Middlesex South FUSRAP Site: Collaboration Towards Beneficial Reuse – 20338

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ABSTRACT

The US Department of Energy (DOE) Office of Legacy Management (LM) manages DOE's post-closure responsibilities and ensures the future protection of human health and the environment with respect to sites that have no continuing DOE mission after undergoing remediation. LM's beneficial reuse program promotes the LM strategic goal to sustainably manage and optimize use of public lands. The beneficial reuse program aims to repurpose former contaminated sites to restore the environment, protect the public health, revitalize communities, and spur economic growth. Benefits from the reuse of a site may increase the local tax base, facilitate job growth, utilize existing infrastructure, and enhance or protect natural resources. Beneficial reuse also promotes protectiveness by ensuring activities are compatible with long-term maintenance and protection of public health and the environment, as well as by retaining good stewardship of natural resources. LM actively participates in promoting the economic development vision of the surrounding communities by collaborating with local communities to promote regional or municipal initiatives.

The Borough of Middlesex, New Jersey, has prepared the Lincoln Boulevard Redevelopment Plan, which will reinvent a once-viable downtown and enhance the quality of life for the community. The Middlesex South, New Jersey, Formerly Utilized Sites Remedial Action Program (FUSRAP) site lies within the boundaries of this redevelopment area. In support of this development plan, the Borough is interested in acquiring the site for its Department of Public Works and to increase street access in the future commercial district to be built near adjacent properties. The opportunity to put the FUSRAP site into productive use aligns with LM's mission and strategic goals.

In support of beneficial reuse activities, DOE can dispose of excess real property using several mechanisms. The two disposal options applicable to the Middlesex south site include (1) utilizing the US General Services Administration (GSA) or (2) using the Title 10 *Code of Federal Regulations* Section 770, "Transfer of Real Property at Defense Nuclear Facilities for Economic Development" (known as a "770 transfer") process. Using the 770 transfer requires economic development as the primary driver, and a specific redevelopment proposal must be submitted. If there is no interest in specific economic development, the GSA option becomes the default mechanism for disposal of the property. In the case of the Middlesex south site, the 770 transfer process is being utilized and the Borough has submitted its economic development proposal to LM.

Although LM is encouraged by the opportunity to put the site into productive use, the Middlesex south site is currently on the US Environmental Protection Agency (EPA) National Priorities List and remediation is being performed by the US Army Corp of Engineers (USACE) under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). Consequently, any property transfer must meet the requirements under CERCLA Section 120(h), "Property Transferred by Federal Agencies." As the groundwater remedy will not be in place for several years, approval would be required from the US EPA administrator and the governor of the state of New Jersey to perform an early transfer of the site (before all response actions have been completed). The time frame for these approvals to occur under the normal process conflicts with the proposed redevelopment schedule; therefore, various options for expedited sale, transfer, or lease of portions of the site to the Borough were evaluated. The subsequent decision on a mutually beneficial path forward was the result of a collaborative effort between LM, USACE, the Borough and its redevelopment team, EPA, and the New Jersey Department of Environmental Protection.

INTRODUCTION

Beneficial reuse supports the US Department of Energy (DOE) Office of Legacy Management (LM) mission to fulfill DOE's post-closure responsibilities and ensure the future protection of human health and the environment. LM achieves this mission in part through its Beneficial Reuse Program, which supports the strategic goals of sustainable management and optimization of the use of land and assets and the protection of public health and the environment. Beneficial reuse also promotes stewardship of natural resources and allows DOE to actively participate in achieving the economic development vision of the surrounding communities.

When a site is no longer needed for its current or future mission, LM will make the site available for beneficial reuse by others. LM encourages the beneficial reuse of its sites through a variety of reuse opportunities, including agricultural, community reuse, conservation (habitat protection), cultural resources, commercial and industrial, disposal, and renewable energy.

As of September 2017, 45 properties were available for reuse, with more than 95% of available LM sites in reuse (see the LM beneficial reuse website).Two examples of successful property transfers for beneficial reuse are the Wayne and New Brunswick, New Jersey, sites. The 2.6-hectare (6.5-acre) Wayne site had been used in the 1940s for processing monazite sand to extract thorium and rare-earth metals. Later, the site was also used as an interim storage pile. In 1982, the US Environmental Protection Agency (EPA) added the site to the National Priorities List (NPL). The property was remediated and, in 2006, transferred from DOE to Wayne Township for park and recreational use under the National Park Service's Land to Parks Program. The township has constructed a public playground and dog park on the site. EPA deleted the site from the NPL in 2012. The 2.2-hectare former New Brunswick Laboratory site was used for nuclear reactor and weapons programs from 1948 to 1977. By 2001, the property was remediated by DOE and, in 2009, was sold to a private owner. This property is currently undergoing redevelopment as a 6,689 square meter (72,000 square foot) waste transfer station.

DOE has other reuse partnership programs, such as a long-standing partnership known as Reindustrialization, with the Community Reuse Organization of East Tennessee. The partnership accelerated the cleanup of a former gaseous diffusion plant in Oak Ridge and created a 486-hectare (1200-acre) mixed-use private sector industrial/business park. The area is a prime example of redeveloping a former DOE facility. Many of the property transfers were completed under Title 10 *Code of Federal Regulations* Section 770 (10 CFR 770), "Transfer of Real Property at Defense Nuclear Facilities for Economic Development," known as a "770 transfer."

