

**Grumman Aerospace Corporation**

Bethpage, New York 11714-3582

CTR/0692-9779

16 June 1992

From: Grumman Aerospace Corporation

To: Commander, Naval Air Systems Command  
Department of the Navy  
Washington, D.C. 20361-4222

Via: Commanding Officer  
Defense Plant Representative Office  
Grumman Aerospace Corporation  
Bethpage, L.I., New York 11714

Att: AIR4222

Subject: Installation Restoration Programs at the Naval  
Weapons Industrial Reserve Plants, Bethpage and  
Calverton, New York

Reference: (a) NAVAIR Letter 5090, Ser AIR-4222 A/2099,  
dated 6 May 92  
(b) NAVAIR Letter 5090, Ser AIR-4222 A/2100,  
dated 6 May 92

1. This letter is in response to your letters referenced as (a) and (b) above.
2. You are hereby advised that Grumman Aerospace Corporation chooses to decline participation in the Remedial Investigation (RI) phase for the Naval Weapons Industrial Reserve Plants in Bethpage and Calverton which are part of the Department of the Navy Installation Restoration (RI) Program.
3. To date, both the Navy and Grumman activities have been fully coordinated. Please be assured of Grumman's continued cooperation with you in your RI Program and of Grumman's desire to be kept apprised of developments in this on-going effort.
4. If you have any questions, please contact the writer at (516) 575-2023.

Respectfully,

GRUMMAN AEROSPACE CORPORATION



E.L. Baker, Jr.  
Manager of Contracts  
for Contract Administration

ELB:ew

cc: Defense Plant Representative Office

ES-633



DEPARTMENT OF THE NAVY  
 NAVAL AIR SYSTEMS COMMAND  
 NAVAL AIR SYSTEMS COMMAND HEADQUARTERS  
 WASHINGTON, DC 20361

*H. Martels/P.B.  
 J. Colman*

*Dear  
 NAVY REQUEST pr GRUMMAN to participate  
 in the RI phase at Calverton.  
 Recommend we Decline  
 any Contractual Liability. J. J. [Signature]*

5090  
 Ser AIR-4222A/2100

IN REPLY REFER TO

From: Commander, Naval Air Systems Command  
 To: Grumman Aerospace Corporation  
 Bethpage, NY 11714

6 MAY 1992

GRUMMAN  
 MAY 2 1992

Subj: INSTALLATION RESTORATION PROGRAM AT THE NAVAL WEAPONS  
 INDUSTRIAL RESERVE PLANT, CALVERTON, NEW YORK

Encl: (1) CNO ltr 4000 Ser 453/9U585955 of 18 Aug 89

1. Enclosure (1) provides guidelines for implementing the Installation Restoration (IR) Program to accomplish environmental compliance at Government-owned contractor-operated facilities as required by the Comprehensive Environmental Response, Compensation and Liability Act and Executive Order 12580.
2. As delineated in the guidance, participation by the operating contractor in accomplishing the remedial investigation (RI), feasibility study and other phases of the IR program will expedite completion of the cleanup process. Participation or nonparticipation does not change the final liability for cleanup costs. However, participation by the contractor may provide him a greater degree of control over the costs as well as an assurance that cost effective methods are being utilized.
3. A preliminary assessment and site investigation have been performed at the Naval Weapons Industrial Reserve Plant, Calverton. The next phase of the IR Program is the RI phase. Under the enclosure (1) guidelines, it is appropriate for Grumman Aerospace Corporation to participate in this investigation.
4. Accordingly, it is requested that Grumman Aerospace Corporation accept or decline participation in the RI phase. If you accept, a meeting will be established to discuss requirements and any outstanding questions or issues you may have. Notification of your decision is requested within 30 days of the date of this letter and should be sent to: Commander, Naval Air Systems Command, AIR-4222, Washington, D.C. 20361-4222.
5. Should additional information be required, please contact Mr. Robert E. Booth, AIR-4222A, at (703) 692-7637.

