



FRIDAY MAILING

6/20/97

INCLUDED IN THIS MAILING ARE:

- Announcements
- Draft Agenda for July 9th Task Force Meeting
- Memorandum from Gene Willeke re Recommendations on Path Forward for Silos 1 and 2
- Revised Summary of Results of Independent Review Team
- Maps: Location of On-Site Disposal Facility and Relocated North Entrance and North Access Road Alternate Routes
- Newsclippings

ANNOUNCEMENTS:

- DOE PUBLIC MEETING:** There will be a DOE Public Meeting on Tuesday, June 24, 1997, to discuss Waste Placement Issues for the on-site disposal facility at 7:00 p.m. in the Alpha Building, Classroom B.
- EFFICIENCY COMMITTEE MEETING:** The inaugural meeting of this new Task Force committee will take place on Monday, July 7, 1997, at the Uno Building from 7:00 p.m to 9:00 p.m. Briefings will be presented on federal budgeting, the FEMP baseline, optimization efforts associated with the baseline, etc. The committee will have an opportunity to develop a problem statement and begin a work plan to address it.
- RECYCLING METHODOLOGY PUBLIC WORKSHOP:** The final installment in the series of recycling workshops will take place on Tuesday, July 8, 1997, at the Alpha Building, Classroom B. This meeting will respond to stakeholder input on the Draft Final Recycling Methodology, recently made available for public comment.
- TASK FORCE MEETING:** The next full Task Force Meeting will be held on Wednesday, July 9, 1997, at 6:00 p.m. in the Alpha Building.

QUESTIONS:

Please call John at [REDACTED] or Doug at [REDACTED] with questions or concerns. You may also fax or e-mail us at:

John FAX: 281-3331 E-MAIL: john.applegate@law.uc.edu
 Doug FAX: 648-3629 E-MAIL: [REDACTED]



FRIDAY MAILING

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ANNOUNCEMENTS (Continued):

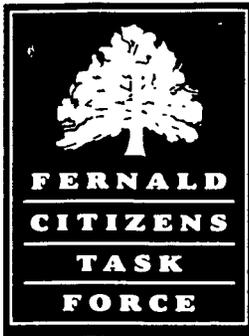
Please note correction!

- ❑ **PUBLIC INVOLVEMENT WORKSHOP:** DOE-FEMP will hold this workshop in response to requests from stakeholders, and will discuss what is envisioned for public involvement in the future, as well as answering questions and obtaining input from the attendees. The meeting will take place **Monday, July 14, 1997**, at the Alpha Building.
- ❑ **ACCELERATED CLEANUP PLAN VIDEOCONFERENCE:** On Tuesday, July 22, 1997, there will be a videoconference between Al Alm and stakeholders to discuss the recently released ACP discussion draft. This will take place in the Health and Safety Building, Room 111, from 7:00 p.m. to 9:00 p.m.
- ❑ **COMMUNITY REUSE ORGANIZATION:** There will **not** be a CRO meeting in the month of July. Individual committees will meet, but the regularly scheduled full CRO Board will not meet again until August. In addition, please note that CRO now has a message line at 648-4168, which has recordings of the latest news and changes in CRO meetings. If you have any questions, you can also leave a voice message, and someone associated with CRO will return your call.
- ❑ **DOE ACCELERATED CLEANUP PLAN:** The Draft Discussion version of the DOE Complex-Wide Accelerated Cleanup Plan was formally released to the press and to the public on Thursday, June 12, 1997. An audio news conference, with members of the press calling in with questions from across the DOE Complex, was held at 2:00 p.m. on the 12th. Public Affairs personnel in DOE -FEMP and FDF also mailed a copy of the plan to each member of the Fernald Citizens Task Force on the same day as its public release. Release of this draft discussion form of the document puts into motion a 90-day comment period designed to gather stakeholder input, and you are encouraged to review the document and respond to DOE.

