

# Adak Island UPDATE

## Adak Land Transfer Fact Sheet

EFA Northwest



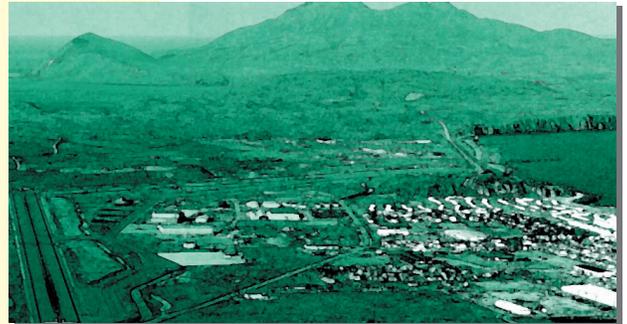
March 2004

### Summary

The United States, through the Department of Interior (DOI) and the Department of the Navy, has entered into a land exchange agreement with The Aleut Corporation (TAC), an Alaska Native Claims Settlement Act (ANCSA) authorized Native Regional Corporation. This comprehensive agreement was negotiated over several years, and is comprised of elements affecting multiple agencies. In summary, some of the major features of the land exchange agreement are: the Navy relinquishes their holdings; the Federal Aviation Administration (FAA) receives easements necessary to operate an airport; TAC receives land and improvements on Adak and in return DOI receives some of TAC's ANCSA selection. The land transfer agreement itself also includes letters from the U.S. Environmental Protection Agency (EPA) and the Alaska Department of Environmental Conservation (ADEC) concerning the limits of future potential environmental liability. The agreement also contains a memorandum of agreement (MOA) between the Navy, U.S. Fish and Wildlife Service (FWS), Alaska State Historic Preservation Officer (SHPO) and the federal Advisory Council on Historic Preservation concerning the preservation of historical and cultural resources on Adak.

The most noteworthy feature of the land exchange agreement is the conveyance of 47,271 acres of the former Naval Air Facility (NAF) Adak property to TAC, in exchange for TAC's relinquishment of a similar acreage of prioritized, valid ANCSA surface and subsurface property. TAC will acquire the downtown area of Adak, where the former NAF was located and which includes the airfield; port facilities; utilities infrastructure; and light industrial, administration, commercial, recreational, and residential areas. The facilities and improvements located on the northern portion of Adak Island are valued at approximately \$1.5 billion. This real estate and the associated facilities will be used as the core of the future economy for Adak Island.

The former NAF Adak, Alaska operationally closed on March 31, 1997. This installation comprised approximately 76,800 acres of the northern portion of Adak Island (1300 miles southwest of Anchorage) and was used by the Navy for military purposes, as authorized by Public Land Order (PLO) 1949, dated August 15, 1959. Now that the need for military use of the property has ended, on December 22, 2003 the Navy sent the Notice of Relinquishment to DOI, giving notice of its intent to formally end its public land withdrawal on Adak Island (with the exception of 5,624 acres remaining as Navy-retained lands, known as Parcel 4). Since the land is part of a Congressionally established wildlife refuge, conveyance to TAC required Congress to enact a measure allowing its transfer to private ownership. Congress approved this action, via Public Law 107-239, October 11, 2002. The Bureau of Land Management (BLM), an agency of the DOI, will convey to TAC the relevant Adak land parcels. BLM, in early 2004, made minor adjustments to the land exchange agreement, including modifying maps to reflect actual land acreage being exchanged and creating written descriptions to accompany these figures.



### Base Closure and Reuse Background

Once Adak was selected for closure by the Base Realignment and Closure (BRAC) Commission in July 1995, options for civilian reuse of the island and its infrastructure began to take shape. In 1995, the State of Alaska's Department of Community and Regional Affairs (ADCRA) established a temporary Local Reuse Authority (LRA) consisting of stakeholders with potential reuse interest in Adak. The first conceptual reuse plan, generated in 1996, presented three reuse scenarios- low use, middle use, and high use. Subsequently, the Adak Reuse Corporation (ARC) was established to assume the role of the LRA. Various reuse plans were prepared and refined, resulting in reuse options that included use or development of: (1) residential housing and school facilities (2) industrial and port facilities, including fishing fleet support, seafood processing, wastewater treatment, power plant operation, and domestic landfill operations and (3) recreational activities, including fishing, hunting, hiking, and eco-tours.

