Twin Cities Campus

Office of the Vice President and Chief Financial Officer / Treasurer
Office of the President

334B Morrill Hall 100 Church Street SE Minneapolis, MN 55455

Office: 612-625-4517
Fax: 612-626-2278
http://www.budget.umn.edu/
Email: ubudget@umn.edu

January 17, 2012

Robbie LaFleur, Director Legislative Reference Library 645 State Office Bldg. 100 Martin Luther King Blvd. St. Paul, MN 55155-1050

Dear Ms. LaFleur:

Minnesota Statutes Section 137.52(b) requires the Board of Regents of the University of Minnesota ("University") to annually report to the legislature on the University's efforts and the efforts of the United States Department of Defense ("DoD") to remedy environmental impacts associated with the former Gopher Ordnance Works ("GOW") on the University land in Rosemount, Minnesota. That land is under the cooperative management of the University and the Department of Natural Resources ("DNR"). Since the passage of this legislation in 2006, the land has come to be designated as Vermillion Highlands, and it is operated as a wildlife management area under state law.

During 2011, the University, DNR and Minnesota Pollution Control Agency ("MPCA") reviewed the results of the United States Army Corps of Engineers ("USACE") Final Expanded Site Inspection Report ("ESI"). The ESI summarized additional soil, groundwater and sediment sampling completed by USACE in late 2009, as well as the results of all prior sampling activities at the site. The ESI concluded that hazardous substances were released into the environment as a result of GOW activities, and that further investigation is necessary.

In May 2011, the MPCA sent correspondence to USACE, requesting a technical meeting to discuss the findings of the ESI. In the May 2011 letter, MPCA advised USACE that a full remedial investigation of the former GOW site would be necessary. Congressman John Kline, who continued to play an active role in 2011 in facilitating communications between USACE and the University, requested that USACE participate in a technical meeting.

On November 29, 2011, USACE representatives from the Omaha District Headquarters participated in a meeting at MPCA's offices in St. Paul to discuss the ESI and future response actions that may be required at the site. Representatives of the DNR, Minnesota Department of Health, University, and Dakota County also participated in the meeting. During the meeting, MPCA staff advised that in 2012, the agency anticipates requesting that potentially responsible

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parties complete additional environmental investigations and remediate any releases that may exceed applicable health or ecological standards. The parties agreed to continue the technical dialogue during 2012.

Sincerely,

Richard H. Pfutzenreuter III

Treasurer

cc: Brian Steeves, Board of Regents, University of Minnesota

William Donohue, Office of the General Counsel, University of Minnesota

Charles Muscoplat, UMore Development LLC

Jason Rohloff, University Relations, University of Minnesota