QUESTIONS:

Please call John at [REDACTED] or Doug at [REDACTED] with questions or concerns. You may also fax or e-mail us at:

John FAX: 281-3331 E-MAIL: john.applegate@law.uc.edu
Doug FAX: 648-3629 E-MAIL: [REDACTED]



BI-MONTHLY MEETING DRAFT AGENDA

July 9, 1997

Alpha Building, 10967 Hamilton-Cleves Highway, Harrison, OH

5:30 p.m.	Dinner (optional)
6:00 p.m.	Call to Order
6:00-6:15	Chair's Remarks and Task Force restructuring
6:15-6:30	Committee Reports
6:30-7:00	Silos Path Forward
7:00-7:30	Update on DOE Accelerated Plan
7:30-8:00	Summary of Final WMPEIS
8:00-8:15	Opportunity for public comment
8:15-8:30	Wrap-up



MEMORANDUM

TO: Jack Craig
 CC: Task Force Members
 FROM: Gene Willeke
 DATE: 6/11/97
 RE: Recommendations on Path Forward for Silos 1 and 2

The Waste Management Committee of the Fernald Citizens Task Force met on June 9 to discuss the three options developed by DOE for the reevaluation and new Record of Decision for Silos 1 and 2. Our understanding of the three options is as follows:

- 1) **Revise Existing Feasibility Study.** FDF would use new information from the pilot plant and IRT process to update the feasibility study. A single technology would be selected in the new ROD. Following the ROD, multiple vendors would be selected to conduct proof of principle studies on the selected technology. This information would then be used to solicit and select the final vendor.
- 2) **Proof of Principle prior to ROD.** In this case, the proof of principle process would involve multiple vendors evaluating multiple technologies. This information would then be used to evaluate alternative technologies before selecting a single technology in the ROD.
- 3) **Generic ROD.** The ROD in this case would stipulate a generic stabilization process be used to achieve specific performance objectives. The proof of principle would be performed by multiple vendors on multiple technologies and the results used to select both the actual technology and the vendor without a subsequent procurement.

In all three cases, FDF will conduct a preliminary screening of technologies to identify the three to four most promising. Also in each case, the selected vendor will be required to conduct proof of process to ensure its technology will meet the waste acceptance criteria prior to full scale production.

After thorough discussion and evaluation of the three options with DOE, EPA, OEPA, and FDF, the Waste Management Committee unanimously endorses Option 2 as the best path forward for the site and its stakeholders. Option 2 provides the best combination of the latest information and stakeholder involvement. Option 1 does not provide the addition of crucial market knowledge before tying the site to a single technology in the ROD. Option 3 does not provide room for stakeholder input following the proof of principle process, leaving the remedy selection in the hands of procurement specialists and not DOE decision-makers, regulators, and stakeholders where it belongs.

In implementing option 2, the Waste Management Committee has several suggestions for improvement. First, make sure that performance criteria are clearly spelled out in the proof of principle procurement and that there is sufficient stakeholder input to that process. Second, the ROD should include a statement that allows the automatic selection of an alternate technology should the chosen technology fail the proof of process. This will avoid the need to conduct yet another long administrative process should we find ourselves in a similar situation in the future. Thank you for providing the opportunity for input by the Fernald Citizens Task Force. If you have any questions, please do not hesitate to call me or Doug Sarno.

Descriptions of Three Options Evaluated by DOE for Path Forward on Silos 1 and 2

Initial Screening (Paper Study Conducted by FDF)

Screening Will Result In 3-4 Technologies



Option 1

(Update FS)

Detailed Evaluation
of Technology by FDF
with Outside Oversight

Takes into Account All
New Information From
Pilot Plant, IRT Process
and Value Engineering
Report



ROD Selects Single
Technology



Multiple Vendors
Selected to Conduct
Proof Of Principle
on Single Technology



RFP Results in
Vendor Offers for the
Chosen Technology



Chosen Vendor Conducts
Proof of Process
Before Full-Scale
Production Begins

Option 2

(Proof of Principle before ROD)

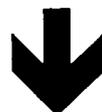
Multiple Vendors
Selected to Perform
Proof Of Principle
on All 3-4
Technologies



FDF Use POP results
to Select Single Tech.



ROD Identifies
Single Technology



RFP Results In
Vendor Offers for the
chosen Technology

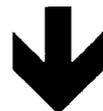


Chosen Vendor Conducts
Proof of Process
Before Full-Scale
Production Begins

Option 3

(Generic ROD)

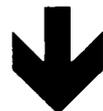
ROD Specifies a Generic
Solidification Technology
to Meet Specific
Performance Criteria



Multiple Vendors
Selected for Proof
Of Principle on All
3-4 Technologies



Both Technology and
Vendor Selected Based
on Proof Of Principle



Chosen Vendor
Conducts Proof of
Process Before
Full-Scale Production
Begins

The version of this report distributed in the 5/23/97 mailing was incorrect. We incorrectly stated that the majority eliminated Alternative III based on the ability of high lead contents in waste from Silos 1 and 2 to cause precipitation in the cementation process. Please excuse this error.