The DOE process for property transfers under a 770 transfer is very similar to the Department of Defense process to document parcels of real estate made available through the Base Realignment and Closure process. Both processes comply with Section 120(h) of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) with respect to documenting the environmental suitability of a property for transfer.

The Middlesex South site, in the Borough of Middlesex, New Jersey, is undergoing remediation by the US Army Corps of Engineers (USACE) in the Formerly Utilized Sites Remedial Action Program (FUSRAP). FUSRAP was established in 1974 to identify, investigate, and clean up or control sites that had become contaminated while performing nuclear work for the Manhattan Project or Atomic Energy Commission. Under FUSRAP, when USACE completes remediation, the long-term surveillance and maintenance responsibilities revert to the DOE Office of Legacy Management. The Middlesex south site is one of four FUSRAP sites that are owned by the United States of America; the other sites are the Maywood (New Jersey), Colonie (New York), and Niagara Falls Storage Site (New York) sites.

The site lies within the boundaries of the Borough's proposed Lincoln Boulevard Redevelopment Plan, which will reinvent a once-viable downtown and enhance the quality of life for the community. The Borough is interested in acquiring the government-owned property for its Department of Public Works and to increase street access in the commercial district. The opportunity to put the FUSRAP site into beneficial use aligns with DOE's mission and strategic goals. This paper provides an overview of the site, the proposed redevelopment, and the processes and stakeholders involved in seeing this project come to fruition.

Middlesex South Site History

The site was originally occupied by an asphalt paint manufacturing company as early as 1910. During 1943, the government leased and eventually took possession of the site to establish the Middlesex Sampling Plant (MSP). The MSP supported both the development of atomic bombs during World War II and the Cold War nuclear weapons complex. The MSP was initially utilized to mechanically process, assay, and package uranium ores to support the Manhattan Engineer District and was operated until February 18, 1955. At this time the duties and responsibilities were completely transferred to the Sampling Plant at the Feed Materials Production Center at Fernald, Ohio. Toward the end of MSP operations (1952–1954) and to a much lesser extent, the facility was also utilized to mechanically process, assay, and package beryllium ores. After MSP operations ended, the property was used for storage of containers holding materials containing uranium and thorium (1955–1968). In 1968, the US General Services Administration (GSA) transferred the property to the US Department of the Navy. The site served as a US Marine Corps reserve training center from 1969 to 1979 before it was placed in the custody of DOE in 1980 for environmental remediation.

In 1948, contaminated materials had been trucked from the MSP and disposed of at the Middlesex Municipal Landfill (MML), approximately 0.8 kilometer (0.5 mile) from the MSP. These operations resulted in off-site migration of radiological contamination onto a number of vicinity properties (VPs). The VPs were remediated by DOE in the 1980s, along with the contaminated materials disposed of at the MML. All materials were brought back to the MSP site and stored in specially constructed storage piles, as shown in Figure 1.

USACE took responsibility for remedial actions in 1998 under FUSRAP. In 1999, EPA placed the site on the NPL for hazardous waste sites, and remediation is being performed in accordance with CERCLA. USACE removed and disposed of the waste storage piles and then excavated and disposed of over 78,925 metric tons (87,000 tons) of radiologically and chemically impacted soil. USACE remediated the soil to unrestricted use standards and completed the work in 2008. Figure 2 shows current site conditions.

There is a groundwater plume in the shallow aquifer emanating from the northern portion of the site consisting of dissolved chlorinated solvents. In 2017, USACE completed a feasibility study for the groundwater operable unit and is currently developing the proposed plan for groundwater remediation. Several years will be needed before the site is transferred to LM, and it is anticipated that LM will then conduct a long-term groundwater monitoring program.

Fig. 1. Middlesex Sampling Plant with Interim Storage Piles, September 1986

Fig. 2. Middlesex South Site Conditions 2019 with Interim Storage Piles Removed

Borough Planning for Redevelopment

The Borough adopted a Redevelopment Plan in 2007, the result of years of collaborative planning between the Middlesex Borough staff, council, planning board, and community. The plan established goals for the future of the area along Lincoln Boulevard and Mountain Avenue. The Middlesex south site and the adjacent auto salvage yard are included in the redevelopment area's designated Transitional Zone.

The Borough's redevelopment goals include:

- Eliminating the underutilization of the designated Redevelopment Area and eliminating blighting influences.
- Allowing for more efficient use of land and expanding the Borough's tax base by encouraging high-quality development.
- Expanding the level of business activity in the Lincoln Boulevard Rehabilitation Area, thereby increasing the potential for economic activity and job creation.

Consistent with these goals, transfer of the Middlesex south site will allow the Borough to use a portion of the property for critical municipal functions and create the opportunity for new development on the current Department of Public Works (DPW) property. The extension of a public road on the property will provide adequate access for the redevelopment of the adjacent auto salvage yard (Figure 3). These proposed redevelopments will help to increase the quality of life and reinvent a once-viable downtown in the Borough.

