



## FRIDAY MAILING

5/22/98

### INCLUDED IN THIS FRIDAY MAILING:

- Approved Minutes of the March 14, 1998, Fernald Citizens Advisory Board Meeting
- Resolutions from the Cities of Las Vegas and Boulder City on the Transport of Low-Level Waste
- Newsclippings

### CAB MEETINGS:

- OFF-SITE COMMITTEE MEETING:** The Off-Site Committee of the Fernald Citizens Advisory Board will meet on Wednesday, June 10, 1998, at 6:00 p.m. The location is to be announced.
- ON-SITE COMMITTEE MEETING:** The next meeting of the On-Site Committee of the Fernald Citizens Advisory Board will be on Wednesday, June 10, 1998, at 7:30 p.m. The location is to be announced.
- EFFICIENCY COMMITTEE MEETING:** The Efficiency Committee of the Fernald Citizens Advisory Board will meet on Thursday, June 11, 1998, at 6:30 p.m. The location is to be announced.

### OTHER MEETINGS:

- COMMUNITY REUSE ORGANIZATION:** The next meeting of the CRO will take place on Tuesday, June 2, 1998, at 6:30 p.m. in the Ross High School Media Center, 3425 Hamilton-Cleves Highway.
- MONTHLY PROGRESS BRIEFING:** The June Monthly Progress Briefing will be held on Tuesday, June 9, 1998, at 6:00 p.m. in the Alpha Building, 10845 Hamilton-Cleves Highway.

### 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: <a href="mailto:john.applegate@law.uc.edu">john.applegate@law.uc.edu</a>
Doug	Fax: 648-3629	E-Mail: [REDACTED]



## Minutes from the March 14, 1998 Meeting

*Chair*  
John S. Applegate

*Vice Chair*  
James C. Bierer

*Members*  
Marvin W. Clawson  
Lisa Crawford  
Pamela Dunn  
Constance Fox, M.D.  
Darryl D. Huff  
Dan McElroy  
Robert G. Tabor  
Dr. Thomas E. Wagner  
Dr. Gene E. Willeke

*Ex Officio*  
L. French Bell  
Jack Craig  
Gene Jablonowski  
Graham Mitchell

The Fernald Citizens Advisory Board met from 8:40 a.m. until 12:06 p.m. on Saturday, March 14, 1998, at the Alpha Building, 10967 Hamilton-Cleves Highway, Harrison, Ohio. The meeting was advertised in local papers and was open to the public.

### Members Present:

John Applegate  
Jim Bierer  
Marvin Clawson  
Lisa Crawford  
Jack Craig  
Pam Dunn  
Jane Harper  
Darryl Huff  
Gene Jablonowski  
Dan McElroy  
Graham Mitchell  
Robert Tabor  
Thomas Wagner  
Gene Willeke  
Ray Wurzelbacher

### Members Absent:

French Bell

Designated Federal Official Present: Gary Stegner

### Staff Present:

Tereza Marks  
Crystal Sarno  
Douglas Sarno

Approximately 7 spectators also attended the meeting, including members of the public and representatives from DOE and Fluor Daniel Fernald.

**1. Call to Order**

Chair John Applegate called the meeting to order at 8:32 a.m.

**2. Announcements and New Business**

Minutes from the January 17, 1998, meeting were noted as being approved.

Applegate welcomed Ray Wurzelbacher to the Board. Wurzelbacher is a member of the Ross Township Board of Trustees. He also welcomed Leah Dever, now head of the Ohio Field Office. Dever explained to the Board that she grew up in western Pennsylvania and spent 13 years in D.C., spending six of those years at DOE Headquarters. She then went to work at the Nevada Operations Office where she managed the Environmental Operations Program. She noted that when the Nevada Community Advisory Board was started, they looked to Fernald as an example.

Applegate stated that part of this meeting would be videotaped since there has been no recent videotape of the Citizens Advisory Board in action.

Connie Fox has retired from the Board due to other commitments. The Board expressed its gratitude to Fox for her outstanding service.

Applegate announced that he will also be retiring from the Board. He has accepted a position at Indiana University and will no longer be a resident of Ohio. Since he is resigning, a procedure needs to be developed for finding and electing a new Chair. Jim Bierer is the obvious choice for a Chair as he is currently the Vice Chair. The Steering Committee made two recommendations to the Board: (1) that a procedure be established in which the Steering Committee brings a recommendation for Chair and Vice Chair before the Board and (2), following that procedure, that Jim Bierer be nominated as the Chair. Bob Tabor made the motion that a procedure be established in which the Steering Committee brings recommendations for the Chair before the Board. Tom Wagner seconded the motion. The vote was unanimous in favor. Bob Tabor made the motion that Jim Bierer be appointed Chair. Lisa Crawford seconded the motion. Bierer was unanimously elected Chair. Applegate suggested the Board consider candidates for Vice Chair and that action be taken for nominating a Vice Chair at the May CAB meeting.

The Nevada CAB is still going to hold a Low-Level Waste Forum. However, the forum has been delayed from early April until late May. The Nevada CAB has been very responsive to Fernald's offer to help with the conference. Fernald hopes to have a strong presence at the conference. Dale Shutte, Chair of the Nevada CAB, will be in Fernald on Tuesday, March 17.

**3. Corrective Action Plan**

At the last meeting, the Board sent a letter to DOE expressing specific concerns about the leaking white metal boxes. Jack Craig presented the general ideas outlined in the Corrective Action Plan, which should address many of the CAB's concerns. Craig handed out a flow chart outlining the steps involved in approving the Corrective Action Plan. Two things have happened since February: Fluor Daniel Fernald responded to the Type B Investigation with a draft report and DOE-FEMP submitted a draft response. Craig will have the plan to DOE-Ohio by March 23rd. The Nevada office will also receive copies. The plan will need to be approved by the Assistant Secretary of Environmental Management.

The acquisition and approval processes will be improved as a result of the white metal box incident. There are going to be substantial systems changes. From now on, both a QA person and an engineer will sign off on any changes to design. Any time there is a waiver on project quality assurance, an engineer and contract manager will have to agree to it.

DOE-FEMP is going to readdress sending this material to Nevada; the waste may not need to be shipped. They are also obtaining better information about the absorbents. Adding absorbent is not treatment. Perhaps a waste containing that much moisture should be treated on site and possibly even solidified. DOE also wants redundant systems in place. Currently DOE-FEMP is working closely with the Nevada office; they will be meeting with them at the end of the month and will have a representative at the April Nevada CAB meeting. DOE will ship dry materials from the site first before shipping more moist waste.

The WCS Injunction is preventing DOE from awarding a contract to dispose of waste at a commercial facility. A hearing is scheduled for April 6th. No alternative to NTS exists at this time. Although DOE is self-regulated, it has chosen to require state licenses.

Bob Tabor asked, if the WCS injunction is not resolved and commercial disposal of the OU1 wastes cannot occur, will the waste be able to go to Nevada by rail. Craig says they have tried to look at possible alternatives for disposal of this waste. The ROD would have to be changed because it specifies commercial disposal. Shipping the waste to NTS would add over \$400 million to the cost of the project, and it is currently not possible to send waste by rail. Another alternative would be to ship the waste to Hanford. However, Hanford does not have rail access right now and the state of Washington does not want to the waste sent there. This alternative would also result in significant cost and schedule impacts.

Jane Harper asked if this waste could end up in the On-Site Disposal Cell. This material exceeds the site waste acceptance criteria. Not only would the ROD have to be changed in this case but also the public would have to agree to the change. In the worse case scenario, the whole project would be put on hold.

Lisa Crawford would like to see work on the Waste Pits continue even though there is a chance that it cannot be completed. Craig stated that they would continue with the contract as if the first waste shipments will be made in March of 1999. The contract will be halted next March if there is not a decision from the courts. If the contract is terminated, there will be contract termination costs.

Applegate suggested that the committees monitor progress on the injunction. Craig suggested that the injunction be put on the agenda for the May meeting. Tabor suggested embarking on a campaign to get people involved.

Applegate was then asked to give a brief overview of the appeals process. The time between a decision and an appeal is normally about a year. The government has gotten the court to hear the appeal in a much shorter time frame. Applegate has read the DOE argument to the court of appeals and indicated that it is well written and explains both what is wrong with the lower court's decision and the effects of the decision. It is conceivable that the appeals court could reach a decision within a month. The appeals court could decide that the original judge was completely wrong and overturn the decision. The court could also allow DOE to continue to ship wastes until the case is decided, or the court could ask the judge to rethink his previous decision.

Tom Wagner asked why the previous leaks in the white metal boxes did not indicate to the department that there was a problem. Craig stated that the original inquiry focussed on the

absorbents and not on the boxes. Also, leaks contained inside the trailer were not that big of a deal in Nevada. Fernald was relying on Nevada's reactions to determine if their approach was right or wrong. The notification and approach processes have been improved. Wagner also pointed out that the first leaks were not pointed out to a large group of people.

Wagner then asked Craig for the status of the Nevada Intermodal Transport Study. Craig stated that he would find out for Wagner.

There is a need to communicate clearly and freely on waste transportation issues to the public. Willeke wondered if the CAB should focus some of its attention on communication with the public. The emergency response people might be easier to reach than the general public. There was some discussion on whether addressing the public was an issue for the CAB to consider.

### **3. Review of Past Recommendations**

Each member of the CAB was provided with a chart of recommendations made by the CAB. The 1995 Recommendations are the recommendations contained in the July 1995 report. The 1995 recommendations on site remediation levels and waste disposition have been followed. Recommendations on priorities for remediation have received a mixed response. These recommendations call for a shift in the overall approach to remedial actions. Craig stated that there has been a shift in the way work is done on site. Work is being divided into projects each of which has a cost, plan, and schedule. FDF is still trying to reduce mortgage costs, but some progress is being made.

Tabor, who works at the site, said that things have really improved. Moving to a project base has really helped; safety is being maintained and things are done more efficiently. However, he has some concerns regarding ongoing maintenance.

Plant 2/3 is currently undergoing safe shutdown. Plant 9 is being demolished. Plant 5 safe shutdown has been completed and the building is ready for demolition. Safe shutdown is being planned for Plant 6. These projects could be completed quicker if more employees were involved; however, FDF has decided to do the job with fewer employees and so it will take a little longer. Craig stated that he would examine each of these recommendations and attach dollar amounts of savings that have occurred. The efficiency committee will track these recommendations.

In 1997, the CAB made a request to DOE to "provide a detailed analysis comparing effectiveness of vitrification and cementation, risks of transportation, and compliance of waste acceptance criteria" for Silos 1 and 2 wastes. Craig said that this information would be provided as part of the procurement process.

Bierer said that the Natural Resource Restoration Plan's early action to contour and plant the buffer zone had been submitted to DOE in February, but no response has been received. Sarno explained that the trees should be planted concurrent with remediation so that some trees are mature when remediation is complete. Craig said that a plan has been drafted and reviewed by Ohio and the Department of the Interior. He offered to provide Bierer with a flow chart of the review process for the Natural Resource Restoration Plan.

Generally, when requests for information have been made, DOE has responded quickly and thoroughly. The weekly newsletter and monthly progress briefings have been very helpful in keeping stakeholders informed about progress at the site. Applegate reminded the Board members that it is important that they try to attend the monthly progress

briefings. These meetings provide an overview on all the site happenings and discuss a different topic each month. The meeting also provides a chance for CAB members to hear the views of the rest of the public.

Sue Walpole offered to provide Ray Wurzelbacher with copies of past monthly progress briefing handouts.

Crawford requested that a brief presentation on the reinterment of Native American remains be given at the next meeting. Joe Shoemaker has written a book on the subject and things are evolving at the site on this issue. She also requested that Johnny Reising brief the CAB on the FY2000 Priorities List.

Applegate suggested that the CAB review the recommendations annually.

**5. Conflict of Interest Statement**

A conflict of interest statement was put together by the steering committee. The statement reads:

“The CAB will not visit potential vendors, except for existing projects or demonstrations already funded by the federal government. Individual members must make their own judgment on personal trips, but they should make clear with any potential vendor that they do not represent the CAB for these purposes. Members should be aware that by discussing a proposal privately or accepting anything of value from a potential vendor, their objectivity or appearance of objectivity may be compromised.”