RESULTS OF THE INDEPENDENT REVIEW TEAM

The Independent Review Team (IRT) was convened in November 1996 to assist and advise FDF, DOE, stakeholders and regulatory personnel in recommending a path for the disposal of wastes in Operable Unit 4 (OU4) contained in Silos 1,2, and 3. The IRT originally consisted of nine members with a wide variety of experience in disposal issues, with two more team members added later that had specific experience in cementation. The IRT considered three alternatives for disposal of the wastes:

- Alternative I - Vitrify the wastes from all three silos
- Alternative II - Vitrify wastes in Silos 1 and 2, while stabilizing Silo 3 wastes
- Alternative III - Stabilize all wastes

Because all eleven members were unable to come to a unanimous decision on the issue, two reports were produced by the IRT, one reporting the findings of the majority, and the other reporting the findings of the minority.

SUMMARY OF THE FINAL MAJORITY REPORT FOR THE SILOS PROJECT INDEPENDENT REVIEW TEAM

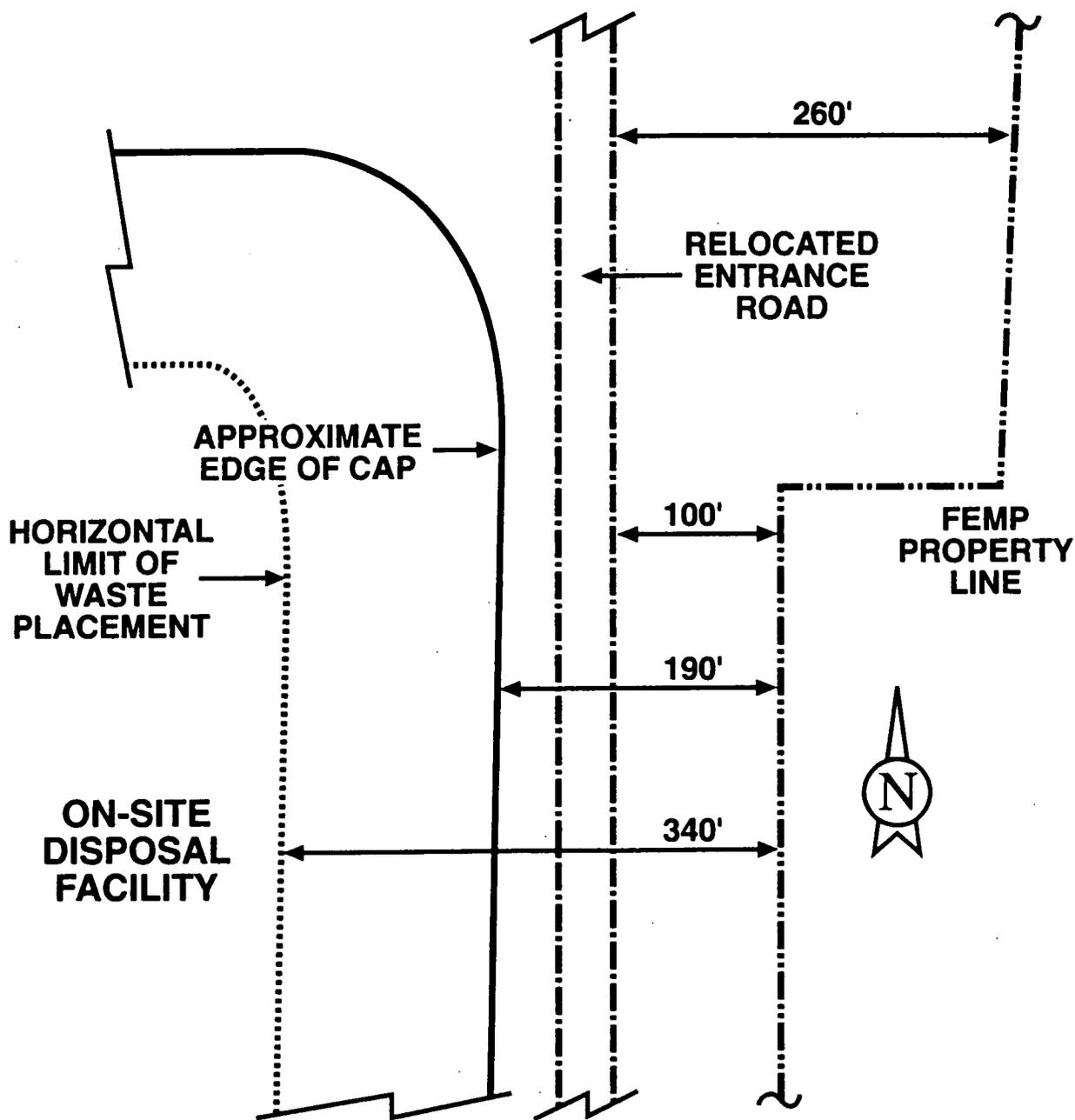
Considering the alternatives for disposal of the wastes and the goal of immobilizing these wastes as safely, efficiently, and cost effectively as possible, the group majority concluded that Alternative II presented the best plan for the wastes stored at the Fernald site.

