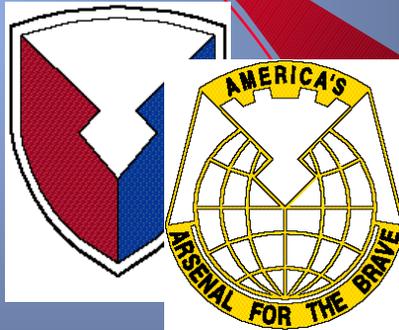


ARMY MATERIEL COMMAND

BRAC Transfer Case Studies

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AMC - RELEVANT, RESPONSIVE & READY



Introduction

- BRAC Transfer Case Studies -
 - ❖ Creative Transfers of Property with GW Problems -
 - RRAD Building Only
 - LEAD Phase I IC ROD
 - LEAD Phase II Quandary
 - ❖ TEAD §334 Transfer



Creative Transfers - RRAD

Background

- ❖ Bldg 333 is located on property with gw contamination
- ❖ Prospective purchaser needed title to use Bldg 333 equipment as collateral
- ❖ RRAD Commander wanted to transfer building to avoid maintenance costs

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RRAD - Building Only Transfer

Building Only Transfer -

- ❖ Army transferred building to LRA; retained underlying property
- ❖ LRA agreed to accept underlying property once a remedy is in place
- ❖ Army provided CERCLA covenant with respect to the building

Similar to BGAD and DPSC transfers

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Creative Transfers - LEAD Phase I

□ Background -

- ❖ Most of LEAD's BRAC property has gw contamination
- ❖ LRA wanted title to underlying property
 - Tenants not interested in leasing
 - Banks won't lend money just on buildings
- ❖ Army wanted to support reuse and installation wants to reduce maintenance costs

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LEAD - Phase I Transfer

□ Phase I Transfer

- ❖ Institutional Control ROD -
 - ROD imposed excavation/gw restrictions to protect human health
 - ROD recognized that final gw remediation will be taken on adjacent property
- ❖ Army provided CERCLA §120 covenant that all remedial action taken on the property
- ❖ Army transferred entire property to LRA (i.e., not a building only transfer)

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Creative Transfers - LEAD Phase II

Background -

- ❖ LEAD Phase II property has gw contamination
- ❖ EPA opposed to another IC ROD transfer
 - All remedial action wasn't taken on Phase I property
 - §334 is the mechanism to transfer property with gw contamination
- ❖ LRA is opposed to §334 due to perceived marketability problems

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LEAD - Phase II Transfer

Phase II Transfer Options -

- ❖ Option 1 (IC ROD) - Army/LRA support; EPA does not support
 - ❖ Option 2 (Limited Depth Transfer) - LRA supports; Army/EPA do not support
 - ❖ Option 3 (§334 Transfer) - Army/EPA support; LRA do not support
 - ❖ Option 4 (Hybrid) - Compromise Solution?
- 24 Jun 99 - DA advised LRA that §334 Transfer is preferred alternative.

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Creative Transfers - Conclusion

- Future of creative transfer mechanisms?**
 - ❖ **Army - Growing acceptance of §334**
 - ❖ **EPA - Developing a policy against the use of creative transfer mechanisms**
 - ❖ **LRAs- Will §334 play with the LRAs?**

- BRAC transfers will continue to evolve and expect greater use of §334 in the future.**