Evaluation Report

ALLEGATIONS OF ENVIRONMENTAL CONTAMINATION AND HAZARDS AFFECTING THE INUPIAT COMMUNITY OF THE ARCTIC SLOPE, ALASKA

Report No. 98-213 September 28, 1998

Office of the Inspector General
Department of Defense

Additional Information and Copies

To obtain additional copies of this audit report, contact the Secondary Reports Distribution Unit of the Analysis, Planning, and Technical Support Directorate at (703) 604-8937 (DSN 664-8937) or FAX (703) 604-8932 or visit the Inspector General, DoD Home Page at: www.dodig.osd.mil.

Suggestions for Audits

To suggest ideas for or to request future audits, contact the Planning and Coordination Branch of the Analysis, Planning, and Technical Support Directorate at (703) 604-8908 (DSN 664-8908) or FAX (703) 604-8932. Ideas and requests can also be mailed to:

OAIG-AUD (ATTN: APTS Audit Suggestions)
Inspector General, Department of Defense
400 Army Navy Drive (Room 801)
Arlington, Virginia 22202-2884

Defense Hotline

To report fraud, waste, or abuse, contact the Defense Hotline by calling (800) 424-9098; by sending an electronic message to Hotline@dodig.osd.mil; or by writing to the Defense Hotline, The Pentagon, Washington, D.C. 20301-1900. The identity of each writer and caller is fully protected.

Acronyms

DEW	Distant Early Warning
DUSD(ES)	Deputy Under Secretary Of Defense (Environmental Security)
NARL	Navy Arctic Research Laboratory
PCB	Polychlorinated Biphenyl
RAB	Restoration Advisory Board
SNAP	Systems for Nuclear Auxiliary Power
TSCA	Toxic Substance Control Act

INSPECTOR GENERAL
DEPARTMENT OF DEFENSE
400 ARMY NAVY DRIVE
ARLINGTON, VIRGINIA 22202-2884

September 28, 1998

MEMORANDUM FOR DEPUTY UNDER SECRETARY OF DEFENSE (ENVIRONMENTAL SECURITY)
ASSISTANT SECRETARY OF THE NAVY (FINANCIAL MANAGEMENT AND COMPTROLLER)
ASSISTANT SECRETARY OF THE AIR FORCE (FINANCIAL MANAGEMENT AND COMPTROLLER)
AUDITOR GENERAL, DEPARTMENT OF THE ARMY

SUBJECT: Evaluation Report on Allegations of Environmental Contamination and Hazards Affecting the Inupiat Community of the Arctic Slope, Alaska (Report No. 98-213)

We are providing this report for review and comment. We considered management comments on a draft of this report in preparing the final report.

DoD Directive 7650.3 requires that all recommendations be resolved promptly. The Army, Navy, and Air Force were responsive. As a result of management comments, Recommendations A. and B. were revised and we added Recommendation B.2. to the Deputy Under Secretary of Defense (Environmental Security). Therefore, we request the Deputy Under Secretary of Defense (Environmental Security) comment on Recommendation B.2. and provide dates and milestones by October 30, 1998.

We appreciate the courtesies extended to the evaluation staff. Questions on the evaluation should be directed to Mr. William C. Gallagher at (703) 604-9270 (DSN 664-9270) or Mr. Michael R. Herbaugh at (703) 604-9294 (DSN 664-9294). See Appendix H for the report distribution. The evaluation team members are listed inside the back cover.

Robert J. Lieberman
Assistant Inspector General
for Auditing

Office of the Inspector General, DoD

Report No. 98-213 **September 28, 1998**
(Project No. 7CB-5048)

Evaluation Report on Allegations of Environmental Contamination and Hazards Affecting the Inupiat Community of the Arctic Slope, Alaska

Executive Summary

Introduction. This evaluation was requested by the Deputy Under Secretary of Defense (Environmental Security). The request was based on a telephone conversation between the Native American project manager, Naval Surface Warfare Center, Indian Head Division, Indian Head, MD and the Inupiat community representative. The Inupiat community of the Arctic Slope, Alaska alleged that the past activities of the Department of Defense and other Federal agencies exposed the Inupiat community to environmental contamination and hazards that seriously impacted their health. The Inspector General, DoD, was requested to evaluate those concerns and recommend future actions, if necessary. The concerns addressed radioactivity, toxic contamination and health problems.

Evaluation Objective. The objective was to evaluate the eight concerns voiced by the Inupiat community of the Arctic Slope, Alaska; identify the scope of environmental and health concerns; and make recommendations for future action, if appropriate. We specifically focused on evaluating the concerns as they related to DoD organizations.

Evaluation Results. Of the eight concerns (see Appendix C), we substantiated one. The Air Force overlooked drums and debris and did not include them in a remedial Action Plan. We identified two conditions that warranted management actions.

- The Air Force did not clean up drums and debris at two sites.

- Debris and possible contamination exist at the former Naval Arctic Research Laboratory and Elson Lagoon.

Summary of Recommendations. We recommend that:

o the Deputy Assistant Secretary of the Air Force (Environment, Safety and Occupational Health) resurvey Wainwright and Cape Lisburne DEW line sites; clean up debris at those sites; and clean up any chemical contamination of the environment.

o the Deputy Assistant Secretary of the Navy clean up drums and debris at the NARL areas.

o the Deputy Under Secretary of Defense (Environmental Security) resolve the issue of who is responsible for mitigation of environmental and safety issues involving Elson Lagoon.

Management Comments. We received comments from the Deputy Under Secretary of Defense (Environmental Security); Department of the Army, Corps of Engineers; Department of the Navy; and the Department of the Air Force. The Department of the Army did not concur with the findings and recommendations, stating that any further action is subject to special authorization or must be done by request of the Military Department on a reimbursable basis. The Deputy Under Secretary of Defense (Environmental Security), the Navy, and the Air Force partially concurred with the findings and recommendations. The Navy agreed to investigate and clean up the NARL areas and the Air Force agreed to investigate and clean up Wainwright and Cape Lisburne areas. The Deputy Under Secretary of Defense (Environmental Security) stated that the Navy agreed to conduct site investigation for the cleanup of the NARL. The Navy stated that since the ownership of the drums and debris in Elson Lagoon is questionable, the Army Corps of Engineers should be responsible for the cleanup of Elson Lagoon. The Deputy Under Secretary of Defense (Environmental Security) is initiating a cooperative agreement with the Arctic Slope Native Association to develop a comprehensive plan to address the hazards associated with the debris in Elson Lagoon. See Part I for a discussion of management comments, and Part III for the complete text of those comments.

Evaluation Response. Management comments were responsive. Many of those comments were incorporated into the report. We welcome the Departments assurances that actions will be initiated to work with the Alaska community in resolving environmental issues. We deleted the Army from the recommendations and revised and renumbered Recommendation B by adding and directing Recommendation B.2. to the Deputy Under Secretary of Defense (Environmental Security). We request the Deputy Under Secretary of Defense (Environmental Security) comment on Recommendation B.2. and provide dates and milestones by October 30, 1998.

Table of Contents

Executive Summary

Part I - Evaluation Results

Evaluation Background 2
Evaluation Objective 4
Finding A. Drums and Debris Found at Air Force Sites 5
Finding B. Drums and Debris Exist at the Former Naval Arctic Research Laboratory 9

Part II - Additional Information

Appendix A. Evaluation Process 18
Scope and Methodology 18
Management Control Program 19
Appendix B. Summary of Prior Coverage 20
Appendix C. Discussion of Concerns and Evaluation Results 23
Appendix D. Glossary of Terms 27
Appendix E. Environmental Criteria 28
Appendix F. History of Defense Early Warning Line 29
Appendix G. Photographs 30
Appendix H. Report Distribution 32

Part III - Management Comments

Deputy Under Secretary of Defense (Environmental Security) Comments 35
Secretary of the Army, Corps of Engineers Comments 37
Secretary of the Navy Comments 39
Secretary of the Air Force Comments 44

Part I - Evaluation Results

Evaluation Background

This evaluation was requested by the Deputy Under Secretary of Defense (Environmental Security) (DUSD[ES]). The request was based on a telephone conversation between the Native American project manager, Naval Surface Warfare Center, Indian Head Division, Indian Head, MD and an Inupiat community representative. The Inupiat community representative advised that there are long standing health and safety concerns resulting from contamination caused by the past activities of the DoD and other Federal agencies. The Inspector General, DoD, was requested to evaluate those concerns and recommend future actions, if appropriate.

