

January 31, 2023

Elizabeth Lincoln, Director  
Legislative Reference Library  
645 State Office Bldg.  
100 Rev. Dr. Martin Luther King Jr. Blvd.  
St. Paul, MN 55155-1050

Dear Ms. Lincoln:

On behalf of the Board of Regents of the University of Minnesota, I submit the following annual report to the Legislature under Minnesota Statutes Section 137.52 regarding the University's efforts and the efforts of the United States Department of Defense to remedy environmental impacts associated with the former Gopher Ordnance Works, a World War II smokeless powder production facility located on University land in Rosemount, Minnesota. That land includes Vermillion Highlands: A Research, Recreation, and Wildlife Management Area, which is managed under a cooperative agreement between the University and the Department of Natural Resources. Per Minn. Stat. §3.187, the cost to prepare this report was \$990.00.

After the University completed the Remedial Investigation of the site in 2017, the Minnesota Pollution Control Agency asked the University and the Army Corps to perform a Feasibility Study to identify cleanup options for identified hazardous substances at the site. The Army Corps refused to perform the study. The University retained a consultant and is now performing a Focused Feasibility Study under a MPCA-approved work plan in the northcentral portion of the site. The University selected the northcentral portion of the site to start the study because it is closest to areas that will soon be privately redeveloped. The MPCA will present the findings of the Focused Feasibility Study to the public later this year, and will then select a cleanup plan, consistent with the planned property uses in that area of the site.

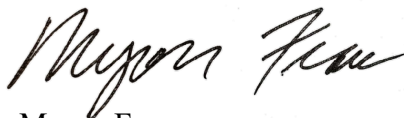
The University's cost recovery litigation in federal district court against the Army Corps and E.I. du Pont de Nemours and Company remained active in 2022. The parties completed discovery and filed motions for summary judgment. On November 3, 2022, the Court granted the University's motion, finding that the University has incurred over \$3.3 million in recoverable response costs. The Court denied the Army Corps' motion, determining that the Corps had not incurred any recoverable response costs. The only remaining issue for trial is for the Court to allocate responsibility between the parties for the University's past response costs and all future cleanup expenses. We anticipate that the case will be tried in mid-to-late 2023.

Elizabeth Lincoln

Page 2

January 31, 2023

Sincerely,

A handwritten signature in black ink, appearing to read "Myron Frans". The signature is written in a cursive, flowing style.

Myron Frans

Senior Vice President for Finance and Operations

cc: Brian Steeves, Executive Director and Corporate Secretary, Board of Regents  
Douglas Peterson, General Counsel  
Matt Kramer, Vice President, University Relations and Interim Vice President,  
University Services  
J.D. Burton, Chief Government Relations Officer, University of Minnesota  
Leslie Krueger, Assistant Vice President for Planning, Space, and Real Estate  
Jesse Robert, Region 3 Assistant Regional Wildlife Manager, DNR, Vermillion  
Highlands Joint Steering Committee