

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, 2009, there were seven permanent full-time employees, with six located in the national office and one located in a field office.

HMM did not have any Office of Inspector General or Government Accountability Office evaluation reports during the past year.

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Available Funds and Staff Years  
2009 Actual and Estimated 2010 and 2011

	<u>2009 Actual</u>		<u>2010 Estimated</u>		<u>2011 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....	\$5,100,000	7	\$5,125,000	7	\$5,139,000	7
Carryover Balance.....	+3,431,495		+394,073			
Recoveries.....	+660,423	--	--	--	--	--
Unobligated Balance.....	-394,073	--	--	--	--	--
Total, Available or Estimate.....	<u>\$8,797,845</u>	<u>7</u>	<u>\$5,519,073</u>	<u>7</u>	<u>\$5,139,000</u>	<u>7</u>

Permanent Positions by Grade and Staff Year Summary  
2009 Actual and Estimated 2010 and 2011

Grade	2009			2010			2011		
	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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The estimates include proposed changes in the language of this item as follows (new language underscored, deleted matter enclosed in brackets):

Hazardous Materials Management:

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~~] \$5,139,000, 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

Appropriations Act, 2010.....	\$5,125,000
Budget Estimate, 2011 .....	<u>5,139,000</u>
Increase in Appropriation.....	<u>+14,000</u>

Summary of Increases and Decreases  
(On basis of appropriation)

<u>Item of Change</u>	<u>2010</u> <u>Estimated</u>	<u>Pay Costs</u>	<u>2011</u> <u>Estimated</u>
Hazardous Materials Management.....	\$5,125,000	+ \$14,000	\$5,139,000

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Project Statement  
(On basis of appropriation)

	<u>2009 Actual</u>		<u>2010 Estimated</u>		Increase or Decrease	<u>2011 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 .....	\$4,928,651	7	\$5,125,000	7	+\$14,000	\$5,139,000	7
Unobligated Balance...	+171,349	--	--	--	--	--	--
<b>Total, Appropriation.....</b>	<b>5,100,000</b>	<b>7</b>	<b>5,125,000</b>	<b>7</b>	<b>14,000</b>	<b>5,139,000</b>	<b>7</b>

Project Statement  
(On basis of available funds)

	<u>2009 Actual</u>		<u>2010 Estimated</u>		Increase or Decrease	<u>2011 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.....	\$8,797,845	7	\$5,519,000	7	-\$380,000	\$5,139,000	7
Unobligated Balance, Start of Year.....	-3,431,495	--	-394,000	--	+394,000	--	--
Recoveries.....	-660,423	--	--	--	--	--	--
Unobligated Balance End of Year.....	+394,073	--	--	--	--	--	--
<b>Total Available or Estimate.....</b>	<b>5,100,000</b>	<b>7</b>	<b>5,125,000</b>	<b>7</b>	<b>+14,000</b>	<b>5,139,000</b>	<b>7</b>

Justification of Increases and Decreases

- (1) An increase of \$14,000 to fund increased pay costs. These pay costs are for staff support related to oversight and management of HMM activities. Any unfunded increase for pay cost in HMM would result in reduced funding available for clean-up activities.

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Geographic Breakdown of Obligations and Staff Years  
2009 Actual and Estimated 2010 and 2011

	2009		2010		2011	
	<u>Amount</u>	<u>Staff Years</u>	<u>Amount</u>	<u>Staff Years</u>	<u>Amount</u>	<u>Staff Years</u>
District of Columbia.....	\$8,637,338	6	\$5,355,000	6	\$4,973,000	6
Denver, Colorado.....	160,507	1	164,000	1	166,000	1
Subtotal, Available or Estimate.....	8,797,845	7	5,519,000	7	5,139,000	7
Unobligated Balance.....	+171,349	--	--	--	--	--
Total, Available or Estimate.....	8,969,194	7	5,519,000	7	5,139,000	7

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Classification By Objects

2009 Actual and Estimated 2010 and 2011

	<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>Personnel Compensation:</b>			
Washington, D.C. ....	\$617,665	\$699,000	\$718,000
Denver, Colorado.....	125,592	127,000	133,000
11 Total personnel compensation .....	743,257	826,000	851,000
12 Personnel benefits.....	153,724	212,000	218,000
13 Benefits for former personnel.....	162	--	--
Total pers. comp. & benefits.....	897,143	1,038,000	1,069,000
<b>Other Objects:</b>			
21 Travel.....	37,144	46,000	46,000
22 Transportation of things .....	0	1,000	1,000
23.3 Communications, utilities, and misc. charges .....	14,483	14,000	14,000
24 Printing and reproduction .....	5,960	6,000	6,000
25.3 Purchase of goods and services .....	7,833,362	4,406,000	3,995,000
26 Supplies and materials .....	6,369	8,000	8,000
31 Equipment.....	3,384	--	--
Total other objects.....	7,900,702	4,481,000	4,070,000
Total direct obligations.....	8,797,845	5,519,000	5,139,000
<b><u>Position Data:</u></b>			
Average Salary, GS positions .....	\$106,180	\$118,000	\$121,572
Average Grade, GS positions.....	14.2	14.5	14.5