Defense Environmental Restoration Program. DoD Instruction 4715.7, "Environmental Restoration Program," dated April 22, 1996, provides guidelines, implements and refines policies, assigns responsibilities, and prescribes procedures for the Defense Environmental Restoration Program and Base Realignment and Closure Environmental Restoration Program. This instruction applies to all DoD Components and Defense agencies with land management responsibilities. The goal of the Defense Environmental Restoration Program and Base Realignment and Closure Environmental Restoration Program is to reduce, in a cost-effective manner, the risks to human health and the environment as a result of contamination because of past DoD activities. Policy developed by the Deputy Under Secretary for Defense (Environmental Security) through the Under Secretary of Defense for Acquisition and Technology accomplishes that goal.

Disposal of Excess Personal Property. Oversight responsibility for the disposal process rests with the Under Secretary of Defense for Acquisition and Technology who delegates that responsibility to the Defense Logistics Agency. To properly monitor the disposal process, the Defense Logistics Agency designated the Defense Reutilization and Marketing Offices to manage the disposal of excess personal property and hazardous materials generated by DoD organizations.

Funding. In 1984, Congress created the Defense Environmental Restoration Account to fund cleanup of contaminated bases. The fence on those Accounts prevents funds from being used for purposes other than to fund Environmental Restoration functions without obtaining appropriate reprogramming authority.

The reprogramming authority requires Congressional approval. The fence also prevents funds appropriated for environmental restoration activities from migrating to other functions.

Environmental Responsibility. Under the Land Exchange Agreement, the DoD is committed to investigating and removing all environmental contamination, hazardous and otherwise, from the NARL areas. The DoD has a responsibility to police and dispose of solid wastes such as drums and debris. Such prudent initiatives would help relieve the concerns of local citizens. Removing and disposing of debris and drums through the Defense Reutilization and Marketing Offices would minimize future liability associated with accidents and reflect positively on DoD.

Inupiat Community of the North Slope

The North Slope Borough is one of America's most unique regions. Bordered by the foothills of the Brooks Range to the south and the Arctic Ocean on the north, the Borough encompasses 89,000 square miles. Fifteen percent of Alaska's land mass lies in that region, all of which is located inside the Arctic Circle. The majority of the North Slope Borough residents are Inupiat.

Summary of Concerns

The overall concern of the Inupiat community is that the Department of Defense and other Federal agencies exposed their community to contamination, resulting in health and safety problems. An Inupiat community representative raised the concern. However, various members of the Alaskan communities of Barrow, Wainwright, and Point Hope are also referred to as Inupiat representatives and those individuals elaborated on the concern.

Through extensive research of records, interviews of experts and indigenous personnel, and site visits, the evaluation team, validated one of the eight specific concerns submitted by the Inupiat community. The Inupiat representatives were unable to provide, nor could we find, evidence to

substantiate their other concerns. Finding A in this report relates to the substantiated concern. Our analysis on the other issues is in Appendix C.

Evaluation Objective

The overall objective was to evaluate the eight concerns expressed by the Inupiat community of the Arctic Slope, Alaska; identify the scope of environmental and health concerns; and make recommendations for future actions, if appropriate. Specifically, we focused on evaluating the concerns as they relate to DoD activities.

Finding A. Drums and Debris Found At Air Force Sites

Drums and debris exist at the Wainwright and Cape Lisburne, Alaska, sites. During the preliminary assessments and site investigations portion of the installation restoration program, the Air Force overlooked those two locations and did not include them in the Remedial Action Plan. As a result, there is a possibility that contamination exists at Wainwright, Cape Lisburne and other Distant Early Warning (DEW) line sites.

Debris Observed at Two Sites

Evaluation Results. On August 20-21, 1997, the Inupiat community representative showed our team rusted drums and debris at two DEW line sites, Wainwright and Cape Lisburne. See Appendix F for the history of DEW line sites.

Wainwright. The IG team visited the main Wainwright DEW line site. The team searched the site and did not find any debris. However, while departing the main Wainwright DEW line site in a helicopter, we observed rusted drums close to the southeastern area of the Wainwright DEW line site near Tutollvik. The Air Force project manager was not aware of drum disposal in that area and stated that the Air Force would investigate the newly identified site (see photographs in Appendix G).

Cape Lisburne. The Inupiat representative showed the IG team drums near the Cape Lisburne DEW line site. We discussed this disposal site with the Air Force project manager who, at the time, appeared unaware of past disposal activities at that location. The project manager researched records after observing the debris, and subsequently found photographs that clearly showed debris at the bottom of a mountain slope, southwest of the Cape Lisburne White Alice site. On September 29, 1997, we received photographs (taken August 23, 1992) from the Air Force project manager showing drums and debris visible in the Kay Creek Ravine area. During a telephone conversation, the project

manager verified the location of the debris as Kay Creek Ravine. The project manager stated that if the area is contaminated, the Air Force will ensure the location is cleaned up.

Air Force Cleanup Program

Air Force Instruction 32-7020, "Environment Restoration Program," dated October 31, 1996, provides guidance and procedures for executing the Air Force Environmental Restoration Program. The instruction directs major commands to ensure that all installations comply with the Comprehensive Environmental Response, Compensation and Liability Act, Section 121 and National Contingency Plan, Section 300.430 in selecting appropriate cleanup standards. It further indicates that major commands must make cleanup decisions as early in the remedial process as possible, regardless of the installation priority list. This process includes implementing interim remedial actions and simple removals, whenever possible.

Wainwright. From 1981 through 1997, the Air Force conducted site assessments, investigations and remediation at Wainwright. The report, "Final Management Action Plan Wainwright Short Range Radar Station, Alaska," December 5, 1997, indicated that the Air Force tested six locations at Wainwright and found two contaminated sites. The report states that the Air Force scheduled remediation at the diesel fuel spill and garage sites for the year 2004.

We found that the Air Force did not locate drums and debris south of Wainwright DEW line site near Tutollivik (Appendix C). Consequently, the area was not considered for remediation.

Cape Lisburne. The Air Force conducted preliminary assessments, site investigations and remediation at Cape Lisburne from 1985 through 1995. The report, "Draft Interim Remedial Action Report, Cape Lisburne Long Range Radar Station, Alaska," January 1997, shows that the Air Force removed contaminated soil from their DEW line sites. An Air Force project manager stated that the Air Force plans to clean up the debris at the southwestern area of the mountain by 1999. Because of insufficient documentation, we cannot

confirm that the drum and debris site identified by the Inupiat community representative and viewed by the IG team was included in the Air Force preliminary assessment.

Conclusion

The Air Force conducted remediation investigations at Cape Lisburne and Wainwright; however, the IG team located visible drums and debris that were not included in the remediation reports for both sites. The Air Force assured the team that they will investigate both sites.

Recommendations, Management Comments, and Evaluation Response

Revised Recommendation. As a result of management comments, we revised Recommendation A. to eliminate U.S. Army Corps of Engineers from the recommendation.

A. We recommend that the Deputy Assistant Secretary of the Air Force (Environment, Safety and Occupational Health) resurvey Wainwright and Cape Lisburne DEW line sites; clean up debris at those sites; and clean up any chemical contamination of the environment.

Deputy Under Secretary of Defense (Environmental Security) Comments. The Deputy Under Secretary of Defense (Environmental Security) partially concurred with the finding and recommendation. The Deputy Under Secretary of Defense (Environmental Security) agreed with the suggestions in the Air Force comments to delete the Army Corps of Engineers from the recommendation.

Army Corps of Engineers Comments. The Army Corps of Engineers did not concur with this recommendation and stated there is no Formerly Used Defense Site responsibility at these sites.

Air Force Comments. The Air Force concurred with our finding, conclusion and recommendation; however, the Air Force stated that the Army Corps of Engineers should be eliminated from the recommendation because these sites are not Formerly Used Defense Sites.

Evaluation Response. Comments by the Deputy Under Secretary of Defense (Environmental Security), the Army, and the Air Force were responsive. We agree that the sites in the recommendation are not Formerly Used Defense Sites and consequently, we have eliminated the Army Corps of Engineers from the recommendation.

Finding B. Drums and Debris Exist at the Former Naval Arctic Research Laboratory

The Navy did not completely remove and dispose of drums and debris at the former Naval Arctic Research Laboratory. Drums and debris were not removed from the Naval Arctic Research Laboratory because the Navy chose not to use Operations and Maintenance funds for removal. Drums and debris areas are a safety hazard, possibly contaminated, and of major concern to the Inupiat community.

History of the Naval Arctic Research Laboratory

In 1947, the Naval Arctic Research Laboratory (NARL) began a contractor-operated research facility. The NARL operated 12 field stations across the North Slope from Point Hope (160 miles west of Barrow) to Lake Peters (312 miles east of Barrow). The Navy established the laboratory to provide a location to support basic research. Research at the NARL covered a variety of scientific and military projects, including meteorological and cold-environment studies. The main NARL facility at Point Barrow comprises a 5,000-foot airstrip, a power plant, a water treatment facility, and various other structures.