Applegate asked for comments and changes from the Board. There were none. Tabor made a motion that the statement be adopted as drafted. Bierer seconded the motion. The statement was unanimously approved. The statement will be added to the bylaws/groundrules.

**6. 1998 Priorities and Schedule**

The CAB has adopted a new committee structure. Since DOE is holding monthly meetings to update people on activities at the site, the Board wants to have its committee meetings during the same week. The schedule through September would be:

<u>DOE Meeting</u>	<u>Committee Meetings</u>	<u>FCAB Meeting</u>
April 14	April 13 and 15	
May 23	May 13 and 14	May 16
June 9	June 10 and 11	
July 14	July 16	July 15
September 8	September 9 and 10	September 12

On April 1, there will be a public meeting on the Silos project. At the April 14<sup>th</sup> Monthly Progress Briefing, the topic of the month will be the Corrective Action Plan.

Sarno then asked members of the CAB if they were happy with their committee assignments. Members of other organizations were also encouraged to join the committees. A discussion ensued to outline the priorities and areas of interest for the committees over the next several months. The results were as follows:

6

Off-Site Committee

Members: Tom, Gene, Marvin, Darryl, Pam, Bob, Sandy, and Lisa

Topics:

- WCS Injunction/Contingency Planning
- Rail Transportation Awareness
- Silos
- Special Nuclear Materials
- Status of Intermodal Transport
- Corrective Action Plan

On-Site Committee

Members: Pam, Jim, Jane, Edna, Carol, and Bob

Topics:

- Native American Burials
- Copper Recycling
- Aesthetic Barriers
- Natural Resource Restoration Plan
- Land Use
- Sitewide Excavation Plan
- OSDF
- Environmental Monitoring
- Groundwater

Efficiency Committee

Members: Lisa, Bob, Dan, Ray, Pam, and Vicki

Topics:

- Special Nuclear Materials
- 95 Priorities Recommendations
- 2000 Budget Priorities
- Closure Report
- Special Nuclear Materials
- Mortgage Reduction/Savings
- Corrective Action Plan

All three committees will meet in April. The Off-Site Committee will meet on April 13 at 6:30 p.m. to discuss WCS Injunction, Silos, Special Nuclear Materials, and the White Metal Box Corrective Action Plan. The On-Site Committee will meet on April 15 from 6:30 to 7:30 p.m. to have a briefing on the Natural Resource Restoration Plan, the Sitewide Excavation Plan, and D & D. The Efficiency Committee will meet on April 15 from 7:30 to 9:00 p.m. to discuss the closure report and the corrective action plan. The Efficiency Committee will also schedule a conference call in a week or so to develop recommendations on the FY2000 Priorities List.

Sarno suggested that the committee meetings be announced during the Monthly Progress Briefings. He also explained that the lease on the Jamtek Building will be up in July so the CAB will have to find another location for committee meetings.

**7. Committee Updates**

**Natural and Cultural Resources Committee:** The committee has had no recent meetings. They are monitoring the progress of the Supplemental Environmental Projects for OU4 Dispute Resolution. Three universities are involved in research grants. The wetland mitigation plan has been submitted to DOE.

**Waste Transportation Committee:** The committee has to review and make recommendations on the White Metal Box incidents.

**Monitoring and Recycling Committee:** The committee is currently developing recommendations on copper recycling.

**Waste Management Committee:** The committee has met to discuss the Silos 1 and 2 Proof of Principle Request for Proposal, the Accelerated Waste Retrieval Project, and the Silo 3 RFP. The committee was also involved in a joint workshop with FRESH on procurement practices. The committee is continuing to monitor progress on the WCS Injunction, the Silos Project, and will participate in the low-level waste forum in Nevada.

**Steering Committee:** The steering committee is continuing to work on the low-level waste forum in Nevada.

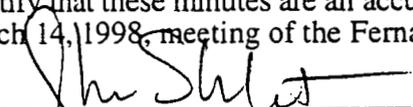
**8. Public Comment**

John opened the floor for public comment. One member of the community thanked John and the CAB for helping the community. Marvin Clawson asked Leah Dever if DOE was computer compliant for 2000. She feels that the Ohio Field Office is in good shape. DOE as a whole, however, is a bit behind schedule. The main concern is that computers dealing with safety will be compliant.

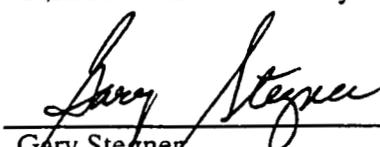
**9. Adjournment**

Applegate adjourned the meeting at 12:06 p.m.

I certify that these minutes are an accurate account of the March 14, 1998, meeting of the Fernald Citizens Advisory Board.

  
\_\_\_\_\_  
John S. Applegate, Chair  
Fernald Citizens Advisory Board

5/16/98  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Gary Stegner  
Designated Federal Official

5/16/98  
\_\_\_\_\_  
Date

1462

# City of Las Vegas

400 Las Vegas Boulevard So.  
Las Vegas, Nv 89101-2986  
(702) 229-6551  
FAX: (702) 385-3128

## RESOLUTION R-40-98

**A RESOLUTION REQUESTING THE DEPARTMENT OF ENERGY TO EXCLUDE THE USE OF HIGHWAY ROUTES OVER HOOVER DAM AND THROUGH THE METROPOLITAN LAS VEGAS VALLEY FOR THE TRANSPORT OF LOW-LEVEL RADIOACTIVE WASTE TO THE NEVADA TEST SITE.**

**WHEREAS, the Nevada Test Site (The Site) is currently used as a site for the final disposal of low-level radioactive waste and is being considered as a Regional or Centralized site for the disposal of low-level radioactive waste from the cleanup of the Department of Energy Weapons Complex; and**

**WHEREAS, the naming of the Nevada Test Site as a Regional or Centralized disposal site for low-level radioactive waste could increase the number of shipments of low-level radioactive waste into Southern Nevada considerably; and**

**WHEREAS, The Department of Energy is proposing to transport much of the waste by rail; and**

**WHEREAS, The Department of Energy is currently preparing an Environmental Assessment to evaluate sites outside the Las Vegas Valley for the transfer of low-level radioactive waste from rail to truck for shipment to the Nevada Test Site; and**

**WHEREAS, according to this determination, the Department of Energy is proposing to institutionalize and encourage the use of the intermodal transfer facility and highway routes outside the Las Vegas Metropolitan Area for the transport of the lowlevel nuclear waste to the Nevada Test Site; and**

**WHEREAS the Environmental Assessment will not result in a decision by the Department of Energy to require all shipments of low-level radioactive waste destined for the Nevada Test Site to avoid Metropolitan Las Vegas, and**

**WHEREAS State and local officials in Nevada contend that the continued transportation of these wastes, particularly over Hoover Dam and through the rapidly growing Las Vegas Metropolitan area, provides a greater opportunity for accidents which not only pose risks to the public health and safety of our citizens, but could also adversely affect the State's tourist-based economy, and**

WHEREAS, the recent incident in Kingman, Arizona among others, illustrates that the potential exists for the release of potentially dangerous material, a problem that could be exacerbated if it occurred on Hoover Dam or in Metropolitan Las Vegas.

RESOLUTION

A RESOLUTION REQUESTING THE DEPARTMENT OF ENERGY TO EXCLUDE THE USE OF HIGHWAY ROUTES OVER HOOVER DAM AND THROUGH THE METROPOLITAN LAS VEGAS VALLEY FOR THE TRANSPORT OF LOW-LEVEL RADIOACTIVE WASTE TO THE NEVADA TEST SITE.

NOW, THEREFORE, BE IT RESOLVED by the City of Las Vegas Nevada, that the City supports the position that the Environmental Assessment must address the use of intermodal transportation in combination with highway routes that avoid entirely Hoover Dam and the Las Vegas Metropolitan area; and

BE IT FURTHER RESOLVED that any transport of low-level nuclear waste by the Department of Energy or their contractors or trucks to the Nevada Test Site must avoid routes over Hoover Dam and through the Las Vegas Valley.

PASSED, ADOPTED AND APPROVED on this 13th day of APRIL, 1998.

BY  
*MICHAEL J. MCDONALD*  
MAYOR PRO-TEM

ATTEST:  
*BARBARA JO RONEMUS*  
CITY CLERK

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Return to the  
Nuclear Waste Project Office  
Home Page

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State of Nevada  
Nuclear Waste Project Office  
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(702) 687-3744 voice  
(702) 687-5277 fax  
[nwpo@govmail.state.nv.us](mailto:nwpo@govmail.state.nv.us) e-mail



# Boulder City Nevada

City Hall, Boulder City  
401 California Ave  
Boulder City, NV 89005

## RESOLUTION NO. 3117

**A RESOLUTION REQUESTING THE DEPARTMENT OF ENERGY TO EXCLUDE THE USE OF HIGHWAY ROUTES THROUGH BOULDER CITY AND THE METROPOLITAN LAS VEGAS VALLEY FOR THE TRANSPORT OF LOW-LEVEL NUCLEAR RADIOACTIVE WASTE TO THE NEVADA TEST SITE**

**WHEREAS,**

the Department of Energy has made a formal determination to prepare an Environmental Assessment for intermodal transportation of low-level radioactive waste to the Nevada Test Site; and

**WHEREAS,**

according to this determination, the Department of Energy is proposing to institutionalize and encourage intermodal transportation of Department of Energy complex-wide generated waste to the Nevada Test Site; and

**WHEREAS,**

the Environmental Assessment will not, as it is currently planned, result in a decision by the Department of Energy to require all shipments of low-level radioactive waste destined for the Nevada Test Site to avoid Boulder City and the metropolitan Las Vegas Valley; and

**WHEREAS,**

State and local officials in Nevada contend that the continued transportation of these wastes not only poses risks to public health and safety, but could also adversely affect the State's tourist-based economy; and

**WHEREAS,**

if a transportation accident involving radioactive waste were to occur, it could have a devastating impact on our community, as well as a devastating socioeconomic impact on the State's economy.

**NOW, THEREFORE BE IT RESOLVED**

by the City Council of Boulder City, Nevada, that the City supports the position that the Environmental Assessment must address the use of intermodal transportation in combination with highway routes that avoid entirely Boulder City and the Las Vegas metropolitan area.

Boulder City Resolution - Radioactive Waste

**BE IT FURTHER RESOLVED**

that any transport of waste using trucks only, must avoid transport of low-level nuclear waste through Boulder City and the Las Vegas Valley.

**BE IT FURTHER RESOLVED**

that any transport of low-level nuclear waste by the Department of Energy or their contractors or trucks to the Nevada Test Site avoid routes through Boulder City and the Las Vegas Valley.

APPROVED on this 24th day of March, 1998.

