

05 March 2018 RUF 18-IA-0001

Attn: SGSJM-LGA

HQ, U.S. Army Joint Munitions Command

1 Rock Island Arsenal

Rock Island, IL 61299-6000

Subcontract: To Subcontract with Iowa and Middletown Railway (IMR) at the Iowa Army Ammunition Plant (IAAAP)

Subject: Request for Use of Facilities

Dear Mr. Lootens:

American Ordnance LLC (AO) hereby requests approval for Use of Facilities at the Iowa Army Ammunition Plant (IAAAP) to subcontract with Iowa and Middletown Railway (IMR) for the following activities:

Starting once the Tennant Use Agreement is signed by both parties and when RUF 18-IA-0001 is approved by the U.S. Government:

1. Renting L-14 Warehouse; and
2. Performing transloading of non-hazardous materials from rail to truck using buildings identified in Item 3 below.

Starting 01 January 2019:

1. Operation of the Railroad System;
2. Perform Maintenance;
3. Repair Rail Cars; and
4. Store Rail Cars.

On 01 Jan 2019, IMR will be allowed unrestricted access to the rail system at the IAAAP in Category A, B, or C condition, as defined in Unified Facilities Criteria (UFC) for the railcar storage and repair as well as transloading non-hazardous materials and warehouse operations. The operation of the Facility Contractor will have track priority. IMR will store loaded non-hazardous material cars, sealed and open empty cars and clean cars. Under the agreement, AO is to receive a monthly report on the cars in storage and their content. AO and the local ACO will have the right to inspect. AO requests use of Government-owned facilities at the IAAAP on a rental, non-interference basis. Under this Agreement, IMR will perform all rail switching at the IAAAP. Additionally IMR will assume maintenance of the Government owned locomotives currently performed by Appalachian Rail Service (ARS), the current IAAAP rail provider. Under the agreement with ARS, AO performed locomotive PM inspections plus they are subject to an annual government inspection from the agency at **Hill Air Force** **Base**. Under the new agreement Iowa and Middletown Railway would perform routine maintenance based on the PM inspections and inspections from **Hill Air Force Base**.

Consideration/Payment:

1. L-14 Warehouse at $1,000.00 per month for the first ten years and then rent shall be determined by fair market value as identified by the Greater Burlington Partnership, or its successor, for a similar building elsewhere in the area;
2. Transloading: 8.75% of Gross Revenue for all transloading activities at the facility;
3. Railcar Repair: 8.75% of Gross Revenue;
4. All Other Rail Operations: 8.75% of Gross Revenue;
5. Railcar Storage/Switching: 48% from $0.00-$999,999.00 and 50% greater than $1M; and
6. IMR shall guarantee a minimum yearly revenue generation in the amount of $1M to begin 01 January 2019.

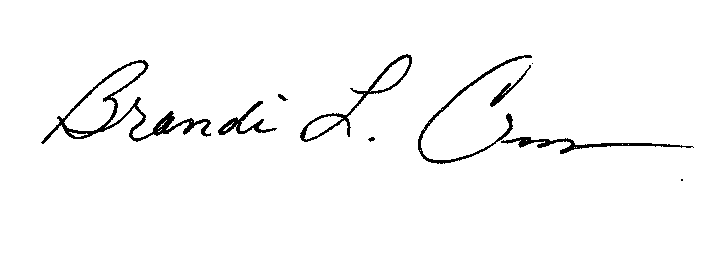
IMR shall be required to use USG-owned locomotives at a minimum of one week per month per locomotive.

IMR shall not construct or install any improvements; laydown yards; or structural alterations at IAAAP without prior written approval from the U.S. Government.

Attached please find a completed Mandatory Checklist as required. The buildings required are listed in item 3 “List of buildings/structures required”, of the checklist. The equipment to be used is the equipment within the buildings listed in the Mandatory Checklist accountable to Contract W52P1J09-E-0001 and those contracts listed in Section A-2, paragraph 6 of Contract W52P1J09-E-0001. Also attached are a Record of Environmental Consideration (REC) and an Environmental Baseline Study (EBS).

Address all questions to the undersigned at (319) 753-7928.