With the proposed construction of the DEW line site in early 1950, the Air Force needed to find a facility that could be used as a construction center for this project. The Navy made the NARL available to the Air Force on a revocable-permit basis in December 1954 and named it Point Barrow Camp. In October 1958, the Alaskan Air Command of the Air Force assumed Department of Defense managerial responsibility of Point Barrow Camp. The operation and maintenance of the camp has always been performed under contract.

In 1971, the Air Force requested that the Navy reclaim the Point Barrow facility because of an increase in Navy activity at NARL and decreased Air Force activity. In July 1972, the Navy, through the Office of Navy Research, resumed responsibility for the Point Barrow Camp. The camp was renamed the

NARL, Point Barrow. The Navy operated the NARL until October 1980 when land exchange negotiations began between the U.S. Government and the Ukpeagvik Inupiat Corporation.

Land Exchange Agreement. In February 1986 (amended December 1988) the United States of America (U.S. Navy) entered into a Land Exchange Agreement with the Ukpeagvik Inupiat Corporation to transfer real property within the NARL to the Ukpeagvik Inupiat Corporation. Under the terms of the agreement, the Navy agreed to perform remediation on areas within the NARL.

Navy Cleanup Program

Navy Instruction 5090.1B, Chapter 15, "Installation Restoration," dated November 1, 1994, provides guidance on the investigation and clean up of hazardous substance sites that are located within Navy installations, sites that have been contaminated by the migration of hazardous substances from Navy installations, and non-Government owned sites that have been contaminated by the disposal of Navy generated waste and other hazardous substances for which the Navy is a potentially responsible party.

Naval Cleanup Studies. The "Navy Assessment and Control of Installation Pollutants," May 1983, is an initial assessment study of the NARL. This study identified 11 potentially contaminated sites. The initial assessment study concluded that those areas were either contaminated or contained minor contamination with limited migration. The initial assessment study stated that those areas did not pose a threat to human life and the environment.

Drums. The Ukpeagvik Inupiat Corporation identified approximately 750 drums for removal. Of the 750 drums, the Navy reported that approximately 250 drums were used to support a storage platform. The Navy was unable to determine the disposition of approximately 250 drums used to support the storage platform. The Navy disposed of 524 drums. We were unable to reconcile the additional 24 drums. According to Navy Facilities Engineering Field Activity Northwest officials, drums identified by the Ukpeagvik Inupiat Corporation were based on estimates (see photographs in Appendix G).

The Ukpeagvik Inupiat Corporation and the Navy conducted a second waste drum survey in 1995. That survey identified over 100 drums not previously identified during the 1988 survey. The Navy sampled, characterized, and disposed of those drums and wastes.

On August 19, 1997, the IG team visited the NARL and observed partially buried drums and debris at the old disposal site. We were unable to determine whether the Ukpeagvik Inupiat Corporation identified those drums in 1988 for removal by the contractor.

A Site Inspection Report was completed in 1995 for the Old Waste Disposal Site. The U. S. Environmental Protection Agency Region 10 completed a review of that report and supplemental cleanup reports. As a result, the Navy Facilities Engineering Field Activity Northwest officials are working with Alaska regulators on the Old Waste Disposal Site and have expanded that cooperative effort to include representatives from the Ukpeagvik Inupiat Corporation. The Navy, in coordination with the Ukpeagvik Inupiat Corporation, will remove drums at the Old Waste Disposal Site and will address any areas requiring remediation.

Debris. Some NARL sites have not been remediated because debris removal is not eligible for Defense Environmental Restoration Account funds. The Navy Facilities Engineering Field Activity Northwest officials stated that they chose not to use Operations and Maintenance funds for debris cleanups. An Army Corps of Engineer report titled, "Assessment of Environmental Damage and Remediation Requirements," dated January 29, 1993, states that a portion of the debris which qualifies for the Defense Environmental Restoration Program-Formerly Used Defense Sites is currently being remediated under contract. The project summary specified removal of debris protruding above the seafloor, in the shallow areas, and from the entire Elson Lagoon and adjacent portions of the Chukchi Sea. The report also states that DoD did not own a significant portion of the debris in the Lagoon area and that the project did not remove all debris from all locations in the Lagoon. The Defense Environmental Restoration Program-Formerly Used Defense Sites project addressed the area in the vicinity of the existing boat launching ramp and a shipping channel to the Beaufort Sea which is the most used area. In 1994, the contractor completed the project.

On February 24, 1998, in a telephone conversation, the project manager for the Corps of Engineers, Anchorage, Alaska, stated that the Corps cleared out 100 yards of Elson Lagoon to construct a canal. He also stated that the Corps plans to discontinue any future work in the Lagoon.

Cleanup Dispute. During a December 17, 1996, Barrow Restoration Advisory Board (RAB) meeting, participants discussed issues concerning the Ukpeagvik Inupiat Corporation and the Navy Land Exchange Agreement. The RAB minutes stated the Navy refused to accept responsibility for stringent cleanup levels proposed by the Ukpeagvik Inupiat Corporation. Further, the Navy contends that the sites used at the time of the transfer agreement were designated for cleanup based on industrial reuse criteria not living standard criteria. Industrial area cleanup levels are appropriate for certain areas on the NARL facility and are acceptable to both the Environmental Protection Agency and Alaska Department of Environmental Conservation. Additionally, certain portions of the NARL may have land uses other than industrial and the Navy is developing risk analysis for those sites.

Cleanup Activities. On February 20, 1998, the project manager of the Navy Facilities Engineering Field Activity Northwest submitted an information paper on the NARL. The paper stated that the Navy has spent over $18 million on remediation activities. Most recently, those projects include remediation at the former dry cleaning site, pipeline removal, remediation of soil from pipeline removal, innovative ice wall containment berm and pump and treat, and risk assessment at all sites. In the past 6 months, the Navy has agreed to clean up the bulk fuel tank farm, power house spill area, dry cleaning plant, air strip fuel spill area, and the old waste disposal site at the NARL.

Debris

Elson Lagoon. An Army Corps of Engineers report titled, "Assessment of Environmental Damage and Remediation Requirements" reveals that the Elson Lagoon is located adjacent to Point Barrow spit, 4 miles northeast of Barrow, Alaska. The report states that from 1944 until 1946, the Navy used the Point Barrow spit for storage and staging of supplies. From 1954 until 1957, the Air Force used some of the items staged on the spit for the construction of the DEW

line. The Air Force also added items to those stockpiled on the spit. From 1957 until 1959, a program was established that allowed the general public to purchase excess supplies and materials.

Items were staged on the spit for the purpose of disposal by the General Services Administration through a surplus program. Some of those items were sold prior to October 1963. Although some of the items staged on the Point Barrow spit were sold, in our opinion DoD was responsible for the control and security of those items until taken into possession and removed by the purchaser. In October 1963, a severe storm with winds in excess of 80 m.p.h. and seas in excess of 10 feet struck the area and swept most of the equipment and materials stockpiled on the spit into the Elson Lagoon. Many of the items sold by the General Service Administration to private clients and natives were still on the site when that storm hit. Debris was found as far away as 60 miles from the original stockpile. Partial cleanups have been performed by the Naval Petroleum and Oil Shale Reserves, the Department of the Interior in 1978, and the North Slope Borough with the assistance of local volunteers in 1990.

Injuries Caused by Debris. The Wildlife Director of the Native Village of Barrow stated that he sustained injury from a boating accident on the Elson Lagoon in 1980. The boat's outboard motor caught on a cable in the lagoon, causing the director to be thrown into the ocean. Consequently, the boat continued to run and the outboard motor propellers cut his chest. In addition, he broke his jaw during the accident. He also stated the cable debris left by the Navy caused his injuries. At the time of this report the director does not have any outstanding claims against the Government resulting from this accident.

