
COST RECOVERY STATUS

The Department of Defense (DoD) seeks to recover response costs for contamination caused by the actions of other parties. According to the Defense Environmental Restoration Program (DERP) Management Guidance, each Component is required to identify all opportunities for recovering environmental restoration costs from, or sharing such costs with, DoD contractors and other parties, public and private, that may have contributed to contamination at DoD sites. Components must also investigate each activity in which cost recovery or cost sharing may be possible, to determine whether the dollar amount of the likely recovery or sharing of costs outweighs the expense associated with pursuing such an action. Finally, if cost recovery/sharing activities appear to be potentially cost-effective, Components must pursue such activities to the extent practicable by—

- ❑ Obtaining all relevant data
- ❑ Identifying any defense contractor negligence or other misconduct that may limit or negate DoD's obligation to indemnify or reimburse the contractor for the costs of environmental restoration at a DoD site

- ❑ Initiating actions, where appropriate, to recover environmental restoration costs incurred, or to be incurred, by the Department.

The DERP Management Guidance states, "As a matter of policy, Components should pursue recovery of response costs of \$50,000 or more." Components are authorized to credit the amount recovered for response costs to their Environmental Restoration accounts. The project and funding status of the Components' cost-recovery actions is provided in Table F-1.

In FY01, the General Accounting Office (GAO) asked DoD to provide information on the potential cost recovery/sharing actions at the installations that GAO identified as having potentially reported such actions in prior-year reports. The Air Force agreed that two installations identified by GAO did meet the reporting requirements; they are included in Table F-1. For the remainder of the list, the identified Component reported having no actions meeting GAO's description. These are listed in Table F-2.

**Table F-1
Component Cost Recovery Efforts for Fiscal Year 2001**

Installation Name	Location	Status (Under Way or Complete)	Cumulative Amount Recovered/ Shared	Cost to Pursue Action
Army				
Alabama Army Ammunition Plant	Childersbury, Alabama	Complete*	\$0	\$217,587
Badger Army Ammunition Plant	Sauk County, Wisconsin	Complete*	\$0	TBD**
Cornhusker Army Ammunition Plant	Hall County, Nebraska	Complete*	\$0	\$6,500
Hawthorne Army Ammunition Plant	Mineral, Nevada	Complete*	\$0	\$6,500
Holston Army Ammunition Plant	Kingsport, Tennessee	Complete*	\$0	\$6,500
Indiana Army Ammunition Plant	Charlestown, Indiana	Complete*	\$0	\$6,500
Iowa Army Ammunition Plant	Middletown, Iowa	Complete*	\$0	\$6,500
Joliet Army Ammunition Plant	Wilmington, Illinois	Complete*	\$0	\$6,500
Kansas Army Ammunition Plant	Labette County, Kansas	Complete*	\$0	\$6,500
Lake City Army Ammunition Plant	Independence, Missouri	Complete*	\$0	\$6,500
Lone Star Army Ammunition Plant	Texarkana, Texas	Complete*	\$0	\$6,500
Longhorn Army Ammunition Plant	Karnack, Texas	Complete*	\$0	\$6,500
Louisiana Army Ammunition Plant	Doyline, Louisiana	Complete*	\$0	\$6,500
Massachusetts Military Reservation	Falmouth, Massachusetts	Prior-year cost recovery/sharing actions reported were found to be inaccurate. After reassessing the definition of cost sharing, Army has determined the entry should be removed.		
Milan Army Ammunition Plant	Milan, Tennessee	Complete*	\$0	\$6,500

*In FY00, the Army assessed the prospects of recovering costs at 24 ammunition plants. The report concludes that due to legal barriers to cost recovery presented by the statute of limitations, indemnification issues, and other insurance issues such as pollution exclusion clauses, the likelihood of the Army prevailing in a cost recovery action against the insurance companies is extremely low. Other opportunities for cost recovery are being explored.

