

## DEPARTMENTAL MANAGEMENT

## HAZARDOUS MATERIALS MANAGEMENT

Purpose Statement

The Hazardous Materials Management Program (HMMP) provides leadership in six key environmental areas: (1) establishing annual funding priorities and funding hazardous material cleanups on USDA-managed lands and sites contaminated from past activities; (2) developing Departmental policies on environmental management systems, pollution prevention, and environmental compliance; (3) coordinating implementation of environmental management systems; (4) planning for, evaluating, and responding to natural and other incidents affecting the natural and built environment; (5) ensuring that USDA minimizes environmental liabilities associated with property transfers; and (6) representing USDA, which serves as a key Federal partner, in the national Brownfields program. Requirements, criteria, and procedures of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), the Resource Conservation and Recovery Act (RCRA), and other environmental requirements guide decision making. The program also supports homeland security objectives by representing USDA on the National Response Team for oil and hazardous substance releases and several emergency support functions under the National Response Plan. HMMP also supports natural resources stewardship, quality-of-life goals for rural America, and Brownfields and Mine-Scarred Lands initiatives under the Small Business Liability Relief and Brownfields Revitalization Act.

The Hazardous Materials Management Program is headquartered in Washington, D.C. As of September 30, 2010, there were seven permanent full-time employees, with six located in the national office and one located in a field office.

Office of Inspector General Reports

508010012AT      January 2005      Management of Hazardous Waste Funds

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Available Funds and Staff Years  
2010 Actual and Estimated 2011 and 2012

	<u>2010 Actual</u>		<u>2011 Estimated</u>		<u>2012 Estimated</u>	
	<u>Amount</u>	<u>Staff Years</u>	<u>Amount</u>	<u>Staff Years</u>	<u>Amount</u>	<u>Staff Years</u>
Hazardous Materials Management...	\$5,125,000	7	\$5,125,000	7	\$5,125,000	7
Carryover Balance.....	+394,073	--	+453,699	--	--	--
Recoveries.....	+6,865	--	--	--	--	--
Unobligated Balance.....	-453,699	--	--	--	--	--
Total, Available or Estimate.....	<u>\$5,072,239</u>	<u>7</u>	<u>\$5,578,699</u>	<u>7</u>	<u>\$5,125,000</u>	<u>7</u>

Permanent Positions by Grade and Staff Year Summary  
2010 Actual and Estimated 2011 and 2012

Grade	2010			2011			2012		
	Wash DC	Field	Total	Wash DC	Field	Total	Wash DC	Field	Total
GS-15.....	2	--	2	2	--	2	2	--	2
GS-14.....	3	1	4	3	1	4	3	1	4
GS-7.....	1	--	1	1	--	1	1	--	1
Total Permanent Positions.....	<u>6</u>	<u>1</u>	<u>7</u>	<u>6</u>	<u>1</u>	<u>7</u>	<u>6</u>	<u>1</u>	<u>7</u>
Total, Permanent Full-Time Employment, End-of-Year...	<u>6</u>	<u>1</u>	<u>7</u>	<u>6</u>	<u>1</u>	<u>7</u>	<u>6</u>	<u>1</u>	<u>7</u>
Staff Year Estimate.....	6	1	7	6	1	7	6	1	7

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Hazardous Materials Management:  
(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Department of Agriculture, to comply with the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9601 et seq.) and the Resource Conservation and Recovery Act (42 U.S.C. 6901 et seq.), \$5,125,000, to remain available until expended: *Provided*, That appropriations and funds available herein to the Department for Hazardous Materials Management may be transferred to any agency of the Department for its use in meeting all requirements pursuant to the above Acts on Federal and non-Federal lands.

Lead-off Tabular Statement

Annualized Continuing Resolution, 2011 .....	\$5,125,000
Budget Estimate, 2012 .....	<u>5,125,000</u>
Change in Appropriation.....	<u>0</u>

Summary of Increases and Decreases  
(On basis of appropriation)

<u>Item of Change</u>	<u>2011 Estimated</u>	<u>Program Changes</u>	<u>2012 Estimated</u>
Departmental Administration .....	\$5,125,000	0	\$5,125,000

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Project Statement  
(On basis of appropriation)

