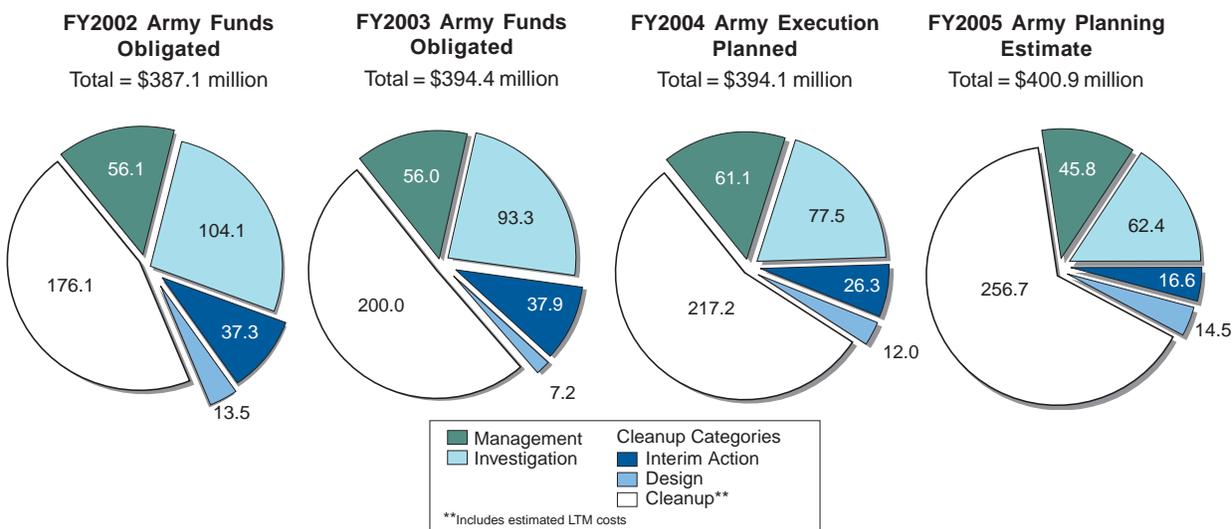
Funding

In FY2003, the Army obligated \$394.4 million at active installations. Of this amount, 51 percent of the funds were obligated for cleanup activities and 23 percent went toward investigation activities. The remaining funds were used for remedial action operations (RA-O) and long-term management (LTM) activities, as well as program management. Environmental restoration funding for the IRP is profiled in Figure 47. An additional \$4.7 million of Army Environmental Restoration funds were obligated for the MMRP at active installations. These funds were used for completion of the Phase 3 Range Inventory PAs and the initiation of the site inspections.

For the BRAC program, the Army obligated \$162.8 million in FY2003. Of this amount, 57 percent of the funds were obligated for IRP sites and 21 percent went toward MMRP sites. The remaining funds were obligated for program management and closure-related compliance



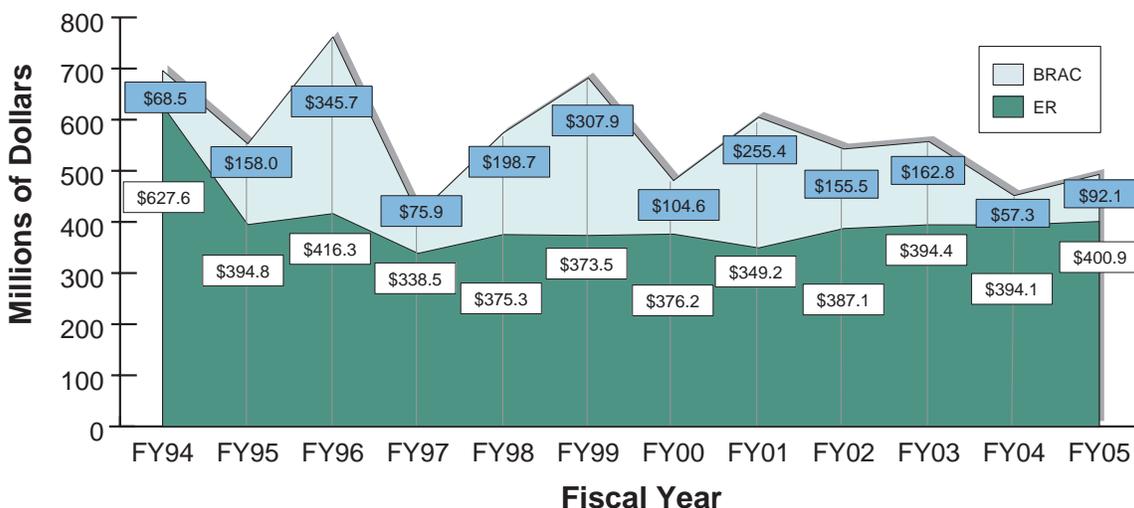
FIGURE 47: ARMY ENVIRONMENTAL RESTORATION FUNDING PROFILE*
(In millions of dollars)



*Funding shown includes all IRP, MMRP, and management and support costs. Due to rounding, category subtotals may not equal fiscal year totals.

actions. Of the \$92.7 million funds obligated for IRP sites, 72 percent was obligated for investigation activities, 11 percent went toward cleanup, and 17 percent was obligated for RA-O and LTM. Ninety percent of the \$34.3 million obligated for MMRP sites was obligated for cleanup activities. BRAC and active environmental restoration funding trends are illustrated in Figure 48.

FIGURE 48: ARMY ENVIRONMENTAL RESTORATION AND BRAC ENVIRONMENTAL FUNDING TRENDS





Looking Forward

The Army looks forward to focusing on achieving results in the year ahead. To meet this challenge the Army will ensure that obligated funds result in site closeout by giving priority to installations where performance can be guaranteed or where BRAC property transfer can be expedited. The Army also plans to achieve measurable results by executing the Army Cleanup Strategic Plan that implements performance-based contracts. In the MMRP, the Army is continuing to build the program and complete the Army Range Inventory.