As part of the overall planning, an initial meeting was held in November 2018 to discuss the Borough's development concept. Key agencies were represented—DOE, USACE, EPA, and New Jersey Department of Environmental Protection (NJDEP)—as well as the Borough and its developers. This meeting outlined the goals of redevelopment, established a collaborative relationship between all parties, and discussed initial options for a path forward. The 770 transfer process was presented, and group discussions were held regarding potential subdivision of the site, related CERCLA documentation and regulatory approval requirements, and the potential use of a license or easement option to provide early access to the southern portion for construction of the public road extension.

After these discussions, DOE performed more detailed evaluations on the potential path forward while addressing the goals of the Borough. These evaluations included determining the best disposition method and appropriate environmental condition documentation.

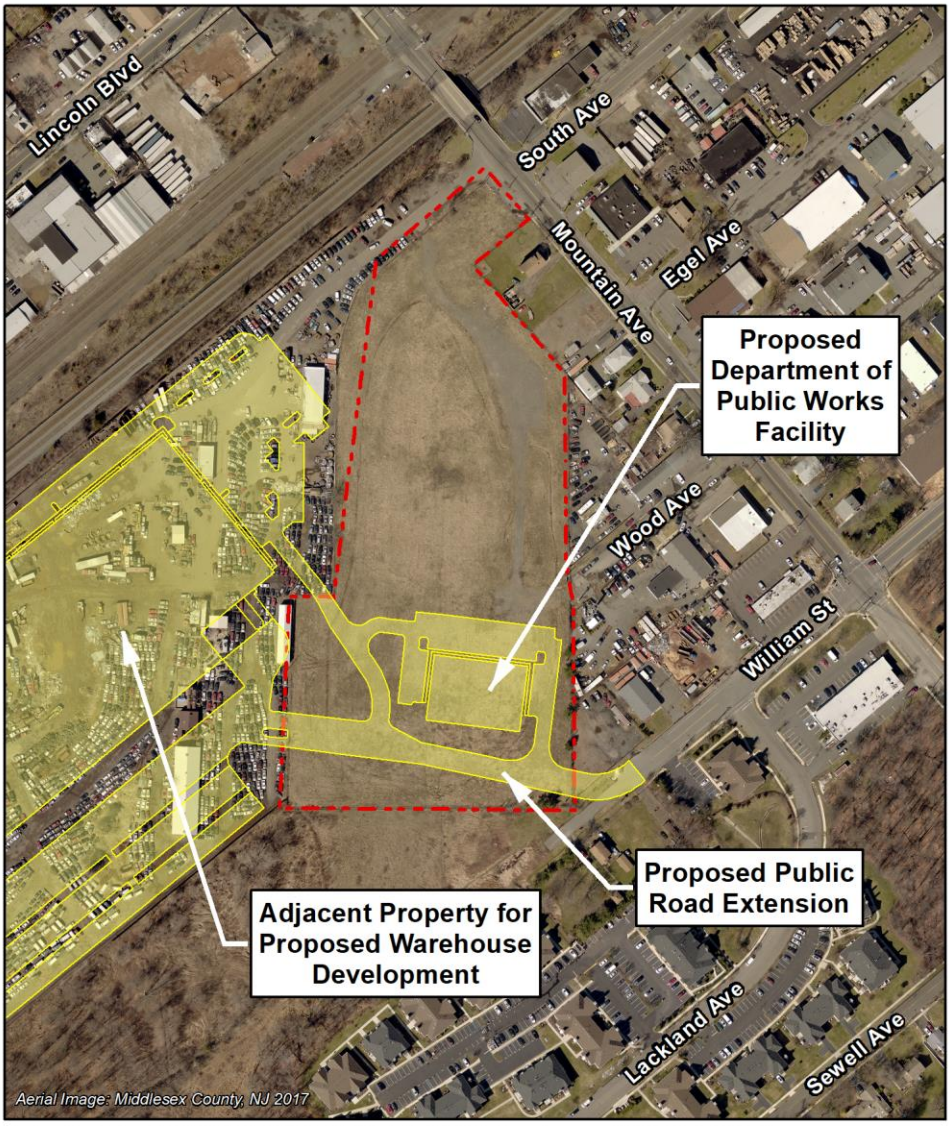

Fig. 3. Location of Department of Public Works Facility, Public Road Extension, and Adjacent Redevelopment Area

PROPERTY TRANSFER OPTIONS EVALUATION

Disposal is defined as the "permanent transfer of DOE control and custody of real property assets to a third party who thereby acquires rights to control, use, or relinquish the property" (DOE Order 430.1C, *Real Property Asset Management*) [1]. Disposal is LM's preferred beneficial reuse option where possible because it reduces DOE's overall land holdings, the federal footprint, and associated maintenance costs. Additionally, the disposed of properties can be viable economic development tools to increase local jobs, tax base, and convert typically vacant properties into useful community assets. DOE-owned properties selected for disposal are evaluated to determine the best method for disposal using either the GSA disposal process or, in some circumstances, a direct transfer of excess facilities by DOE. The selection of a disposal process for a DOE-owned property is dependent on a few factors such as the historical use of the site, the redevelopment proposal, interest from local governmental organizations such as community reuse organizations, and economic development potential.