Robert S. Ferraro

ATTEST:

Vicki G. Mayes, City Clerk

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Return to the  
Nuclear Waste Project Office  
Home Page

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State of Nevada  
Nuclear Waste Project Office  
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nwpo@govmail.state.nv.us e-mail

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**Record of News Media Contact  
DOE Nevada Operations Office  
Office of Public Affairs & Information**



REPORTER, EDITOR INFORMATION	
April 1, 1998	Nancy Harkess
Name:	Phone No.:
Affiliation:	
NATURE OF CALL	
<p>Keith Rogers of the Las Vegas Review Journal, as well as all three local TV stations were on hand at the North Las Vegas City Council meeting at which a resolution banning the transportation of low-level waste through the City of North Las Vegas was presented. They were there because of a different issue, but the resolution did get mentioned in the Las Vegas Sun. The following resolution, #2019, was introduced by Councilman John Rhodes. In speaking to the resolution, Rhodes (inaccurately) declared a desire to stop the transport of waste on Craig and Cheyenne roads as well as the transport of high-level waste to the NSF.</p> <p>A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORTH LAS VEGAS REQUESTING THE DEPARTMENT OF ENERGY TO EXCLUDE THE USE OF HIGHWAY ROUTES THROUGH NORTH LAS VEGAS AND THE METROPOLITAN LAS VEGAS VALLEY FOR THE TRANSPORT OF LOW-LEVEL RADIOACTIVE WASTE TO THE NEVADA TEST SITE.</p> <p>WHEREAS, the Department of Energy has made a formal determination to prepare an Environmental Assessment for intermodal transportation of Department of Energy complex-wide generated low-level nuclear waste to the Nevada Test Site; and</p> <p>WHEREAS, the Environmental Assessment will not, as it is currently planned, result in a decision by the Department of Energy to require all shipments of low-level radioactive waste destined for the Nevada Test Site to avoid North Las Vegas and the metropolitan Las Vegas Valley; and</p> <p>WHEREAS, State and local officials in Nevada contend that the continued transportation of these wastes not only poses risks to public health and safety, but could also adversely affect the State's tourist-based economy; and</p> <p>WHEREAS, if a transportation accident involving radioactive waste were to occur, it could have a devastating impact on our community as well as a devastating socioeconomic impact on the State's economy,</p> <p>NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of North Las Vegas, Nevada, that the City supports the position that the Environmental Assessment must address the use of intermodal transportation in combination with highway routes that avoid entirely North Las Vegas and the Las Vegas Metropolitan area; and</p> <p>BE IT FURTHER RESOLVED that any transport of low-level radioactive waste using trucks only must avoid transport of waste through North Las Vegas and the Las Vegas Valley; and</p> <p>IT IS FURTHER RESOLVED that any transport of low-level radioactive waste by the Department of Energy or their contractors or trucks to the Nevada Test Site must avoid routes through North Las Vegas and the Las Vegas Valley.</p>	
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May 4, 1998

The Energy Daily

Front Page

"Worker Safety Problems Prompt DOE Shutdown Order At Mound"

By: George Lobsenz

146212

# Worker Safety Problems Prompt DOE Shutdown Order At Mound

BY GEORGE LOBSENZ

Amid new revelations about delays in assessing worker radiation doses, Energy Department officials decided Friday to shut down all radiation-related cleanup work at the Mound nuclear weapons site in Ohio until the site contractor fixes problems in its worker health protection program.

The shutdown, effective Monday, followed the disclosure Thursday of long delays in routine laboratory analysis of 409 worker "bioassay" samples for possible americium contamination. While these samples are supposed to be checked promptly to assure worker safety, one of the backlogged samples dates to July 1997.

The lengthy delay in analyzing the samples left affected workers without up-to-date data on their exposure, potentially raising concerns about excessive radiation doses. Specifically, the failure to promptly assess worker exposures means workers could continue doing "hot" cleanup work and unknowingly exceed administrative or regulatory limits on cumulative radiation doses. Typically, workers with cumulative exposures approaching those limits are restricted from further radiological work to avoid any health impacts.

The long-delayed americium analyses could place Babcock & Wilcox (B&W), the DOE contractor that operates Mound, in violation of DOE worker safety regulations.

*(Continued on page 2)*

May 4, 1998

The Energy Daily

Front Page

"Worker Safety Problems Prompt DOE Shutdown Order At Mound"

By: George Lohsenz

## Safety Problems Prompt Shutdown Order... (From page one)

The americium issue surfaced as DOE officials were investigating delayed analysis of other worker bioassay samples as a result of problems with the January 1998 startup of a new computer system in Mound's radiobioassay laboratory. A Mound union, the Oil, Chemical and Atomic Workers (OCAW), contends that these delays resulted in a six-week window during which workers were being sent out to do cleanup work without knowing their updated exposure data.

More broadly, sources told *The Energy Daily* Friday there are across-the-board quality assurance irregularities in Mound's bioassay processing and analysis that raise questions about the accuracy of dose estimates and the effectiveness of site controls on worker exposure.

The worker safety issue is a powder keg at Mound because of major lapses by the past site contractor, EG&G, in which bioassay samples went unsampled for months and even years, dose estimates were miscalculated and the contractor failed repeatedly to fix the problems. After EG&G was replaced at the site by Babcock & Wilcox last fall, DOE fined EG&G \$112,500 for violating worker protection rules, the largest nuclear safety penalty imposed by the department at that time.

The department also reportedly has settled a lawsuit brought by OCAW on behalf of Mound workers over the same radiation protection problems.

When they took over Mound, B&W officials vowed to assure proper worker protection. However, OCAW officials were alarmed by B&W's decision to retain several former EG&G officials that were involved in the site's past bioassay breakdowns.

B&W's woes became public knowledge last month when *The Energy Daily* April 22 reported that Mound union officials had filed a complaint with DOE's Office of Environment, Safety and Health alleging new delays and problems with bioassay processing.

Among other issues, the March 18 union complaint charged worker doses had been miscalculated due to problems with a new laboratory

computer system in late January. B&W officials, however, said the dose miscalculations were corrected in a matter of days and that there had been no interruption in worker exposure assessments, which they said were being done by hand.

However, OCAW officials said last week new evidence indicates analysis of some bioassay samples had been delayed for weeks following the computer incident, with lab officials not completing "pre-screening" of backlogged samples for potential high doses until March 24. Union officials said that meant workers could have absorbed excessive doses by continuing to do radiation-related cleanup work in the intervening weeks between the late January computer breakdown and March 24.

DOE officials last week said they are trying to determine whether any processing delays occurred following the computer breakdown.

Some Mound officials suggested no backlog occurred, but other DOE officials suggested the issue still is not resolved. Meanwhile, OCAW officials pointed to an internal Mound memo that they said verified a processing backlog that was not resolved until March 24.

The March 25 memo, from B&W Mound manager Peter

Hekman to Nat Brown, DOE's Mound site manager, noted continuing problems with the lab computer system and promised to resolve them by April 30 at the latest.

"In the interim, the following steps have been taken," said the Hekman letter, which was signed for Hekman by a subordinate. "All radiobioassay results awaiting upload and certification have been pre-screened... identify results warranting additional action (e.g., followup sampling or work restrictions). The initial screening exercise was completed March 24, 1998...."

Another internal B&W memo dated March 25 on "bioassay issues management" said a near-term goal was "elimination of the backlog of cases awaiting internal dosimetry review."

The union's complaints prompted a meeting between B&W officials and DOE officials last Thursday to review the bioassay issues. At that meeting, the additional problem regarding delayed analysis of the 409 samples for americium contamination was disclosed, setting off alarms among top managers at DOE's Ohio field office, which directly oversees Mound.

DOE officials at the Ohio field office would not confirm or deny Friday any impending Mound shutdown order.

May 8, 1998

Cincinnati Enquirer

Front Page

"Colombia to investigate bribe scheme"

By: Mike Gallagher and Cameron McWhirter

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# Colombia to investigate bribe scheme

BY MIKE GALLAGHER  
and CAMERON  
McWHIRTER

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The Colombian government has launched an investigation into reports that employees of Chiquita Brands International Inc. and its Colombian subsidiary were involved in the bribery of customs agents to obtain storage space at a government-owned compound.

Officials at the Colombian Embassy in Washington, D.C., also confirmed they will ask U.S. Securities & Exchange Commission (SEC) investigators to provide copies of tape-recorded voice-mail messages of employees of Chiquita and its Colombian subsidiary detailing the bribe scheme and efforts to cover it up.

The tapes were provided to the *Enquirer* and to the SEC by a high-level Chiquita source with authority over the company's voice-mail system. Chiquita President and Chief Operating Officer Steven G. Warshaw disputed this week that anyone had such authority.

Those tapes, if released by the SEC to Colombian investigators, will be used in the Colombian government's own bribery probe, according to Alfonso Livano, commercial adviser of the Foreign Trade Ministry's Colombian Government Trade Bureau in Washington.

The SEC has begun a formal

## Chiquita SECRETS Revealed

investigation of Chiquita and its subsidiaries on a wide range of topics, including the Colombian bribery scheme and hidden control of supposedly independent companies in Latin America, according to company and SEC sources.

SEC investigators served multiple subpoenas on Chiquita in April seeking documents, voice-mail messages, reports, memos, etc., in connection with its probe of the Cincinnati-based banana giant, according to SEC sources. The information also was confirmed in voice-mail messages of Robert Olson, Chiquita's general counsel, and other company officials.

The *Enquirer* also has been provided voice-mail messages linking one of Chiquita's lawyers — Manuel Rodriguez — to an effort to cover up the bribe scheme to prevent Colombian and U.S. officials from connecting the banana company to the illegal act.

"Yes, we are investigating all this and it is a very serious

(Please see CHIQUITA,  
Page A6)

# Chiquita: Colombia investigating

CONTINUED FROM PAGE A1

"matter," said Mr. Lievano. "It is also a most delicate matter but one that must be looked into. We will be asking the SEC for those records (voice-mail tapes)."

Also confirming the Colombian probe was Fidel Cano, the Colombian Embassy's press attache. "My government will want answers to what is going on in this matter with Chiquita. This will all be looked into."

The Colombian authorities said they learned of the alleged bribe scheme after the *Enquirer* published an 18-page special section Sunday describing the findings of a yearlong investigation into questionable business practices by Chiquita.

The bribery incident involved paying customs agents in Turbo, Colombia, to help Chiquita's Colombian subsidiary Banadex obtain use of a large government storage facility.

The *Enquirer* detailed the bribery scheme in its Sunday report. The voice-mail tapes and high-level Chiquita sources described how, after learning of the scheme, company officials took action to hide it.

The tapes reveal that two company executives have been forced to resign: Douglas Walker, vice president for operations, and Reinaldo Escobar, a lawyer for Chiquita's Banadex subsidiary.

Jorge Forton, a Banadex executive in Medellin, Colombia, also is being forced to resign, but company officials, including Mr. Warsaw, allowed him to stay on temporarily while he sought other employment in the United States,

according to the tapes.

High-level Chiquita sources, and the voice-mail messages, show Mr. Escobar and Mr. Walker were given generous severance packages and signed confidentiality agreements preventing them from discussing any company business, including the Colombian incident. Mr. Forton also signed a confidentiality agreement, the tapes show.

After leaving Chiquita, Mr. Walker was hired by Corporex Cos. Inc. in Northern Kentucky. As part of Mr. Escobar's severance package, he has been hired as an outside lawyer in Colombia for Chiquita, company records revealed.

One high-level Chiquita executive provided the *Enquirer* with the voice-mail messages to back up his information. Citing fear of losing his job and company retaliation, the executive requested confidentiality.

Mr. Walker, in a Nov. 17, 1997, voice-mail message to Mr. Olson, confirmed the bribery issue as the reason he was leaving the company. In his message, Mr. Walker said a friend had told him that he heard "Jorge Forton and myself had been fired for bribing a Colombian official for a warehouse facility in Turbo. So he has it pretty close to accurate if not completely accurate."

Mr. Escobar, in a Dec. 13, 1997, voice-mail message to Mr. Rodriguez, said Colombian customs agents were paid so Banadex could use the government compound for storage, thus saving the company more than \$1 million in private storage costs at the Colombian port.

Discussing how payment was made to Colombian customs agents to secure the storage area, Mr. Escobar said: "What happened, remember, Manuel, was that the company, for security reasons, delivered what had to be delivered to the customs agents, who gave it to a third party and this party to its final destination, which means a lot of time without being traced."

Mr. Walker, Mr. Escobar and Mr. Forton declined repeated *Enquirer* requests for comment.

Mr. Cano, the Colombian Embassy press attache, said the Colombian government "does not lease or rent space" at its custom facilities — including Turbo — to private companies such as Chiquita. "That is strictly for use by our government."

Mr. Rodriguez, in an Oct. 16, 1997, voice-mail message to John Ordman, Chiquita's senior vice president of finance, described what sparked the company officials' decision to offer the three men incentives to resign in lieu of being fired. Mr. Rodriguez's message was in Spanish and was translated for the *Enquirer*.

"Hey, John Ordman, there was an article in *El Tiempo* newspaper (in Colombia) where it was reported that ten custom officials were arrested for alleged corruption and paybacks," Mr. Rodriguez said. "It is important that you know this because apparently there has been several others, 30-60 custom people were arrested and are being investigated and will obviously make statements against other officers and it is going to come to light regarding all types of corruption."

