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NSWC CRANE  
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DEPARTMENT OF THE NAVY

CRANE DIVISION  
NAVAL SURFACE WARFARE CENTER  
300 HIGHWAY 361  
CRANE INDIANA 47522-5001

IN REPLY REFER TO:  
5090/B4.3.4  
Ser RP3/4153

21 JUL 2004

U.S. Environmental Protection Agency, Region V  
Waste, Pesticides, & Toxics Division  
Waste Management Branch  
Corrective Action Section  
Attn: Mr. Hak Cho  
77 West Jackson Blvd.  
Chicago, IL 60604

Indiana Department of Environmental Management  
Hazardous Waste Permit Section  
Permit Branch  
Office of Land Quality  
Attn: Mr. Victor P. Windle, Chief  
100 North Senate Avenue  
P.O. Box 6015  
Indianapolis, Indiana 46206-6015

Dear Sirs:

Crane Division, Naval Surface Warfare Center (NSWC Crane) submits the following letter to both the United States Environmental Protection Agency, Region V (U.S.EPA) and the Indiana Department of Environmental Management (IDEM) concerning minutes for the 03 June 2004 Environmental Restoration, Navy (ER,N) Funding Loss meeting.

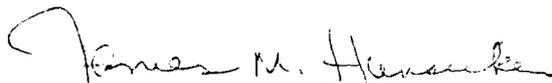
The NSWC Crane Environmental Department was informed by Naval Facilities Engineering Command (NAVFAC), Southern Division that a review by NAVFAC Headquarters of the NSWC Crane Corrective Action (CA) Program and Munitions Response Program sites had been conducted. A determination was made from the review that five NSWC Crane Solid Waste Management Unit sites will no longer be eligible for funding under the ER,N account.

The purpose of the meeting was to notify the U.S.EPA and IDEM face-to-face of the loss of funding and to start discussion with regulators on how to proceed. NSWC Crane wanted to be sure all parties were informed of the change in the CA Program funding situation and in agreement on how to prioritize future CA Program funding.

5090/B4.3.4  
Ser RP3/4153

If you require any further information, my point of contact is Ms. Christine Freeman, Code RP3-CF, at 812-854-4423, or email [freeman\\_cd@crane.navy.mil](mailto:freeman_cd@crane.navy.mil).

Sincerely,



JAMES M. HUNSICKER  
Manager, Environmental Protection  
By direction of the Commanding Officer

Encl:

(1) Corrective Action Funding Meeting Minutes

Copy to:

Administrative Record

IDEM (Griffin)

IDEM (Workman)

SJMCN-SF (Johnson)

SOUTHNAVFACENGCOM (Code ES32 Black)

SOUTHNAVFACBGCOCOM (Code ES32 Gates)

U.S. EPA (DW-8J)

**Corrective Action Funding Meeting Minutes  
Naval Surface Warfare Center Crane  
June 3, 2004 from 1100-1230  
Indiana Government Center North**

Attendees:

Hak Cho, U.S.EPA Region V	Charles Black, Navy EFDSOUTH
Peter Ramanauskas, U.S.EPA Region V	Doug Johnson, CAAA
Victor Windle, IDEM	James Hunsicker, Navy NSWC Crane
Jeff Workman, IDEM	Christine Freeman, Navy NSWC Crane
Doug Griffin, IDEM	

The PowerPoint slides used during this meeting are included as Attachment 1.

Mr. Jim Hunsicker opened the meeting and began with a brief history of the Crane Division, Naval Surface Warfare Center (NSWC Crane) Corrective Action (CA) program. Specifically, that the Hazardous and Solid Waste Amendment CA program requirements and compliance schedules had been set forth in the Resource Conservation and Recovery Act (RCRA) Part B Hazardous Waste Storage permit since 1984. Mr. Hunsicker also discussed the purpose of the meeting concerning loss of Environmental Restoration, Navy (ER,N) funding and future CA strategy and priorities.

Mr. Charles Black, Naval Facilities Engineering Command (NAVFAC), Southern Division (EFDSOUTH), continued the discussion by providing background information on how and why the sites were determined to be ineligible for funding. Mr. Black explained that the Management Guidance for the Defense Environmental Restoration Program (DERP) issued in Sep 01 by the Office of the Deputy Undersecretary of Defense, Installation and Environment initiated the Munitions Response Program (MRP). The guidance states that for a site to be considered eligible for the MRP, the release had to occur prior to 30 Sep 2002; and the site could not be an operational range, active munitions demilitarization facility, or active waste military munitions treatment or disposal unit that operated after 30 Sep 2002. It also reiterated that for a site to be considered eligible for the CA program, the release must have occurred prior to 17 Oct 1986 and the site must have been listed in the Restoration Management Information System (RMIS) prior to 30 Sep 2000.