*[Signature]*  
 JUDITH A. P. MARZ  
 By direction

J. LOHMANN

MAY 20 1992

Director Corporate Environmental  
 Technology & Compliance



Copy to:  
 DPRO, Grumman, Bethpage  
 NORTHNAVFACENGCOM (Code 1421)



DEPARTMENT OF THE NAVY  
OFFICE OF THE CHIEF OF NAVAL OPERATIONS  
WASHINGTON DC 20350-2000

IN REPLY REFER TO  
4000  
Ser 453/9U585955  
18 Aug 1989

From: Deputy Chief of Naval Operations (Logistics)  
To: Commander, Naval Sea Systems Command  
Commander, Naval Air Systems Command  
Commander, Naval Facilities Engineering Command  
Director, Strategic Systems Programs

Subj: ENVIRONMENTAL LIABILITIES AT GOVERNMENT-OWNED CONTRACTOR-  
OPERATED (GOCO) PLANTS UNDER CERCLA

Encl: (1) Navy Government-Owned Contractor-Operated Plants  
(2) CERCLA Liabilities of Government Owned/Contractor  
Operated Plants

1. The Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) and Executive Order 12580 require federal agencies to clean up hazardous waste sites located on installations owned and/or operated by the agencies. The agency's liability and responsibility for cleanup of sites at government-owned contractor-operated (GOCO) installations is based upon the agency's status as "owner" of the installation. Past and present contractors share this liability since they are "operators" or "generators" at these installations. Absent special contractual provisions to the contrary, Navy policy is to require current GOCO contractors to pay for any and all cleanup costs associated with their operation of Navy facilities.

2. A GOCO plant is comprised of separate federally owned real property that is operated by a private contractor. For purposes of this policy, Federal land that is leased to a commercial enterprise is also included.

3. Navy actions to fulfill its CERCLA responsibilities must be consistent with its contractual requirements with the GOCO contractor. The Naval Facilities Engineering Command (NAVFACENGCOM), which has program responsibility for the Navy's Installation Restoration (IR) program, must work closely with the echelon II command, which has contract administration responsibilities for the facility. Failure to coordinate may result in a claim by the operating contractor under a Navy contract or loss of potential claims by the Navy against the operator. Concurrently, NAVFACENGCOM needs to know, for budgetary reasons, if DERA funding may be required at the site.

Subj: ENVIRONMENTAL LIABILITIES AT GOVERNMENT-OWNED CONTRACTOR-OPERATED (GOCO) PLANTS UNDER CERCLA

4. The following guidance will be followed when implementing the IR program at GOCOs:

a. A preliminary assessment/site inspection (PA/SI) will be done by NAVFACENGCOM at all Navy GOCOs shown on enclosure (1). Defense Environmental Restoration Account (DERA) funds will be used for the PA/SI. NAVFACENGCOM will coordinate with the corresponding echelon II command prior to starting the study.

b. Once the PA/SI has been completed, the results will be provided to the echelon II command for action. If the PA/SI recommends additional follow-up work, the echelon II command will immediately initiate discussions with the contractor pertaining to contractor responsibility for and participation in any cleanup efforts. Since the contractor may be liable for the cleanup, he should be offered the opportunity to conduct any follow-up studies. The Navy must ensure that any work done by the contractor is consistent with CERCLA, the National Contingency Plan (NCP) and the IR program. Therefore, the echelon II command will involve NAVFACENGCOM as a technical representative in all aspects of the program, including review and comment on all submittals.

c. If the contractor declines to perform the follow-up studies, the echelon II command will request NAVFACENGCOM to conduct the work under the IR program. DERA funds will be used and all costs associated with the follow-up studies will be identified for future cost recovery actions if such action is appropriate. This work will be prioritized in accordance with the Navy's IR program. 4

