



# ARMY COMPLIANCE RELATED CLEANUP



## OVERVIEW

- Scope
- New Guidance
- Program Overview
- Program Status
- Current Issues
- Challenges



# Scope of CC Cleanup

The Army Environmental Compliance-Related Cleanup (CC) Eligibility Guidelines, dated June 18, 2004, facilitate the development and implementation of programs that effectively and efficiently manage CC at Army installations in the United States and Overseas.

# New Non DERP OSD Guidance

- Guidance for Recognizing, Measuring and Reporting Environmental Liabilities Not Eligible for the Defense Environmental Restoration Program Funding published by OSD in November 2005.
- The purpose of the guide is to lay out a controlled process to systematically capture, summarize, maintain and report non-DERP liability.



## New ACSIM Guidance

### COST-TO-COMPLETE GUIDANCE



**GUIDELINES FOR DEVELOPING AUDITABLE COST-TO-COMPLETE ESTIMATES FOR THE U.S. ARMY ENVIRONMENTAL CLEANUP PROGRAMS**

**Version 2.3**

**DRAFT (Interim Final)**

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COMPLIANCE-RELATED CLEANUP GUIDANCE

**January 2006**

Office of the Assistant Chief of Staff  
for Installation Management





# CC Program Managers

- IMA – Includes all active (CONUS/OCONUS) installations and Reserves
- NGB
- BRAC Division – Excess installations
- MACOMS: AMC, MEDCOM, SDDC, and SMDC.



## Comparison of Programs

### DERP

- IRP, MMRP, BRAC, FUDS
- ER, A Funds
- DSMOA
- Specific DOD milestones
- Program oversight by USAEC

### CC

- CC only
- O&M or Mission funds
- No DSMOA
- No specific DOD milestones
- Program oversight by CC Program Managers

# Comparison of Programs

## Continued

### DERP

- DOD primacy
- Public involvement required
- Some relief for securing permits
- High cost projects
- More long-term cleanups

### CC

- Regulator primacy
- Limited or no public involvement
- No relief for securing permits
- Small cost projects
- More short-term cleanups



# Similarities of Programs

- Initial eligibility must be determined
- Clean up procedures
- Site close out requirements
- Cost-to-complete estimates
- Regulator involvement





# Initial Assessment and Data Entry

- Before creating a CC project, the suspected release needs to be confirmed via visual inspection, analytical sampling or a documented release.
- An initial assessment is completed to determine if site is eligible for CC program.
- Initial site entry into AEDB-CC database by installations.

# Cost to Complete (CTC) Estimates

- CTC estimates are developed for sites with confirmed contamination and where cleanup is “probable”.
- Reasonable estimates developed through the site close out phase.
- **All assumptions must be documented in a memorandum for record (MFR).**
- The MFR must be signed by the estimator and by the reviewer.



# Supervisory Review Checklist

- Installations must use the Supervisory Review Checklist to document supervisory review and final approval of the CTC estimate.
- The checklist should be completed, signed and uploaded at the installation level. AEDB-CC allows only one checklist per installation that should include all sites.



# Auditable Cost Estimates

- Working with installations to produce an auditable cost estimate.
- Installations upload site data and costs into AEDB-CC database.
- Site data is centrally reviewed to ensure the CTC costs are reasonable.
- CTC estimates form the basis of the Army's Non-DERP environmental liabilities.