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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 composed of senior-level managers from the USDA agencies, Departmental Administration, the Office of Budget and Program Analysis, and OGC reviews and approves the recommended priorities. The Hazardous Materials Policy Council also establishes Department-wide policies related to environmental compliance and management. USDA's project prioritization and approval process ensures that Hazardous Materials Management account funds are used to address the most serious threats to public health and the environment at USDA-managed facilities and on USDA-managed lands. In FY 2009, USDA used the Hazardous Materials Management account to fund cleanup and oversight activities at three USDA facilities in Maryland, Colorado, 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. Based on the current projected funding level in FY 2010, USDA's Hazardous Materials Management account will continue to fund cleanup activities at USDA facilities on EPA's NPL; 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:

EPA listed USDA's Beltsville Agricultural Research Center (BARC) on the NPL in 1994 and 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 (NRC) is overseeing USDA cleanup activities of the radioactive waste disposal site. NRC is currently reviewing the Decommissioning Plan and ARS is in the process of selecting a contractor for the work. With EPA oversight, ARS is continuing to evaluate and clean up 23 areas of concern on BARC that have contaminated or threaten to contaminate ground water, surface water, and wetlands 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. BARC provides habitat for the Bald Eagle, a species protected under the Migratory Bird Treaty Act and the Bald and Golden Eagle Protection Act. BARC also has bog and marsh

habitat that support the Swamp Pink, a flower designated as a threatened species by the U.S. Fish and Wildlife Service.

Through fiscal year 2009, EPA has determined that ARS has adequately addressed threats to human health and the environment at 39 areas of concern at BARC. ARS has spent \$37 million from the Hazardous Materials Management account on these efforts. EPA, however, is requiring additional response actions at 19 areas of concern and further detailed evaluation at four sites located on the facility before the agency is 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 as required by the enforceable Federal Facility Agreement with EPA.

The Standard Mine is a former hard rock mine located in the Gunnison National Forest in Colorado. This project was funded with Hazardous Materials Management resources 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. As a result of past mining activities, Elk Creek is devoid of all aquatic life and fails water standards. Elk Creek feeds into Coal Creek, which is the only available permanent source of drinking water for Crested Butte, Colorado. EPA and USDA efforts to date have resulted in significant water quality improvements in Elk Creek. In 2009, EPA and USDA continued sampling of surface water, ground water, and fisheries, conducted a habitat assessment, installed automated monitoring equipment, and inspected and maintained the waste repository - tasks that will lead to the completion of the Remedial Investigation and Feasibility Study in 2010. EPA is the lead agency for the remaining work at this site and is operating under a Memorandum of Understanding with USDA.

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, resulting 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. In 2009, funds from the Hazardous Materials Management account were provided to award a construction contract 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. When work is completed at the end of 2010, 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 2009, additional activities included the completion of ten 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. The value of the cost recovery combined with work the potentially responsible parties conducted is over \$187 million. OGC also provides legal support to USDA agencies that receive notices of violation for environmental infractions and negotiates 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 2011 Proposed Resource Level:

USDA will continue to apply available funds to cleaning up the mine and non-mine CERCLA sites determined to be the Department's highest priorities for action. The funds requested in FY 2011 will be applied to fund site screening and removal actions at the Beltsville Agricultural Research Center, Maryland (BARC). This site poses hazards to public health and the environment. HMM will also develop and implement policy and guidance; pursue and monitor enforcement agreements with potentially responsible parties and perform cleanup and restoration at other contaminated sites. The remainder of these funds will provide additional resources to larger project activities initiated in earlier fiscal years. These funds will complete the ten-year commitment in the cooperative effort between Montana, EPA, and USDA.

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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 Hazardous Materials Policy Council approved projects awarded. The Hazardous Materials Policy Council is a group of senior managers from USDA mission areas, Departmental Management, and the Office of the General Counsel. The Policy Council determines HMM Appropriation funding priorities and establishes Department- wide policies related to environmental compliance and management.

Key Performance Targets:

Performance Measure	<u>2006 Actual</u>	<u>2007 Actual</u>	<u>2008 Actual</u>	<u>2009 Target</u>	<u>2010 Target</u>	<u>2011 Target</u>
Percent of available HMM resources distributed to priority cleanup activities.	100%	100%	100%	100%	100%	100%
a. Units						
b. Unit Cost	\$1,152,229	\$475,200	\$533,677	\$1,234,200	\$1,272,600	\$1,272,600

Summary of Budget and Performance  
Full Cost By Department Strategic Goal

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.

	(Dollars in Thousands)		
	<u>2009</u>	<u>2010</u>	<u>2011</u>
Direct Costs	\$8,798	\$5,519	\$5,139
FTEs	7	7	7