GSA Disposal Process

All real property deemed as excess must first be screened through DOE to confirm that the property is no longer necessary to carry out its program responsibilities. The property is then turned over to the GSA Office of Real Property Utilization and Disposal. DOE submits a Report of Excess to GSA, along with other supporting materials to effectuate the transfer. GSA is required to first offer excess property to other federal agencies that may have a programmatic need for it. If there is no need for the property within the federal government, the property is determined "surplus" and may be conveyed under GSA-approved methods of transferring real property. Transfer mechanisms include homeless conveyance, public benefit, negotiated sale, and public sale, as shown in Figure 4.

Fig. 4. Transfer Mechanisms Under the GSA Process

Homeless Conveyance (McKinney-Vento Homeless Assistance Act): If a property is suitable to assist the homeless, GSA must first offer the property as a Homeless Conveyance before any other public uses can be considered.

Public Benefit Conveyance (PBC): As a PBC, the property can be substantially discounted in price (up to 100% reduction in fair market value) if it is used for a qualified public use.

Negotiated Sale: If a qualified public benefit conveyance cannot be identified for the property, GSA can negotiate a sale at appraised fair market value with a state or local government if the property will be used for a public purpose. This transaction offers state or local governments the right of first refusal on a property before it is offered to the general public. With these types of transfers, the state or local government will either develop the property or make substantial improvements with the intention to resell or lease the land to support and further economic development. To support this type of sale, GSA evaluates whether the benefits to the community are greater than those proceeds recognized under a public sale of the property

Public Sale: If state and local governments or other eligible nonprofits do not wish or do not qualify to acquire the property, GSA's Office of Real Property Utilization and Disposal can dispose of surplus property via a competitive sale to the public, generally through a sealed bid or auction (oral and online

located at https://disposal.gsa.gov/).The appraised fair market value is used as a guide to sell federal real estate.

770 Transfers

DOE has authority to transfer, sell, or lease real property for economic development purposes under 10 CFR 770, "Transfer of Real Property at Defense Nuclear Facilities for Economic Development" [2]. Only DOE-owned real property at a "defense nuclear facility" qualifies for this type of transfer, commonly called 770 transfers. DOE annually makes available to community reuse organizations and other persons a list of available real estate identified as appropriate for economic development. Any person or entity may also request that a specific piece of real estate be made available for economic development purposes. With respect to these types of requests, DOE requires a proposal from the prospective person or entity to be submitted for the transfer of real property. The proposal must include the following:

- A description of the real property proposed to be transferred
- The intended use and duration of use of the real property
- A description of the economic development that would be furthered by the transfer (e.g., jobs to be created or retained, improvements to be made)
- Information supporting the economic viability of the proposed development
- The consideration offered (i.e., payment or money or other thing of value) and any financial requirements

Within 90 days of receipt of the proposal, DOE will notify the entity of its decision whether a transfer is in the best interest of the government (i.e., to sell or lease the real property). If DOE decides that it is in the best interest of the government, the DOE field office manager (the LM director) will approve the development of the transfer agreement. DOE has additional steps that it must perform to obtain final approvals for this type of transfer. Figure 5 illustrates this process. The full process may take up to 24 months to complete.