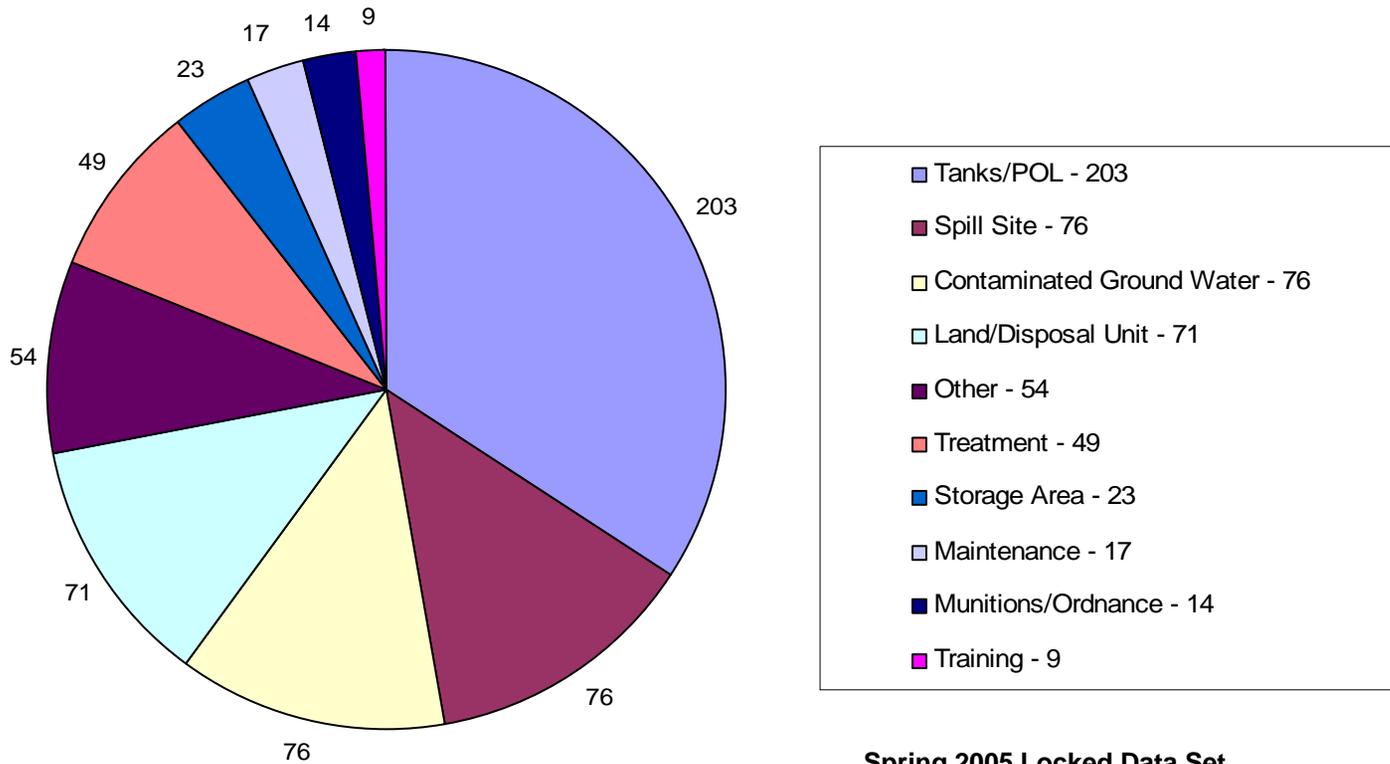
# Site Data Entered into AEDB-CC



- There are 934 validated sites entered in the AEDB-CC database as of November 2005.
- 153 new sites added in Fall 2005 data call.
- 22% of validated sites are located at overseas installations (140 in Europe and 67 in Korea).
- Cost to Complete estimate is \$780 million.



## IMA Sites by Category



Spring 2005 Locked Data Set

**55% Petroleum Related**



## CC Metrics

- Site Assessment:
  - Complete all site assessments (SI phase) by 2008.
- Remedy Selection:
  - Complete all feasibility studies (FS or CMS) and select a remedy for all sites by 2012.
- Remedy in Place
  - Reach remedy in place for all sites (complete RA(C) or CMI(C) phase by 2014.

## Baseline for Program Metrics

SITE ASSESSMENTS (280 SITES)		
REGION	# SITES UNDERWAY	# SITES FUTURE
EUROPE	12	4
KOREA	11	30
NORTHEAST	2	47
NORTHWEST	15	3
PACIFIC	3	14
SOUTHEAST	25	3
SOUTHWEST		28
RESERVES		10
NAT GUARD	35	38
<b>TOTAL</b>	<b>103</b>	<b>177</b>





## Baseline for Program Metrics

REMEDY SELECTION (288 SITES)		
REGION	# SITES UNDERWAY	# SITES FUTURE
EUROPE	10	58
KOREA		49
NORTHEAST		8
NORTHWEST	1	9
PACIFIC		1
SOUTHEAST	3	4
SOUTHWEST		14
RESERVES		
NAT GUARD	22	109
<b>TOTAL</b>	<b>36</b>	<b>252</b>

## Baseline For Program Metrics

REMEDY IN PLACE (341 Sites)		
REGION	# SITES UNDERWAY	# SITES FUTURE
EUROPE	7	102
KOREA		50
NORTHEAST	4	15
NORTHWEST	8	14
PACIFIC	5	5
SOUTHEAST	7	24
SOUTHWEST	1	28
RESERVES	4	12
NAT GUARD	30	25
<b>TOTAL</b>	<b>66</b>	<b>275</b>