This result was based on various lines of reasoning. Silo 3 waste has a high sulfate concentration and, since sulfate has low solubility in glass, vitrification is an impossibility for Silo 3 waste, eliminating Alternative I from consideration. The vitrification process keeps radon levels in waste from Silos 1 and 2 at a minimum, as well as reduces the amount of material to be transported, and the concurrent costs associated with that transport. Alternative II also meets current regulatory commitments and would provide the best alternative for the stakeholders involved. The majority of the IRT, however, recommends that the implementation of Alternative II be done by a turnkey subcontractor who has experience in vitrification and who has worked with DOE before. Cementation of wastes for all three silos was suggested as a contingency plan if the implementation of Alternative II is not successful. Six of the IRT signed the majority report.

SUMMARY OF THE FINAL MINORITY REPORT FOR THE SILOS PROJECT INDEPENDENT REVIEW TEAM

In contrast to the majority opinion, the minority opinion is that cementation (Alternative III) is the best method for disposal of wastes in all three silos in OU4. The minority eliminated Alternative I from the list of possible alternatives based on the high sulfate content in the wastes from Silo 3. The minority feels that cementation is the best means of disposal for waste from Silos 1 and 2 because of the increased cost associated with the continuation of vitrification and the unrealistic expectation of finding a turnkey subcontractor that would be able to vitrify sulfate containing raw materials. Significant difficulties accompany the process of vitrification, which FDF was not able to overcome. The minority feels that waste loading during cementation would reduce cost for processing and transportation by reducing the bulk of material transported, countering the majority opinion that cementation would be too expensive. Also, cost analysis of the cementation process did not account for a 24 hours/day, 7 days/week operating schedule for the processing facility. Taking this into consideration would lower the cost estimates beyond those which were considered. Cementation is also a better known technology, and there are known available turnkey subcontractors experienced in cementation. The minority also concluded that vitrification of the waste from Silos 1 and 2 will result in increased gamma radiation from the disposal products, and that the dilution of the radium by cementation will prevent this increased radiation. The minority also suggests that an interim storage facility be present to house wastes in the result of a disruption in transportation. Both groups agree that a complete characterization of wastes is needed. The minority feels that with this characterization, the presence of a high sulfate content in the wastes will prove vitrification to be an impossibility. The minority is of the opinion that, based on cost and goals presented in the ten year plans, cementation is the only alternative for the wastes from all three silos. Five members of the IRT signed the minority report, including the two members who were added to the team for their cementation expertise.