	<u>2010 Actual</u>		<u>2011 Estimated</u>		Increase or Decrease	<u>2012 Estimated</u>	
	<u>Amount</u>	<u>Staff Years</u>	<u>Amount</u>	<u>Staff Years</u>		<u>Amount</u>	<u>Staff Years</u>
Hazardous Materials Management .....	\$5,072,239	7	\$5,125,000	7	0	\$5,125,000	7
Unobligated Balance...	+52,761	--	--	--	--	--	--
<b>Total, Appropriation.....</b>	<b>5,125,000</b>	<b>7</b>	<b>5,125,000</b>	<b>7</b>	<b>0</b>	<b>5,125,000</b>	<b>7</b>

Project Statement  
(On basis of available funds)

	<u>2010 Actual</u>		<u>2011 Estimated</u>		Increase or Decrease	<u>2012 Estimated</u>	
	<u>Amount</u>	<u>Staff Years</u>	<u>Amount</u>	<u>Staff Years</u>		<u>Amount</u>	<u>Staff Years</u>
Hazardous Materials Management.....	\$5,072,239	7	\$5,578,699	7	-\$453,699	\$5,125,000	7
Unobligated Balance, Start of Year.....	-394,073	--	-453,699	--	+453,699	--	--
Recoveries.....	-6,865						
Unobligated Balance End of Year.....	+453,699	--	--	--	--	--	--
<b>Total, Appropriation.....</b>	<b>5,125,000</b>	<b>7</b>	<b>5,125,000</b>	<b>7</b>	<b>--</b>	<b>5,125,000</b>	<b>7</b>

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Geographic Breakdown of Obligations and Staff Years  
2010 Actual and Estimated 2011 and 2012

	2010		2011		2012	
	<u>Amount</u>	<u>Staff Years</u>	<u>Amount</u>	<u>Staff Years</u>	<u>Amount</u>	<u>Staff Years</u>
District of Columbia.....	\$4,909,826	6	\$5,471,000	6	\$4,963,000	6
Denver, Colorado.....	162,413	1	162,000	1	162,000	1
Subtotal, Available or Estimate.....	5,072,239	7	5,579,000	7	5,125,000	7
Unobligated Balance.....	+52,761	--	--	--	--	--
Total, Available or Estimate.....	5,125,000	7	5,579,000	7	5,125,000	7

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Classification By Objects

2010 Actual and Estimated 2011 and 2012

	<u>2010</u>	<u>2011</u>	<u>2012</u>
<b>Personnel Compensation:</b>			
Washington, D.C.....	\$720,594	\$734,000	\$734,000
Denver, Colorado.....	126,949	127,000	127,000
11 Total personnel compensation .....	847,543	861,000	861,000
12 Personnel benefits .....	169,576	174,000	174,000
13 Benefits for former personnel.....	165	--	--
Total pers. comp. & benefits.....	1,017,284	1,035,000	1,035,000
<b>Other Objects:</b>			
21 Travel.....	35,409	46,000	46,000
22 Transportation of things.....	0	1,000	1,000
23.3 Communications, utilities, and misc. charges .....	27,593	25,000	25,000
24 Printing and reproduction .....	7,238	6,000	6,000
25.3 Purchase of goods and services .....	3,981,619	4,458,000	4,004,000
26 Supplies and materials .....	4,314	8,000	8,000
31 Equipment.....	-1,218	--	--
Total other objects.....	4,054,955	4,544,000	4,090,000
Total direct obligations.....	5,072,239	5,579,000	5,125,000
<b>Position Data:</b>			
Average Salary, GS positions .....	\$121,078	\$123,000	\$123,000
Average Grade, GS positions.....	14.5	14.5	14.5

DEPARTMENTAL MANAGEMENT  
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STATUS OF PROGRAM

The Hazardous Materials Management account centrally funds the necessary expenses of the Department to cleanup releases of hazardous substances under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA, 42 U.S.C. 9601 et seq.) and the Resource Conservation and Recovery Act (RCRA, 42 U.S.C. 6901 et seq.). Funds are transferred to agencies of the Department for use in meeting requirements of CERCLA and RCRA on Federal and non-Federal lands. A portion of the account is used to fund staff within the Office of Procurement and Property Management (OPPM) and within the Office of the General Counsel (OGC). Program staff provide Departmental leadership through the development and implementation of policy and guidance, and provide oversight of the CERCLA and RCRA activities of the Department. OGC develops agreements for reimbursement and cleanup work by parties responsible for contamination on Federal lands managed by the Department and provides legal assistance for the program.