# Current Issues

- Environmental Liability
- POM Build
- Operational range cleanup
- Business Enterprise Architecture
- Business Initiatives
- Environmental Closure Requirements



# Environmental Liability

- Financial Management Regulation (FMR) changed in October 2005
  - DOD 7000.14-R, Volume 4, Chapter 13
- OSD published Non-DERP Liability Guidance in November 2005
  - OSD still defining scope of program by trying to establish data elements for Services to report
  - Provides conflicting guidance for closure requirements
- Database of record
  - AEDB-CC



# POM Build

- Building the Program Objective Memorandum (POM) is a major task for the Office of the Deputy for Environmental Programs
  - Built by Major Decision Packages (MDEPs)
    - VENC for CC and other environmental compliance requirements
    - VEMR for operational range cleanup

# Compliance-Related Cleanup



## FY06 POM BUILD

MDEP	APPN	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13
VENC	OMA (ENV)	\$ 36,670	\$ 41,634	\$ 72,905	\$ 57,301	\$ 45,651	\$ 40,118	\$ 35,851	\$ 34,380
VENC	OMAR (ENV)	\$ 2,947	\$ 3,227	\$ 5,000	\$ 5,000	\$ 3,500	\$ 2,500	\$ 2,500	\$ 2,500
VENC	OMNG(ENV)	\$ 14,039	\$ 10,760	\$ 17,922	\$ 19,623	\$ 12,801	\$ 7,397	\$ 7,416	\$ 7,397
VENC TOTAL		\$ 53,656	\$ 55,621	\$ 95,827	\$ 81,924	\$ 61,952	\$ 50,015	\$ 45,767	\$ 44,277
VEMR	OMNG(ENV)	\$ 33,900	\$ 28,700	\$ 32,172	\$ 32,951	\$ 26,142	\$ 25,397	\$ 24,602	\$ 22,163

Increase in overall VENC requirements for FY08 can be primarily attributed to the fact that the investigation, study and design phase of many projects will be completed in FY 06 & FY 07 and the construction phase will start in FY 08. Construction phase is the most expensive phase of a project. Additionally, ninety-two new sites were added to the database in the most recent datacall. Investigation at these sites will occur in FY 07 but study and design phase will occur in FY08.

Increase in OMA (ENV) requirements for FY08 can also be attributed to the following:

- 1) KORO Region finally developed a process to get Executive Agent Approval resulting in a \$31,200K of projects being validated. Result is \$8,900K in new site investigations for FY08.
- 2) Fort Belvoir added \$10,000K in new projects at Engineer Proving Ground to support the reuse of this property. These costs were not captured in any database prior to this datacall. \$3,900K needed in FY08.



# Environmental Response at Active Ranges

- DoD Instruction 4715.14, “Operational Range Assessments” is the driver for range assessments.
- At this point only one site in category.
  - Massachusetts Military Reservation.
  - Site level data is in AEDB-CC.
- Expect more sites to be added as range assessments are completed.
  - Only sites where contamination is migrating off-range.



# Operational Range Cleanup

- Inventory is complete
- Assessment is underway
  - Not sure what we will discover
- Contaminants migrating from operational ranges are a compliance-related cleanup requirement



# Business Enterprise Architecture

- DoD-wide effort to look at information management systems from a business process perspective
- ACSIM is participating across all Directorates
- Environmental Programs has identified 44 lines of business to be studied
  - Cleanup has four:
    - ✓ER,A
    - ✓FUDS
    - ✓BRAC
    - ✓Compliance Cleanup/ Overseas
  - Strong potential for additional study of cleanup program areas



# Business Initiatives

- Contractor indemnification
  - Working to clarify contract clauses concerning indemnification for operating contractors
- Performance-Based Contracting
  - Effort is on-going and achieving excellent results
    - Contractors can get environmental pollution legal liability and cost-cap insurance to support cleanup
- Environmental Services Schedule
  - Requires special legislation
  - Will continue with Environmental Services MAC
    - Omaha District will solicit on behalf of Army



# Environmental Closure Requirements

- If there has been a release...
  - Tracked as separate project in AEBD-CC database until the site is closed.
- If there has not been a release...
  - No environmental closure requirements exist.
- Routine sampling to close a permit is an operating cost and not “material” to Army’s environmental liability.



## Challenges

- Capturing obligations.
- Proper documentation for each site.
  - RACER estimate.
  - MFR.
  - Supervisory Review Checklist.
- Process is cumbersome and time consuming.