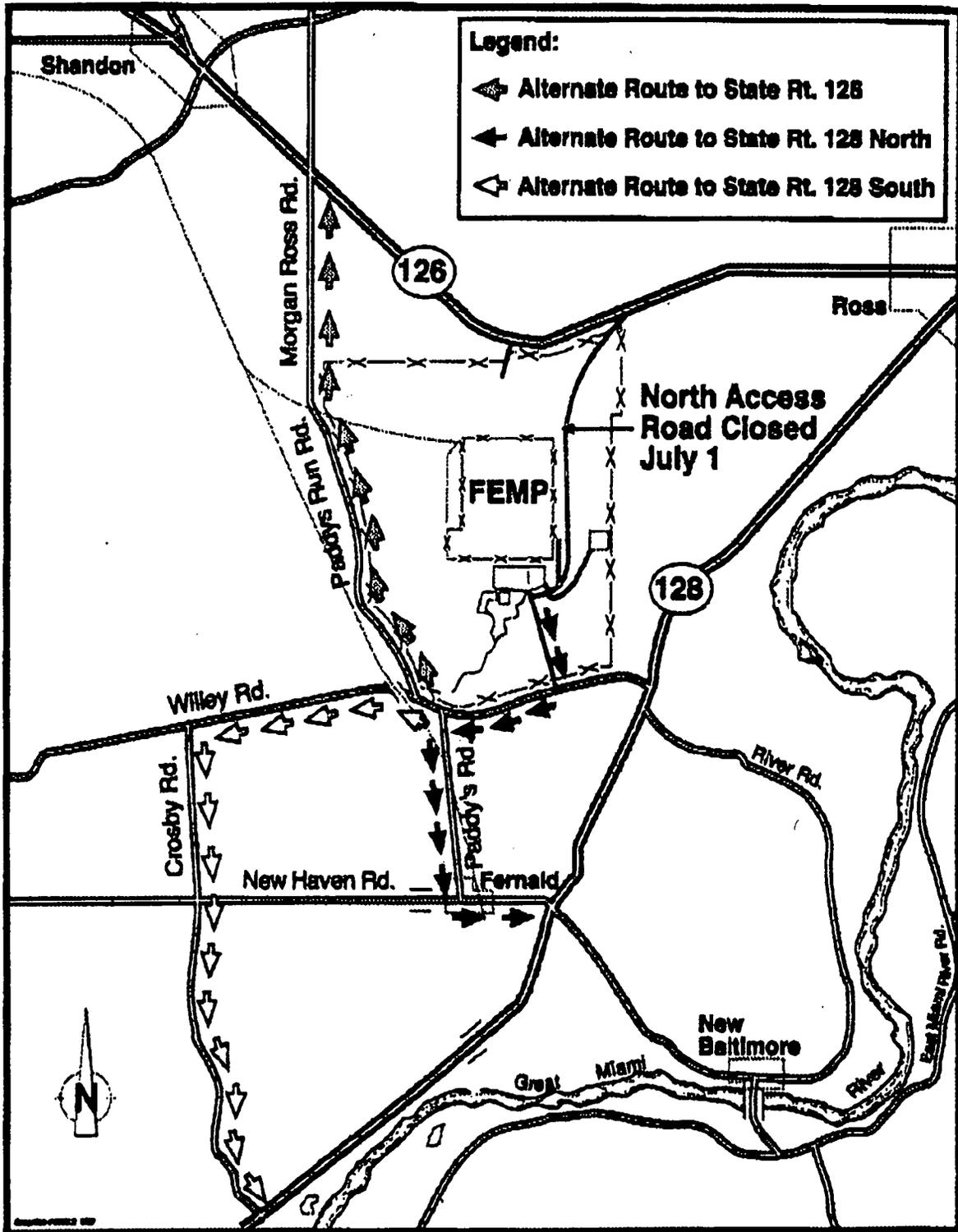
LOCATION OF ON-SITE DISPOSAL FACILITY AND RELOCATED NORTH ENTRANCE ROAD IN RELATION TO FEMP PROPERTY LINE



Note: These measurements represent the minimum distances that will exist following construction of the OSDF.

Note: Drawing not to scale.

The North Access Road Will Be Closed For A Spell, But These Alternate Routes May Work Just As Well.



June 13, 1997

Cincinnati Post

Local, 11A

"Fernald cleanup moved up"

Author: Bill Straub, Post Washington Bureau

Fernald cleanup moved up

Federal plan would finish job by 2005

By Bill Straub

Post Washington Bureau

WASHINGTON — Radioactive material will be removed from the Fernald nuclear plant site by 1999 and groundwater will be restored by 2005 under an accelerated cleanup plan devised by the Department of Energy.

As part of a systemwide proposal released Thursday, the department recommended spending \$6 billion annually between now and 2005 to thoroughly remediate the former weapons plant in Crosby Township that played a vital role in the nation's Cold War buildup, along with 131 other sites in 31 states and one territory.

Cleanup would be "significantly delayed" under an alternate plan that calls for spending \$5.5 billion annually, according to a draft report entitled Accelerating Cleanup: A Focus on 2006, issued by the department to generate public comment.