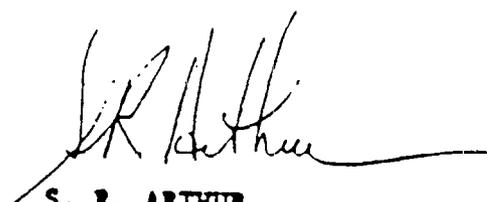
d. Similar scenarios will be followed under subparagraphs 4.b. and 4.c. above for any remedial design/remedial actions (RD/RAs), including removal actions and interim remedial actions. For example, echelon II commands will provide the contractor the opportunity to execute a RD/RA. The echelon II command will request NAVFACENGCOM to provide technical oversight. Again, if the contractor declines to perform the RD/RA, the echelon II command will request NAVFACENGCOM to conduct the work using DERA funds. The Navy will pursue cost recovery actions against the contractor where appropriate.

e. All actions (i.e., studies and cleanups) done at GOCOs on Navy property will be consistent with CERCLA and the NCP. Administrative records and community relations plans will be done at all the GOCOs per Navy IR policy. Technical review committees are recommended but not mandatory unless DERA funding is being used to conduct the studies and cleanup. If a GOCO is placed on the National Priority List, all timetables associated with CERCLA Section 120 apply and Navy must ensure that these are met. Negotiations concerning necessary Federal Facility Agreements will be handled by NAVFACENGCOM.

Subj: ENVIRONMENTAL LIABILITIES AT GOVERNMENT-OWNED CONTRACTOR-OPERATED (GOCO) PLANTS UNDER CERCLA

5. GOCO contractors will most likely request the Navy to share in the financial liability of any cleanups. Although it is a contractor's responsibility to provide any information that could potentially limit their liability, echelon II commands responsible for GOCOs should review existing and past contracts to determine responsibility and liability of the GOCO contractors. This is especially important where the plant has been operated by more than one contractor. Enclosure (2) provides representative questions that may help determine liability. Echelon II commands shall forward to OP-45 for approval recommendations pertaining to the split of Navy/contractor liability.

6. Echelon II commands responsible for GOCOs should immediately contact NAVFACENGCOM to determine current status of IR actions at the GOCOs. IR work already underway at GOCOs may continue if the echelon II command and NAVFACENGCOM agree. Negotiations with contractors should be initiated in a timely fashion and not be prolonged. The Navy will move forward in the program with or without the contractors on board. Request echelon II commands provide this office with a POA&M for the IR program at each of your GOCOs by 15 December 1989. Our point of contact is Mr. Dave Olson, OP-453, at (202) 692-5580.



S. R. ARTHUR  
Vice Admiral, U. S. Navy  
Deputy Chief of Naval  
Operations (Logistics)

Copy to:  
OGC (Environmental)  
NORTHNAVFACENGCOM  
LANTNAVFACENGCOM  
CHESNAVFACENGCOM  
SOUTHNAVFACENGCOM  
WESTNAVFACENGCOM  
PACNAVFACENGCOM  
Engineering Field Activity, Southwest  
OICC Northwest

Navy Government Owned/Contractor Operated Plants

<u>Echelon II Command</u>	<u>Plant and Location</u>
NAVSEASYSKOM	Naval Industrial Reserve Ordnance Plant, Pittsfield, MA
NAVSEASYSKOM	Naval Industrial Reserve Ordnance Plant, Minneapolis, MN
NAVSEASYSKOM	Naval Industrial Reserve Ordnance Plant, St. Paul, MN
AVSEASYSKOM	Naval Industrial Reserve Ordnance Plant, Rochester, NY
AVSEASYSKOM	Naval Industrial Reserve Ordnance Plant, Pomona, CA
AVSEASYSKOM	Drydock and Repair Facility, San Juan, PR
AVSEASYSKOM	Naval Ship Repair Facility, San Diego, CA
AVSEASYSKOM	Allegheny Ballistics Laboratory, Rocket Center, WV
VAIRSYSKOM	Naval Weapons Industrial Reserve Plant St. Louis, MO
VAIRSYSKOM	Naval Weapons Industrial Reserve Plant, Dallas, TX
VAIRSYSKOM	Naval Weapons Industrial Reserve Plant McGregor, TX
VAIRSYSKOM	Naval Weapons Industrial Reserve Plant Bloomfield, CT
VAIRSYSKOM	Naval Weapons Industrial Reserve Plant Bethpage, NY
VAIRSYSKOM	Naval Weapons Industrial Reserve Plant Calverton, NY
VAIRSYSKOM (soon to be NAVSEA)	Naval Weapons Industrial Reserve Plant, Bedford, MA
VAIRSYSKOM (soon to be NAVSEA)	Naval Weapons Industrial Reserve Plant Bristol, TN
VAIRSYSKOM	Naval Weapons Industrial Reserve Plant, Toledo, OH
?	Naval Industrial Reserve Ordnance Plant, Magna, UT
?	Naval Industrial Reserve Ordnance Plant Sunnyvale, CA