On July 14, 1995, a North Slope Borough resident sustained an injury while subsistence hunting when his boat struck heavy metal debris in Elson Lagoon and Dease Inlet. He stated that debris and heavy metal objects were in the water and provided pictures to the IG team. He said his boat hit the debris and overturned. He said the debris was Government equipment that washed into the ocean during the 1963 storm. On October 12, 1995, he filed a $24,000 claim against the United States for personal injury and property damage resulting from a boating accident in Elson Lagoon. On October 13, 1995, the Mayor of North Slope Borough, Alaska sent a letter to the Assistant District Counsel, Department of the Army, Army Engineers District, on behalf of the injured party. On January 3, 1996, the Department of the Army, Army Engineers District, Anchorage, Alaska denied the claim. The District Counsel stated that there:

> . . . is no evidence of negligence on the part of any Government employee. There is no evidence that the debris struck by your boat was property of the United States or was located in the navigable waters of Elson Lagoon due to any act or omission by the Government or its employees. There is no evidence that any property or act of the United States caused your accident. . . . to the extent your claim is based on an alleged failure to clean up debris in the area of Elson Lagoon where your accident happened, it is barred because it involves a discretionary function of the United States. The Government's decision not to perform cleanup [activity] in that particular area of Elson Lagoon is a discretionary function, and a claim based on an alleged performance or failure to perform such a function is not allowable under the admiralty jurisdiction.

An Inupiat community representative told the IG team that in early 1970 a snowmobile accident occurred at the NARL. He stated that a native was returning from a hunting trip, traveling 30 miles per hour on a snow mobile. The representative stated that the snowmobile snagged a piece of copper cable throwing the driver through the windshield of the snowmobile. This accident occurred 1 mile south of the NARL where the IG team observed rusted drums and debris.

Conclusion

In the Land Transfer Agreement, the Navy agreed to clean up contaminated areas at the NARL; however, drums, debris and contamination exist at the NARL. The contamination cleanup process is ongoing and the Navy is now working closely with the Ukpeagvik Inupiat Corporation to develop cleanup standards that are based on actual land use.

Recommendations, Management Comments, and Evaluation Response

Revised, Renumbered, and Redirected Recommendations. As a result of management comments, we deleted the Commander, U.S. Army Corps of Engineers from the recommendation and we revised draft Recommendation B.

into two recommendations, B.1. and B.2. Recommendation B.1. recommends the Navy clean up drums and debris at the NARL area. Recommendation B.2. recommends Deputy Under Secretary of Defense (Environmental Security) resolve the issue for the responsibility for mitigation of environmental and safety issues involving Elson Lagoon.

B.1. We recommend that the Deputy Assistant Secretary of the Navy clean up drums and debris from the NARL areas.

B.2. We recommend the Deputy Under Secretary of Defense (Environmental Security) resolve the issue of who is responsible for mitigation of environmental and safety issues involving Elson Lagoon.

Deputy Under Secretary of Defense (Environmental Security) Comments. The Deputy Under Secretary of Defense (Environmental Security) partially concurs with the findings and recommendations of the draft report. The Deputy Under Secretary of Defense (Environmental Security) states that the Navy has agreed to conduct additional site investigations of the NARL; however, the Navy states that that Army Corps of Engineers should be assigned the responsibility for Elson Lagoon. The Deputy Under Secretary of Defense (Environmental Security) proposes including into a cooperative agreement with the Arctic Slope Native Association, development of a comprehensive plan to address the hazards associated with the debris in Elson Lagoon.

Navy Comments. The Navy concurred with the part of the recommendation to clean up drums and debris at the NARL areas but nonconcurred with the part of the recommendation to clean up debris and drums from Elson Lagoon. The Navy stated that the ownership of the Elson Lagoon debris and drums had not been substantiated and that the Army Corps of Engineers should be responsible for the cleanup of Elson Lagoon using Defense wide DERP funds because Elson Lagoon was a Formerly Used Defense Site.

Army Corps of Engineers Comments. The Army Corps of Engineers did not concur with the recommendation, stating that any further action is subject to special authorization or by request of the Secretary of the Navy on a reimbursable basis.

Evaluation Response. Comments by the Deputy Under Secretary of Defense (Environmental Security), Army, Navy and Air Force were responsive. Many of those comments were incorporated into this report; however, some comments

were outside the scope of this project and consequently not discussed in this section of the report. The Deputy Under Secretary of Defense (Environmental Security) initiated actions to address the hazards associated with the debris in Elson Lagoon, however, milestones and dates for those actions were not provided. Because of the uncertainty of ownership and responsibility for Elson Lagoon, we redirect the part of the recommendation regarding Elson Lagoon to the Deputy Under Secretary of Defense (Environmental Security). We request that the Deputy Under Secretary of Defense (Environmental Security) comment on Recommendation B.2. and provide dates and milestones by October 30, 1998.

Part II - Additional Information

Appendix A. Evaluation Process

Scope

The scope of this evaluation included the DEW line sites at Point Barrow, Wainwright and Cape Lisburne. The Community of Point Hope was included because Point Hope was addressed in the original concerns.

Methodology

To accomplish the evaluation we reviewed:

- the RAB guidelines that require the composition of the RAB to include and reflect the diversity of the communities in which the DoD has cleanup programs;

- the Government-to-government relationship with the Native American that requires the DoD executive agent involved in activities that affect Native American tribal rights, to implement those activities in a knowledgeable, sensitive manner respectful of tribal sovereignty; and

- the records associated with assessments and cleanup activities of inactive DoD sites and facilities contaminated from previous Defense and non-Defense related programs.

We spoke with representatives of each community to understand their concerns and interviewed current and former community officials associated with those efforts. We reviewed studies, reports, administrative records, and minutes of meetings.

We learned that until the turn of the century, the Inupiats did not have a formal written language and, until recently, relied on oral stories from elders to pass down their traditions and history. Some of the concerns were based on that oral history passed from one generation to the next. As a result, the IG Team could not locate written records supporting or detailing the Inupiat concerns.

Evaluation Type, Dates, and Standards. We performed this program evaluation from July 1997 through March 1998 in accordance with standards issued by the Inspector General, DoD. We did not rely on computer processed data or statistical sampling procedures.

Contacts During the Evaluation. We visited or contacted the Native communities of the Northern Arctic Slope of Alaska as well as individuals within the DoD, Environmental Conservation; and other Federal, state, and local organizations. We visited the DoD sites and communities of Barrow, Wainwright, Cape Lisburne, and Point Hope, Alaska.

Management Control Program

DoD Directive 5010.38, "Management Control (MC) Program," dated August 26, 1996, requires DoD organizations to implement a comprehensive system of management controls that provides reasonable assurance that programs are operating as intended and to evaluate the adequacy of the controls.

Scope of Review of Management Controls. We did not evaluate the management control program beyond ascertaining that the DoD Components have not reported any material management control weaknesses related to the Alaskan Environmental program. This evaluation disclosed no material control weaknesses.

Appendix B. Summary of Prior Coverage

General Accounting Office (GAO) Report No. NSIAD-94-243, "DoD Needs to Better Identify and Monitor Equipment Containing Polychlorinated Biphenyls," August 1994, addresses the lack of DoD specific guidance on the replacement of polychlorinated biphenyl (PCB) items. The DoD has allowed the services to establish their own programs. The General Accounting Office visited 12 installations in the United States and found that 9 did not comply with Environmental Protection Agency regulations applicable to monitoring, storing, and disposing of PCB items. The deficiencies at those installations consisted of improper storage of PCB items, transformers with previous undetected leaks, inadequate monitoring of known PCB items, slow response to spills, and incomplete or missing data for PCB disposal.

The General Accounting Office recommended that the Secretary of Defense direct the Services to improve regulatory compliance by requiring all installations to identify and maintain inventories of major PCB items and implement a follow-on program to ensure correction of deficiencies identified by the Environmental Protection Agency and monitoring organizations. In addition, the General Accounting Office recommended that the Administrator of the Environmental Protection Agency require installations to report on actions taken to resolve noncompliance and improve timeliness of its follow-up inspections conducted at installations. DoD plans to field the Hazardous Substance Management System during the fall of 1998 to track and manage hazardous waste including PCB. DoD did not agree with the General Accounting Office implication that OSD is deficient in not providing more specific Defense-wide requirements for PCB.

General Accounting Office (GAO) Report No. NSIAD 94-168, "Better Data Needed for Radioactively Contaminated Defense Sites," August 1994, indicates that DoD identification of radiological contaminated sites and their cleanup relies on data that is frequently outdated, inaccurate, and incomplete. Data provided to the United States Senate, Committee on Government Affairs in July 1992 and April 1993, identified 420 low-level radioactive waste sites. The estimates were incorrect because the Military Departments double counted and did not identify some sites. In addition, Defense Logistics Agency former Defense sites managed by the Army Corps of Engineers were not included in

the data. The Office of the Secretary of Defense and the Military Departments did not record the amount of radioactivity, and the data they did record were often inaccurate and out of date.