Current Activities:

Each year, OPPM's Environmental Management Division (EMD) evaluates and prioritizes proposed projects for protection of human health and the environment and for public benefit. The Department's Hazardous Materials Policy Council reviews and approves the recommended priorities and establishes Department-wide policies related to environmental compliance and management. USDA's project prioritization and approval process ensures that the Hazardous Materials Management account funds are used to address the most serious threats to public health and the environment at USDA facilities and on USDA-managed lands. In FY 2010, USDA used the Hazardous Materials Management account to fund cleanup and oversight activities at three USDA facilities in Colorado, Maryland, and Montana that are on the U.S. Environmental Protection Agency's (EPA's) National Priorities List (NPL) - EPA's list of the Nation's worst contaminated sites on private and Federal land. USDA will continue to use the Hazardous Materials Management account to fund activities at USDA's highest priority cleanup sites; develop and implement policy and guidance; and pursue and monitor enforcement agreements with potentially responsible parties to perform cleanup/restoration at contaminated sites.

Selected Examples of Recent Progress:

The U.S. Environmental Protection Agency (EPA) listed USDA's Beltsville Agricultural Research Center (BARC) on the National Priorities List (NPL) in 1994. EPA is overseeing USDA's cleanup activities at the facility pursuant to an enforceable Federal Facilities Agreement between USDA and EPA. USDA's Agricultural Research Service (ARS) has used the facility since 1910 for research on animal husbandry, dairying, and animal diseases. BARC spans 7,000 acres adjacent to Washington, D.C., in suburban Maryland, with agricultural plots and 800 buildings, including research laboratories, administrative offices, shops, greenhouses, barns, and several houses. A trailer park, high school, housing developments, and many Federal installations are located within four miles of the site. From the late 1940s until 1987, USDA used one area of BARC for the disposal of low-level radioactive waste and these radioactive wastes have contaminated nearby groundwater. In addition to EPA, the Nuclear Regulatory Commission is overseeing USDA cleanup activities of the radioactive waste disposal area. With EPA oversight, ARS is continuing to evaluate and clean up several dozen areas on BARC that contaminated or threaten to contaminate ground and surface water with pesticides, solvents, metals, and other hazardous substances. Surface water from BARC flows to the Anacostia River and eventually to the Potomac River and the Chesapeake Bay. Fisheries in the creek known as the Northeast Branch and the Anacostia River provide habitat for numerous species and supply aquatic habitat for the USDA National Arboretum and several National Park units. As of January 2011, USDA has spent \$41 million for investigation and cleanup at BARC. EPA has determined that ARS has adequately addressed threats to human health and the environment at 39 areas of concern. EPA is requiring additional response actions at 19 areas of concern and further detailed evaluation at four sites located on the facility before they are

willing to certify that the remaining sites are protective of human health and the environment. ARS estimates that it will need an additional \$24 million to complete the ongoing investigations and remaining cleanups at BARC.

The Standard Mine is a former hard rock mine located in the Gunnison National Forest in Colorado. This project was funded due to the high priority the Department places in protecting human health. EPA placed the mine on the NPL in 2005 because of the mine's threat to the drinking water supply for the town of Crested Butte, Colorado. Mining of lead, zinc, silver, and gold began at Standard Mine around 1874 and continued through 1966 when the mine was abandoned. While it remains USDA policy to pursue viable potentially responsible parties, the now defunct mining company is unable to pay for the cleanup of the mine site. The potentially responsible party placed piles and ponds of contaminated material on Forest Service land adjacent to and in Elk Creek. As a result, Elk Creek is devoid of all aquatic life and fails water quality standards. Elk Creek feeds into Coal Creek, which is the only available permanent source of drinking water for Crested Butte. The community is concerned that contaminated material from the mine will contaminate their water supply if the site is not cleaned up. EPA and USDA have completed actions to remove the immediate threat to the City's water supply and these actions have improved the water quality of Elk Creek. USDA is continuing to support EPA's efforts to complete a Remedial Investigation and Feasibility Study of the site.

EPA placed the Basin Mining Area, located partially on the Beaverhead/Deerlodge National Forest, Montana, on the NPL in 1999 because of the historic hard rock mining that started in the 1870s and continued intermittently into the late 1950s. The historic mining resulted in extensive areas of heavy metal contamination at levels posing a threat to human health and the environment. This site is a Departmental priority due to the significant threat it poses to human health and the environment. HMM funds were provided to mitigate a heavily contaminated mill tailings impoundment (the Morning Glory tailings), as well as two contaminated mine sites (the Sirius and Cracker mines) within the Cataract Creek drainage. At the end of fiscal year 2010 when this work is completed, USDA will have completed cleanup work in the Cataract Creek drainage at all sites that are located primarily on lands administered by the USDA. This accomplishment will mark the fulfillment of USDA's ten-year commitment in the cooperative effort among the State of Montana, EPA, and USDA.