Mr. Black went on to state that shortly after Sep 2001, the Navy took action to create a new "range inventory," primarily for the purpose of identifying non-operational ranges that would be closed prior to 30 Sep 2002 (and were therefore eligible for the MRP). Each installation identified potential sites for Chief of Naval Operations to decide if the sites qualified for the MRP. Several sites at NSWC Crane have been identified as closed ranges and approved in the range inventory, but the five sites in question were not listed. Since the five sites were not closed ranges, they were not considered applicable to the range inventory. Rather, since they were operational ranges and were operational after 30 Sep 2002, they should have been dropped altogether from DERP.

**Corrective Action Funding Meeting Minutes  
Crane Division, Naval Surface Warfare Center  
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Mr. Black discussed that the major source of contamination at the five sites was from past operational practices prior to the 1986 date, so EFDSOUTH has been working from the assumption that these sites could remain in the CA program and therefore qualified for ER,N funding. EFDSOUTH maintained this interpretation until March 04 when the issue got further visibility during the annual review of DERP requirements conducted by NAVFAC Headquarters.

Mr. Black then made known that the Solid Waste Management Units (SWMU) sites in question include 3 active RCRA permitted Open Burning/Open Detonation units [SWMU 3-Ammunition Burning Grounds (ABG); SWMU 6-Demolition Range (DEMO); SWMU 7-Old Rifle Range (ORR)] and 2 Operating Ranges [SWMU 19-Pyrotechnic Test Area (PTA) and SWMU 20-CAAA QA/QC Test (CAAA)] used for munitions testing and quality assurance/quality control.

Mr. Hunsicker then explained the impact of the ER,N funding loss. He pointed out that the owners/operators of these active sites (ranges) will have to assume funding for the activities, such as increased groundwater monitoring costs and planned cleanup efforts that had been funded by the ER,N account. The total projected cost-to-complete for these five sites is approximately \$16.5M, which is currently unfunded. The costs associated with cleanup efforts are included as Attachment 1 Slide 6. These cost estimates are worst-case scenarios/assumptions and can vary widely once more is known about the site. The most serious effect on funding would be the results of the pending Corrective Measures Study (CMS) for ABG.

Mr. Hunsicker continued on with the next progression step for each site in question and touched on all remaining SWMUs as follows:

1. ABG
  - a. Some cost savings could be realized by splitting the ABG into two areas. Although the active treatment area is not eligible, the area called the Old Jeep Trail (OJT) is eligible. NAVFAC HQ has endorsed retaining OJT in the CA Program. To insure that we are consistent in application of Chapter 7 of the DERP Management Guidance, OJT will remain identified as SWMU 3 in the RMIS.
  - b. Ground water will also be split between the treatment area and the OJT.
  - c. Currently, ABG is being sampled to establish new base line for soils contamination. Hoping to confirm little to no soil contamination (or identify hot spot areas).
  - d. The CMS will continue to be funded to completion and will contain a cleanup recommendation.
2. DEMO

Already has a CA No Further Action decision (deferred to closure). Really no change in funding requirements.

**Corrective Action Funding Meeting Minutes**  
**Crane Division, Naval Surface Warfare Center**  
**June 3, 2004 from 1100-1230**  
**Indiana Government Center North**

3. ORR
  - a. Voluntary Interim Measure has removed TNT hotspot.
  - b. CMS will continue to be funded to completion and will contain a cleanup recommendation. (For soils, probable land use control decision).
  - c. Corrective Measures Implementation scheduled for FY06 (unfunded to date).
4. PTA
  - a. An RCRA Facility Investigation (RFI) work plan (including Quality Assurance Project Plan) has been developed and approved for this high relative risk site but not implemented.
  - b. RFI Fieldwork scheduled for FY07 (unfunded to date).
5. CAAA QA/QC – RFI work plan scheduled for FY08 (unfunded to date).
6. Remaining SWMUs
  - a. Not impacted. Funding will continue as scheduled.
  - b. High-risk sites may actually benefit by potentially receiving freed up funding that would have gone to now ineligible sites. For example, funding that would have gone to ABG will now be available for other high-risk sites.

Mr. Hunsicker brought up the unfunded items for FY05, which are the Remedial Design and Ground Water Monitoring for ABG. Mr. Hunsicker then detailed the concerns that NSWC Crane has dealing with the funding loss. NSWC Crane will have to fund CA with Navy Working Capital Funds. By adding the cost of CA to the overall hourly rate, the cost per hour charged by NSWC Crane to the customer will increase. Costs for FY05 and beyond are being incorporated into the NSWC Crane budget request to show good faith effort to procure funding. However, there is no guarantee that funding will be procured. NSWC Crane has also asked that Crane Army Ammunition Activity (CAAA) request funding for the 50 percent of the estimated CA costs for CAAA operated sites. An overview of the NSWC Crane mechanisms and restrictions for funding and contracts was briefly discussed concerning inability to overlap fiscal years and how length of regulator review period will become of serious concern.