Mr. Rodriguez then discussed why it would be a good idea to allow Mr. Escobar to resign and give him a Chiquita consulting contract instead of firing or firing him for his involvement in the Colombian incident.

"We have to give him that consulting contract for many reasons, but the other additional point is that if Reinaldo questions this action, we would have to prove (his) termination to the (Colombian) authorities, which means that we have to reveal the fact that the payment was made and try to justify the firing.

"This has legal repercussions, but in addition, it has greater political repercussions," he said. "Particularly ... given that (Colombian President Ernesto) Samper wants to make an example against the multinationals, and what a better time than to declare war on Chiquita over this point. This would have international repercussions ... Therefore, it is a very delicate issue.

"Let me tell you that the same situation can be made in relation to Walker and Forton. If they decide to fight this (forced resignation) I don't see that we have any other option. Up to a certain point we're risking that possibility."

Chiquita lawyer David Hills, in a Dec. 10, 1997, voice-mail message to Mr. Olson and Mr. Warsaw, also advised against firing Mr. Escobar, because the only way to legally do that would alert Colombian authorities to the fact the bribery occurred. Additionally, he added, notifying Colombian authorities would publicly tie Chiquita to the bribe.

Mr. Hills' message, in part, said, "We can only fire him (Escobar) with cause because of his involvement in the Colombian problem if we file a criminal charge against him with Colombian authorities. Clearly we would not want to do that because we would be implicating ourselves. So, basically, the only thing we can ask Reinaldo to do is basically have a, we're basically asking him to resign, which doesn't put us in the best legal position."

Chiquita, in a written response through its lawyers to the *Enquirer*, declined to discuss the Colombian incident, the resignations of the employees or whether the company violated any U.S. laws.

The company response did say, "Chiquita's Code of Conduct for Associates" requires employees to comply at all times with the laws that affect the company's business."

Corrupt activities committed by U.S. companies abroad may fall under the U.S. Foreign Corrupt Practices Act (FCPA).

The act, passed in 1977, followed a series of international scandals in which American companies operating overseas were caught bribing foreign officials, paying kickbacks for contracts and committing other acts that would be illegal in the United States. The act prohibits U.S. companies or their employees from offering a bribe to influence a foreign government official's acts or decisions.

The act also requires that U.S. companies maintain accurate records of their foreign operations.

The SEC and the U.S. Justice Department have responsibility for investigating reports of FCPA violations.

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City Beat

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"Fernald Tour Slated"

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## **Fernald Tour Slated**

The U.S. Department of Energy and its contractor Fluor Daniel Fernald are offering a tour May 12 for the public to see the clean-up progress at the former Fernald uranium processing plant in Crosby Township.

The tour will highlight the on-site disposal facility, as well as progress on the aquifer restoration projects. Tour stops also will include two of the most challenging clean-up sites — the waste pits and the K-85 silos.

Registration is required by Friday. The tour bus leaves at 6 p.m. from the Alpha building, 10987 Hamilton-Cleves Highway. For more information, contact Jeanie Foster at 648-5883.

May 8, 1998

Cincinnati Enquirer

Front Page

"DOE to empty Fernald silos"

By: Rachel Melcer

# DOE to empty Fernald silos

Moving it risky; leaving it worse

BY RACHEL MELCER

The Cincinnati Enquirer

**HARRISON** — U.S. Department of Energy (DOE) officials said Thursday they are gearing up to move 215,000 square feet of radioactive material out of two cracked and decaying silos and into temporary holding tanks at the former Fernald uranium-processing plant.

The radon gas-emitting materials — thought to be the greatest threat to public health remaining at the Cold War-era facility — will then be treated and transferred to a Nevada dump site by 2008.

But some community members, Fernald workers and members of the Fernald Health Effects Subcommittee meeting Wednesday and Thursday here said they are concerned that moving the uranium waste twice will double the possibility for catastrophe.

(Please see FERNALD, Page A6)

# Fernald: DOE getting ready to empty silos

CONTINUED FROM PAGE A1

"They'll just have to be more careful that it doesn't react and get off site," said Edwa Yocum, a subcommittee member and secretary of Fernald Residents for Environmental Safety and Health (FRESH).

Said FRESH President Lisa Crawford: "It's very dangerous material. It's the thing that concerns us the most."

But leaving the material in the silos poses an even greater health threat.

The structures themselves, though supported by earthen berms, are unsound and could crumble under a tornado or other natural disaster. And a layer of bentonite clay, pumped into the silos in 1991 to prevent cancer-causing radon gas from escaping through cracks in the concrete structures, is beginning to decay.

According to Randy Janke, a DOE nuclear engineer, the 1-foot-thick layer of clay has lost nearly 40 percent of its ability to block radon leaks. While that is still effective and only background levels of radon are being detected near the silos, he said, the clay will continue to dry out over the next few years.

"It was originally envisioned to last about five years, so we've had a good turnaround," said Dennis Nixon, silos project manager for Fluor Daniel Fernald, which is responsible for the site cleanup.

Under original cleanup plans, the process of treating and moving the radioactive materials to a Nevada dump site should already have been under way. But following a series of missteps and cost overruns revealed in a 1996 *Enquirer* report, and a 1996 treatment facility accident, the Energy Department has had to begin again.

"We were putting all our eggs in one basket," said DOE special-

ist Nina Akgunduz.

So now private companies have been asked to submit proposals for treating and removing the highly dangerous waste from the Fernald site, located 17 miles northwest of Cincinnati on the Hamilton-Butler county border.

Four companies, each representing a different technological approach, will be selected in August to begin developing and testing their theories. But DOE officials say they don't expect the actual treatment and removal to begin until 2005 or be completed before 2008.

"It takes a long time to get all of this technological information together. . . . It's not an overnight job," Ms. Akgunduz said. "It takes time, costs money."

Ms. Crawford said her organization will be monitoring both of those factors.

Primarily, FRESH members are worried that once the silo materials are safely contained in interim storage tanks, the impetus to deal with them will be gone.

"They call it 'temporary' storage, but there's always a question that it could stay there, especially if the (DOE) budget is cut," Ms. Yocum said.

Officials at Fluor Daniel Fernald and the Energy Department, penalized once for their inefficiency at the site, stress that they must meet deadlines set by the U.S. Environmental Protection Agency or face further sanctions.

And both agencies said they welcome community and expert input, as well as oversight.

"One of our top priorities also is to work with regulators and stakeholders," said DOE spokeswoman Kathy Graham. "They've been helping us determine the best step forward, and we will continue to work with them."

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Journal-News

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"Fernald activist makes rounds in D.C."

By: Ronald F. Eckstein

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NO. 968

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# Fernald activist makes rounds in D.C.

By Ronald F. Eckstein  
States News Service

WASHINGTON

The Fernald-area woman who describes herself as a "wife, mother, concerned citizen and taxpayer" made her annual trip to Washington this week to lobby decision-makers about the need to clean up the former Fernald uranium processing site.

For the ninth year in a row, Lisa Crawford came to the nation's capital to talk to senators, representatives and U.S. Department of Energy officials.

Crawford, president of Fernald Residents for Environmental Safety and Health, and representatives from 15 other states came to Washington as part of the Alliance for Nuclear Accountability's annual D.C. Days.

She said the alliance is composed of grassroots and national organizations which represent communities in the shadow of nuclear weapons production and waste disposal sites.

At 1,050 acres, Fernald is one

of the smallest sites being cleaned up by the Department of Energy.

"They say (the Fernald site) should be cleaned up by the year 2006. I think we will be darn lucky if it is done by 2015. In my heart, I just can't see how it will be done by 2006," Crawford said.

"But we are seeing some progress, and there is a light at the end of the tunnel. Making sure we have an adequate level of funding will be the key."

Crawford was disheartened to see DOE request less money for the Fernald cleanup for fiscal year 1999 than had been originally estimated as the cost for cleanup. Activists and DOE officials agreed the \$479 million requested may be \$50 million less than is required to do the job.

As a result of those concerns, budget issues dominated Crawford's six meetings in Washington.

Her first meeting was with an aide to U.S. Sen. John H. Glenn, D-Ohio.

"Sen. Glenn has been a huge proponent for us. When he retires

## LOCAL

at the end of the year, it will be a big loss," Crawford said. "He has been with us since day one in 1984."

Glenn's staff agreed the meeting was productive.

"She has been a real important ally in helping us focus on the necessary budget and appropriations debates," said Jack Sparks, Glenn's spokesman. "As the DOE budget moves through Congress, we want to make sure that it has enough money to meet its cleanup goals at Fernald."

Crawford said she also felt good about her meeting with the staff of U.S. Sen. Mike DeWine, R-Ohio. She said DeWine also is committed to watching the appropriations process.

"We are very familiar with Lisa, and we are on her side," said DeWine spokesman Charles M. Boesel. "The senator would never let anything jeopardize the work being done at Fernald."

Crawford also met with U.S. Reps. Steve Chabot, R-

Cincinnati, and Rob Portman, R-Cincinnati, and two officials at the Department of Energy.

"My goal is to make sure everyone is on the same page. Everyone has to know what is going on," she said. "When the department doesn't ask for enough money, that is a problem. Congress can make sure we get enough money, and there is broad support among the Ohio delegation."

She said that each year she has come to Washington, Ohio's members of Congress have been better educated about the status of Fernald. Now, she said, she does not want to lose ground with the DOE.

"My message to the people at the Department of Energy was, 'Stop. Don't do this to us. Don't ask for less money than you need,'" she said. "We will not tolerate this. We have a legal agreement that they must meet. We intend to hold their feet to the fire."

"We are just grassroots folks who want a nice, safe place to live. We just want this site cleaned up."

PUBLIC AFFAIRS → DOUG SARNO

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Journal-News

Front Page

**"Grant big boost to Fernald reuse plan"**

By: Nicholas G. Jonson

# Grant big boost to Fernald reuse plan

## Energy Department releases \$262,000

By Nicholas G. Jonson  
Journal-News

ROSS TOWNSHIP

A citizens committee examining issues relating to completion of cleanup activities at the former Fernald uranium processing plant received a \$262,000 grant Thursday from the U.S. Department of Energy.

David McWilliams, superintendent of the Ross Local School District and chairman of the Fernald Community Reuse Organization, said the two-year grant will allow the group to begin planning economic development programs.

Such programs could involve worker transition, surplus equipment at the plant and commercial or industrial development at the site.

The organization already has begun examining the feasibility of marketing a 23-acre parcel in the southwest corner of the site for commercial purposes.

"We're very pleased," McWilliams said, referring to the grant announcement.

"This gives us the resources we need to move ahead with the next phase and start making some for-

■ President of FRESH makes annual pilgrimage. Page A5

mal plans that will benefit the local communities — Ross, Morgan and Crosby townships."

The organization received a \$150,000 start-up grant last year from the DOE to organize and develop an administrative network. In late March, the group received a \$50,000 grant from the Ohio Department of Development for an entrepreneurial assistance program.

The state grant seeks to stimulate growth of local businesses that might be able to use the skills of former Fernald workers.

Referring to the DOE grant announced Thursday, McWilliams said, "We expected we might get it. But we were always concerned in the back of our minds that there might be a reduction in (DOE) funding or that there might be a delay in these kinds of (cleanup) programs until funding issues in Washington are settled."

When the organization and its economic development consultant, Curt Paddock, determine which programs to pursue, the group plans to seek an implementation grant, McWilliams said.

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Weapons Complex Monitor

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"House Panel Ok's \$5.88 For EM, But Amount Includes Unused Funds"

**HOUSE PANEL OKs \$5.88 FOR EM, BUT AMOUNT INCLUDES UNUSED FUNDS**

*And 25% of Program Direction Authorization is to be Held Until DOE Improves Hiring of Technical Staff*

The House National Security Committee authorized \$5.8 billion (May 6) for DOE's Environmental Management Program, but \$94.1 million of that amount is unspent money from previous years, putting the total new funds at \$5.7 billion, \$52.3 million less than the Administration's FY99 request of \$5.62 billion, with \$230 million cut from the privatization request. Notably, the panel also recommended that 25 percent of EM's program direction money be withheld until the Secretary of Energy submits a plan to "improve the DOE employment system," with the Committee arguing that "DOE's poor record with regards to environmental management is due in part to failures in hiring quality technical and management personnel." On the plus side, the privatization cut only affects DOE's request for the outyears—FY2000 and beyond—the money needed for FY99, \$286.9 million, was approved. According to information provided by the Committee, members reasoned that because the department's privatization projects are between 16 and 24 months behind schedule, deferring \$230 million should have no appreciable impact.