The package, according to Al Alm, the department's assistant secretary for environmental management, calls for the completing the cleaning of all Ohio nuclear sites tied to the federal government by 2006, including the Mound Plant near Miamisburg, Batelle Laboratories in Columbus and the Portsmouth Gaseous Diffusion Plant, which will continue to operate while waste is shipped off-site.

The deadline for Fernald is complicated by the fact that the department is looking for a company to replace California-based Fluor Daniel, the on-site contractor that failed to comply with required procedures regarding performance and financial systems, according to a General Accounting Office review.

Energy Undersecretary Thomas Grumbly announced in March that Fluor Daniel would be replaced. The change could come this month.

The Fernald cleanup plan calls for construction and operation of an on-site disposal facility, decontamination and decommissioning of buildings, soil excavation and the transfer of waste to a storage facility in Nevada.

Remaining nuclear material, uranium, enriched uranium and depleted uranium, should be removed by 1999. Groundwater and the Little Miami aquifer are expected to be restored by 2005.

June 16, 1997

Journal News

Opinion, A6

"Don't break cleanup promises"

Don't break cleanup promises

Feds should fund budget accordingly

The federal government shouldn't overlook citizen concerns as it works out the numbers for its national radiation cleanup budgets.

According to the Department of Energy, Congress needs to allocate \$6 billion per year for ongoing cleanup efforts at more than 160 sites nationwide, including the former Fernald uranium processing plant in Butler County.

This may just represent the typical budget wars of Washington, with the DOE "warning" that it needs the \$6 billion for cleanup in an effort to protect its share of the federal pie.

With federal money getting tighter over time, we can understand that Congress might be looking to see if it's cost effective to extend the cleanup deadlines to allocate the money to different needs today.

In the case of Fernald, for example, the original cleanup timetable was 20 years and \$12.2 billion. Under the accelerated schedule, the job was due to be finished by 2005 at a cost of \$4.8 billion.

We suspect Fernald residents have probably resigned themselves to the fact that the cleanup isn't going to proceed that efficiently. Already, problems with the pro-

posed vitrification project — turning radioactive waste into glass pellets — have created a delay.

But we believe the feds should think long and hard about taking advantage of the public's patience by prolonging these cleanups by too great a time frame. These are, after all, environmental blights created by the government, and the government should accept the responsibility that these cleanups are a high-priority item.

According to the DOE, the current budgetary allocation of \$5.6 billion per year for cleanup purposes just won't get the job done by 2006. That's still a big chunk of change, yet that failure would represent a broken promise on the part of the federal government.

Sen. John Glenn, D-Ohio, has for several years placed the maintenance of appropriate cleanup budgets at the top of his agenda. But Glenn is retiring after 1998, and there will still be many years to go on the cleanup. Who is going to take up the budgetary cause then?

We are not questioning the importance of the nuclear weapons program and other research that caused this damage — only urging continued commitment in carrying out the cleanups. When you create a mess, you clean it up — and you don't let it linger any longer than necessary.

June 16, 1997

Weapons Complex Monitor

Page 13

"\$400,000 saved through accelerated cleanup"

823

AT FERNALD \$400,000 SAVED THROUGH ACCELERATED CLEANUP

DOE officials at Fernald are claiming \$400,000 in direct cost savings for repackaging 5,600 degraded drums of radioactive thorium waste 10 months ahead of schedule. Thorium residues at the site have been an ongoing concern of stakeholders and regulators, but Regional EPA

Superfund Director William Muno was pleased with Fernald's "aggressive remediation" effort. DOE Fernald Environmental Management Project Director Jack Craig added that productivity enhancements in the project reduced worker exposure rates to less than half the original estimate.

June 16, 1997

Weapons Complex Monitor

Page 13

"Mixed legacy waste results in overpressurization"

AT FERNALD MIXED LEGACY WASTE RESULTS IN OVERPRESSURIZATION

After a Fernald worker reported hearing a loud pop while walking past a warehouse at 1:00 in the morning, an emergency response team discovered that the lid on a large metal storage container packed with low-level legacy waste had popped due to overpressurization. The container held five open drums of waste and the poured contents of 14 other drums. "Up until now we've had lots large enough not to have to blend waste when preparing it for transportation and storage," said DOE's Associate Director of Safety Assessment David Kozlowski. "We're reaching the end of legacy waste so there's smaller lots to deal with."