**TBD = To be determined

**Table F-1
Component Cost Recovery Efforts for Fiscal Year 2001**

Installation Name	Location	Status (Under Way or Complete)	Cumulative Amount Recovered/ Shared	Cost to Pursue Action
Army				
Mississippi Army Ammunition Plant	Hancock, Mississippi	Complete*	\$0	\$6,500
Newport Army Ammunition Plant	Vermillion, Indiana	Complete*	\$0	\$6,500
Radford Army Ammunition Plant	Radford, Virginia	Complete*	\$0	\$6,500
Ravenna Army Ammunition Plant	Ravenna, Ohio	Complete*	\$0	\$6,500
Riverbank Army Ammunition Plant	Riverbank, California	Complete*	\$0	\$6,500
Rocky Mountain Arsenal	Adams County, Colorado	Under Way	\$418,884,165	Unknown
Saint Louis Army Ammunition Plant	St. Louis, Missouri	Complete*	\$0	\$6,500
Scranton Army Ammunition Plant	Scranton, Pennsylvania	Complete*	\$0	\$6,500
Sunflower Army Ammunition Plant	De Soto, Kansas	Complete*	\$0	\$6,500
Twin Cities Army Ammunition Plant	Arden Hills, Minnesota	Under Way/Complete*†	\$4,771,326	Unknown
Volunteer Army Ammunition Plant	Chattanooga, Tennessee	Complete*	\$0	\$6,500
Navy				
Bethpage Naval Weapons Industrial Reserve Plant (NWIRP)	Bethpage, New York	Under Way	\$0	TBD**
Concord Naval Weapons Station	Concord, California	Complete	\$12,166,604	TBD**
Hunters Point Naval Annex	San Francisco, California	Complete	DOJ and the PRP settled suit	Unknown

*In FY00, the Army assessed the prospects of recovering costs at 24 ammunition plants. The report concludes that due to legal barriers to cost recovery presented by the statute of limitations, indemnification issues, and other insurance issues such as pollution exclusion clauses, the likelihood of the Army prevailing in a cost recovery action against the insurance companies is extremely low. Other opportunities for cost recovery are being explored.

**TBD = To be determined

†One action has been completed and one action is underway.

**Table F-1
Component Cost Recovery Efforts for Fiscal Year 2001**

Installation Name	Location	Status (Under Way or Complete)	Cumulative Amount Recovered/ Shared	Cost to Pursue Action
Navy				
NIROP Fridley	Fridley, Minnesota	Under Way	\$0	Unknown
NWIRP McGregor	McGregor, Texas	Complete	PRP incurred pesticide cleanup cost of \$2,500,000	\$10,000
NWIRP McGregor (SWMU 6-Pesticide Dump)	McClennan, Texas	Complete	PRP incurred cost of DDT pesticide cleanup	Unknown
Naval Weapons Station Seal Beach (Site 22 Oil Island)	Seal Beach, California	Under Way	\$1,000,000 shared	TBD**
Naval Weapons Station Seal Beach (Site 70 RT&E Area)	Seal Beach, California	Under Way	\$1,000,000 shared	TBD**
Air Force				
Air Force Plant 70 (Aerojet)	Sacramento, California	Complete	None; plant was sold to Aerojet in January 1999. The sale agreement included a provision that Aerojet will pay all future remediation costs	Est. \$65,000

**TBD = To be determined

**Table F-1
Component Cost Recovery Efforts for Fiscal Year 2001**

Installation Name	Location	Status (Under Way or Complete)	Cumulative Amount Recovered/ Shared	Cost to Pursue Action
Air Force				
Air Force Plant 78	Brigham City, Utah	Complete	\$500K environmental settlement from contractor to Treasury; \$6.4M from plant sale to cleanup	Est. \$65,000
Air Force Plant PJKS	Watertown, Colorado	Complete	\$350,000	TBD**
Massachusetts Military Reservation (FS12/FS13)	Falmouth, Massachusetts	Under Way	\$0	Unknown
Newark Air Force Base	Heath, Ohio	Under Way	\$0	\$230,000
West Nome Tank Farm	Nome, Alaska	Under Way	\$0	TBD**

**TBD = To be determined

Table F-2
List of GAO-Identified Installations for Query Concerning Cost Recovery/Sharing History

The following facilities were identified by GAO as having previously reported cost recovery/sharing actions.
 The Component listed, however, has no record of reported actions.