The General Accounting Office recommended that the Secretary of Defense take action to improve DoD databases to ensure that they have sufficient low-level radioactive waste data to manage restoration of contaminated sites. Specifically, the General Accounting Office stated that the Secretary of Defense should require the Defense Logistics Agency and the Military Departments to correct the errors and make sure the data is reported to the Office of the Secretary of Defense at least four times a year. DoD responded that although the Military Departments do not yet use the same database, there is sufficient consistency to ensure that information supplied to the DoD restoration management information system is timely and accurate. In addition DoD stated that the current annual update requirement for reporting low-level waste data for OSD is considered sufficient for management. DoD agreed that information concerning specific contaminants and quantities should be maintained, if known. However, DoD does not agree that such information should be included in the regular reporting to OSD.

General Accounting Office (GAO) Report No. NSIAD 94-130 Fact Sheet, "Nuclear Health and Safety Sites Used for Disposal of Radioactive Waste in Alaska," July 1994, states that the amount or distribution of radioactive materials involved in the Project Chariot experiment would not lead to adverse health effects. The General Accounting Office identified six Army and Air Force installations in Alaska where radioactive materials have been disposed of or stored on site. However, based on available information, the materials stored or disposed of at those sites were nuclear power reactor cooling water and smoke detectors.

The fact sheet indicates that the Department of Energy and the Environmental Protection Agency monitored underground testing at Amchitka Island. Those organizations conducted tests from 1965 through 1971. The Army Corps of Engineers identified 138 out of 555 previously owned Defense sites requiring assessments. The report states that the Corps planned to complete the assessment in FY 1995. The General Accounting Office fact sheet states that there were five non-Federal sites involved in the disposal or storage of radioactive material. Of the five sites, three sites are used to store pipe contaminated with naturally occurring radioactive material from oil drilling operations. In addition, two sites are involved in land and ocean disposal of

radioactive waste from university research projects and aircraft manufacturing. Department of Energy and DoD officials agreed with the information presented in this fact sheet that relates to their respective agency.

Appendix C. Discussion of Concerns and Evaluation Results

Concern 1. Of the 1,648, transformers containing polychlorinated biphenyls (PCBs) brought to the Alaska Distant Early Warning (DEW) lines, 338 were accounted for and the remainder were buried or dumped in the ocean.

Evaluation Results. This concern was not substantiated, because the DoD had incomplete disposal records. Also, the Inupiat community of the North Slope Borough lacked any documentation. Prior to the Toxic Substances Control Act of 1976, PCB disposal records were not required nor maintained by the Military. The Defense Reutilization and Marketing Office accounted for 276 transformers that were turned in from the DEW line sites.

The Inupiat community representative was unable to provide any evidence to show that transformers were buried on the North Slope or dumped in the ocean. Therefore, we were unable to substantiate this concern.

Concern 2. Cape Lisburne has DoD transformers that are rusted and leaking into the ocean.

Evaluation Results. The concern was not substantiated. The Inupiat representatives were unable to provide evidence to support this concern. We visited Cape Lisburne and did not see any transformers. During our site visit, we did not find rusting or leaking transformers. PCB transformers were removed from that DEW line site in 1980 upon deactivation. The Air Force 611th Civil Engineers Squadron acknowledged PCB contamination at Cape Lisburne and is currently removing contaminated concrete and soil.

Concern 3. There are 160 systems for nuclear auxiliary power (SNAPs) still in place and they are the point sources for contamination.

Evaluation Results. The concern was not substantiated. We could not identify any records or documents to substantiate the use of SNAPs at the DEW line sites. The Inupiat community representative was unable to provide locations, physical evidence, or documentation to support the presence of 160 SNAPs in Alaska. We did identify that ten Radioisotope Thermoelectric Generators are in

use by the Air Force at Burnt Mountain, Alaska. The Navy accounted for the one Radioisotope Thermoelectric Generator in the DEW line area at the Naval Arctic Research Laboratory at Point Barrow.

Concern 4. Inupiat cancer rates are caused by environmental contamination.

Evaluation Results. This concern was not substantiated. The health of the North Slope inhabitants has been studied extensively by different organizations. Those studies included an analysis of environmental pollutants and their relationship to illnesses and deaths. The studies concluded that the Inupiat population growth and health problems are attributable primarily to longer life spans and life style factors.

Concern 5. Germ warfare tests were conducted on a vessel called U.S.S Bear.

Evaluation Results. The concern was not substantiated. The Inupiat community representative stated that when a vessel named the U.S.S. Bear came to port to deliver supplies to hospitals and schools, the villagers were infected with a variety of diseases. However, in discussing this issue with the Inupiat community representative, the Barrow Restoration Advisory Board, village elders, native communities officials, and others, they were unable to provide any documents alluding to germ warfare tests by a vessel called the U.S.S. Bear.

Brown Bear. Our research identified several sources that mentioned the ship Brown Bear in Alaska.

- The Department of Oceanography, University of Washington, used the Brown Bear as a research vessel. The Brown Bear operated off the eastern Chukchi Sea between the Bering Straits and Cape Lisburne.

- "The Firecracker Boys" written by Dan O'Neill, December 1994, states that the oceanographers and ichthyologists on the Brown Bear gathered samples and took measurements.

- Testimony by the National Science Foundation before the Subcommittee of the Committee on Appropriations, House of Representatives, 85th Congress in the summer of 1958, indicated the Brown Bear served as a research vessel used by the University of Washington to study ocean currents in the Northeast Pacific Ocean.

Revenue Cutter Bear. The ship Bear, a revenue cutter, is discussed in "Chills and Fever" written by Robert Fortuine in May 1996, who indicates that during the 1900's the Bear served as a rescue ship and brought medical supplies, medicine, and other services to many stricken communities in Alaska. The Treasury Department previously owned the Bear.

Our research identified two ships that were used in this area with the name Bear. There was no documentation that indicated that there was germ warfare tests conducted on either ship.

Concern 6. Nuclear bombs were flown into Alaska and sealed in steel casings in the permafrost and those casings were still in place but no longer in good condition.

Evaluation Results. This concern was not substantiated. The Alaska Department of Environmental Conservation researched presidential records and could not find the required authorization that would have permitted nuclear bombs to be moved and buried in the North Slope. An official with the Alaska Department of Environmental Conservation physically surveyed Cape Thompson for indicators of radioactivity on September 10, 1992. Subsequently, during July 1993, the contractor for the Department of Energy, EG&G, measured radioactivity levels from the air and ground in the Cape Thompson area and did not find unusual radioactive readings. This evaluation could not substantiate that nuclear bombs were buried in permafrost and were no longer in good shape.

Concern 7. Cape Lisburne Distant Early Warning line site is being cleaned up but not the original site on the western side of the mountain.

Evaluation Results. This concern was substantiated. While visiting the Cape Lisburne DEW line site, the Inupiat community representative showed the team rusted drums at the bottom of the mountain slope southwest of the Cape Lisburne White Alice site. On August 21, 1997, the IG team visually identified DoD past disposal sites at Cape Lisburne and Wainwright. The Air Force project manager was not aware of the debris at those sites. This concern was validated and a complete discussion is found in Finding A.

Concern 8. Drums (barrels) exist at Cape Lisburne containing radioactive waste

Evaluation Results. This concern was not substantiated. We could not identify individuals, studies, or reports that validate the existence of radioactive wastes at or removed from Cape Lisburne. An Inupiat community representative alleged that he read in the Tundra Times, between 1994 and 1995, that a science teacher and students were hiking near Cape Lisburne on the Point Hope side and discovered two drums labeled "radioactive." He stated that those drums were reported and removed by helicopters belonging to the Alaskan Command in Kotzebue.

We interviewed the Point Hope Mayor and President, as well as citizens, and village elders. All were unaware of radioactive drums allegedly found near their village. Also, we interviewed an official at Air Force 611th Air Support Group, Civil Engineering Squadron about radioactive drums. He was unaware of any incident related to drums of radioactive wastes.

Other Matters of Interest

Representatives of the Inupiat community stated that poor communications exist between the local community and the Navy. DoD policy requires establishment of Restoration Advisory Boards (RABs) at all installations where the local community expresses interest in DoD cleanup activities. Representatives from local communities, local and state governments, and the Military Departments make up the membership of the RAB. The RAB members stated that there is a lack of participation on the part of the Navy at public meetings. RAB members also stated that the Navy is not completely open with the RAB regarding cleanup activities. The RAB minutes, January 20, 1997, state that the Land Exchange Agreement did not have a dispute resolution process which frustrated the Ukpeagvik Inupiat Corporation. As a result, the community distrusts the Navy because the community is not fully aware of Navy activities.

The President of Point Hope village expressed concerns regarding debris left at an alleged Army camp near the Point Hope in the 1950s. The location of the site is one mile from the center of the village in an open field. The IG team visited the site and observed partially buried and rusted 55 gallon drums and cans. The Army Corps of Engineers does not list Point Hope as a formerly used defense site, and the villagers could not provide documented evidence that this site was an Army camp.