**DOE Generally Pleased**

Senior DOE officials told *WC Monitor* Thursday they had not had an opportunity to review the authorization in detail, but are concerned about the carryover provision. "At the end of the [fiscal] year, we're not going to have any money left," one official predicted. "All our money's going to be committed, so if they're talking about uncosted money, this \$94.1 million is going to have the same effect as a general reduction." In general, however, DOE officials were pleased with what they've seen of the House Authorization so far. "The big picture is pretty good," one official reported.

**\$1 Billion for Closure Fund**

The House National Security-approved authorization bill also provides:

- \$1 billion for Rocky Flats, Fernald and the other "Closure Projects," \$40 million more than the Administration's request;
- \$1 billion to facilitate construction and site completion at facilities DOE will close by 2006; \$38 million more than the Administration's request;
- \$2.8 billion for construction and project work at facilities with complex and extensive environmental issues that DOE will close after 2006; \$92 million more than the administration's request;
- \$270.8 million for EM's Science and Technology Program, a \$77.8 million over the Administration's request.

**Privatization Still Ok Says DOE**

A DOE official said Congress financial approach to privatization will work, although it wasn't the department's first choice. "It means we'll have to ask for more money later on," the official reported. "Obviously, we'd like to have as much money up front to increase our comfort level." The official disagreed with the Committee's reasoning on the deferral, saying the "delays" cited by members were actually a result of the department's decision to do more design work on the Hanford tank project prior to beginning construction. "So we won't have to pay out as much up front," the official explained. "But it's not accurate to call it a schedule delay. It's a re-phasing of the project."

**Subcommittee Wrangling Secured Funding**

Behind-the-scenes negotiations both prior to, during and even after the Procurement Subcommittee markup resulted in extra money for key EM projects. In the days leading up to the session, for example, Rep. Doc Hastings (R-Wash.) persuaded subcommittee Chairman Duncan Hunter (R-Calif.) to approve \$18 million for the single-shell tank program and \$12 million to fund the "cocooning" of old reactors along the Columbia River. That money was included in the base bill the subcommittee considered.

The subcommittee had also planned to cut funding for the Office of Community and Worker Transition and to phase that program's activities out after FY99. Rep. Lindsey Graham (R-S.C.), however, introduced an amendment reinstating funding for that program. The amendment failed on a 12-10 vote, but Hill staffers reported that late-night negotiations resulted in \$10 million in funding for OCWT being included in the bill that eventually went before the full committee.

Likewise, a proposed amendment by Reps. Adam Smith (D-Wash.) and John Spratt (D-S.C.) to increase funding for Hanford by \$75 million never made it before the subcommittee. The \$75 million did make into the authorization, although not in the form Smith and Spratt originally intended: the subcommittee split that money among five sites and two programs, with Hanford receiving a total of \$17 million. Of that, \$1 million will go to the site's vadose zone project; \$9 million to address Tank SY-101, the so-called "burping tank"; and \$7 million will go to a final safety report for the site. The rest of the money was allocated as follows: \$18 million for infrastructure investment at Savannah River; \$10 million for Rocky Flats; \$10 million for the Office of Community and Worker Transition (this was included instead of the Graham amendment); \$5 million for Pantex; and \$8 million for the Y-12 Plant in Oak Ridge, Tenn. ◀

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Weapons Complex Monitor

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"NTS LLRW Disposal Volumes"

## NTS LLRW Disposal Volumes

The Nevada Test Site received 16 shipments of Low Level Radioactive Waste totalling 17,826 cubic feet during April. The Mound Site and Rocky Flats contributed the bulk of that waste, with Mound sending 7,896 cubic feet in three shipments, and Rocky Flats making four shipments totalling 4,340 cubic feet. Shipments from Fernald have not yet resumed, pending the wrap up of an investigation into the December spill. ◀

### WASTE MANAGEMENT PROJECT FY 98 RADIOACTIVE WASTE SUMMARY

DOE Approved Generators	Disposal Location	W/E 03 May 98			FY 98 TOTAL			WMP TOTAL	
		No. of Shipments	(Cu.Ft.)	Volume (Cu. M.)	No. of Shipments	Volume (Cu. Ft.)	Volume (Cu. M.)	Volume (Cu. Ft.)	Volume (Cu. M.)
Aberdeen	Area 3	0	0	0.00	0.0	0	0.00	120	3.40
	Area 5	0	0	0.00	1.0	448	12.69	66,504	1,883.19
Allied Signal	Area 5	0	0	0.00	0.0	0	0.00	413	11.69
Bechtel Nevada	Area 3	0	0	0.00	0.0	0	0.00	204,945	5,803.39
	Area 5	0	0	0.00	1.0	943	26.70	15,081	427.05
	Mixed	0	0	0.00	0.0	0	0.00	163	4.62
PERMCO	Area 3	0	0	0.00	26.0	46,923	1,328.71	3,158,736	89,455.29
	Area 5	0	0	0.00	19.0	15,962	452.00	2,473,156	70,031.86
General Atomic	Area 3	0	0	0.00	8.0	10,792	305.60	161,029	4,559.83
	Area 5	0	0	0.00	3.0	2,290	64.85	415,949	11,778.34
IT Corporation	Area 3	0	0	0.00	0.0	0	0.00	419	11.87
	Area 5	0	0	0.00	0.0	0	0.00	7,676	217.36
ITRI	Area 5	0	0	0.00	2.0	1,919	54.34	6,974	197.48
LNL, CA	Area 3	0	0	0.00	5.0	6,729	190.54	78,218	2,214.88
	Area 5	1	382	10.82	11.0	5,359	151.74	32,591	922.87
MOUND	Area 3	0	0	0.00	0.0	0	0.00	14,899	421.89
	Area 5	0	0	0.00	16.0	27,960	791.75	1,598,933	45,276.67
PANTEX	Area 5	2	1,746	49.44	3.0	2,954	83.65	107,671	3,048.89
RMI	Area 5	0	0	0.00	0.0	0	0.00	33,657	953.06
ROCKETDYNE	Area 3	0	0	0.00	0.0	0	0.00	105	2.97
	Area 5	0	0	0.00	9.0	5,005	141.74	41,727	1,181.57
Rocky Flats	Area 5	1	1,331	37.69	29.0	38,305	1,084.69	2,179,159	61,706.82
	Mixed	0	0	0.00	0.0	0	0.00	283,372	8,024.19
SANDIA Ntl Lab, CA	Area 3	0	0	0.00	0.0	0	0.00	2,287	64.76
	Area 5	0	0	0.00	0.0	0	0.00	15,703	444.67
SANDIA Ntl Lab, NM	Area 5	0	0	0.00	7.0	3,341	94.61	12,866	364.33
Inactive offsite waste generators	Area 3	0	0	0.00	0.0	0	0.00	89,980	2,547.95
	Area 5	0	0	0.00	0.0	0	0.00	38,654	1,094.56
Inactive onsite waste generators	Area 3	0	0	0.00	0.0	0	0.00	8,211,495	232,523.26
	Area 5	0	0	0.00	0.0	0	0.00	76,538	2,167.31
<b>GRAND TOTAL</b>		<b>4</b>	<b>3,459</b>	<b>97.95</b>	<b>140</b>	<b>168,932</b>	<b>4,783.61</b>	<b>19,329,021</b>	<b>547,336.03</b>

Total offsite waste received in FY 98 = 167,983 Cu. Ft.; 4,736.90 Cu. M  
Offsite waste comprises approximately 55.94% of the total waste inventory

Total onsite waste received in FY 98 = 943 Cu. Ft.; 26.70 Cu. M  
Onsite waste comprises approximately 44.06% of the total waste inventory

May 16, 1998

Cincinnati Enquirer

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**"Fernald waste is ready for shipping"**

By: Rachel Melcer

1462

# Fernald waste is ready for shipping

## Court quashes suit over bids

BY RACHEL MELCER  
The Cincinnati Enquirer

After a federal appeals court lifted an injunction Friday, Department of Energy officials breathed a sigh of relief and prepared to begin shipping 1 million tons of low-level radioactive waste from the former Fernald uranium processing plant.

The projected seven-year disposal process was nearly stalled by a lawsuit filed last year by Pasadena, Texas-based Waste Control Specialists (WCS), which wanted a piece of the \$400 million pie.

The company, prevented by Texas law from obtaining the permits DOE requires of its radioactive dump sites, said it was unfairly excluded from the bidding process.

## Court dismisses suit

But a three-judge panel of the 5th Circuit U.S. Court of Appeals disagreed.

It lifted a lower court injunction that prevented the DOE from entering into a disposal contract and ordered the dismissal of the WCS lawsuit.

So now, barring any further appeal by WCS, the energy department and site manager Fluor Daniel Fernald can resume negotiations with the qualified companies that bid on a \$100 million dumping contract, the biggest part of the overall disposal project. Officials would not reveal the names of those firms, but a leading contender is sure to be Clive, Utah-based Envirocare — which receives nearly all of the government's nuclear waste.

"We welcome the news," said Fluor Daniel Fernald spokesperson Kathy Graham. "Although all of the implications of the ruling have not been worked out, it appears a troublesome obstacle . . . has been lifted."

John Kyte, a Washington, D.C.-based attorney representing WCS, said Friday he does not yet know whether his client will appeal the case to the Supreme Court.

## Fernald cleanup deadlines

Although the potentially precedent-setting lawsuit could have hindered cleanup efforts at DOE sites nationwide, the department's immediate concern was the Fernald contract.

After several missteps and cost overruns at the Fernald site, revealed in part through a 1996 *Enquirer* report, the U.S. Environmental Protection Agency imposed cleanup deadlines for the Fernald site.

One of these requires DOE to begin shipping the 1 million tons of low-level radioactive waste off site by March 1, 1999 — a date that would have been impossible to meet if the injunction had not been lifted by this fall, local DOE officials said.

May 8, 1998

The Cincinnati Post

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"Grant to explore Fernald site development"

## Grant to explore Fernald site development

From staff and wire reports

A \$262,000 grant from the U.S. Department of Energy will be used for planning economic-development uses of the site of the former Fernald uranium-processing plant.

The Energy Department, which announced the grant Thursday, hopes to conclude radioactive cleanup of the 1,050-acre site by 2005 and make the land available for community use.

The grant will be funneled through the Fernald Community Re-use Organization — which the Energy Department created in 1996 — to provide economic development planning

aid to site workers and nearby communities. The organization has also received state support to plan long-term uses of the Fernald site, including possible use for light industry or as a park.

Energy Department officials said employment at the site will be greatly reduced during the coming years as phases of the cleanup work are completed. The grant money is also for use to provide assistance to workers who will lose their jobs.

The Fernald plant processed uranium for the government's production elsewhere of nuclear weapons from 1951 until 1989.

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BRIEFLY Business Report

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"Shareholder takes Chiquita to court"

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## ■ CINCINNATI

## Shareholder takes Chiquita to court

A shareholder filed a lawsuit against Chiquita Brands International Inc. Thursday, claiming that shareholders would suffer from Chiquita's "improper and illegal" activity in Central America.

Shareholder Helen Bondy based the lawsuit, filed in Hamilton County Common Pleas Court, on stories published last week in the Cincinnati Enquirer on Chiquita's political efforts, labor practices, corporate structure and environmental record, particularly in Honduras.

The lawsuit names as defendants the company, Chairman Carl Lindner Jr., vice chairman Keith Lindner and several directors.

Chiquita officials said Thursday they had not seen the lawsuit and could not comment. They have denied wrongdoing in response to the articles.

May 9, 1998

Cincinnati Enquirer

Front Page

"Stockholders sue Chiquita over reports"

By: Mike Gallagher and Cameron McWhirter

# Stockholders sue Chiquita over reports

Three separate lawsuits charge mismanagement

BY MIKE GALLAGHER  
and CAMERON  
MCWHIRTER

The Cincinnati Enquirer

Three stockholders of Chiquita Brands International Inc. have filed separate lawsuits against the company and its board of directors, saying they violated their duties by engaging in illegal acts, gross mismanagement and abuse of corporate control.

