

UNIVERSITY OF MINNESOTA

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*Office of the Senior Vice President
for Finance and Operations*

301 Morrill Hall
100 Church Street S.E.
Minneapolis, MN 55455

January 28, 2019

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

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(b) 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 (GOW), a World War II smokeless gunpowder 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 the requirements set forth in Minnesota Statutes Section 3.197, the cost to prepare this report was \$477.

In November 2018, the Minnesota Pollution Control Agency (MPCA) requested that the University and the Army Corps of Engineers complete a Risk Assessment / Feasibility Study at the property. The objectives of that study are to assess the risks associated with the releases of hazardous substances and identify response action alternatives to address them. The response action alternatives will be developed consistent with the current and planned uses of the property. The University anticipates communicating with the Army Corps regarding the MPCA's request for the study shortly after the end of the federal government shutdown.

In August 2017, the University brought litigation in federal district court against the Army Corps and its contractor for GOW, E.I. du Pont de Nemours and Company. The University seeks recovery of \$3.3 million in past investigation costs and a declaration that the Army Corps and DuPont must pay their fair shares of all future responses costs incurred at the property. In July 2018, the court denied an early motion by the Army Corps for partial judgment on the pleadings. The litigation is now early in the discovery stage, with trial scheduled for August 2020.

Sincerely,



Brian Burnett
Senior Vice President
Finance and Operations

Elizabeth Lincoln
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cc: Brian Steeves, Executive Director and Corporate Secretary, Board of Regents
Michael Berthelsen, Vice President, University Services
Matt Kramer, Vice President, University Relations
Leslie Krueger, Assistant Vice President for Planning, Space, and Real Estate
Douglas Peterson, General Counsel
Cynthia Osmundson, Chair, Vermillion Highlands Joint Steering Committee