Appendix D. Glossary of Terms

Excess Personal Property. Excess personal property is anything other than land, buildings and real estate. Item categories include office furniture, camping equipment, appliances, furniture, computers, electronics, and much more.

Formerly Used Defense Sites. A formerly used defense site has been previously owned, leased, possessed, or otherwise under the jurisdiction of DoD. The Corps of Engineers serves as the Executive Agent for DoD. The Corps manages and executes cleanup projects at formerly used Defense sites.

Inupiat Community. Inupiat is defined as "the real people." The Inupiat inhabited the Arctic for thousands of years, traditionally following animal migrations, and subsisting on whale, caribou, walrus, seal and birds.

North Slope Borough. A broad portion of northern Alaska, sweeping 650 miles from Point Hope on the Chukchi Sea east to the Canadian border. The most northerly tip, Point Barrow, is some 225 miles from the southern boundary of the borough. The region embraces approximately 88,281 square miles, over 15 percent of the State's area.

Operations and Maintenance Funding. An appropriation operating account funded annually.

Permafrost. Permanently frozen subsoil. Permafrost occurs in both unconsolidated sediments and bedrock. Distribution is continuous on the Arctic Coastal Plain, and it has a significant impact on the flow of ground and surface water.

Restoration Advisory Board. A Restoration Advisory Board (RAB) serves as a significant tool for public participation and involvement in cleanup activities at Military installations. In 1994, DoD issued guidelines requiring each RAB to reflect community diversity at operating locations.

White Alice Site. A communication site that is one of the five DEW line sites on Cape Lisburne. The site is located in the Upper Camp area on the southwest corner of the installation. The site was deactivated in 1979.

Appendix E. Environmental Criteria

The Defense Environmental Restoration Program. Congress formally codified the Defense Environmental Restoration Program in Title 10, United States Code (USC), Sections 2701-2708 and 2810. It is a single program funded by several accounts that provides for the clean up of hazardous substances associated with past DoD activities consistent with the provisions of the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), as amended. CERCLA is implemented through the National Oil and Hazardous Substances Pollution Contingency Plan (NCP) and Executive Order 12580.

Radiation Responsibility. The primary agencies with regulatory authority for radioactive contaminated sites include the Environmental Protection Agency, Nuclear Regulatory Commission, Department of Energy, and state agencies. The Nuclear Regulatory Commission and/or Environmental Protection Agency regulate most of Department of Energy's radioactive waste management activities.

The Toxic Substances Control Act of 1976. The Toxic Substances Control Act mandates the promulgation of regulations for manufacturing, processing, and distributing in commerce, marking, using, and disposing of polychlorinated biphenyls (PCB) or PCB items. PCB items, such as transformers and capacitors, are regulated if their PCB content is at or above specified concentrations or volume. Those requirements are codified in 15 USC 2601 et seq.

Appendix F. History of Distant Early Warning Line

Distant Early Warning (DEW) Line. After World War II and during the Cold War conditions, the United States found it necessary to provide early warning defense against long range aircraft approaching the North American continent from northern polar regions. Since the United States and Canada were under threat of atomic warfare, they needed an advance early warning radar system to extend across the northern region of Alaska and Canada. In 1952, a team of American scientists developed and completed plans for the DEW line system. In 1953, the DEW line sites construction began. President Eisenhower formally approved the DEW line project February 24, 1954, and tasked the Air Force with implementation. The DEW line was a series of radar sites that stretched from Point Lay across northern Alaska and northern Canada with four DEW line sites on the ice cap of Greenland. Contractors operated and maintained the DEW line sites (see photograph in Appendix G).

Purpose of the Dew Line Site. The DEW line on the north coast of the continent was used as a top cover for the defense of North America. The United States became strongly dependent upon Alaska for its advance warning and initial, but limited, interception.

Closed and Abandoned DEW Line Sites. The Air Force ordered DEW line site inactivation in 1963. When the military closed and abandoned the DEW line sites, equipment and supplies were left behind. The supplies included such items as containers of hazardous substances like brake fluid, fuel drums containing petroleum products, antifreeze, and containers of polychlorinated biphenyls. The Air Force has an active Installation Restoration Program to determine the extent of contamination and necessary clean up at the DEW line sites.

Active DEW line sites. The North Slope of Alaska has seven active DEW line sites from Point Lay to Barter Island.

Appendix G. Photographs

A view of drums and debris close to the southeastern area of the Wainwright DEW line site near Tutollvik (Finding A).

A view of drums and debris at the NARL Old Waste Disposal Area (Finding B).

Appendix H. Report Distribution

Office of the Secretary of Defense

Under Secretary of Defense for Acquisition and Technology
  Deputy Under Secretary of Defense (Environmental Security)
  Director, Defense Logistics Studies Information Exchange
Assistant Secretary of Defense (Public Affairs)

Department of the Army

Assistant Secretary of the Army (Installation, Logistics and Environment)
Auditor General, Department of the Army

Department of the Navy

Assistant Secretary of the Navy (Financial Management and Comptroller)
Assistant Secretary of the Navy (Installation and Environment)
Auditor General of the Navy

Department of the Air Force

Assistant Secretary of the Air Force (Financial Management and Comptroller)
Deputy Assistant Secretary of the Air Force (Environment, Safety and Occupational Health)
Headquarters, Pacific Air Force, Hickam AFB, HI
  Commander, 611th Civil Engineers Squadron, Elmendorf Air Force Base, Alaska
Auditor General of the Air Force

Other Defense Organizations

Director, Defense Logistics Agency
Director, National Security Agency
  Inspector General, National Security Agency
  Inspector General, Defense Intelligence Agency

Non-Defense Federal Organizations and Individuals

Office of Management and Budget
Technical Information Center, National Security and International Affairs Division, General Accounting Office

Chairman and ranking minority member of each of the following congressional committees and subcommittees:

  Senate Committee on Appropriations
  Senate Subcommittee on Defense, Committee on Appropriations
  Senate Committee on Armed Services
  Senate Committee on Government Affairs
  House Committee on Appropriations
  House Subcommittee on National Security, Committee on Appropriations
  House Committee on Government Reform and Oversight
  House Subcommittee on Government Management, Information, and Technology, Committee on Government Reform and Oversight
  House Subcommittee on National Security, International Affairs, and Criminal Justice, Committee on Government Reform and Oversight
  House Committee on National Security

Non-Federal Organizations

Inupiat Community of the North Slope
Barrow Restoration Advisory Board
University of Alaska, Fairbanks

Part III – Management Comments

Principal Assistant Deputy Secretary of Defense (Environmental Security) Comments

Final Report Reference

OFFICE OF THE UNDER SECRETARY OF DEFENSE

3000 DEFENSE PENTAGON
WASHINGTON, DC 20301-3000

ACQUISITION AND TECHNOLOGY

28 AUG 1998

MEMORANDUM FOR DEPARTMENT OF DEFENSE INSPECTOR GENERAL

SUBJECT: Department of Defense (DoD) Review of Draft "Evaluation Report on Allegations of Environmental Contamination and Hazards Affecting the Inupiat Community of Arctic Slope, Alaska," (Project No. 7CB-5047)

Thank you for the opportunity to review your May 18, 1998, draft evaluation report concerning alleged environmental contamination in the North Slope Borough, Alaska. Our comments on the draft report are as follows:

RECOMMENDATION A

We recommend that the Deputy Assistant Secretary of the Air Force (Environment, Safety, and Occupational Health) and the Commander, United States Army Corps of Engineers (COE) re-survey Wainwright and Camp Lisburne DEW line sites; cleanup debris at those sites; and cleanup any chemical contamination of the environment.

RESPONSE

Partially concur. We believe the Air Force has correctly stated that this site is not within the programmatic scope of the COE and reference to the COE should be deleted. The Air Force has agreed to conduct additional site investigations of the Wainwright and Cape Lisburne Defense Early Warning sites to determine whether or not additional response actions are required. Revised

RECOMMENDATION B

We recommend that the Deputy Assistant Secretary of the Navy and Commander, COE cleanup drums and debris along and in the Elson Lagoon area and remove all debris from the Point Barrow and Naval Arctic Research Laboratory (NARL) Areas.