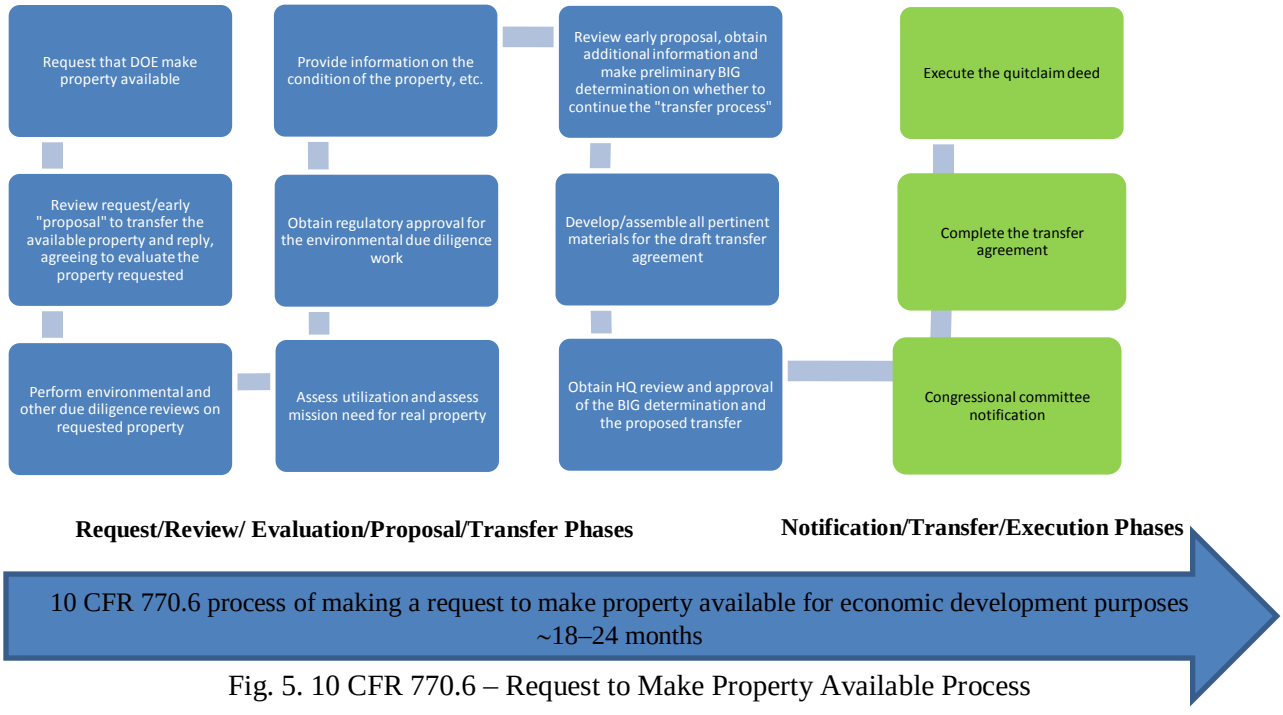

Fig. 5. 10 CFR 770.6 – Request to Make Property Available Process

770 PROCESS SELECTION FOR MIDDLESEX PROPERTY

The 770 process was selected for the Middlesex site because it met the criteria of having been excess to the DOE mission, the property would be used as a benefit to the community and transferred to the Borough of Middlesex, the property would support a local economic development, and the historical use of the property supported the departments weapons development mission. Table 1 shows a review of the Borough proposal against the primary GSA and 10 CFR 770 requirements.

TABLE 1. Borough Proposal Review Against the GSA and 10 CFR 770 Requirements

GSA REQUIREMENTS	BOROUGH PROPOSAL COMPARED TO GSA	DOE AUTHORITY (10 CFR 770 AND ATOMIC ENERGY COMMISSION 161G)	BOROUGH PROPOSAL COMPARED TO 10 CFR 770
May utilize a PBC	No	Needs proposal from government organization and third party	Yes
May result in private party sale	No	Designed for economic development	Yes
--	--	Must notify Congress	--
ELEMENTS COMMON TO GSA AND 10 CFR 770		**BOROUGH PROPOSAL**	
Needs SF118 Package		Yes	
Fair market value (may be discounted with approval)		Yes	
Needs environmental conditions review		Yes	

ENVIRONMENTAL CONDITION REVIEW OF THE SITE

Once a disposal process was selected, both the Borough and DOE could proceed to develop the documents necessary to initiate the disposal. Key components of the disposal package include an environmental condition review performed to determine the appropriate steps to address regulatory and departmental requirements for the disposition of the site. CERCLA, National Environmental Policy Ac , and DOE Orders were identified as needing to be addressed in the disposition process. Since the Middlesex site is an NPL site with the soils remedy in place and groundwater is only impacting a portion of the site, it was determined that redevelopment was possible with the appropriate documentation of the environmental condition of the site.

CERCLA Requirements, Section 120(h) Property Transferred by Federal Agencies

Section 120(h) imposes several requirements on all transfers of federal real property "owned by the United States" to nonfederal entities [3]. The federal government, on deeds related to real property transactions, is required to provide a covenant warranting that:

- All remedial action necessary to protect human health and the environment with respect to any

such substance remaining on the property has been taken before the date of such transfer.
- The United States will return and perform any additional response action that may be required in the future.
- A perpetual right of access necessary to do such additional response actions is retained.

In addition, CERCLA Section 120(h) requires that property disposals include information on site-related hazardous substances; historic, archeological, and cultural resources; National Environmental Policy Act compliance; endangered species and biological resources; floodplains, wetlands, and coastal zone management; underground storage tanks; polychlorinated biphenyls, lead-based paint and asbestos; radon gas; and pesticides. To meet this requirement, DOE completes GSA's "Hazardous Substance Activity Certification," Standard Form 118 in the GSA's Excess Real Property Checklist.

This information is also needed to comply with the DOE Order 430.1C *Real Property Asset Management* provision to include environmental requirements in all real property disposals. In addition, DOE Order 458.1, *Radiation Protection of the Public and the Environment* requires the establishment of approved authorized limits and independent verification of the radiological condition of a property before it can be released from DOE control.

CERCLA Environmental Condition Documentation

Finding of Suitability to Transfer (FOST): A FOST documents that the property is environmentally suitable for transfer by deed under CERCLA and Department of Defense FOST Guidance. The FOST process was developed to meet the statutory and regulatory requirements associated with transferring federal real estate. A FOST must demonstrate that either the property is uncontaminated or that all necessary remediation has been completed or is in place and operating properly and successfully. These demonstrations are necessary to support the deed covenant required by CERCLA Section 120(h) that all remedial action necessary to protect human health and the environment has been taken.

Finding of Suitability for Early Transfer (FOSET): A FOSET documents the suitability of the property for early transfer by demonstrating environmental suitability and appropriate land use controls. Approval of a FOSET may be a lengthy process, particularly for an NPL site. Both EPA and the state governor must concur on the early transfer approval; the transfer cannot occur until the CERCLA guarantee (covenant) is explicitly deferred by EPA and the state.

BOROUGH OF MIDDLESEX PROPOSAL

The transfer of the DOE-owned property offers significant economic benefits to the local community. After consultation with DOE, the 770 process was selected as the most appropriate disposition pathway to address the government's goal of beneficial reuse and the Borough's goal of economic redevelopment. The Borough proposes to use the property as the potential site for a new 1,672 square meter (18,000-square foot) DPW facility. The current DPW building will be replaced with an affordable senior housing building, which is estimated to generate an additional $100,000 per year in revenue for the municipality.