A caretaker contract for the greater downtown area on Adak was awarded by the Navy to SpaceMark, Inc., a

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TAC subsidiary, and commenced April 1, 1997. The contractor was tasked to maintain former NAF Adak facilities and continue providing services (i.e., housing, food, water, wastewater, fuel, power, heating, and airport operations) to support environmental cleanup. An interim lease agreement between the ARC and the Navy was signed in June 1998. In September 2000, responsibility for this infrastructure maintenance was turned over to the ARC and its agents or lessees. In early April 2001, the residents of Adak voted for incorporation of Adak as a second-class city. Residents have since elected a seven-member city council. A City Manager has been hired to oversee municipal operations.

The recent population of Adak has fluctuated between 50 and 300 people and has included Navy contractors performing environmental cleanup work, ARC and City of Adak employees and its agents and lessees operating utilities and infrastructure in the downtown area, and employees of Adak Fisheries, LLC, Aleut Enterprise Corporation, and other commercial enterprises and their dependents.

### Historical Background *Aleut and Russian*

The first inhabitants of Adak Island were the Aleuts. Archaeological evidence reflects occupation as early as 9,000 years ago. The Aleuts hunted whales, seals, otters, sea lions, and island birds and fished Adak's freshwater streams and the surrounding seas. They lived in large, communal, subterranean houses, with the roof structure made of driftwood or whalebone covered with grass and earth. As many as 29 prehistoric sites on Adak Island were evaluated in terms of their eligibility for listing on the National Register of Historic Places (National Register). The site types range from middens containing shell, sea urchin bone, and artificial detritus to fire pits and house foundations. Russians first visited the Aleutian Islands in the early 1740s and were trading with the Aleuts

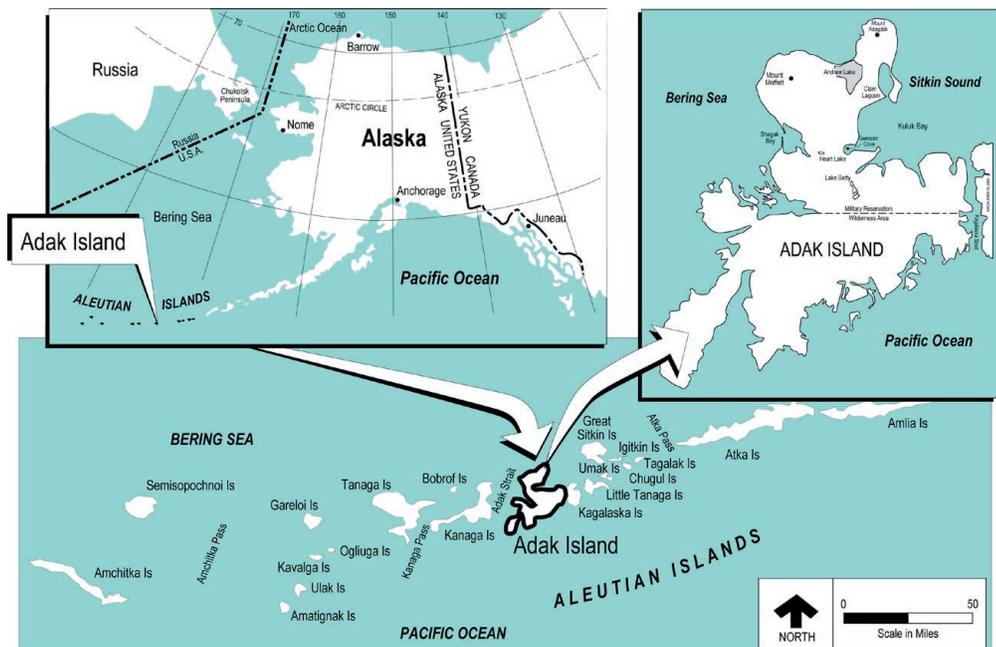
by the 1750s. As recently as 1827, Adak was a busy trading settlement with a population of 193 Aleuts. By 1830, Russian settlers had removed the Aleuts and occupied Adak. Adak Island became part of the Alaska Territory, which was subsequently purchased from Russia by the United States in 1867. Even after the permanent Aleut villages were abandoned, seasonal and subsistence use of Adak Island by Aleuts continued. By 1910, over-hunting by non-Aleuts had nearly depleted the once-abundant sea otter and fur seal populations. Consequently, in 1913, Adak Island was withdrawn as a wildlife preserve. In 1940, Adak became part of the National Wildlife Refuge system, and included, in 1980, in the 4.9-million-acre Alaska Maritime National Wildlife Refuge. This refuge was set aside as a preserve and breeding ground for native birds and fur-bearing animals and as an important fisheries habitat. The Adak portion rests within the 3.2-million-acre Aleutian Islands Unit.