Sincerely,



Brandi L. Cross

Contract Administration

Att: 1) Mandatory Checklist

1. Environmental Baseline Study
2. Record of Environmental Consideration
3. Safety Checklist

cc: 1) Attn: SFSJM-LGA, Mr. Jeremy Jackson, JMC (1) w/1 att.

1. Administrative Contracting Officer, IAAAP, W52P1J09-E-0001 (1) w/ 1 att.

# Attachment 1

1. **Location Description:** A general layout map of our installation has been previously provided.
2. **Description of proposed use:** AO intends to enter into a third party subcontract arrangement with Iowa and Middletown Railway to operate the railroad system, perform maintenance, repair rail cars, store rail cars, and perform transloading of non-hazardous materials at the IAAAP.

Period of performance is March 2018 thru February 2043.

1. **List of buildings/structures required:**

|  |  |  |
| --- | --- | --- |
| Building | Operation | Square Feet Used |
|  | | |
| L-14 | Warehouse | 25,859 |
| Starting 01 January 2019 | | |
| 400-138 | RR EQ Maintenance Shop | 23,438 |
| 400-138-1 | Wash Platform | 2,912 |
| Rail System |  | 103 Miles of Track |

Storage in yards C, D, E, F, G, H, K and L as needed.

No disturbance of ground on the certified site will begin until an Environmental Assessment in accordance with the National Environmental Policy Act 9NEPA) is completed and written U.S. Government approval is provided.

1. **List of equipment required:** Iowa and Middletown Railway will use two (2) Government owned 80-ton locomotives and two (2) Iowa and Middletown Railway owned locomotive brought in by them to perform all the required switching at the facility. The equipment to be used is the equipment within the buildings listed in the Mandatory Checklist accountable to Contract W52P1J09-E-0001 and those contracts listed in Section A-2, paragraph 6 of Contract W52P1J09-E-0001. In addition, per the Tenant Use Agreement, IMR will be required to use the USG owned locomotives at least one week a month per locomotive.
2. **Estimated period of use:** March 2018 thru February 2043
3. **Projected employment level (m-yrs):** At a minimum, one (1) supervisor, one (1) train dispatcher, four (4) train crew personnel and one (1) relief train crew member.
4. **List/Submit all available pre- and/or post contractual instruments (i.e. RFPs, Purchase Orders, Contract, etc.):** Draft Tenant Use Agreement
5. Impacts on:

* Emergency production assignment: None
* Critical skills retention: In performing this work we will retain employees with critical skills in this area of production.
* Infrastructure: None.
* Projects e.g. LIF, 2910.IF: Not Applicable.
* Future MIIF/G&A and/or Production Costs: There are no future MIIF costs foreseen as a result of this effort.
* NTVS: Not applicable
* Cultural resources (must be identified IAW the State Historical Preservation Officer (SHPO) and Section 106 requirements): The proposed use of the facilities requested shall not require or include any building modifications and/or alterations. This work is the same or very similar to work which has been done at the installation previously. This action does not constitute an undertaking as described in 36 CFR Part 800.
* Other existing tenants, local communities and others: This effort should have no effect on existing tenants.

1. Requested ARMS Incentive (must include project SOW and SF1411 with detailed cost support): None
2. Environmental Criteria:
3. **Is the activity/process Non-DoD Related? Explain.**

Yes, the operation will include switching activities in support of DoD activities, Facilities Contract No. W52P1J-09-E-0001. The operation will also support switching of non-DoD activities on site and storage of rail cars, repair of rail cars and maintenance.

1. **Hazardous Materials, Use, Storage, Handling, Training, Reporting, Spill Contingencies, and Response**
2. **Will the activity/process require the use or generation of hazardous materials as an intermediate product in the process (yes or no)? (Note: Oil and Pesticides are hazardous materials that have additional regulations and requirements). If no, skip to question 9.c., Solid Waste Section**

Equipment will be fueled by a commercial vendor from mobile equipment so fuel for use by the railroad will not be stored on the facility. Oil will also be stored on site for use in the locomotives. If Iowa and Middletown Railway intends to store more than 1,320 gallons of petroleum products on site they will also be required to comply with 40 CFR 112 (SPCC regulation).

