

Why GAO Did This Study

In May 2021 and November 2021, Navy personnel accidentally caused two fuel leaks at Red Hill, according to a Navy investigation. These leaks contaminated drinking water for 93,000 service members and the local community. In November 2022—after DOD announced the closure of Red Hill earlier that year—contractor personnel accidentally caused 1,300 gallons of hazardous firefighting foam concentrate to release within the facility and surrounding environment, according to a DOD investigation.

GAO was asked to review the contracts related to Red Hill's operations. This report describes (1) the roles that DOD and its contractors performed in the operations, maintenance, and repair of Red Hill; (2) how the contracts changed, if at all, after the 2021 leaks; and (3) the oversight mechanisms DOD used to monitor contractor performance on selected contracts for Red Hill.

To conduct this work, GAO selected 16 contracts for review—10 that were active at the time of the 2021 leaks based on federal procurement data from fiscal years 2014–2022 and six that were awarded in fiscal years 2022–2023 after the leaks. GAO reviewed contract files and Navy investigation reports, conducted a site visit to Red Hill, and met with DOD officials, contractors, and the local community. DOD provided technical comments, which we incorporated as appropriate.

View [GAO-25-106572](#). For more information, contact Travis J. Masters at (202) 512-4841 or masterst@gao.gov.

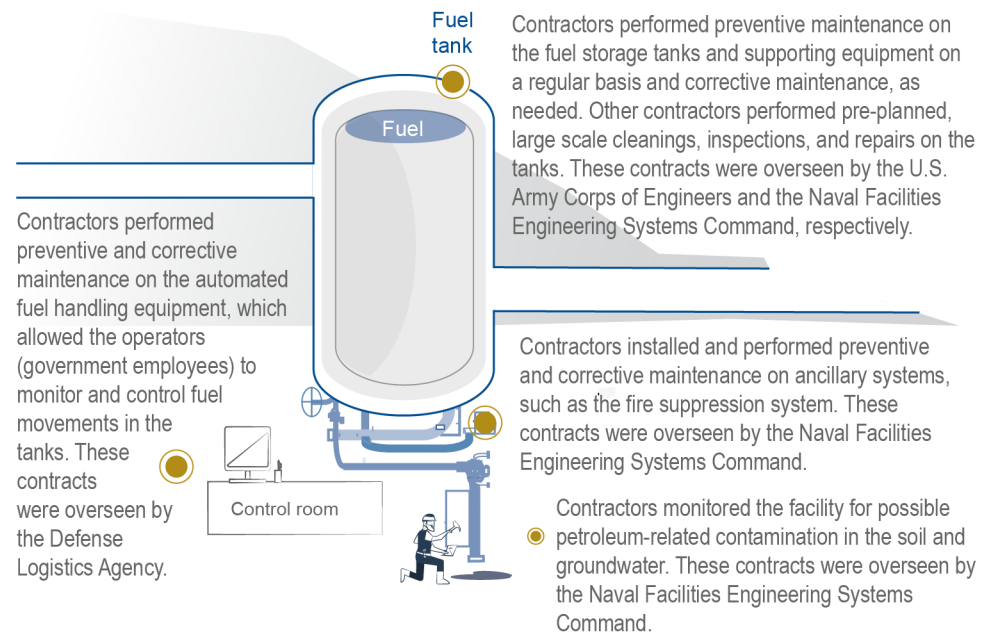
RED HILL FUEL STORAGE

DOD's Contract Approaches and Oversight before and after the 2021 Fuel Leaks

What GAO Found

Fuel leaks and the release of hazardous firefighting foam concentrate at Red Hill Bulk Fuel Storage Facility (Red Hill) in Hawaii raised questions about the role contractors played and Navy's oversight of them. The Department of Defense (DOD) managed Red Hill—a government-run facility—through a complex structure with several DOD organizations and multiple contractors performing essential maintenance and repair activities.

Department of Defense and Contractor Roles at Red Hill Bulk Fuel Storage Facility (Red Hill)



Source: GAO analysis of DOD information; GAO (illustration). | GAO-25-106572

GAO found that the Navy changed its contracting approach after the fuel leaks. Specifically, eight of the 10 contracts GAO reviewed that were awarded before the 2021 fuel leaks were competitively awarded. After the 2021 fuel leaks, the Navy awarded all six of the contracts GAO reviewed noncompetitively, in part to address urgent safety or environmental concerns, improve facility operations, and identify needed maintenance and repairs. After DOD decided to close Red Hill, DOD shifted its focus to completing the repairs needed to defuel and ultimately close the facility, as currently planned, in June 2028.

DOD oversaw its contractors using various mechanisms, such as unscheduled site visits. After a contractor unintentionally released a hazardous firefighting substance in November 2022, the Navy took additional steps to address the situation. For example, the contractor was not allowed back on-site, with some exceptions. When the contract expired, the Navy awarded a new contract to a small business owned by a Native-Hawaiian Organization that was familiar with the Red Hill facility.