RESPONSE

Partially concur. As with the Wainwright and Cape Lisburne Defense Early Warning sites, responsibility for NARL is not with the COE. The Navy has agreed to conduct additional site investigations of NARL to determine the appropriate response action. The Navy has agreed to work closely with the United States Environmental Protection Agency, Region 10, the State of Alaska, and the Ukpeagvik Inupiat Corporation to resolve this issue. Revised

Environmental Security *Defending Our Future*

GENERAL COMMENT

In addition to the specific responses noted above, there are other issues concerning responsibilities for mitigation of environmental and safety issues that should be addressed in a more comprehensive manner, including those involving the Elson Lagoon. One way we are proposing to address all of these issues is through the use of separate funding provided by Congress (FY98 Defense Appropriations Act, Section 8056). We have already begun to work with the Arctic Slope Native Association, through the COE, to explore the potential for a cooperative agreement to do comprehensive planning and related activities to address various environmental impacts resulting from DoD activities. Development of a comprehensive plan would also include other opportunities of interest to the Inupiat community, such as training and technical assistance, to better enable them to participate as partners in addressing their environmental issues. This is consistent with DoD's recent Indian policy development efforts and cooperative agreements with tribes.

If you have any questions concerning these comments, please contact Mr. Johnathan Stacy (703) 604-1747. Again, we thank you for your efforts in this evaluation and feel that the Inupiat Community will benefit from your recommendations

Gary D. West
Principal Assistant Deputy Under Secretary
of Defense (Environmental Security)

Department of The Army, Corps of Engineers Comments

DEPARTMENT OF THE ARMY
U.S Army Corps of Engineers
WASHINGTON, D C 20314 1000

REPLY TO
ATTENTION OF:

CEAO (36-2b)

20 July 1998

MEMORANDUM THRU ERIC SMITH, LTC, GS, DDECC ~~Director of Army Staff~~, Pentagon, Washington, DC 20310

FOR Inspector General, Department of Defense

SUBJECT: Allegations of Environmental Contamination and Hazards Affecting the Inupiat Community of Arctic Slope, Alaska -- **RESPONSE**

Enclosed is the official command response to the draft report on subject audit.

FOR THE COMMANDER:

Encl
as

ALBERT J. GENETTI, JR.
Major General, USA
Chief of Staff

Final Report Reference

Evaluation on Allegations of Environmental Contamination and Hazards Affection the Inupiat Community of Arctic Slope, Alaska 7CB-5048

FINDING A: Drums and Debris Found At Air Force Sites. Drums and debris exist at the Wainwright and Cape Lisburne, Alaska sites. During the preliminary assessments, and site investigations portion of the installation restoration program, the Air Force overlooked those two locations and did not include them in the Remedial Action Plan. As a result, there is a possibility that contamination exists at Wainwright, Cape Lisburne and other Distant Early Warning (DEW) line sites.

Recommendation A: We recommend that the Deputy Assistant Secretary of the Air Force (Environment, Safety and Occupational Health) and the Commander, U.S. Army Corps of Engineers resurvey Wainwright and Cape Lisburne DEW line sites; cleanup debris at those sites; and cleanup any chemical contamination of the environment.

Deleted

NONCONCUR. Any further action by USACE is subject to special authorization, or must be done on a by request of the Secretary of the Air Force on a reimbursable basis. With the potential exception of an old Army Weather Station, reported to be located at Point Hope, which is not thought likely to require further action, there is no FUDS responsibility at the sites in question.

FINDING B: Drums and Debris Exist at the Former Naval Arctic Research Laboratory. The Navy did not completely remove and dispose of drums and debris at the former Naval Arctic Research Laboratory. Drums and debris were not removed from the Naval Arctic Research Laboratory because the Navy chose not to use Operations and Maintenance funds for removal. Drums and debris areas are a safety hazard, possibly contaminated, and of major concern to the Inupiat community.

Recommendation B: We recommend that the Deputy Assistant Secretary of the Navy and the Commander, U.S. Army Corps of Engineers cleanup drums and debris along and in the Elson Lagoon area and remove all debris from the Point Barrow and NARL areas.

Deleted

NONCONCUR. Any further action by USACE is subject to special authorization, or must be done on a by request of the Secretary of the Navy on a reimbursable basis. Even though Elson Lagoon is a formerly used defense site, much of the debris in question is not DOD's and therefore ineligible for the FUDS program. To discharge DOD's portion of responsibility, the Corps agreed to clear a channel from Brant Point to Plover Point for safe passage to and from the ocean. This was accomplished in 1993 at a cost of approximately $2,000,000.

Department of The Navy Comments

Final Report Reference

DEPARTMENT OF THE NAVY
OFFICE OF THE ASSISTANT SECRETARY
(INSTALLATIONS AND ENVIRONMENT)
1000 NAVY PENTAGON
WASHINGTON, D.C. 20350-1000

21 August, 1998

MEMORANDUM FOR DEPUTY UNDER SECRETARY OF DEFENSE
(ENVIRONMENTAL SECURITY)

Subj: COMMENTS ON DOD INSPECTOR GENERAL DRAFT "EVALUATION ON ALLEGATIONS OF ENVIROMENTAL CONTAMINATION AND HAZARDS AFFECTING THE INUPIAT COMMUNITY OF THE ARCTIC SLOPE, AK (PROJECT NO. 7CB—5048)

Encl: (1) Department of Navy Comments on the DoD IG draft report (7CB-5048)

We agree with most of the recommendations in the draft Inspector General (IG) report, "Evaluation of Allegations of Environmental Contamination and Hazards Affecting the Inupiat Community of the Arctic Slope, Alaska" (Project No. 7CB-5048) dated May 18, 1998.

We partially concur with the recommendation regarding the cleanup of debris in Elson Lagoon. Elson Lagoon debris needs to be cleaned up. However, ownership of the debris in Elson Lagoon has not been determined. It is suspected that the debris consists of equipment previously owned by all three services and trash from local inhabitants. As a former FUDS site, we recommend that the Army Corps of Engineers be assigned the responsibility for managing the cleanup using Defense wide DERP funds. As discussed at our recent meeting on this subject, OSD intends to make grant funds available in order to train local inhabitants and build capacity for local cleanup.

Revised

Elsie L. Munsell

ELSIE L. MUNSELL
Deputy Assistant Secretary of the Navy
(Environment and Safety)

Copy to:
CNO (N45)
NAVFACENGCOM (Code ENV)
ENGFLDACTNW (Code 18)

Final Report Reference

Department of Navy Comments on the DoD IG draft report (7CB-5048)

COMMENTS ON FINDING B.

"Finding B. Drums and Debris Exist at the Former Naval Arctic Research Laboratory"

NAVY RESPONSE:

We concur with the IG finding that drums and debris exist at the former NARL. We are working closely with the Ukpeagvik Inupiat Corporation (UIC) to resolve any outstanding debris and drum issues.

The Navy will remove drums at the Old Disposal Site and will address any applicable areas requiring remediation. To that effect, the Navy is developing risk analyses for sites on the former NARL and will develop cleanup standards in conjunction with the UIC that are appropriate for actual land use.

Specific comments follow below:

IG COMMENT, NAVAL CLEANUP STUDIES SECTION, (PAGES 9 AND 10):

"The purpose for sampling the air strip hangar was to determine the environmental impact associated with past operations."
"The predominate chemical in the air strip hangar areas is arsenic."

NAVY RESPONSE:

Revised

Discussions of the airstrip hanger are irrelevant to the subject of drums and debris at NARL.

IG COMMENT, DRUMS SECTION, (PAGE 10):

"The Ukpeagvik Inupiat Corporation identified approximately 750 drums for removal. Of the 750 drums, the Navy reported that approximately 250 drums were used to support a storage platform. The Navy was unable to determine the disposition of approximately 250 drums used to support the storage platform. The Navy disposed of 524 drums. We were unable to reconcile the additional 24 drums. According to Navy Facilities Engineering Field Activity Northwest officials, drums identified by the Ukpeagvik Inupiat Corporation were based on estimates (see photographs in Appendix G).

Final Report Reference

On August 19, 1997, the IG team visited the NARL and observed partially buried drums and debris at the old disposal site. We were unable to determine whether the Ukpeagvik Inupiat Corporation identified those drums in 1988 for removal by the contractor."

NAVY RESPONSE:

The 750 drums identified in the report is a Navy figure used to estimate and negotiate a Navy contractor's level of effort in surveying and sampling drums that contained waste material. In accordance with the Land Exchange Agreement Amendments of December 1988, representatives of the Navy, Ukpeagvik Inupiat Corporation and their contractors (SAIC, Inc., and America North, Inc.) did a building-by-building search of the entire camp and its vicinity to identify drums containing waste material and to mutually agree upon disposal. Approximately 400 drums containing waste material were identified and mutually determined to be the Navy's responsibility. The Navy disposed of those drums and any waste identified as belonging to the Navy.