1. **If you answered yes to question 1., does the activity/ process have established hazardous material written procedures for receiving, labeling, storage (particularly, flammable/ combustible, compressed gas and acid storage), worker Hazard Communications, providing SDSs, and performing inspections (yes or no)? Explain why not if your answer is no. If you answered yes, then explain what hazardous material written processes you will implement.**

Yes, the necessary hazardous material written processes already exist as they were previously prepared for other similar projects. As a result, no new hazardous material written processes will be implemented.

1. **What written procedures have been prepared (i.e., master listing of hazardous materials storage sites, personnel training performed, availability of chemical emergency response plans, actions to comply with Community Right-to-Know (40 CFR 370), and efforts to comply with reporting annual quantities (EPCRA & PPA)?**

Written Standard Operating Procedures (SOPs) that are read and signed off by personnel using hazardous materials are maintained. Personnel engaged in the storage and use of hazardous materials receive initial training and annual update training which is documented in a database maintained by the AO Training Section. Annual reporting requirements under the Community Right-to-Know Act are met by the submission of the SARA Title III (EPCRA) Tier II Hazardous Chemical Inventory Report to the State of Iowa Emergency Response Commission, the Local Emergency Planning Committee and the installation Fire Department. The Toxic Release Inventory is completed and submitted to the IDNR and EPA on an annual basis.

1. **Are the hazardous materials DOD or Non-DOD? What Type? What quantities are you expecting to use?**

This activity will not generate hazardous waste. The used oil generated by the railroad will be recycled.

|  |  |
| --- | --- |
| **Description** | **Total Estimated Quantity** |

1. **Who has ownership of the explosives listed in the RUF? What is the disposal process of said residual explosives for both machined scrap and/or bulk explosives?**
   1. N/A
2. Describe hazardous materials use, handling, and management as it relates to activities/ processes (i.e., compatible storage considerations, worker hazardous communication procedures, location of SDSs, site safety plans, and include discussion of any incoming shipment transfer actions and transfer station locations). (DOT 49 CFR 172.01; NFPA; OSHA 29 CFR 1910.119 Appendix A; CERCLA; EPCRA; Pollution Prevention Act (PPA); Oil Pollution Act; Executive Orders 12088, 13423, 13514).

All incoming hazardous materials are required to have an SDS. Before the chemical is brought on site the SDS will be reviewed to determine the appropriate storage location to prevent incompatible storage of materials. The SDS is entered in the on-site SDS electronic system making the SDS readily available to installation supervisory personnel who in-turn can provide the SDS to installation personnel within a matter of minutes. AO Fire Department and AO Security Department Personnel also have hard copies of SDSs available for use in the field. Building personnel are trained and receive annual training to clean-up releases inside of a building of less than one gallon. Releases of more than one gallon inside of a building or a release outside of a building are the responsibility of the Fire Department (hazardous material response team) who can be contacted by calling “17” on any installation phone. The installation Safety Department maintains site safety plans and determines storage locations to ensure compatibility during the storage of hazardous materials. The Installation Spill Prevention Control and Contingency Plan addresses response actions to spills and releases.

1. If the activity/process uses hazardous materials, has a contingency plan for responding to any potential uncontrolled spill, emission, or release of hazardous substances been prepared (yes or no)? Explain why not if your answer is no. If yes, please provide the name of the contingency plan, the date, and the owner of that plan.

Yes, the following are AO’s contingency plans: Spill Prevention Control and Countermeasure Plan and an EWI E01-013 (Reportable Quantity Release).

1. If Non-DOD use is planned (from your answer to question 9.b.4 above), IAW 10 USC 2692 (b-8) (Section 2843 – Exception to the prohibition on the storage and disposal of nondefense toxic and hazardous materials), if the Secretary of the Army has not granted approval for Non-DOD use of hazardous materials, you must obtain an exception for storage and disposal of nondefense toxic and hazardous materials on military installations. Has the Secretary of the Army granted approval for Non-DOD use of hazardous materials under these circumstances? (10 USC 2692)

This work is in support of a DoD contract, and materials will be used within a reasonable time frame. Approval from the Secretary of the Army is not required as this does not involve long term storage or disposal activity of hazardous materials.

1. Will the installation completely consume the hazardous materials brought onto the installation or will you incorporate into an approved process?

Hazardous materials not completely consumed by the activity may be used on-site for other similar activity or be transported off-site to be either recycled or for proper treatment and/or disposal in accordance with all applicable environmental regulations.