Shareholder Helen Bondy filed her lawsuit Thursday, while Hal Bloomberg and Anne Shapiro filed theirs Friday. No addresses were provided in the court papers for the three stockholders. Ms. Shapiro's lawyer said she lived in Putnam County, N.Y. None could be reached for comment.

Wording of the lawsuits, filed in Hamilton County Court of Common Pleas, was virtually identical. Named as defendants were Chiquita and all seven members of the board: Carl H. Lindner Jr., chairman and chief executive officer; Keith E. Lindner, vice chairman; Fred J. Runk, director; Jean Head Sisco, director; William W. Verity,

**Chiquita**  
**SECRETS**  
**Revealed**

director; Oliver W. Waddell, director, and Steven G. Warshaw, director, president and chief operating officer.

The three lawsuits recount questionable business practices revealed in an 18-page section in Sunday's *Cincinnati Enquirer*.

They allege that the board of directors violated its "fiduciary responsibilities" to protect the company, its assets, reputation, and its shareholders' investments. They claim that Chiquita and its directors were involved in, permitted, or should have been aware that company employees engaged in activities such as:

► The bribing of Colombian government officials to obtain access to a state-owned warehouse facility in violation of the U.S. Foreign Corrupt Practices Act.

► Routinely conducting aerial spraying of hazardous and toxic pesticides on its banana

(Please see **SUITS**,  
Page A5)

## Chiquita: 3 lawsuits filed by stockholders

CONTINUED FROM PAGE A1

crops while unprotected workers were in the fields.

► Endangering the lives and health of employees by the misuse of pesticides and the emission of toxic fumes from a Costa Rican factory run by a Chiquita subsidiary.

► Maintaining a system to routinely rotate workers from one subsidiary to another to deprive them of benefits and prevent them from organizing in unions.

► Circumventing existing labor agreements by closing farms and employing foreign military forces to raze long-standing villages over the protest of local residents and international human rights organizations.

► Assisting companies with which it does business to avoid tax obligations.

► Creating an international trust structure to circumvent foreign nations' land-ownership and national security laws.

"No reasonable individual could have believed that the company was justified in failing to monitor and impose adequate mechanisms and safeguards and to investigate and correct the misleading, deceptive and illegal practices," Ms. Bondy's lawsuit stated.

The lawsuits, called derivative complaints, state that Chiquita directors, by failing to halt illegal and improper actions by company employees, left shareholders vulnerable to extensive financial losses through potential lawsuits and state and federal investigations.

The lawsuits also cite the possibility that an ongoing U.S. Securities and Exchange Commission investigation into Chiquita's business practices could lead to substantial fines, court-ordered sanctions and criminal prosecution. Any or all of those things would harm and diminish the shareholders' investments,

the suits state.

"The company has engaged in illegal activities, its corporate assets have been wasted, the value of its common stock has been adversely affected, the company has been and will continue to be subjected to litigation as a result of the wrongful conduct alleged, and the company has lost credibility, its reputation has been damaged, and its ability to be competitive has been seriously undermined," Ms. Shapiro's lawsuit alleges.

Chiquita officials did not respond Friday to *Enquirer* questions about the lawsuits.

The lawsuits were filed on behalf of the shareholders by Richard S. Wayne and William K. Flynn of the Cincinnati law firm Strauss & Troy. Each shareholder also has retained New York lawyers.

Efforts to reach Mr. Wayne and Mr. Flynn were unsuccessful.

Stanley M. Grossman, the New York lawyer representing Ms. Shapiro, told the *Enquirer* Friday that the "extensive and well-documented" newspaper articles, along with additional information obtained by the attorneys, prompted the quick legal action.

"It sounds like a very serious situation at Chiquita and there is just no reason to wait when this information is currently available," Mr. Grossman said. "Hopefully, these lawsuits will prompt some corrective action by the (Chiquita) board."

Mr. Grossman said "it is still being decided" whether Ms. Shapiro will attend Chiquita's annual stockholders' meeting in Cincinnati on Wednesday.

Arthur N. Abbey, the New York attorney representing Ms. Bondy, and Marian P. Rosner, the New York attorney for Mr. Bloomberg, could not be reached for comment.

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Opinion Page B3

"Chiquita SECRETS Revealed"

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### Difficult story does great service

Let me commend and thank you for the thoroughly professional, but also thoroughly courageous, report on Chiquita Brands. As someone peripherally involved in the protests around the eviction of the villagers of Tacamiche, I well realize the difficulty of gathering convincing information on such issues — as well as the repercussions of doing so.

You have done a great service to our community. I am proud to be an *Enquirer* subscriber.

**PAUL KNITTER**  
Pleasant Ridge

### Would the Enquirer investigate Gannett?

As an advertiser and subscriber to the *Enquirer*, I am very upset that you would waste 18 pages on a personal witch hunt of Chiquita and the Lindners. Would you devote as much space to an expose on your parent company Gannett? (Something negative surely could be found.)

It is curious that the *Wall Street Journal* did not even mention your article.

Long live the Lindners and Chiquita.

**GARY HORWITZ**  
Wyoming

### Beginning of era in honest reporting

I just read your incredible "book" on Chiquita. I would like

to congratulate the *Enquirer* for a superb job on, finally, some real reporting about our real consumer world.

I am a professor of liberation theology at Thomas More College. I also teach philosophy courses. I constantly expose my students to not only the Old and New Testaments and Papal Documents on World Justice, but document these with as much recent research as I can find.

Your article and section come just in time for my students' final exams, and they can now see that it's not just their alarmist professor with all his books and research, but an issue that Catholic and other Christian university students have a great opportunity to work on. With your work, I only hope that this is a new era in student awareness, work and influence on a more just globe.

**STEPHEN C. HOLLER**  
Harrison Township

### Carl Lindner has given much to city

You have devoted 20 pages in one day to smearing one of our city's most treasured citizens, his family and the families of all who work with him.

Carl Lindner has built schools, libraries, churches, museums and hospitals, and has given to countless charities and individuals in our city. These good deeds would undoubtedly fill more than 20 pages of print.

Think of this city without Mr. Lindner, his family and businesses. This man should be praised, not persecuted.

With all his accomplish-

ments, Mr. Lindner has stated his proudest achievement is that his children are Christians. In a city that prides itself on moral and Christian values, here is a good Christian family that publicly and privately supports these values.

**KENNETH and  
KAREN BERRY**  
Anderson Township

### Chiquita owes community answers

I was surprised to see a headline that challenged the business practices of Chiquita. The article was lengthy, well-documented and very disturbing. It is not enough for Chiquita to simply deny the *Enquirer's* allegations. These issues of injustice to other people and to the environment are very serious. It is my hope that the community will demand answers and not be satisfied until they are given truthfully.

I applaud the investigative reporters who wrote the in-depth article and the president and publisher of the *Enquirer* for having the courage to print the story.

**PRISCILLA MINKIN**  
Anderson Township

### Print all the news that fits your needs

How in the world did you ever decide to mount such a vendetta against Chiquita and the Lindner family? You only looked for dirt, and no matter what you found, you bent to fit your needs.

I've been to Costa Rica and

## Chiquita SECRETS Revealed

Readers respond to an *Enquirer* investigation published last Sunday, "Chiquita: An empire built on controversy." For more readers' letters on this topic, please see page B5.

seen Chiquita's research facilities, processing plants and farms. When you drive through the farm gates, it seems you've left one poor country and arrived at a wealthy one. The contrast is such that those jobs and living conditions are desperately sought after.

I don't think I could work in the fields, but I could sure live in the housing provided by Chiquita. Of course, maybe I was looking for one thing and the *Enquirer* quite another. I'm disgusted beyond words.

**KENNETH BOTTOM**  
Amelia

### Time for Chiquita to change its ways

Your report on Chiquita is not only a well-crafted piece of journalism, but a significant contribution to the banana workers of Central America. The work of *Enquirer* reporters Mike Gallagher and Cameron McWhirter is a shocking confirmation that Chiquita is a company built on repression and exploitation. The international

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"Chiquita SECRETS Revealed"

attention that this report is receiving necessitates immediate penance from Chiquita.

I'm sending copies of the report to the National Labor Committee, the Campaign for Labor Rights, Witness for Peace, Public Citizen and the U.S./Guatemala Labor Education Project. The Campaign for Labor Rights has issued an alert on this issue.

Chiquita's dark secrets have been exposed, and the dissemination of this information is proceeding quickly. Now is the time for Chiquita to admit to its wrongdoings and change its ways.

**KRISTIN PFABE**

Member, Cincinnati Central American Task Force and Latin America Awareness Group of Northern Kentucky University

**Don't mistake your readers as naive**

The slant of your Chiquita-related "investigative reporting" has taken the art of making mountains out of molehills to a new low. I'm sure that your reporters are not naive to how international business — especially business in Central America — works. Money is influence, and influence is power. That holds true here in Cincinnati, too. How else would the banana merchants on Pete Rose Way be displaced for a stadium?

I recognize that I'm mixing apples and oranges. However, the same is true in applying our judgments and values on other cultures. In the United States, we have political contributions; in Colombia, you label it a bribe.

In the U.S., we have eminent domain; in Honduras, you called it being evicted.

Given the number of ships leaving Central American ports with Chiquita cargo on a daily basis, it is not surprising that cocaine made it on some of them. It is exemplary that their record is so clean.

I don't think that your reporters are naive; they were probably hoping that the *Enquirer's* readership is naive. But we're not.

**WILLIAM H. SCOVILLE**  
Mount Lookout

**Banana farms see many improvements**

The *Enquirer's* May 3 special section on Chiquita Brands International Inc. misrepresents the Rainforest Alliance's Better Banana Project and the progress that has been made in leading the banana industry toward improved conditions ("Chiquita: An empire built on controversy").

The Better Banana Project is an independent, third-party certification program which has established an extensive set of environmental and social criteria for farms and then approves those operations that meet the rigorous certification requirements. Once certified, farms are inspected on an annual and random basis by local conservation groups to verify continued compliance.

Among major banana companies, Chiquita took the lead in adopting environmental and social criteria into their farm management plans. It has been

among the most forward thinking companies, making measurable improvements on farming operations throughout Latin America. The Rainforest Alliance stands firmly behind all of its certifications, including farms owned by Chiquita.

The *Enquirer* inaccurately states that Chiquita is the only producer to have been certified. The Better Banana Project has certified many other independent banana producers in Costa Rica, Panama, Ecuador and Colombia.

The *Enquirer* fails to highlight the significant and demonstrable improvements that the Better Banana Project has initiated. Pesticide use has been greatly reduced on certified farms. Worker housing has been improved. Packing plants have been remodeled to make them safer and more comfortable. Plastic bags used to protect the fruit as it matures were once a common stream pollutant; now certified farms collect all plastic and recycle most of it.

**DANIEL R. KATZ**  
Executive director  
Rainforest Alliance

*Editor's note: The Enquirer did not report that Chiquita is the only producer to have been certified under the Better Banana program. It reported that 74 of the 81 farms certified under the program, or 91 percent, were owned by Chiquita subsidiaries. The numbers were provided by the Rainforest Alliance. The article also noted that Chiquita's chief U.S. competitors, Dole and Del Monte, are not involved in the program.*

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### High-quality journalism increases quality of life

When I saw the front page of the *Enquirer* May 3, Cincinnati suddenly became a far more livable city. A major newspaper committed to high-quality investigative journalism is essential to the quality of life in any community of significance. The well-researched and carefully presented Chiquita story demonstrated that the *Enquirer* takes seriously its journalistic role to keep members of the community informed about the operations of its institutions, even at the risk of taking on the city's most powerful corporate, cultural and social groups. Thank you for making Cincinnati a better place to live.

