

Gerald Boyd, Manager  
Department of Energy  
Oak Ridge Operations  
P. O. Box 2001  
Oak Ridge, TN 37831

Dear Mr. Boyd:

On behalf of Advocates for the Oak Ridge Reservation (AFORR), I regret to inform you that we have reached an impasse in our effort to negotiate a "land swap" with the Community Reuse Organization of East Tennessee (CROET) regarding Development Area 4 at the west end of the Horizon Center.

As you are already aware, our organization would like this parcel and associated lands (that is, access corridors and portions of the Horizon Center exclusion zone that adjoin this parcel) to be included in the Black Oak Ridge conservation easement to be established under the Agreement in Principle between DOE and the State of Tennessee resulting from the Natural Resources Damage Assessment for contamination of Watts Bar Reservoir. These lands are ecologically important, particularly in combination with the adjoining tracts on Black Oak Ridge and McKinney Ridge that are to be included in the 3000-plus-acre conservation easement. AFORR believes that it should be possible to identify other DOE-controlled lands of equivalent or greater development value that could be swapped for the approximately 37 acres in Development Area 4. Moreover, in our opinion DOE is vulnerable to a National Environmental Policy Act (NEPA) legal challenge in connection with deeding this parcel to CROET, as the finding of no significant impact (FONSI) for the transfer of Parcel ED-1 (i.e., the Horizon Center) to CROET was based on an environmental assessment (EA) that did adequately consider the potential for significant adverse environmental impacts from developing this area and associated road and utility access.

With your knowledge and support, in April 2003 we initiated discussions with CROET President Lawrence Young with the aim of reaching agreement on a potential swap of other DOE lands in exchange for Development Area 4. We saw an opportunity for a "win-win" solution in which an ecologically valuable tract would be conserved and CROET would gain land with more value for near-term economic development. In pursuit of such a resolution, we met with Mr. Young on a total of ten occasions (April 16, April 29, June 12, August 21, September 24, October 14, October 24, and November 13, 2003 and February 6 and March 16, 2004). At least three of these meetings also involved representatives of the City of Oak Ridge. In addition, CROET representatives met separately with City personnel on September 16, 2003.

Early in this process Mr. Young expressed some interest in a DOE parcel located on Oak Ridge Turnpike west of Wisconsin Avenue. This parcel was similar in size to Development Area 4, and both AFORR and City officials expressed their support for swapping it for Development Area 4.