1. Solid Waste Generation, Collection, Storage, Transport and Disposal Activities and Processes
   1. Will the proposed activities/processes generate solid waste (yes or no)? If no, skip to question 9.d.

No. The used oil generated by the railroad will be recycled.

* 1. If your activity/process generates solid waste then discuss the processes that generate solid waste. What solid waste types and solid waste quantities you expect to generate?

Not applicable.

* 1. Describe solid waste collection and transfer processes and frequency of collection by solid waste types.

Not applicable.

* 1. Will solid waste treatment methods occur (e.g., incineration) and for which types of solid waste?

No. Currently there are no on site incineration processes functioning.

* 1. Explain recycling activities and what types of solid wastes that you will recycle.

The IAAAP has an extensive recycling program that has been in place for over 50 years. Solid wastes including paper, cardboard, ferrous and non-ferrous metals, and scrap explosives (sold only to Army approved buyers) are collected and sold for reuse. In 2016, nearly 2.6 million pounds of solid waste was collected and sold to others for reuse.

* 1. Describe frequency of solid waste disposal and ultimate disposition used. (40 CFR 240 “thermal processing”, 40 CFR 243 “storage/collection”, 40 CFR 246 “recycling”, 40 CFR 257 “open dumping”, 40 CFR 258 “municipal solid waste landfills”)

Solid wastes (non-explosive) are collected and transported off-site on a regular basis. Solid wastes designated for a sanitary landfill are collected in dumpsters and typically transported off-site on a weekly basis. Materials destined for recycling are collected until a sufficient quantity has accumulated to justify competitive bidding by persons who want to recycle the materials. Scrap explosives not suitable for sale (to Army approved buyers) will be removed from the installation as hazardous waste within 90 days for treatment by incineration or thermal treatment, following the declaration of hazardous waste.

* 1. Will the activity/process generate regulated medical waste (RMW) (yes or no)? If no, skip to question 9.d., Hazardous Waste section.

No, skip to Question 9(d).

* 1. If your activity/ process will generate RMW then what types of RMW are generated (e.g., pathological and anatomical wastes; human blood and blood products; cultures and stocks of infectious agents; sharps; isolation wastes; contaminated carcasses, body parts, and bedding)?

Not applicable.

* 1. Will you store RMW longer than 90 days?

Not applicable.

* 1. Explain your RWM treatment methods. For example, incineration, sterilization and other heat treatment in autoclaves or microwaves may trigger Clean Air Act (CAA) requirements. Thermal treatment using high water content may trigger Clean Water Act (CWA) requirements. Chemical treatment and use (e.g., chlorine, ozone, alkali, and disinfectants) may trigger Federal, Insecticide, Fungicide, and Rodenticide Act (FIFRA) requirements. Mixing with other hazardous waste or solid waste may trigger “RCRA” regulations, or a combination of more than one treatment may trigger several regulatory requirements.

Not applicable.

* 1. Describe your disposal process for RMW.

Not applicable.

* 1. Describe segregation controls used to separate bio-hazardous and infectious medical waste from solid waste streams.

Not applicable.

* 1. Describe regulated medical waste minimization opportunities that you will implement (e.g., reusable sharps in containers; suction canister waste, single-use device reprocessing). (29 CFR 1910.1030; 49 CFR 173.134, 178; 42 CFR 73; 40 CFR 243, 246; state regulations)

Not applicable.

* 1. Is radiation generated in your processes or is radiation used (yes or no)? If no, skip to question 9.d., Hazardous Waste section.

Not applicable.

* 1. If you will use or generate radiation in your processes, will there be radionuclide particles generated? What radionuclide quantities do you expect? What is the projected rate of radionuclide generation per month?

Not applicable.

* 1. Will there be any emissions of radionuclide particles to the ambient air (yes or no)?

Not applicable.

1. **Hazardous Waste Generation; Treatment, Storage and Disposal (TSD) Activities and Processes**
   * 1. **Will the activity/process generate hazardous waste (yes or no)? If no, skip to question 9.e., Environmental Baseline Study section.**

No.

* + 1. **If your activity/process generates hazardous waste then describe the hazardous waste type (e.g., ignitable, reactive, corrosive, toxic; listed hazardous waste)? Specify EPA hazardous waste codes used. What is the projected hazardous waste rate of generation per month? (40 CFR 260-262)**

Not applicable.