Fluor officials have stopped mixing different lots of legacy waste until contents can be analyzed to prevent future accidental blending of incompatible materials resulting in dangerous rapid exothermic reactions. The packaging procedure at Fernald calls for lids on drums to be removed as long as the larger overpack container is ventilated. Normal ventilation, however, was not enough to prevent the lid from popping off the container holding waste from different lots. Kozlowski said the warehouse is used as a staging area for waste enroute to the Nevada Test Site.

Fernald firm settles for \$8.4 million

Engineer's suit accused Fluor of bilking U.S.

BY MIKE GALLAGHER
The Cincinnati Enquirer

Fluor Daniel Fernald has agreed to pay \$8.4 million to settle a federal whistleblower lawsuit that alleged the company bilked taxpayers out of more than \$92 million in the cleanup of Fernald.

The settlement is the largest in history for a whistleblower case

that was litigated by private attorneys and not the U.S. Justice Department, according to Justice Department officials.

Judge S. Arthur Spiegel approved the settlement Thursday evening after lawyers for Fluor Daniel Fernald, the U.S. Justice Department and whistleblower William Watt signed it.

Mr. Watt, 59, of Augusta, Ga., a former Fluor Daniel Fernald project control engineer, filed a federal False Claims Act and retaliation lawsuit Dec. 6, 1993. He alleged the company "committed fraud" between 1992-95, by creating phony financial and performance reports that hid wrongdoing such as:

▶ Charging materials, design

work, labor and administrative costs to unauthorized government control and charge accounts.

▶ Submitting false claims for millions of dollars on behalf of companies that teamed up with Fluor Corp. — Fluor Daniel Fernald's parent company, to obtain the Fernald contract.

▶ Improperly allowing travel advances to various employees.

▶ Charging the government for unapproved or unallowed ex-

penses. The company has charged the government more than \$1 billion since it was awarded the five-year, \$2.5 billion contract in 1992 to manage the cleanup at the former uranium-processing plant.

▶ Preparing a 1993 plan for cleaning up Fernald that was filled with phony data and later rejected by the Energy Department as unworkable.

▶ Failing to meet minimal accounting standards or adhere to

government accounting regulations resulting in inflated charges to the Energy Department.

▶ Retaliating against Mr. Watt because he spoke out against and tried to stop the "fraudulent abuses by (Fluor Daniel Fernald)."

Mr. Watt, in an earlier interview, said he resigned from the company in January 1995 because he could not abide by the "blatant

(Please see FERNALD, Page A4)

06/20/97 07:19 PUBLIC AFFAIRS → DOUG SARNO

June 20, 1997
Cincinnati Enquirer
Front Page, above fold
"Fernald firm settles for \$8.4 million"
Reporter: Mike Gallagher

Fernald: Firm settles for \$8.4M

CONTINUED FROM PAGE A1

fraud and wrongdoing being practiced on a regular basis by (Fluor Daniel Fernald)."

Had the whistleblower case gone to trial under the federal False Claims Act, Fluor Daniel Fernald officials could have been ordered to pay triple damages — \$276.6 million — if a judge or jury had found them liable.

In signing the agreement, neither Fluor Daniel Fernald nor its teaming partners (Haliburton NUS, Jacobs Engineering and Nuclear Fuel Services Inc.) admitted to any wrongdoing at Fernald.

Mr. Watt's Cincinnati lawyers — Stanley Chesley, Phyllis E. Brown and W.B. Markovits — issued a statement Thursday, saying:

"Bill Watt feels that the settlement vindicates his charges brought against Fluor on his own behalf and on behalf of U.S. taxpayers. He hopes this sends a message that there needs to be greater government oversight of its contractors."

As part of the settlement, Fluor Daniel Fernald insisted that Mr.

Watt's lawyers be prohibited from holding a news conference to discuss the settlement.

Fluor Daniel Fernald President John Bradburne, in a written press release Thursday, said: "This finally brings an end to a very disturbing attack on the integrity of our operations. We have vigorously investigated these claims, found no wrongdoing and spent nearly \$2 million in our defense."

Mr. Bradburne said the company decided to settle "because (it) was becoming far too costly to litigate and had become a distraction to the company's principal mission, namely the safe cleanup of the Fernald site."

Mr. Bradburne also cited adverse publicity about Fernald as another factor in the company's decision. He added that Fluor and its teaming partners would jointly pay the settlement.

In a series of articles since February 1996, *The Enquirer* revealed financial mismanagement by Fluor, lack of government oversight and other problems in the cleanup. As a result of the articles, the U.S. Government Accounting Office investigated the project. In

May, the Energy Department stripped Fluor of a major part of the project, citing findings of the GAO that confirmed *The Enquirer* reports.