In FY 2010, OGC completed 19 agreements (Administrative Settlement Agreements and Orders on Consent, Consent Decrees, Settlement Agreements, and Participating Agreements) for the recovery of costs or to require potentially responsible parties to conduct work to address contamination on USDA managed lands or at USDA facilities. The value of the cost recovery, combined with work the potentially responsible parties conducted, is over \$24.6 million. OGC also provided legal support to USDA agencies that received notices of violation for environmental infractions and negotiated settlement of the fines and penalties.

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Summary of Budget and Performance  
Statement of Agency Goals and Objectives

Hazardous Materials Management has one goal and objective that contributes to the Department's strategic goals.

USDA Strategic Goal	Agency Strategic Goal	Agency Objectives	Programs that Contribute	Key Outcome
USDA Goal: Ensure our national forests and private working lands are conserved, restored, and made more resilient to climate change, while enhancing our water resources.	Provide USDA leadership with the administrative tools, services, infrastructure, and policy framework to support their public service mission.	Promote the efficient and economical use of USDA's resources to support customers, promote organizational productivity and ensure accountability.	Hazardous Materials Management Program	Protect public health and natural resources by addressing hazardous materials contamination on lands under USDA jurisdiction, custody, or control.

Selected Accomplishments Expected at the FY 2012 Proposed Resource Level:

USDA will continue to apply available funds to CERCLA sites determined to be the Department's highest priorities for action. Specifically, funds requested in FY 2012 will be used to continue site investigations and cleanup actions at USDA priority sites such as the Beltsville Agricultural Research Center (BARC), which poses hazards to both public health and the environment. EPA placed BARC on the National Priorities List (NPL) in 1994 and USDA and EPA have signed a Federal Facilities Agreement and negotiated Site Management Plan. Failure to show progress on investigation and cleanup at BARC places USDA at risk of fines and penalties. In FY 2012, HMM will also develop and implement policy and guidance; pursue and monitor enforcement agreements with potentially responsible parties and provide funding for investigations, cleanup and restoration at other high priority USDA contaminated sites. Specifically, program staff and the Pollution Control Team within OGC support the CERCLA and RCRA programs of the Department through oversight and the development of Departmental and Inter-Departmental policy and guidance. The Pollution Control Team supports the search for responsible parties to fund the investigation and cleanup of sites on USDA managed lands and at USDA facilities. If viable responsible parties are found, then the Pollution Control Team negotiates legal agreements requiring the parties to conduct cleanup activities thereby saving HMM funds for other priority work.

DEPARTMENTAL ADMINISTRATION  
HAZARDOUS MATERIALS MANAGEMENT

Summary of Budget and Performance  
Key Performance Outcomes and Measures

Strategic Goal: Ensure our national forests and private working lands are conserved, restored, and made more resilient to climate change, while enhancing our water resources.

Key Outcome: Protect public health and natural resources by addressing hazardous materials contamination on lands under USDA jurisdiction, custody, or control.

Long-term Performance Measure: Percent of available HMM resources distributed to priority cleanup activities.

Key Performance Targets:

Performance Measure	<u>2007 Actual</u>	<u>2008 Actual</u>	<u>2009 Actual</u>	<u>2010 Target</u>	<u>2011 Target</u>	<u>2012 Target</u>
Percent of available HMM resources distributed to priority cleanup activities.	100%	100%	100%	100%	100%	100%
<u>a. Units</u>	N/A	N/A	N/A	N/A	N/A	N/A
<u>b. Unit Cost</u>	\$10,645,000	\$3,787,000	\$7,726,000	\$4,047,000	\$3,757,000	\$3,757,000

Note: The unit costs refers to funding spent directly on cleanup activities. It does not include personnel compensation or other administrative costs.

Summary of Budget and Performance  
Full Cost By Department Strategic Goal

PROGRAM ITEMS	(Dollars in Thousands)		
	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>
Strategic Goal: Ensure our national forests and private working lands are conserved, restored, and made more resilient to climate change, while enhancing our water resources.			
Direct Costs	\$5,072	\$5,579	\$5,125
FTEs	7	7	7