* + 1. **Does the activity/process involve bringing solid waste or hazardous waste on-site for use, Resource Recovery and Recycling (R3), treatment, storage or disposal (yes or no)? If no, skip to question 9.d.6.**

Not applicable.

* + 1. **If your activity/process includes bringing solid waste or hazardous waste on-site for use then explain activity/process and include a detailed description of the above actions. What types of material, munitions, solid waste, and/or hazardous waste will you bring on site?**

Not applicable.

* + 1. **What are the processes intended for the material, munitions, solid waste, or hazardous waste (i.e., R3, treatment, demilitarization by thermal treatment, storage, or disposal)? (40 CFR 264-265)**

Not applicable.

* + 1. **What are your methods for proper TSD of hazardous waste (e.g., incineration, container storage, off-site disposition, etc.)? Does the Facility Contractor contemplate using any of the permitted hazardous waste Treatment, Storage, Disposal Facilities (TSDFs) owned by the Army (yes or no)? If the hazardous waste is to be treated and disposed of off-site, please provide the name of permitted TSDF and their EPA ID number(s). (40 CFR 262-265)**

Not applicable.

* + 1. **Have you stipulated proposed activities/processes in existing RCRA permits (yes or no)? If no, are you currently performing similar operations at your facility (yes or no)?**

No existing RCRA permit will be used for this activity. Similar activities in the past have not required RCRA permitting.

* + 1. **Is the Facility Contractor willing to obtain the appropriate hazardous waste TSDF permit for their specific operation(s) if denied the use of Army- owned or Facility Contractor –owned or operated permitted TSDF facilities?**

No, this activity will not require a RCRA permit.

* + 1. **What duration of hazardous waste permit use are you expecting? (40 CFR 260-265, 10 USC 2692)**

None, as no hazardous waste permit is required for this activity.

* + 1. **The facilities contractor may be contractually bound to reimburse the Government for fines and penalties paid by the government due to violation(s) of environmental laws/regulations caused by your operations. Is the facilities contractor willing to accept your hazardous waste management liability?**

NA

1. **Environmental Baseline Study (EBS)**
   * + 1. **Have you performed an Environmental Baseline Study (EBS) covering the proposed facility/ area?**

An Environmental Baseline Study has been completed and is provided as Attachment No. 2.

* + - 1. **What is the present condition of the facility/area under consideration for use?**

The present condition is adequately addressed in studies performed for the Army’s environmental restoration program. All production lines, test fire and some storage areas are CERCLA sites and are still in the restoration program. Therefore, this operation will be conducted on a CERCLA site, as are all operations at the IAAAP.

* + - 1. **If you have not conducted an EBS are the facility contractor and/or your subcontractors willing to be responsible for a portion of or all of the remediation costs associated with the identified areas?**

This question is not applicable as an EBS has been completed and appears as Attachment No. 2.

1. **Sanitary or Industrial Wastewater Discharges and Clean Water Act (CWA) Permits**
2. **Check the type(s) of wastewater discharges expected from the activities/ processes:**

**🞐 a). Sanitary or industrial wastewater discharge directly to a receiving stream. (40 CFR 122)**

**🞐 b). Sanitary or industrial wastewater discharge to a publically owned treatment works (POTW) (40 CFR 403)**

**🞐 c). Sanitary or industrial wastewater discharge to a Federally-owned treatment works (FOTW) or other non-Agency treatment facility (40 CFR 403)**

**🞐 d). Storm water runoff from operational areas to a receiving stream or water body (40 CFR 122.26)**

**🞐 e). Industrial wastewaters or storm water drained to an industrial waste reservoir (40 CFR 122.26)**

**🞐 f). Other. Explain details.**

**🞐 g). None of the above. If none of the above, only, skip to Air Emissions and Clean Air Act Permits, question 9.g.**

1. **Have you identified the proposed activity/process under an approved/current CWA permit (yes or no)? Explain why not if your answer is no.**

Yes.