Other topics discussed were what if funding is not allotted, need for various permit modifications, and influence on Environmental Indicators. Decisions made were to wait until ABG CMS is completed to determine if funding is available for recommended cleanup measures and any need for potential permit modifications. The Environmental Indicators schedule should not be impacted by the changes in ER,N funding.

The United States Environmental Protection Agency, Region V (U.S.EPA) and Indiana Department of Environmental Management (IDEM) representatives were receptive to meeting topics and agreed that NSWC Crane was being proactive in discussing the issue and pursuing funding to continue with planned CA activities. The U.S.EPA and IDEM representatives agreed to discuss the issue further once the ABG CMS was received and funding requirements were better known to determine further actions.



**Corrective Action  
Funding Meeting  
June 3, 2004**

Naval Surface Warfare Center  
Crane, Indiana

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**NSWC Crane**

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- **History**
  - Corrective Action (CA) requirements and compliance have been tied to RCRA Part B Hazardous Waste Storage permit since 1984.
- **Purpose of meeting**
  - Notify and start discussion with U.S.EPA and IDEM on future CA strategy and priorities.

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Presenters:

Mr. James Hunsicker, NSWC Crane

Mr. Charles Black, SDIV



## Southern Division

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- **ER,N budget reviewed in Mar 04**
  - NAVFAC HQ questioned whether 5 sites should still be ER,N funded
- **DERP Mgt Guidance, Sep 01**
  - Established Munitions Response Program (MRP)
  - Also established operational ranges and OB/OD units not ER,N eligible after Sep 02

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## Impacted Sites

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- **Active Sites (3):**
  - Ammunition Burning Grounds
  - Demolition Range
  - Old Rifle Range
- **Operating Ranges (2):**
  - Pyrotechnic Test Area
  - CAAA QA/QC Test Area

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Presenters:  
Mr. James Hunsicker, NSWC Crane  
Mr. Charles Black, SDIV



## Impact

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- Loss of ER,N
- Unfunded projects FY05 to FY10 and beyond

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## Cost Impact

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	ABG	ORR	PTA	CAAA	Total
FY05	\$201,338	\$0	\$0	\$0	\$201,338
FY06	\$1,665,791	\$423,928	\$0	\$0	\$2,089,719
FY07	\$181,300	\$0	\$906,194	\$0	\$1,087,494
FY08	\$2,000,000	\$0	\$1,676,811	\$976,299	\$4,653,110
FY09	\$1,832,000	\$0	\$1,482,392	\$100,000	\$3,414,392
FY10	\$695,609	\$0	\$103,248	\$0	\$798,857
Beyond	\$2,720,067	\$0	\$521,603	\$815,714	\$4,057,384
CTC	\$9,524,105	\$465,666	\$4,690,248	\$1,892,013	\$16,572,032

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Presenters:  
 Mr. James Hunsicker, NSWC Crane  
 Mr. Charles Black, SDIV



## Next Progression (1 of 2)

- **ABG –**
  - Split OJT and ABG into two sites for soils and ground water.
  - CMS will be completed & provide cleanup recommendation
  - OJT work will continue uninterrupted
- **DEMO – currently has NFA (deferred to closure)**

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## Next Progression (2 of 2)

- **ORR –**
  - CMS will be completed & provide cleanup recommendation (VIM has removed hotspot)
  - CMI scheduled for FY06
- **PTA – RFI Workplan/QAPP approved; RFI Fieldwork scheduled for FY07**
- **CAAA QA/QC – RFI Workplan scheduled for FY08**

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## Unfunded FY05

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- Remedial Design for SWMU 3 ABG
- Ground water monitoring for SWMU 3 ABG

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## Concerns (1 of 3)

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- NSWC must fund CA activities with Navy Working Capital Fund.
- NSWC and CAAA Funding requested, but not guaranteed.
- Compliance with CA schedule

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Presenters:  
Mr. James Hunsicker, NSWC Crane  
Mr. Charles Black, SDIV



**Concerns (2 of 3)**

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- **NSWC Mechanisms and Restrictions**
  - Funding
  - Contracts
- **Length of Regulator Review Period**

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**Concerns (3 of 3)**

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- **What if no funding allotted?**
  - Push out schedule?
  - ???
- **Does NSWC need permit mods?**
- **Does splitting ABG and OJT require permit mod?**

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Presenters:  
Mr. James Hunsicker, NSWC Crane  
Mr. Charles Black, SDIV