**KRISTIN DIETSCHÉ**  
Hyde Park

### Readers know who performs honest service

Regarding recent attacks on Chiquita Brands International Inc. and the Lindner family, it appears the *Enquirer* has decided to follow the school of "gotcha" journalism. William Randolph Hearst perfected this type of yellow journalism which sensationalized minor stories, fabricated lies and distorted the truth. It is amazing to me that Cincinnati would support a newspaper which is so intent on destroying one of its leading corporate citizens and families.

Where are the stories on the good Chiquita and the Lindners have done for this community? Where is the balance in showing the economic benefits of the company to the Central American countries in which it operates? Where are the stories regarding the unwarranted protectionist policies of European nations which directly counter free-trade principles and the idea of open markets?

In an effort to sell newspapers, the *Enquirer* has published distortions in the guise of community service. It is my hope that *Enquirer* readers will recognize who has performed genuine, honest and faithful service and generosity to this city and its people. In this case, it is clearly not the *Enquirer*.

**DOUGLAS SLAGLE**  
Madeira

### What's next, Delta as a drug runner?

Remember that pride comes before a fall.

Seems to me I have seen and heard stories about illegal drugs (cocaine specifically) being confiscated after attempts to ship them into Cincinnati

# Chiquita SECRETS Revealed

on Delta aircraft. When is your "story" about Delta being a drug-running operation (as you implied about Chiquita) going to be published? I can hardly wait. In the meantime, I guess I will have to keep myself current via other 100-percent factual sources of journalism, such as *The Jerry Springer Show*

**WALTER BOWLES**  
Loveland

### Condemn Chiquita, ignore Clinton

I find it extremely interesting that the Catholic Church has not taken a stand on President Bill Clinton. Is the Bishop from Detroit more interested in Honduras than the United States of America ["Catholic leader rips Chiquita," May 4]?

**PAUL HINSON**  
Eastgate

### Catholic Church should return Lindner's money

Your story detailing Chiquita's exploitation of its Latin American workers was not surprising. Some corporations behave irresponsibly. Profits often take first place ahead of workers.

In light of Detroit's Bishop Thomas Gumbleton's statement affirming Chiquita's immoral practices in Latin America, I'm extremely disappointed that Archbishop Daniel Pilarczyk accepted Carl Lindner's \$1.5 million gift for our local Catholic schools.

The gift was indeed generous and most surely needed by Catholic, inner-city schools, for computer equipment. However, what are we teaching Catholic school children about social justice: Exploitation of workers is wrong except when the exploiter gives a lot of money to our schools?

The archbishop should return Mr. Lindner's money.

**DAVE VANDIVIER**  
Fairfield

### Archbishop's views buried in paper

Why did the Detroit bishop's sensational comments receive page A1, bold-headline treatment and Cincinnati's archbishop's response was

buried on page A8? Since the archbishop's opinion did not agree with the paper the response was buried. Does the *Enquirer* have a vendetta or just a tainted view?

**MARK KADNAR**  
Loveland

### Banana farm workers paid, treated very well

I am a former employee of Chiquita and spent 18 months auditing its plantations in Panama, Honduras and Costa Rica. The working conditions were safe and clean, the employees were treated and paid well and everyone seemed quite satisfied with their lives. Stated throughout the *Enquirer's* report were statements saying the workers were being exploited and paid low wages.

As a former Peace Corps volunteer in Costa Rica, I know that Chiquita pays its farm workers three to four times what Costa Rican farmers and companies do. Plus, Chiquita gives them housing, health insurance, pension and other benefits and bonuses that local businesses do not. Have your reporters check Chiquita's income statements and ask them if the workers are still being exploited.

The report says that due to Chiquita's efforts to open Europe to its bananas, economies in Caribbean islands will be destroyed and drugs will flow into the United States. So now, will Chiquita also be responsible for crack in Cincinnati?

While Chiquita is not run by Boy Scouts and may be guilty of serious crimes, the gross subjectivity of the reporters lost their credibility with me. I find it ironic that a profitable company like the *Enquirer*, which recently pulled the contracts of its independent paper deliverers to increase its own profits and control, would entitle a report on another company which is losing money, "Power, money and control."

**GERRY THIEMANN**  
Mount Airy

### Newspaper showed real courage taking on power

In the past I have been very critical of the *Enquirer* because I am opposed to almost everything that Republicans are for. However, the articles on Chiquita took real courage on the *Enquirer's* part. My son is a newspaper reporter in Galveston and I know how difficult it is to go against the wealthy power brokers in a city. Thanks for an excellent job.

**RICHARD A. SCHLADEN**  
Aurora

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May 11, 1998

Cincinnati Enquirer

Front Page

"Team digs up tales of Fernald exposure"

By: Rachel Melcer

NO. 002

PUBLIC AFFAIRS → DOUG SARNO

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# Team digs up tales of Fernald exposure

## Workers' accounts stun DOE officials

BY RACHEL MELCER  
The Cincinnati Enquirer

No one ever told workers at the former Fernald uranium processing plant that they shouldn't taste radioactive materials.

So, without knowing they were ingesting a carcinogen, middle managers would routinely put a uranium oxide called "green salt" on their tongues to check for the telltale metallic taste of a good sample. At the height of the Cold War, they worried that if they sent samples of poor quality to a lab for



Gene Branham was dangerous," said Susan Pinney, associate professor of environmental health at the University of Cincinnati College of Medicine.

Her story, garnered from interviews with former Fernald workers, stunned a group of officials from the Department of Energy (DOE), the Centers for

(Please see FERNALD, Page A5)

testing, their productivity records would suffer.

"I'm sure they wouldn't have done it if they thought it

# Fernald: Exposure tales surface

CONTINUED FROM PAGE A1

Disease Control and Prevention, the National Institute for Occupational Safety and Health (NIOSH) and Agency for Toxic Substances and Disease Registry.

None of them knew that it had happened. They won't find record of the procedure in any training manual.

That's exactly why the tale is so important.

Guided by the Fernald Health Effects Subcommittee that met last week in Harrison, scientists are spending thousands of hours and millions of dollars to re-create the conditions at Fernald when it was in full operation. They want to know who was contaminated and with what.

With those answers, experts will be able to determine who was harmed by uranium, radon and a variety of non-radioactive contaminants.

"Things keep surfacing," said Lar-

ry Elliott of NIOSH, who has questioned former uranium plant workers at retiree picnics and through panel discussions.

As administrator of a worker medical health monitoring program established through settlement of a lawsuit against Fernald by its former employees, Dr. Pinney is responsible for asking questions about the plant to form a working database.

"It's almost pitiful the amount of information we have on levels of exposure," said environmental consultant Joseph Farrell, chairman of the Health Effects Subcommittee. "The only people who know where they've been and their exposures are the workers themselves."

But some observers say that should not be the case.

Gene Branham, vice president of the Fernald Atomic Trades Council, recalled monitoring devices that were

attached to workers and used in Fernald plants. He remembered reports of tests being conducted on the organs of workers who died after exposure. He says the Department of Energy should have those records.

"We're spending money to reconstruct information that should already exist," he said.

Paul Seligman, in charge of the project for DOE, promised to share whatever information he could obtain. But even he can't find much of the data hidden by Cold War secrecy.

"There's a great body of information out there that I don't even know exists," Mr. Seligman said.

At Hanford, a former nuclear weapons production site in Richland, Wash., DOE conducted a three-year search for records. Ten years later, information is still surfacing, said Mike Sage, deputy chief of the CDC Radiation Studies Branch

"It makes you wonder, are we missing something?" he said.

The information, vital to the health of people in and around Fernald, is also important in building trust.

Louis Doll, Greater Cincinnati Building Trades' representative at Fernald, says the secrecy even affected subcontractors such as himself, who went to work at the defunct uranium plant in the mid-1980s.

"I didn't even know what the place was," he said. "You would walk into a building to paint the walls and it's all green (from uranium) and you'd think, 'I ain't never seen this color,' and wonder why. That raises concerns.

"After years of secrecy and atrocities, the direction that you (government agencies) take is going to say a lot about your intentions. You're going to have to build a body of truthfulness here."

April 28, 1998

The Energy Daily

Front Page

**"IG Finds Fault With Fernald Hiring/Firing Practices, Again"**

By: George Lobsenz

1462

## IG Finds Fault With Fernald Hiring/Firing Practices, Again

BY GEORGE LOBSENZ

In a replay of earlier problems, the operator of the Energy Department's Fernald site in Ohio again has come under criticism for firing longtime workers to save money, only to quickly replace them with new temporary workers.

Auditors with the Energy Department's Office of Inspector General said the poor work force planning by Fluor Daniel Hanford resulted in DOE spending \$13.7 million for severance payments to longtime workers and then spending an extra \$7 million to hire new temporary workers, at least 39 of whom were in the same job classifications as the permanent employees let go.

Beyond the fiscal implications, the auditors said Fluor's actions violated

DOE policy that longtime department workers be retained and retrained for new jobs whenever possible.

Further, the IG's office said in a new audit report, DOE improperly reimbursed Fluor for \$405,000 in "unreasonable" costs incurred by the company in hiring and then firing temporary workers.

But the bottom line, the auditors said, is that Fluor did not achieve the overall payroll and budget reductions DOE has claimed for two rounds of layoffs at the former uranium processing site since 1993.

"The department reported that 1,007 employees were separated be-

tween fiscal years 1994 through 1996," the report said. "However, the actual reduction in Fluor Daniel's staffing was considerably less than reported."

The auditors said Fluor had 2,412 permanent employees when the first wave of layoffs took place in 1993. And as of the end of 1997, Fluor had 2,014 permanent employees on board—making for a total work force reduction of only 398.

The report also said the savings from that 398-worker cut were considerably eroded by the hiring of temporary workers at the same time.

"A major portion of the savings which might have accrued to the department as a result of reducing the Fluor Daniel work force by 398 employees was offset by the \$7 million increase in the annual cost of temporary workers," the auditors said.

"Therefore, instead of spending  
(Continued on page 2)

April 28, 1998

The Energy Daily

Front Page

"IG Finds Fault With Fernald Hiring/Firing Practices, Again"

By: George Lohsenz

## Hiring/Firing Practices...

(Continued from page one)

\$13.7 million to reduce the work force by 1,007 employees as reported, the department actually paid more than \$20 million to reduce Fluor's work force by only 398 employees," they concluded.

The auditors also expressed concern that when permanent employees were fired, they sometimes were replaced—within days—by temporary workers performing the exact same job. For example:

- Fluor separated an environmental/lab scientist III on August 21, 1995, at a cost of \$34,103, having three weeks earlier hired an environmental/lab scientist III from a temporary service subcontractor.

- Fluor fired an information/records specialist III on July 3, 1995, with a \$17,223 severance package, having hired a temporary information/records specialist III two days earlier.

- Two information/records specialists I were fired in the summer of 1995, with severance packages between \$16,500 and \$17,000. Fluor then hired temporaries in the same job classification only days or weeks later.

"As of June 30, 1997, all four of [those] subcontractor employees were still employed as 'temporary workers' at the Fernald Project," the auditors noted.

The report said Fluor officials justified the replacement of those permanent employees on the grounds that it would have been too expensive and time-consuming to train them for the new assignments taken on by the temporary workers. But the auditors noted Fluor had been explicitly ordered by DOE to maximize the reassignment and retraining of permanent employees whose jobs were being eliminated due to downsizing and changing missions at Fernald.

The IG report, dated April 1 but only released last week, echoes criticisms made by the IG's office in an April 1996 review of the first round of layoffs at Fernald. The 1996 report found that Fluor spent \$2.9 million to separate 255 employees in October 1993, but that only a year later, all but 14 of the employees separated were either rehired or replaced by new employees with similar skills.

In response to the 1996 report, DOE officials acknowledged there were problems in Fernald's work force planning and pledged corrective actions, which they said were reflected in the second round of layoffs.

However, DOE management tacitly acknowledged the problems cited by the IG's office in the second restructuring effort. Following recommendations made by the IG office, the department said it had required Fluor to stop the practice of replacing permanent workers with temporaries, and ordered Fluor to consider its use of temporary service subcontractors when doing formal work force restructuring analyses at Fernald. DOE also promised to more closely monitor Fluor's work force restructuring actions and use of temporary service subcontractors.