1. **If you have identified the proposed activity/process under an approved/ current permit then explain what type of CWA permit (i.e., NPDES sanitary, NPDES industrial, NPDES storm water, POTW, FOTW) regulates the activity and provide the permit ID number.**

NPDES Permit No. 2900900

1. **Are there wastewater discharges expected from the activities/ processes (yes or no)? If no, skip to question 9.g., Air Emissions section.**

Yes

1. **What are the expected wastewater effluents? What are discharge quantities expected by types of discharge noted in question d.1.? Explain the types of pollutants you expect in the wastewater discharges.**

Sewage (sanitary) is expected to be generated. The discharge quantity is not expected to overload the existing sewage treatment plant and indeed the increased loading is expected to enhance the main sewage treatment plant operation. The wastewater effluent will contain BOD5 and TSS.

1. **What pollutant concentration levels do you expect? Given the types and concentration levels expected, describe the adequacy of the wastewater treatment methods used to meet permit discharge limitations.**

The pollutant concentration levels being BOD5 and TSS are expected to be well within the permit discharge limits based on past experiences from similar activities. Explosive contaminated water is tested prior to discharge. No discharge is allowed above permit limits.

1. **Will the existing permit require modifications based upon answers to the above preceding question? (40 CFR 122.1)**

No permit modifications are expected.

1. **Will the Facility Contractor be willing to obtain their own CWA permit for identified operations if designated as the "Operator" of the facility(s)? Explain.**

No, the contractor will continue to use the existing Iowa NPDES permit.

1. **In the event regulators issue the Government a Notice of Violation resulting from Facility Contractor CWA operations exceeding any/all permit limitations, will you reimburse the Government for the fines/fees incurred relating to the NOV(s)?**

Yes.

1. **Air Emissions and Clean Air Act (CAA) Permits**
2. **What are the expected air emissions for projected operations?**

No applicable.

1. **Will a permit to operate a new stationary source be required?**

A new stationary source permit is not expected to be required as existing sources with permits are to be used.

1. **Will the projected activities contribute to an increase in the facilities overall VOC or HAP emissions? Explain operations and types of air emissions and quantities/concentrations expected.**

The work will be covered by the Iowa Administrative Code on Air Quality, Chapter 20 through Chapter 22. The facility emits 12.56 tons of VOCs and no significant increase in VOC’s is expected to result from this activity.   The facility emits 10.72 tons of HAP’s and no significant increase in HAP’s is expected to result from this activity.

1. **Will your operation introduce new processes, process equipment, or regulated substances, alteration of process chemistry that may change any current safe operating limits, or other alteration that introduces a new hazard expected (yes or no)? If yes, explain the “major change” as specified by 40 CFR 68.3.**

No.

1. **Will a new, modified or reconstructed stationary source(s) or unit(s) require preconstruction permits (NSPS)? If so, explain types of new or reconstructed air pollution sources and if you obtained a preconstruction permit.**

No.

1. **Explain any new processes that will need to demonstrate initial and continuous compliance with emission limits, work practice standards and monitoring requirements to maintain compliance with CAA regulations and performance standards. If applicable under a new source review construction permit, specify initial performance tests and design evaluations schedule IAW 40 CFR 63.7(a) (2). (42 USC 7401-7671, 40 CFR 70)**

Not applicable.

1. **If you generate air emissions, explain what air pollution control devices you will use, if any. If no, explain why you will not use air pollution control devices. (40 CFR 60)**

Not applicable.

1. **Is your facility located in a National Ambient Air Quality Standard (NAAQS) nonattainment area (yes or no)? If no, skip to question 9.g.11.**

No.

1. **If your new processes are located in a NAAQS nonattainment area, are NAAQS criteria air pollutant emission increases expected and are they other than de minimus increases that require a Record of Non-Applicability (RONA) under the General Air Conformity Rule (yes or no)? If no, skip to question 9.g.11.**

Not applicable.

1. **If you must prepare a RONA then have you analyzed air emission increases in accordance with air conformity applicability under the General Air Conformity Rule (why or why not)? Explain the results of the air conformity applicability analyses, if performed. (40 CFR 93)**

Not applicable.

1. **Are there processes involving storage of regulated substances above specific thresholds levels (yes or no)? If no, skip to question 9.g.13.**

No.

1. **If you have processes that involve storage of regulated substances above 40 CFR 68 thresholds then has a Risk Management Program been developed or is in the process of being developed (yes or no)? Explain any deviations from the Risk Management Program requirements. (40 CFR 68)**

Not applicable.