Under the agreement, obtained by *The Enquirer*, the \$8.4 million will be divided as follows:

► \$1.7 million off the top will go to Mr. Watt's lawyers for fees and expenses.

► Mr. Watt will receive \$3 million for the retaliation portion of the lawsuit.

► Of the remaining \$3.7 million, the government will take 71 percent, or approximately \$2.6 million, as its portion because the case was filed as a federal False Claims Act. Under law, the federal government is entitled to a portion of any money awarded in a False Claims Act brought against a federal agency. Simply stated, Mr. Watt filed his lawsuit on behalf of the taxpayers and the federal government.

► Mr. Watt will receive an additional \$1.073 million, (or 29 percent) of the \$3.7 million as his share of the False Claims Act portion of the settlement. Mr. Watt will share a part of his total award

with individuals who assisted in the case, according to his lawyers.

As part of the final settlement, Fluor and its teaming partners agreed not to try to get the \$8.4 million reimbursed to them, directly or indirectly, from any federal agency or department.

However, in a related development, a U.S. Department of Energy lawyer told Judge Spiegel that it would be virtually impossible for the department to know whether Fluor or its teaming partners try to recover the \$8.4 million costs from taxpayers by incrementally billing the cost back to the department through various invoices.

The Energy Department lawyer, Beth Osheim, made the comment on June 12 during a meeting in a telephone conversation with Judge Spiegel in the presence of the lawyers, according to case records. Judge Spiegel angrily chastised Ms. Osheim for the Energy Department's inability to provide adequate oversight at Fernald and protect taxpayers' money, the case records show.

June 20, 1997

Journal News

Front Page, above fold

"Fluor Daniel settles suit for \$8.4 M"

Reporter: Journal News staff report



823

Fluor Daniel settles Fernald lawsuit for \$8.4 million

Journal-News staff report
CINCINNATI

Fluor Daniel Fernald has settled for \$8.4 million a lawsuit filed by a former employee who accused the company of financial misconduct in connection with cleanup operations at the former Fernald uranium processing facility.

William T. Watt, a former Fairfield resident, filed suit in December 1993 in U.S. District Court in Cincinnati against Fernald Environmental Restoration Management Co., as Fluor Daniel Fernald was then known, and the parent company, Fluor Daniel Corp. of Irvine, Calif.

The lawsuit, filed under the federal False Claims Act on behalf of U.S. taxpayers, claimed damages of more than \$300 million.

Watt charged that FERMCO, selected by the U.S. Department of Energy to oversee the Fernald cleanup, submitted inflated cost estimates and improperly pocketed millions of dollars.

In the settlement announced Thursday, Fluor Daniel Fernald agreed to pay \$3.7 million for the alleged violations, \$1.7 million in attorney fees and \$3 million relating to Watt's separation from the company.

Of the \$3.7 million for the alleged violations, \$2.6 million will be paid to the government as required by law.

Watt will receive about \$4.1 million of the settlement, according to Fluor Daniel spokesman Rick Maslin.

John Bradburne, president of Fluor Daniel, said the company had investigated the claims and found no wrongdoing, but settled the suit for expedience.

"It was becoming too costly to litigate and had become a distraction to the company's principal mission, namely the safe cleanup of the Fernald site," Bradburne said.

Bradburne said the company had spent nearly \$2 million to defend itself. He also cited "inflammatory and highly prejudicial" newspaper articles during the past 18 months as another reason for the settlement.

The Cincinnati Enquirer has published a continuing series of articles alleging wrongdoing in the Fernald cleanup, giving the series an identifying logotype saying "Danger and deceit."

"Pretrial publicity of this kind does not allow for a balanced process," Bradburne said.

Phyllis Brown, a Cincinnati attorney representing Watt, characterized the settlement as a vindication. High-profile attorney Stanley Chesley of Cincinnati also represented Watt.

"Mr. Watt feels that the settlement vindicates the charges against Fluor filed on behalf of the U.S. taxpayers," Brown said. "He hopes that it results in closer government oversight of its contractors."

Watt, who now lives in Augusta, Ga., left FERMCO in January 1995. As a senior project management specialist, he was involved in the planning and scheduling work in his operating unit.

The federal government could have intervened in the case but elected not to do so.