

SCOMM

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**Special Committee on Military & Veterans' Affairs
Representative Mike Chenault, Chair**

Committee Members

Representative Bev Masek
Representative Lisa Murkowski
Representative Joe Green
Representative Pete Koff
Representative Sharon Cissna
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AGENDA



April 17, 2001
5:00 p.m. - 6:30 p.m.

House Finance Room 519

- I. Call to order
- II. Roll call
- III. Introductions
- IV. Mr. Robert K. Uhrich with the Naval Facilities Engineering Command presentation on current information regarding the Adak base closure activities.
- V. HJR 27 - A Resolution supporting the erection of monuments in Alaska, Russia, and Canada to commemorate the World War II lend-lease program between the United States and the Union of Soviet Socialist Republics.
- VI. Next Meeting - No scheduled meetings until further notice
- VII. Adjournment

**Statement of
Robert K. Uhrich
Director, Land Management, Engineering Field Activity, Northwest
Naval Facilities Engineering Command
Before the
State of Alaska House of Representatives
Special Committee on Military and Veterans' Affairs**

April 17, 2001

Status of Adak Base Closure Activities

Representative Chenault and members of the Committee, my name is Robert Uhrich. I am Director of Land Management at the Navy's Engineering Field Activity, Northwest in Poulsbo, Washington. Our office is responsible for implementing the closure and disposal of the former Naval Air Facility at Adak Island that was operationally closed pursuant to the 1995 round of Department of Defense base closures. I am delighted to have been invited to provide information to the Committee about the excellent progress we are making.

First, let me share a bit of background about Navy's presence at Adak that will help put current events into context. Adak Island has been federal property since the United States acquired Alaska from Russia in 1867. Since 1913 it has been a federal wildlife refuge. In 1980, all of Adak Island was included within the Alaska Maritime National Wildlife Refuge established by Congress in the Alaska National Interest Lands Conservation Act (ANILCA), and it remains part of that wildlife refuge today.

Military presence on Adak began during World War II with its occupation as a staging area to mount a counteroffensive to dislodge the Japanese from Attu and Kiska Islands. Navy presence at Adak was officially recognized by Public Land Order 1949, dated August 19, 1959, which withdrew the northern portion of Adak Island, comprising nearly 77,000 acres, for use by the Navy for military purposes. Notwithstanding that withdrawal, the property also remains part of the wildlife refuge. Navy used the base to conduct a variety of Cold War era military activities.

Naval Air Facility Adak was on the list of Department of Defense installations recommended for closure in 1995, and that recommendation became final when Congress did not disapprove the list. The active Navy mission ceased and the base operationally closed in March 1997. At that time, our office assumed custody of the former Naval Air Facility property for the Navy, and we are carrying out the remaining Navy environmental cleanup and property disposal activities.

In most cases, closing military bases are located within or adjacent to established communities and the affected local governments usually form a local redevelopment authority to plan and implement reuse. Adak is located in the unorganized borough of Alaska and was not within or adjacent to a local community or within the jurisdiction of any political subdivision of the State. For this reason, the State of Alaska formed the Adak Reuse Planning Committee, with the State Department of Community and Regional Affairs (DCRA), a predecessor of the current Department of Community and Economic Development (DCED), as the lead agency. In September 1996 DCRA reported that its analysis indicated that it was unlikely that the financial feasibility conditions established under House Bill 466, passed by the Alaska Legislature in 1996, could be met. Accordingly, Governor Knowles decided not to form an Adak Reuse Authority under State auspices. Instead, DCRA recommended Department of Defense approval of the Adak Reuse Corporation as the recognized reuse authority. The Adak Reuse Corporation was organized as a not-for-profit corporation under State of Alaska law, and its membership included a range of interests in the region. The Adak Reuse Corporation was recognized by the Department of Defense as the Adak local redevelopment authority, and continues to act in that capacity.

In carrying out its responsibilities at closing bases, Navy seeks to achieve a number of goals:

- Close bases quickly, but in a manner that will preserve valuable assets to support rapid reuse and redevelopment
- Give high priority to local economic development when disposing of available real and personal property
- Put available property to productive use as quickly as possible through leases and conveyances to spur rapid economic recovery and reduce caretaker costs

- Fast-track environmental cleanup by removing needless delays while protecting human health and the environment
- Make every reasonable effort to assist the Local Redevelopment Authority in obtaining the available personal property needed to implement its redevelopment plan.
- Coordinate Federal resources to assist community economic recovery

Navy has worked hard to apply these philosophies to the unique circumstances at Adak. Let me briefly outline what we have done.

Land Transfer. Because Adak is within the wildlife refuge, special legislation from Congress is needed to convey Adak property to a non-federal party and use it for non-refuge purposes. Early in the process, The Aleut Corporation expressed interest in exchanging some of its Alaska Native Claims Settlement Act (ANCSA) real property interests for property at Adak. I'm pleased to report that in September 2000 the Department of the Navy, the Department of the Interior, and The Aleut Corporation signed an Agreement that sets forth terms and conditions of an eventual exchange under which The Aleut Corporation will obtain title to approximately 47,000 acres of the former Adak military reservation, as well as all of the related personal property. We expect that the legislation needed to carry out this Agreement will be introduced in this session of Congress. The 47,000 acres to be conveyed to The Aleut Corporation includes all of the developed portions of the military reservation, and we expect that the rest will ultimately revert to wildlife refuge.