1. **Ozone-Depleting Substances (ODSs): Will the activity/process use Class I, or Class II ODSs (yes or no)? If no, go to next question 9.g.15.**

It is not anticipated that Class I ODSs will be required for the operation, but may be required for support equipment such as coolers and air conditioning units. Class II ODSs will not be required for the operation.

1. **If you will use ODSs, indicate the type of ODS used. Explain mitigation techniques that you will use upon servicing motor vehicles or appliances. Have you trained personnel certified in the use of CFCs and Halons? (40 CFR 82)**

Not applicable.

1. **Will the Facility Contractor be willing to obtain their own CAA permit for identified operations and designation as the "Operator" of the facility(s)? Explain.**

No, the Facility Contractor will continue to use the existing permits at the facility for the CAA (Title V and construction permits).

1. **In the event a Notice of Violation is issued to the Government as a result of the Facility Contractor operations exceeding any/all CAA permit limitations, will you reimburse the Government any and all fines/fees incurred relating to the NOV(s).**

Yes.

1. **National Environmental Policy Act (NEPA)**
2. **Has similar activities/processes previously been conducted at the installation (yes or no)? Explain. (42 USC 4321-4370c)**

Yes.

1. **Is there approved/NEPA documentation on-site that adequately discusses the proposed activity process? Explain. (42 USC 4321-4370c)**

A Record of Environmental Consideration (REC) has been prepared and is being submitted as Attachment No. 3.

1. **Has the NEPA analysis been prepared and staffed sufficiently to comply with the intent and requirements of federal laws and Army policy (yes or no)? If no, explain why not.**

Yes.

1. **If yes, will the activity/process require preparation of an Environmental Assessment, Environmental Impact Statement, or Categorical Exclusion (CX) as identified in 32 CFR 651? Does the proposed action meet any of the screening criteria precluding the use of a Categorical Exclusion as specified in 32 CFR 651.29 (yes or no)? Explain the impact analysis performed and indicate the existence of any extraordinary circumstances that preclude the use of a CX. (32 CFR 651)**

A Record of Environmental Consideration (REC) referencing an existing environmental assessment has been prepared and is being submitted as Attachment No. 3. Per direction from JMC NEPA POC, RUF for items covered in the Modified Blanket Agreement shall cite the Baseline Optimization Plan Environmental Assessment as the reason for using a Record of Environmental Consideration. Non-Modified Blanket Agreement items shall cite Categorical Exclusion (b)(4) as the reason for using a Record of Environmental Consideration. Additionally, no extra ordinary circumstances exist.

1. **Environmental Program**
2. **Will the Facility Contractor allow the ACO/COR staff and this Headquarters to review any/all aspects of the subcontractors operations relating to environmental compliance? (Mandatory Checklist for Facility Contracting)**

Yes.

1. **Will the Facility Contractor be willing to abide by the requirements as stipulated under SARA Title III, Community Right to Know? (40 CFR 302, 255, 370)**

Yes.

1. **Will the Facility Contractor be willing to abide by the requirements as stipulated in Executive Order 12586 (Right-to-Know Laws and Pollution Prevention Requirements)?**

Yes.

1. **Will the proposed facility utilize any current or proposed Installation Restoration Program (CERCLA) or Solid Waste Management Units (SWMUs) (RCRA) cleanup sites/operations? Explain what IRP or SWMUs you will use. Explain what land use controls or restrictions you will use. (40 CFR 355.20)**

Current CERCLA sites will be used since all production lines are considered to be CERCLA sites.

Since only existing buildings will be used and no new construction is proposed, no land use controls or restrictions are required.

Attachment No. 2

**ENVIRONMENTAL BASELINE STUDY (EBS)**

SUBCONTRACT ARRANGEMENT TO OPERATE THE RAILROAD SYSTEM, PERFORM MAINTENANCE, REPAIR RAIL CARS AND STORE RAIL CARS FOR IOWA AND MIDDLETOWN RAILWAYS

This EBS has been prepared to determine existing environmental conditions at installation to operate the railroad system, perform maintenance, repair rail cars and store rail cars for Iowa and Middletown Railway at Buildings L-14, L-15, 400-138, 400-138-1, Roundhouse Area and Rail System.