The Borough will also utilize the property to support the continued extension of an existing public road. This road extension will assist in facilitating the multimillion dollar redevelopment of an adjacent property into a warehouse distribution facility by providing safer ingress and egress for vehicular traffic. The current ingress/egress point on the northern entry has several safety issues: it is a single access point less than 30 meters (100 feet) from a railroad bridge, there is a 20% grade change from the bridge to the road, and there is a cross street that is offset from the current access point. In contrast, the new access that crosses the southern edge of the property at William Street has a lighted intersection and is improved with

turn lanes. This adjacent redevelopment would create over one 150 jobs in the area, promoting economic growth and resulting in significant revenue benefits.

TRANSFER OPTIONS

A collaborative meeting was held in June 2019 between all team members. The transfer options identified in the November 2018 meeting were discussed in greater detail. Any transfer mechanism would be based on the ability to conduct an early transfer, which requires coordination with EPA and NJDEP. NJDEP and EPA allow the transfer of contaminated property; this requires review and approval from the governor as well as a review and approval signature of the EPA administrator. The overall time frame to gain these approvals is uncertain.

FOSET: The FOSET process has been used in past early transfers in conjunction with the CERCLA 120(h) process. CERCLA Section 120(h) requires certain environmental information be provided for any deed transferring US property to another entity. The actual deed needs to contain the Covenant Deferral Request. In this case, DOE would be executing the deed and providing a warranty on the groundwater remediation. Limiting factors for early transfer under the FOSET are that the groundwater remedial alternative for the Middlesex south site is still being identified and the potential property restrictions are unknown at this time. An early transfer of the site would require that these restrictions be specified in the transfer documents.

FOST: The possibility of using the FOST process to accelerate environmental review for the transfer was evaluated. The FOST would require subdividing the property to remove the clean southern portion from the northern portion containing the groundwater contamination and transferring the clean parcel to the Borough. The clean portion of the site would be separated and transferred independently from the portion that requires additional remediation. The limiting factor for the FOST transfer is that the best interest of the government is to transfer the entire property. The Borough agreed that it would eventually take the entire site and the DPW facility would not be constructed until the entire property had transferred over. They also suggested drafting a Memorandum of Understanding (MOU) to outline DOE's intent to transfer the property in phases and the Borough's intent to receive both parcels over time.

Easement: DOE proposed a temporary easement for granting early access to the southern parcel to begin road construction, as the overall property transfer would be lengthy. The redevelopment agency preferred an irrevocable license, as financing was difficult to obtain under a temporary access agreement. DOE then suggested a long-term easement to transfer the area that will include the road to the borough. DOE would provide a 20-year easement; any longer would require headquarters approval.

PATH FORWARD

During the June 2019 meeting, the team came to a unanimous agreement to develop a final path forward for the property transfer, which allowed for the subdivision of the existing property and the preparation of a FOST for the southern parcel. Several tasks were identified and are currently in various stages of completion:

- **Borough of Middlesex Resolution**: The Borough Council unanimously adopted Resolution #202-2019 in July 2019. The resolution authorized the mayor to sign and submit the 770 transfer proposal and to sign the MOU on behalf of the Borough.
- **Memorandum of Understanding:** The MOU was entered into by the Borough and LM in August 2019 and documents that LM and the Borough will enter into an agreement to transfer title to the entire property. The Borough will be required to provide government access to the site for remediation and long-term surveillance and maintenance activities. The MOU is important, as

it memorializes the intention of the Borough to acquire the entire Middlesex south site for public purpose and provides for the granting of the easement for extension of the public road.

- **Identification of a final property subdivision line**: Figure 6 depicts the final subdivision line. This allowed for the greatest amount of initial land transfer to the Borough, while preserving the need for government ownership of the northern parcel due to ongoing groundwater remediation requirements. The line was determined by (1) an identification of the groundwater divide, (2) an evaluation of groundwater flow patterns, and (3) identifying the southernmost extent of groundwater contamination.
- **Preparation of FOST**: A Memorandum of Agreement (MOA) between LM and USACE was signed in June 2018 with the purpose of establishing a mutual framework governing responsibility for USACE support of LM on a nationwide basis. Using the framework of the MOA, DOE contracted USACE to prepare the FOST for state and federal agency review and concurrence. The FOST and agency concurrent letters will be supporting documentation for the entire 770 transfer package. A draft FOST was provided for regulatory agency review in November 2019.
- **Easement**: It was agreed that LM will grant the Borough an easement to construct, maintain, and manage the public road extension. This allows an accelerated schedule for road construction, as the entire 770 transfer process may take up to 2 years to complete.
- **Project financing and road construction:** Financing will be obtained by the Borough's developer once the FOST and easement are completed. The developer will then construct the public road extension.
- **Compilation of a 770 transfer package to DOE headquarters:** Per 10 CFR 770.7(c), Congressional committee notification, DOE may not transfer real property until 30 days have elapsed after the date DOE notifies congressional defense committees of the proposed transfer. This notification occurs through the submittal of the 770 transfer package, which includes the FOST and agency concurrence letters, a summary of environmental baseline conditions, a determination that the property meets the requirements on DOE Order 485.1, *Radiation Protection of the Public and the Environment*, as well as the quitclaim deeds.
- **Sales contract**: A draft sales contract between DOE and the Borough was prepared in July 2019. Important aspects of this sales contract include the notice that the property will be conveyed to the Borough in separate parcels via separate quitclaim deeds, notice of hazardous substances under CERCLA Section 120(h), a statement that the property will be closed in accordance with the Federal Facilities Agreement and CERCLA to an industrial use standard, indemnifications to both the Borough and DOE, and statements that DOE will retain an easement for ingress and egress and may grant same to NJDEP or EPA to the extent necessary to conduct ongoing environmental remediation efforts and monitor or assess those efforts.
- **DPW construction**: The Borough's developer will construct the new DPW facility after the sales contract is completed.
- **Preparation of FOSET**: Using the framework of the MOA, DOE will contract with USACE under the MOA to prepare the FOSET. The FOSET will be drafted upon USACE completion of the Groundwater Proposed Plan.