Environmental Cleanup. In addition to the legislation, completing the conveyance of Adak property to The Aleut Corporation also requires that Navy get to the point in our environmental cleanup efforts where we can certify that we have taken all remedial action necessary to protect human health and the environment with respect to any hazardous substances. In partnership with the State of Alaska Department of Environmental Conservation (ADEC) and the US Environmental Protection Agency (EPA) we have made great strides toward that goal. In April 2000 ADEC and EPA concurred in a Record of Decision that addressed all chemical and petroleum site issues, and most of those remedies are now in place. Unexploded ordnance issues are being addressed by a Project Team that includes not only Navy and the state and federal environmental regulators, but also the US Fish and Wildlife Service, The Aleut Corporation, and the Aleutian/Pribilof Islands Association. Extensive ordnance investigations in

the main developed "downtown" core areas were completed in 1997 and 1998. Additional investigations of known or suspected World War II era range areas and minefield locations were carried out in 1999 and 2000. Ordnance investigations in those more remote "outback" areas are continuing this year and next. We are confident we can have an initial ordnance Record of Decision for a large portion of the property by the end of this year, and for the remainder of the transferring property by next year. We are equally confident that the Navy's investigation and cleanup of ordnance sites on Adak will support the planned reuse activities on the military reservation.

Facilitating Reuse. Navy has worked very closely with the Adak Reuse Corporation (ARC) and The Aleut Corporation (TAC) to enable reuse to move ahead. When the active military mission ended in March 1997, we contracted with wholly owned subsidiaries of The Aleut Corporation to protect and maintain the facilities and provide services to support Navy environmental cleanup activities. This enabled The Aleut Corporation to become familiar with the facilities and their operation. When that contract ended in September 2000, Navy funded a grant of \$3 million to the Adak Reuse Corporation, administered by the Department of Commerce Economic Development Administration (EDA), to assist in the transition to local operation of the Adak infrastructure in support of reuse. A follow-on grant of \$7 million, using Department of Defense funds earmarked for this purpose and administered by EDA, is in the final stages of approval for funding.

In June 1998 we entered into a lease with ARC that authorizes them to use or sublease virtually all of the developed core of the base. That lease has enabled a number of reuse activities to take hold. Navy and ARC have worked together to "privatize" vessel and aircraft fueling operations, and to commence operation of rental housing. ARC subleased space to Adak Seafoods, subsequently purchased by Norquest, which began fish processing operations in a waterfront warehouse in early 1999 and continues in operation today, with an on-island workforce right now of approximately 100 people. A public school with grades K through 12 has been operating at Adak since Fall of 1998, and currently has about 25 students enrolled. There is also a general store serving the needs of not only the on-island population, but visiting ship crews as well.

Proactive public involvement has been a key to progress at Adak. Navy has worked hard to overcome the challenge to that public engagement process posed by Adak's remoteness. Since early 1996 there has been a very active Adak Restoration Advisory Board (RAB), comprised of interested stakeholder representatives and members of the public, that has been a primary means of sharing information and obtaining public comment on environmental cleanup plans. This group has met over 40 times with the Navy, ADEC, and EPA project managers directly responsible for developing and implementing cleanup actions. There are both Anchorage and Adak based community representatives on the RAB, and more of the meetings are now being held on Adak as that community begins to form. Copies of relevant documents are maintained in both Anchorage and Adak so they are accessible to members of the public at both places. A toll free telephone number is available for members of the public to easily communicate with the Navy. The Navy also maintains an informational website about Adak environmental cleanup and other ongoing activities, and publishes a newsletter to an extensive mailing list including all Adak residents. On island there is also a community access channel on the cable television on which Navy posts information of general community interest.

The vote to incorporate a new City of Adak was just held on April 3, and affirmed the desire of the Adak community to become Alaska's westernmost City. We look forward to working closely with officials of the new City of Adak and expect they will take on an important role in this overall transition.

We have come a long way. The foundation for success is in place. The partnerships among the stakeholders is the glue that holds it all together, and we deeply appreciate the proactive engagement of the State of Alaska Department of Environmental Conservation and Department of Community and Economic Development in working with all the parties to help build solutions to the many obstacles encountered along the way. There is still work to do, but the pieces are in place to get there and, most importantly, there appears to be a shared sense of purpose to do what is needed to succeed.

In closing, I would reflect back to the beginning of the military presence on Adak, in August 1942, when Col. Lawrence Castner and members of the unit known as the Alaska Scouts came ashore in rubber rafts, made sure

there were no enemy forces on the island, and began the task of establishing an operating airfield in what was then a coastal lagoon.

On March 12, 2001, just over a month ago, a Navy SeaBee Chief Petty Officer assigned to the Adak Caretaker Site Office left Adak. That marks the first time since August 1942 when Col. Castner and the Alaska Scouts landed on Kuluk beach that there have been no active duty military personnel on Adak, a period of approximately 59 and 1/2 years of continuous military presence.

Navy is still operating its Caretaker Site Office on Adak, and a Navy SeaBee Petty Officer will rejoin that office next month, but this milestone is tangible evidence of the progress we have made.

I thank you, Chairperson Chenault and members of the Committee, for this opportunity to share information with you about base closure activities at Adak, and I am available to respond to any questions you may have.