Installation Name	Location
Army	
Area Maintenance Support Activity Number 137	Washington
Fort Benning	Georgia
Fort McPherson	Georgia
Navy	
Amchitka Fleet Surveillance Support Command, Detachment 1	Alaska
Binghamton Naval Reserve Center	New York
Gulfport Naval Construction Battalion Center	Mississippi
Litchfield Naval Air Station	Arizona
Magna Naval Industrial Reserve Ordnance Plant (NIROP)	Utah
Meridian Naval Air Station	Mississippi
Monterey Naval Post Graduate School	California
Washington Navy Yard Naval Station	District of Columbia
Air Force	
Barksdale Air Force Base	Louisiana
Eglin AFB (LF012)	Florida
John C. Stennis Space Center (Herbicide Orange Site)	Mississippi
DLA	
Baltimore National Defense Storage Depot	Maryland
Defense Depot Susquehanna, New Cumberland Facility	Pennsylvania
Defense Supply Center Philadelphia (Site 36)	Pennsylvania

Installation Name	Location
Formerly Used Defense Sites	
Air Force Plant Number 26	Indiana
Air Force Plant Number 39	Illinois
Air Force Plant Number 80	Virginia
Alabama Drydock and Shipbuilding Company	Alabama
American Zinc Company	Texas
Area Maintenance Support Activity Numer 39	Indiana
Arkansas Ordnance Plant	Arkansas
Avco Lycoming Superfund Site	Pennsylvania
Bradley Military Air Field	Connecticut
Cameron Station	Virginia
Camp Callan	California
Cape Canaveral Air Force Station	Florida
Cape Yakataga Radio Relay Site	Alaska
Charleston NAV IND RES SY AR	South Carolina
Charleston Naval Ship Yard	South Carolina
Charlotte Naval Ammunition Depot	North Carolina
Coffeyville Army Ammunition Facility	Kansas
Columbia Army Air Base	South Carolina
Cordova Auxiliary Field	Alaska
Craig ACS Site	Alaska
Eau Claire Ordnance Plant Number 2	Wisconsin
Former Shumaker Naval Ammunition Depot, Camden	Arkansas

Table F-2
List of GAO-Identified Installations for Query Concerning Cost Recovery/Sharing History

Installation Name	Location
Formerly Used Defense Sites	
Fort Custer Rec Area	Michigan
Gary (Edward) Air Force Base	Texas
General Mitchell International Airport	Wisconsin
Gulf Ordnance Plant	Mississippi
Hastings Petroleum, Oil, and Lubricant Plant	Minnesota
Hondo Army Air Field	Texas
James Connally Air Force Base	Texas
Laredo Air Force Base	Texas
Lawrence Livermore National Laboratory	California
Lower II Ordnance Plant	¹
Malta Test Station	New York
Marathon Battery Company	New York
Miami International Airport	Florida
Midway Village	California
Morton Thiokol (Ammunition Plant)	Maryland
Niagara Falls Army Chemical Plant	New York
NIKE BO-15	Massachusetts
NIKE Site MSP Number 70	Minnesota
NIKE W-92 (Rockville)	Maryland
Norfolk Naval Ship Yard	Virginia

Installation Name	Location
Formerly Used Defense Sites	
Ottumwa Track Data Acquisition	Iowa
PAC OVERSEA AIR SVCCOM	California
Pratt and Whitney PLANCOR	Connecticut
Quonset Point Naval Air Station	Rhode Island
Sacramento Municipal Airport	California
Santa Rosa Naval Auxiliary Air Station	California
Seattle NAV IND RES PT	Washington
Seattle NAV IND RES SH	Washington
Stewart Air Force Base	New York
Stockton Military Air Field	California
Sunnyvale Navy Industrial REserve Ordnance Plant	California
Susquehanna Ordnance SUB-DE	Pennsylvania
Tarheel Army Missile Plant	North Carolina
TIV AF POL RET DIS STA	Rhode Island
Truax Army Air Field	Wisconsin
Valley Forge General Hospital	Pennsylvania
Wal Ridge Army Ammunition Facility and POW Camp	Arkansas
Walker Air Force Base	New Mexico
Waltham-Raytheon Manufacturing	Massachusetts

¹GAO did not identify location.