Very badly deteriorated drums were noted at the Old Disposal Site (between Imikpuk Lake and Middle Salt Lagoon) during the survey, but none were proposed for disposal in 1988. The Navy's contractor and UIC's contractor agreed that these drums did not pose a significant safety risk and that removal would cause substantial damage to the tundra. Instead, environmental sampling was done to determine the possibility of contamination migrating from the site.

UIC and the Navy conducted a second 'Waste Drum Survey' in 1995. It included over 100 drums not identified by either the Navy or UIC during the 1988 survey and six additional drums determined by UIC to be "Navy Waste". The Navy sampled, characterized and disposed of these wastes. Revised

A Site Inspection Report was completed in October 1995 at the Old Waste Disposal Site. U.S. EPA Region 10 completed a review of this report and supplemental cleanup reports. Engineering Field Activity Northwest has been working with state regulators on the Old Waste Disposal Site and has expanded this cooperative effort to include representatives from the Ukpeagvik Inupiat Corporation. The Navy, in coordination with the UIC, will remove drums at the Old Disposal Site and will address any areas requiring remediation.

IG COMMENT, CLEANUP DISPUTE SECTION (PAGE 11):

"The RAB minutes stated the Navy refused to accept responsibility for stringent cleanup levels proposed by the Ukpeagvik Inupiat Corporation."

Final Report Reference

NAVY RESPONSE:

Revised

The Navy has and will continue to comply with the Land Exchange Agreement and will accept standards proposed by EPA or the State of Alaska. Industrial area cleanup levels are appropriate for certain areas on the NARL facility and are acceptable to both EPA and the State of Alaska. Additionally, certain portions of the site may have land uses other than industrial and the Navy is developing risk analysis for these sites

IG COMMENT. (PAGE 13): CONCLUSION:

"In the Land Transfer Agreement, the Navy agreed to cleanup contaminated areas at the NARL; however, drums, debris and contamination exist at the NARL. The contamination cleanup process is ongoing; however, the dispute between the DOD and the Inupiat community regarding responsibility for cleanup and cleanup levels is working against the DOD efforts to establish and maintain good working relationships with the Alaska community."

NAVY RESPONSE:

Revised

The Land Exchange Agreement generally requires that the Navy cleanup sites at the former NARL to the satisfaction of the Alaska Department of Environmental Conservation (ADEC) and the U.S. Environmental Protection Agency. At the time of the land exchange, NARL was a commercial/industrial site. To this day, most of the property remains commercial/industrial In arriving at cleanup standards, the Navy is complying with applicable Alaska standards. Additionally, Navy must consider reasonable future land use. This approach is consistent with the National Contingency Plan (NCP), U S. Environmental Protection Agency, OSWER Directive No 93 55.7-04, May 25, 1995, "Land Use in the CERCLA Remedy Selection" and DoN Environmental Policy Memorandum 95-02: "Consideration of Future Land Use in Determining Cleanup Standards for Base Realignment and Closure (BRAC) Policy". The Navy is working closely with the UIC to develop cleanup standards that are based on actual land use.

The Navy is also working closely with the Alaska Department of Environmental Conservation and EPA Region X to ensure that cleanup standards are protective of human health and the environment. The Navy has conducted significant cleanup actions at the former NARL and has actively participated in the RAB.

To promote good working relationships with the Alaskan community, the Navy is devoting additional resources to publicize Navy's work at the former NARL and will strive to improve communications with the RAB. To this end, the Executive Officer and Environmental Director at Engineering Field Activity Northwest attended the April, 1998 RAB Meeting and the Commanding Officer plans to attend the July 1998 meeting. We are also assigning a senior civilian to oversee

Final Report Reference

the Navy's efforts in cleanup, community outreach and partnering.

COMMENTS ON RECOMMENDATION B

"We recommend that the Deputy Assistant Secretary of the Navy and the Commander, U.S. Army Corps of Engineers cleanup drums along and in Elson Lagoon area and remove all debris from the Point Barrow and NARL areas."

NAVY RESPONSE:

We partially concur with the recommendation regarding the cleanup of debris in Elson Lagoon. Elson Lagoon debris needs to be cleaned up. However, ownership of the debris in Elson Lagoon has not been determined It is suspected that the debris consists of equipment previously owned by all three services and trash from local inhabitants. As a former FUDS site, we recommend that the Army Corps of Engineers (COE) be assigned the responsibility for managing the cleanup using Defense wide DERP funds We understand that the COE has offices in Alaska that could administer such efforts. As discussed at our recent meeting on this subject, OSD intends to make grant funds available in order to train local inhabitants and build capacity for local cleanup, potentially administered by the COE

Revised

Specific comments follow below:

The term "Point Barrow" is a geographic designation, such as "Eastern Shore" or "Northern California". The IG has not substantiated that all debris on Point Barrow belongs to the Navy or the Army Corps of Engineer. As a result, we recommend that the term "Point Barrow" be eliminated from the recommendation.

Revised

Department of The Air Force Comments

DEPARTMENT OF THE AIR FORCE
WASHINGTON, DC

Office Of The Assistant Secretary

20 July 1998

MEMORANDUM FOR ASSISTANT DEPUTY UNDERSECRETARY OF DEFENSE
(ENVIRONMENTAL QUALITY)
ATTN: MR LEN RICHESON

FROM: SAF/MIQ

SUBJECT: Draft DoDIG Report, Project No. 7CB-5048, Allegations from the Inupiat Community

This letter is a follow-up to our letter of 14 July 98, same subject. The attached letter from AF/ILEV provides the plan of action for how the Air Force will implement the DoD IG recommendation. Questions may be addressed to Mr Robert Furlong, AF/ILEVR, 607-0225.

EDMUND H. STERN, LT COL, USAF
Deputy for Environmental Readiness

Attachment:
HQ USAF/ILEV ltr, 16 Jul 98

Final Report Reference

DEPARTMENT OF THE AIR FORCE
HEADQUARTERS UNITED STATES AIR FORCE
WASHINGTON DC

18 JUL 1998

MEMORANDUM FOR SAF/MIQ

FROM: AF/ILEV

SUBJECT: Draft of a Proposed Evaluation Report: Evaluation on Allegations of Environmental Contamination and Hazards Affecting the Inupiat Community of the Artic Slope, Alaska (Project No. 7CB-5048, May 18, 1998)

We concur with the findings, conclusion and recommendations contained in the section of the subject report titled Finding A. Drums and Debris Found at the Air Force Sites, with the following exception.

a. We do not concur with the recommendation that the Commander, U. S. Army Corps of Engineers should be involved in the re-surveying and debris/chemical contamination cleanup associated with the Wainwright and Cape Lisburne Distant Early Warning (DEW) line sites. These sites are part of the Air Force Environmental Restoration Program. Deleted

In order to follow-up on the remainder of the recommendations, we plan on conducting the following activities.

a. As part of the Multi-Installation Site Investigation planned for FY99, we will re-survey the Wainwright and Cape Lisburne DEW line sites to identify any remaining debris at those sites. These activities will be completed no-later-than 30 Sep 99.

b. As part of the Multi-Installation Site Investigation planned for FY99, we will obtain samples to determine if chemical contamination of the environment exist near any debris identified. These activities will be completed no-later-than 30 Sep 99.

c. If contamination is found at these locations which poses an imminent and substantial endangerment to human health or the environment, we will implement an interim remedial action or simple removal action to address subject contamination. If conducted these activities will be completed as soon as practicable, but no-later-than 30 Sep 00.

d. In the absence of any imminent and substantial endangerment, any residual contamination which exists above health-based screening levels will be addressed when the Wainwright and Lisburne DEW line sites are cleaned up as part of the Clean Sweep program. Currently, we have scheduled the Cape Lisburne DEW line site to be addressed as part of the Clean Sweep program no-later-than 30 Sep 00; and the Wainwright site no-later-than 30 Sep 04.

Final Report Reference

2

Deleted

The statement contained in the section of Appendix C titled Other Matters of Interest regarding Environmental Protection Agency (EPA) representation on the Restoration Advisory Board (RAB) is incorrect. The EPA is not a member of the Barrow RAB.

If the members of your staff have any questions, please have them call our POC, Mr. Robert Furlong, HQ USAF/ILEVR, (703) 607-0225 or e-mail: robert.furlong@af.pentagon.mil.

Teresa R. Pohl

TERESA R POHLMAN
Chief, Environmental Division
DCS/Installations & Logistics

cc:
PACAF/CEVR
HQ AFCEE/EQ

Evaluation Team Members

This report was prepared by the Contract Management Directorate, Office of the Assistant Inspector General for Auditing, DoD

Paul J. Granetto
William C. Gallagher
Michael R. Herbaugh
Elaine Jennings
Jane T. Thomas
Captain William Hoak, USAF
William McConaughy