The existing environmental conditions resulting from suspected and confirmed contamination in the land around buildings to be used are addressed in the following documents:

1. Results of Indoor Radiological Survey of Iowa Army Ammunition Plant, Middletown, Iowa prepared by Oak Ridge National Laboratory dated July 2001.
2. Draft Final IAAAP Line1 and West Burn Pad Area south of the Road FUSRAP Remedial Design/ Remedial Action Work Description, dated July 30, 2008
3. Draft Final IAAP FUSRAP Remedial Investigation Report for Firing Sites Area, Yard C, E, F, G, and L, Warehouse 3-01 and Area West of Line 5 B, dated July 25, 2008
4. Current Year Iowa Army Ammunition Plant Army Defense Environmental Restoration Program Installation Action Plan (Covers both MMRP and IRP restoration programs).
5. Current Year Iowa Army Ammunition Plant Compliance-Related Clean Up Installation Action Plan (Covers CC restoration programs).
6. Baseline of Current Condition Report Iowa Army Ammunition Plant, Des Moines County, Iowa Final 22 February 2008.
7. Revision B1, FUSRAP Feasibility Study Report for the Iowa Army Ammunition Plant, Middletown, Iowa, dated 18 February 2011.
8. Final – Supplemental Remedial Design Remedial Action for Line 1, June 2011.

Approved By:

William Hilger Date:

Director, Environmental, Health and Safety

Approved By:

Stephen T. Koehler Date:

Lieutenant Colonel, U.S. Army

Commander, Iowa Army Ammunition Plant

Attachment No. 3

**RECORD OF ENVIRONMENTAL CONSIDERATION**

**(REC)**

Project Title: SUBCONTRACT ARRANGEMENT WITH IOWA AND MIDDLETOWN RAILWAYS TO Operate the Railroad System, Perform Maintenance, Repair Rail Cars and Store Rail Cars

**A Brief Description: American Ordnance LLC intends to enter into a subcontract agreement with Iowa and Middletown Railway in order to Operate the Railroad System, Perform Maintenance, Repair Rail Cars and Store Rail Cars**

AO must comply with 10 USC 2692 and may not store or dispose of toxic or hazardous materials in violation of that statute. All residual material (explosives, inert parts, subassemblies, and end items, whether acceptable or non-conforming) or excess Buyer-furnished tooling/equipment will be removed from the plant premises within 90 days following production completion. Period of performance will be February 2018 thru February 2019.

Cultural resources: The proposed use of the facilities requested shall not require or include any building modifications and/or alterations. This work is the same or very similar to work which has been done at the installation previously. This action does not constitute an undertaking as described in 36 CFR Part 800.

As per 32 CFR Part 651.29, the screening conditions have been reviewed and the screening criteria are considered to have been met.

Reason for using Record of Environmental Consideration (choose one):

\_\_\_\_\_\_\_\_ a.) Adequately covered in an (EA, EIS) entitled: Environmental Assessment for the Implementation of

Actions to Relocate Production Operations from MLAAP to IAAAP as Proposed by Contract Number W52P1J-09-E-0001 awarded to American Ordnance LLC, March 2011

OR

\_\_\_\_\_\_\_ b.) Is categorically excluded under the provisions of CX (f), Real estate activities (1) Grants or acquisitions of leases or licenses, and permits for use of Army controlled real property or facilities in which there is no significant change in land or facility use. 32 CFR Part 651.19, Appendix B – Categorical Exclusions, (and no extraordinary circumstances exist) to produce ammunition items which are the same or similar to ammunition being produced or previously produced at IAAAP and this work is to be performed in existing (non-historic) production buildings with no significant increase in wastes and emissions to be within existing permit limits.

OR

\_\_\_X\_\_\_\_ c.) Is categorically excluded under the provisions of CX (b)(4) covering 'Administration/ operation activities', "Proposed activities and operations to be conducted in an existing non-historic structure which are within the scope and compatibility of the present functional use of the building, will not result in a substantial increase in waste discharged to the environment, will not result in substantially different waste discharges from current or previous activities, and emissions will remain within established permit limits, if any. Additionally, no extraordinary circumstances exist."

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| Date | Gifford Haddock  Deputy to the Commander  Proponent |
| Date | Randy Doyle  NEPA POC |

Iowa Army Ammunition Plant