The coordination and completion of these various tasks required an intensive collaborative effort for all parties involved, as shown in Figure 7. The leadership shown by the representatives from the various local and federal agencies involved in this process has played a key role in fostering collaboration, gaining alignment on the shared goal of accomplishing a smooth and efficient disposition of the Middlesex south site.

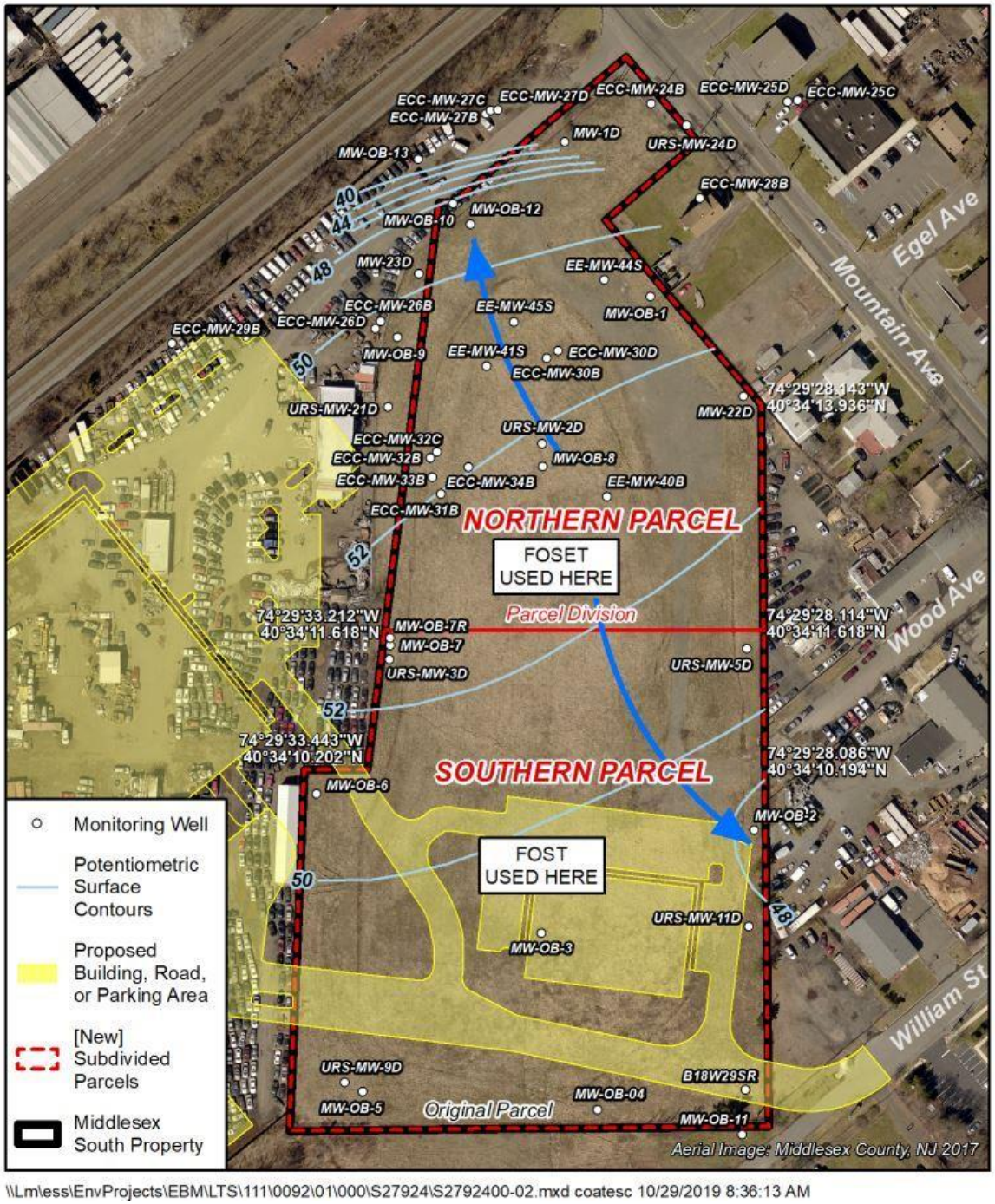

Fig. 6. Location of Proposed Subdivision Line and New Property Parcels

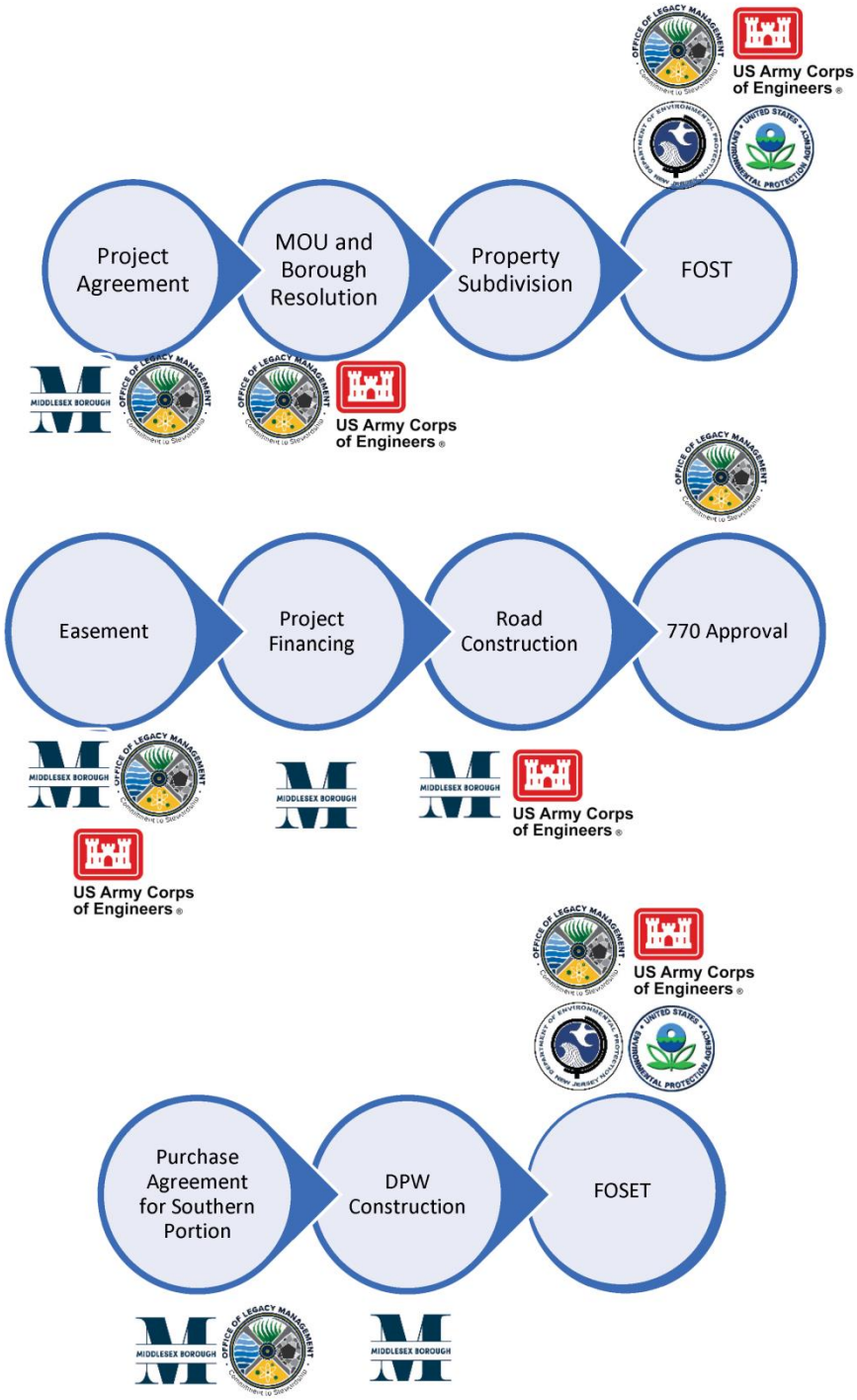

Fig. 7. Path Forward Partner Coordination

CONCLUSIONS

Numerous challenges were overcome during the decision-making process for property disposition:

- The site is on the NPL and requires future groundwater remediation: obtaining EPA and NJDEP concurrence with the proposed parcel subdivision and use of the FOST/FOSET process was a critical factor in allowing the proposed phased transfer to take place.
- Meeting development timelines: government processes can be slow, and the redevelopment funding windows are short. Key documents were required to secure funding for redevelopment.
- Two agencies were responsible for the input into the final decision: USACE is performing remediation, conducts all related coordination with regulatory agencies, and maintains the information required to produce the transfer documents. DOE is the property owner and is using its authority to perform the transfer.

Numerous benefits will be achieved by this property transfer, including the following: DOE will achieve goals of reducing government-owned property footprint, disposition of a nonperforming real property asset, and reducing annual operations and maintenance costs. The Borough will be able to relocate public works functions and redevelop the current DPW location for enhanced public benefit, generating addition revenue for the municipality.

REFERENCES

1. DOE Order 430.1C, *Real Property Asset Management*, US Department of Energy, August 19, 2016.

2. 10 CFR 770, Transfer of Real Property at Defense Nuclear Facilities for Economic Development, *Code of Federal Regulations.*

3. 42 USC 9601 et seq., CERCLA Section 120(h), Property Transferred by Federal Agencies, *United States Code*.