CERCLA Liabilities of  
Government-Owned Contractor-Operated Plants

The following questions and similar questions may be used to develop facts needed to evaluate contractor liability for cleanups.

Regarding the facilities contract itself:

- a. Is this a contract or a lease?
- b. What type of contract is it? (e.g., cost/no fee, firm, fixed price)
- c. What is the scope and purpose of the contract? (i.e., is the contract for use of facilities or equipment or both)
- d. What is the nature and scope of contractor responsibilities set forth in the lease or contract?
  - 1) Is the contractor to operate and maintain the facility, equipment?
  - 2) Who is responsible for ordinary and extraordinary maintenance or overhaul of facilities and equipment?
  - 3) What are the limitations on use of the facilities and equipment--limited to use on government contracts, can be used for FMS customers also, may be used for independent research and development, may be used for performance of commercial as well as government contracts?
  - 4) Does the contract contain provision clause in FAR 52.245-11 entitled "Government Property (facilities use) (April 1984)"?

Regarding the facilities and production or research and development contracts performed at the facility:

- a. What contracts and work are performed at the facility?
- b. Specify the percentage of time the facilities and/or equipment are used to perform directly and indirectly:
  - 1) DoD contracts, by each service or other agency.
  - 2) Other federal agency contracts.
  - 3) State/local government or agency contracts.
  - 4) Commercial contracts.

5) Indirect (i.e., independent research and development projects) DoD-related work.

6) Work for FMS and other foreign customers.

c. Specify the percentage of work hours the facilities and/or equipment are used to perform directly or indirectly:

1) DoD contracts, by each service or other agency.

2) Other federal agency contracts.

3) State/local government or agency contracts.

4) Commercial contracts.

5) Indirect (i.e., independent research and development projects) DoD-related work.

6) Work for FMS and other foreign customers.

d. Specify the percentage of costs/profit or fee generated in this facility and allocated, directly or indirectly, to:

1) DoD contracts, by each service or other agency.

2) Other federal agency contracts.

3) State/local government or agency contracts.

4) Commercial contracts.

5) Indirect (i.e., independent research and development projects) DoD-related work.

6) Work for FMS and other foreign customers.

e. Specify the types of hazardous waste generated and/or disposed of at this facility.

f. For each type of waste identified, specify under what contract, order or work project it is generated.

g. For each waste identified under "e", specify the process which resulted in generation of the waste.

h. For each waste identified under "e", specify the hazardous material or other product from which this waste was generated.

i. For each process or hazardous material identified under "g" or "h", identify the particular specification, standard or contractual provision which required the use of this process or hazardous material.

DCMDN-RGEMB7

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1st Ind

19 Jun 92

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SUBJECT: Indorsement on GAC ltr CTR/0692-9779 of 16 Jun 92  
Installation Restoration Programs at the Naval  
Weapons Industrial Reserve Plants, Bethpage and  
Calverton, New York

DPRO Grumman Bethpage, New York 11714-3593

TO: Commander  
Naval Air Systems Command  
ATTN: AIR-4222A  
Washington, DC 20361

1. The basic letter is forwarded for action.
2. Please direct questions or comments to Mr. M. Simonson at (516) 575-9952.

FOR THE COMMANDER:



Encl

GERALD DEBONO  
Chief, Manufacturing Branch

cc: NORTHNAVFACENGCOM (F. Klanchar)  
IAS 5090.1