### Historical Background *Military*

Since the early 1940s, the northern half of Adak Island has been used for military operations. During World War II, Adak Island became the site of a military base operated by the Army Air Corps for offensive action against

Japanese military forces occupying Attu and Kiska Islands in the Aleutian chain. By the spring of 1944, Adak's population included as many as 90,000 military personnel (both ship- and shore-based troops) preparing for a major offensive on the Japanese-occupied Islands of Kiska and Attu. Training requirements and associated support for these troops necessitated the creation of combat ranges for troop maneuvers, firing ranges for large-caliber artillery, small arms training ranges, ordnance storage areas, and maintenance shops. After the war, the former NAF Adak was transferred to the U.S. Air Force and renamed Davis Air Force Base. According to U.S. Army Corps of Engineers (USACE) records, the latter encompassed all of Adak Island. The U.S. Air Force withdrew from Adak in 1950, and the Navy assumed all facilities on Adak Island and renamed the installation Naval Station, Adak. In 1953, only 15 officers and fewer than 200 enlisted men were assigned to the former NAF Adak. In 1959, Public Land Order No. 1949 withdrew land described as representing approximately 76,800 acres of Adak Island (approximately the northern half) for use by the Navy.

By 1966, military and civilian personnel totaled almost 1,000 persons and the population stayed fairly constant



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through the early 1970s. By 1981, the population had doubled to 2,000. In 1984, Naval Station, Adak was renamed Naval Air Station (NAS) Adak. By 1990, over 5,000 people were stationed on NAS Adak, almost 3,000 of who were military; the remainder consisted of dependents and civilian employees. In 1994, NAS Adak was designated as NAF Adak. By this time, all military dependents had been transferred from Adak and the military force had been significantly reduced. As of February 1996, following military drawdown and closure of Naval Security Group Activity (NSGA), approximately 500 military and 50 civilian personnel were stationed on Adak.

### Environmental Cleanup

Completion of the environmental cleanup on Adak occurred over the course of 18 years. During that time, hundreds of potentially contaminated sites have been investigated and cleaned up at a cost greater than \$200 million. Beginning in 1986, through various environmental agreements and regulatory programs, the Navy has identified and taken action at many sites on Adak that have been contaminated or potentially contaminated by releases of hazardous substances or petroleum (or sometimes both). In the case of Adak, hazardous substances include ordnance and explosives (OE)/unexploded ordnance (UXO), and chemicals associated with OE/UXO as well as Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) chemicals. The former NAF Adak was placed on the National Priorities List (NPL) under CERCLA in May 1994. Cleanups and other remedial actions for areas that have been designated as areas of concern (AOCs), solid waste management units (SWMUs), or source areas (SAs) are governed by the following two agreements:

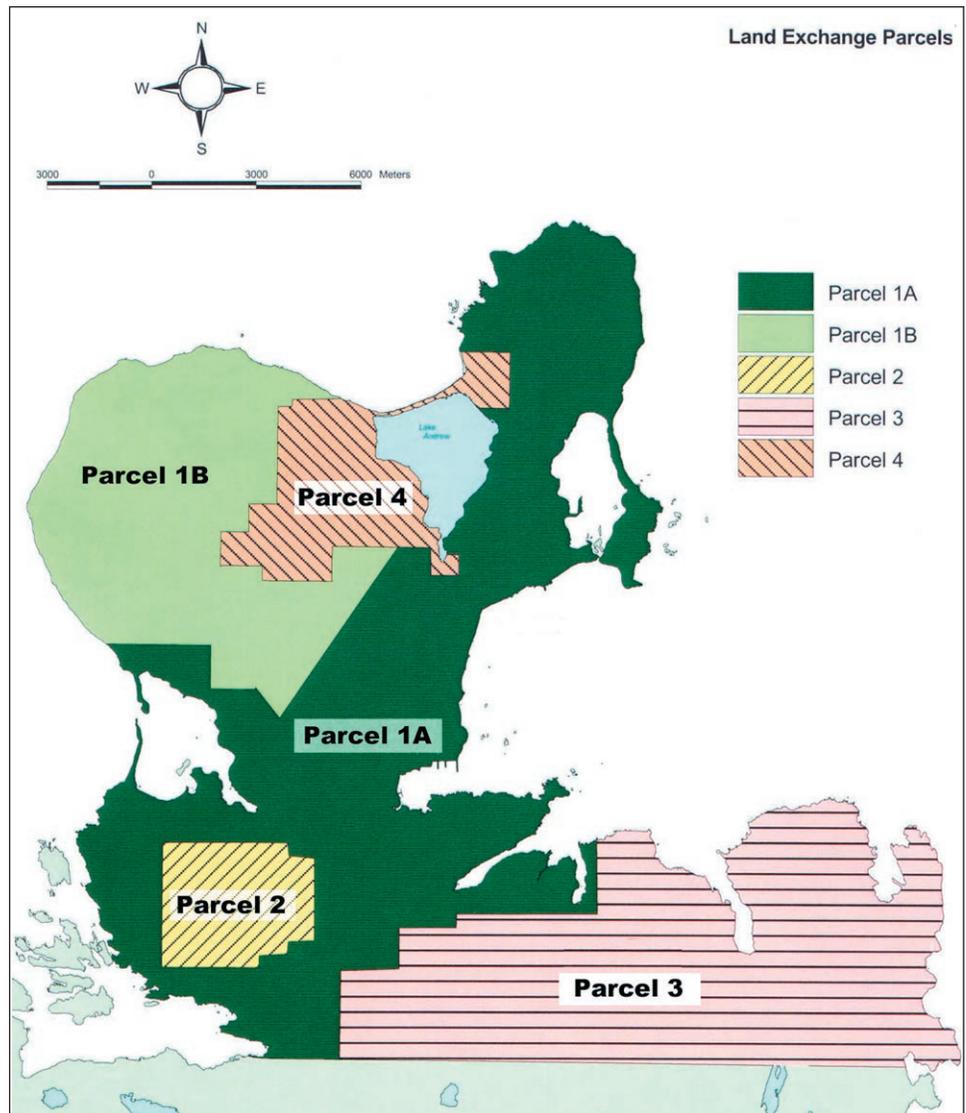
- ❑ The Federal Facilities Agreement (FFA) executed in November 1993 by the U.S. Environmental Protection Agency (EPA), Alaska

Department of Environmental Conservation (ADEC), and the Navy for the remediation of CERCLA hazardous substances and Resource Conservation and Recovery Act (RCRA) corrective action sites.

- ❑ The State-Adak Environmental Restoration Agreement (SAERA) was executed in April 1994 by ADEC and the Navy for the remediation of petroleum-release sites. The list of sites included in SAERA was expanded by an amendment to this agreement in 1996. In 2003, petroleum sites were moved from EPA-led action to more appropriate, state-governed authority (via an amend-

ment to a pre-existing Record of Decision [ROD] relating to sites in the downtown Adak area).

Under these two agreements, remedial investigations (RIs), interim remedial actions (RAs), and feasibility studies (FSs) have been completed at most sites. The military reservation has also been divided into two operable units (OUs) to facilitate environmental assessment and cleanup under CERCLA. OU A encompasses all property within the military reservation with regard to chemical- and petroleum-related issues. OU B encompasses all Navy-managed property with respect to ordnance-related issues, including those associated with the physical hazard and chemical risks



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posed by ordnance-related chemicals (fillers, propellants, etc.). OU B has been further divided into OU B-1 (Parcels 1A, 1B, 2, and 3) and OU B-2 (Parcel 4) to expedite the transfer of 47,271 acres of land for which the RIs and RAs are complete.

A ROD for OU A was signed by the Navy, EPA and by ADEC on April 13, 2000. This ROD documented the decisions agreed to by the three agen-

cies for remedial action at hazardous substance and petroleum-release sites on Adak that constitute OU A. The agencies modified the FFA in January 1999 to include a new operable unit, OU B, to deal with ordnance issues. This OU has subsequently been divided into two units, OU B-1 and OU B-2, to facilitate assessment, cleanup, and transfer of property. Innovative approaches were developed in the field of investigation and cleanup of sites potentially

contaminated with ordnance explosive items that remained from Adak's use as a staging area for planned invasions of Kiska and Attu Islands during the WW II era. The techniques that were developed were used to complete cleanup actions on thousands of acres of real estate, to allow these areas to be transferred to private reuse. The Navy, EPA, and ADEC signed the ROD for OU B-1 in December 2001. The ROD for OU B-2 is pending.