However, DOE officials rejected the auditors' recommendation that they seek to recover \$405,000 they reimbursed Fluor for separation benefits paid to some workers. The IG's office said payments totaling \$278,000 were improper because they went to permanent employees who were fired when Fluor could have fired temporary workers in the same job classifications who were not entitled to severance. The auditors questioned another \$127,000 in severance payments Fluor made to seven workers who were hired as temporaries after the first round of layoffs, made permanent employees and then fired in the second round of layoffs. DOE officials said those payments were reasonable because they were prompted by circumstances beyond Fluor's control.

May 1, 1998

The Energy Daily

Front Page

"Hill Panel Eyeing NRC Oversight of DOE"

By: George Lobsenz

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## Hill Panel Eyeing NRC Oversight Of DOE

BY GEORGE LOBSENZ

A House panel has been considering slashing funding for—or even terminating—the Defense Nuclear Facilities Safety Board and accelerating a move toward regulation of Energy Department nuclear weapons sites by the Nuclear Regulatory Commission.

Documents obtained by *The Energy Daily* strongly suggest the House Appropriations Committee's energy and water subcommittee has been examining a transfer of DOE nuclear safety oversight responsibilities from the Defense Nuclear Facilities Safety Board (DNFSB) to NRC.

The possibility of such a transfer was raised in an April 24 letter to Rep. Joseph McDade (R-Pa.), chairman of the energy and water subcom-

(Continued on page 3)

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The Energy Daily

Front Page

"Hill Panel Eyeing NRC Oversight of DOE"

By: George Lobsenz

## House Panel Eyeing NRC Oversight Of DOE...

(Continued from page one)

mittee, from six House members whose districts include major DOE nuclear sites.

The bipartisan group of lawmakers expressed concern about such a transfer being too hasty and urged that full funding be provided to the DNFSB for fiscal year 1999.

"While there have been suggestions that the Nuclear Regulatory Commission should take over the [DNFSB's] role, we believe there are many practical and policy considerations that would have to be considered in such a transition of responsibility," the legislators told McDade. "At a minimum, Congress must carefully scrutinize any such proposal before approving such a transition, and due to the crowded legislative schedule for this year, we believe that no transfer of responsibility from the board to the NRC should be contemplated this year.

"Now is also not the time to withdraw resources from the board," they added. "The rapid change in DOE's mission during the past few years, coupled with the loss of expertise from the defense nuclear complex as a result of retirements, layoffs and other downsizing activities, requires that we have an agency whose technical judgment on nuclear safety matters is reliably accurate and forthright. The technical expertise of the board continues to be needed to provide added assurance to the Congress and the public that DOE is implementing a sound program for the safe management of the production and use of defense nuclear materials, a program that provides reasonable assurance of no undue risk to the workers and the public, and protects the environment. Therefore, we urge the subcommittee to fully support the board's fiscal year 1999 budget request for \$17.5 million."

Signing the letter were Reps. John Spratt (D-S.C.), Norm Dicks (D-Wash.), David Skaggs (D-Colo.), Mac Thornberry (R-Texas), Doc Hastings (R-Wash.) and Lindsey Graham (R-S.C.).

Perhaps more important than those members' opposition, sources told *The Energy Daily* that Sen. Pete Domenici (R-N.M.), chairman of the Senate energy and water appropriations subcommittee, would oppose any transfer of oversight authority to NRC, at least this year.

Domenici made his opposition known after McDade wrote various DOE sites seeking their comments about NRC oversight and, according to one congressional source, suggesting the move to NRC regulation was "inevitable."

The source said Domenici had not made up his mind about the issue but was "strongly inclined" to wait another year before addressing any change in DOE nuclear safety regulation.

Aides to Domenici were not available for comment.

Officials with the House energy and water appropriations subcommittee declined comment on their deliberations. However, knowledgeable sources said while the panel was exploring the DOE regulation issue, it was not actively considering any legislation.

The DNFSB was established by Congress in 1992 as an independent check on DOE, which is self-regulating for nuclear safety. The board does not have regulatory authority, but does issue recommendations to DOE when it identifies safety concerns. If DOE does not accept the

recommendation, the board has the authority to go the president to compel DOE action. However, DOE has accepted all of the DNFSB's recommendations to date, and the board has played a key role in forcing DOE action on major safety issues, most notably the stabilization of nuclear residues posing the threat of explosion or serious radiation releases.

However, DOE recently recommended ending its self-regulation of DOE safety and transferring oversight authority—and key DNFSB elements—to NRC. DOE is pursuing several pilot programs with NRC to evaluate the costs and safety changes that would be required at both NRC and DOE if that regulatory transfer was made.

However, DOE did not envision making the full transfer to NRC for years, citing the need to develop regulatory standards and procedures with NRC. For their part, NRC officials have expressed concern that they would need substantial budget increases—in the tens of millions of dollars—to take over DOE oversight.

Another surprising aspect of the transfer proposal is that it is arising in an appropriations subcommittee—not the authorizing committees for DOE, which are supposed to make major policy changes. The House commerce and national security committees are the prime authorizing committees for DOE.

In a related development this week, Energy Secretary Federico Pena wrote to Capitol Hill to register strong opposition to another policy change reportedly being considered by McDade's subcommittee. In an April 27 letter to Rep. Tony Hall (D-Ohio), Pena warned against any move to transfer cleanup of three major DOE nuclear sites funded under the department's so-called closure account. The Mound and Fernald sites in Ohio and Rocky Flats site in Colorado are receiving additional funding from Congress in a push to finish cleanup and close out all DOE activities by 2006.

Members of the energy and water subcommittee, not pleased with the pace or efficiency of DOE's cleanup program, reportedly were considering transferring Mound, Fernald and Rocky Flats to the U.S. Army Corps of Engineers.

Hall, whose district includes Mound, raised concerns about the transfer idea and wrote to DOE asking for its view of any such transfer.

In his response, Pena pointed to a host of problems, including safeguarding of plutonium at Rocky Flats, questions about the Corps' regulatory authority and technical capability to safely carry out high-level radioactive cleanup, and transfer costs and delays that ultimately could prevent closure of the sites by 2006.

"In summary, we see a greater number of problems and few benefits from transferring the [closure] program to another agency," Pena said. "The cleanup work at these sites is often complex and difficult. We believe that completing the cleanup requires hard work and honest communication. There are no easy solutions to make the problems disappear. Transferring the program to another agency will merely shift the problems to someone else."

Officials at the energy and water subcommittee declined comment on the closure account issue.

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Weapons Complex Monitor

Front Page

*"Peña: \$500M Cut Would Cripple DOE Cleanup Program"*

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A \$500 million cut to the EM FY98 budget request would cripple the entire program for the foreseeable future, Secretary Peña told Rep. John Spratt . 2

### **PEÑA: \$500M CUT WOULD CRIPPLE DOE CLEANUP PROGRAM**

*Compliance Obligations,*

*Closure Project, Jobs Would Suffer*

A \$500 million cut to the Environmental Management FY98 budget request would force DOE to violate legal requirements; cause widespread delays in cleanup; increase costs; and cause significant job losses, essentially crippling the entire program for the foreseeable future, Secretary of Energy Federico Peña told Rep. John Spratt (D-S.C.), a member of the influential National Security Military Procurement Subcommittee. In an April 28 letter to Spratt, Peña asserted a cut of that magnitude "would have a disastrous impact on our ability to sustain a balanced environmental management program that meets our legal obligations; maintains critical nuclear non-proliferation activities; ensures... health and safety; and safeguards and manages weapons materials such as unstable plutonium," Peña wrote.

Spratt had asked Peña in a March 24 letter what the impact of a \$500 million cut would be on the EM program. That request may be the source of rumors that some members of Congress are, in fact, considering slashing the EM budget by a half-billion dollars. Suspicion immediately fell on Rep. Duncan Hunter (R-Calif.), the chairman of the Military Procurement Subcommittee who has previously suggested raiding DOE's EM budget to pay for military projects such as the ballistic missiles defense program. Hill staffers, however, maintain it's too early in the budget process to be discussing specific numbers, and offer that Spratt's request might have been made in an effort to accurately gauge an appropriate funding level for the program. "Members often ask 'what would you do if we cut your budget by this much, or added this much'," one staffer said. "If DOE comes back and says a cut would mean

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**"Peña: \$500M Cut Would Cripple DOE Cleanup Program"**

sacrificing compliance agreements, then they're probably not getting enough money. If they take an addition and come back with a bunch of silly stuff, they're probably getting too much."

#### **Compliance-Driven Work Would Grind to A Halt**

Peña detailed for Spratt the compliance activities that likely would fall by the wayside in the wake of a \$500 million cut, including:

remediation activities along the Columbia River; transforming highly radioactive liquid waste into a solid, safe for storage at [INEEL]; work to conduct cleanup required under the Superfund Law; treatment of radioactive and hazardous wastes; decontamination and decommissioning activities at Fernald and Rocky Flats; and characterization and treatment of groundwater contamination at a number of sites.

Peña conceded the department would make every effort to limit non-compliance, but added those efforts would likely include deferring activities designed to meet recommendations of the Defense Nuclear Facilities Safety Board, such as stabilizing plutonium at Hanford, Rocky Flats and Savannah River.

A \$500 million cut also would affect the department's accelerated cleanup strategy. "[T]he Department would be unable to implement its plans, as well as the direction of the Congress, to accelerate the closure of the Rocky Flats, Mound and Fernald sites. Deferring the necessary expenses to mitigate our problems only causes cleanups to be more expensive (and) more dangerous as conditions deteriorate," Peña asserted. "In effect, we will be doing nothing more than saddling future generations with even worse problems."

#### **Domino-Effect Would Affect Most Projects**

In addition, he stated, the cut would have a cascading effect throughout the complex. "We cannot afford to have individual states feel that they are being forced to make unilateral decisions that could ultimately upset the balance of interdependent missions and potentially disrupt the DOE complex," he explained. "We are working with our stakeholders to orchestrate the movement and disposition of nuclear materials to both cut costs and allow certain sites to close. A drastic cut...would jeopardize our ability to plan and implement these intersite materials transfers, and cripple public confidence in the Government's commitment to safely and expeditiously dispose of these materials."

Finally, Peña predicted that the \$500 million reduction would require a reduction of force of about 280 DOE positions at headquarters and in the field, a situation that would "damage our technical capabilities and productivity, and seriously challenge our ability to conduct effective oversight of our contractors." In the cleanup program's contracting community, Peña added, more than 7,000 jobs would be lost around the country.

"The EM program budget has been essentially flat for the past few years, despite a substantial increase in workload," Peña concluded. "We have made substantial management changes to increase productivity and reduce costs. We have made these improvements while meeting our legal commitments; maintaining the protection of the public, our workers, and the environment; and accelerating cleanups. We cannot continue to achieve these goals with a substantial decrease in our funding." ◀

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"The First Annual...Ohio Field Office Business Forum"

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*The First Annual...*

## Ohio Field Office Business Forum

*Transitioning to an Aggressive Program...*

*...for Cleanup, Closure, Revitalization  
at DOE-Fernald, Mound Lab*

May 11-14, 1998

Kings Island Inn & Conference Center  
Cincinnati, Ohio

**A SPECIAL TOUR OF THE FERNALD SITE**

*"...the shift at Fernald now is to achieve closure...it will be more dramatic toward bringing on outside contractors.... Right now, about 40% of our budget—\$100 million—goes to outside contractors...that will go up to 70-80% as we get to closure..."*

*John Bradburne*

*President*

*Fluor Daniel Fernald*

*Speakers include:*

- ✓ James J. Fiore, (Acting) Deputy Assistant Secretary, Environmental Restoration, DOE-EM
- ✓ Robert DeGrasse, Director, Office of Worker & Community Transition, DOE
- ✓ Leah Dever, Manager, Ohio Field Office, DOE
- ✓ Jack Craig, Director, Fernald Environmental Project, DOE
- ✓ Nat Brown, Director, Miamisburg Environmental Management Project, DOE
- ✓ John Bradburne, President, Fluor Daniel Fernald
- ✓ Pete Heckman, President, Babcock & Wilcox of Ohio
- ✓ ...plus key Fernald, Mound program managers, state and federal regulators, local officials...and more

**CALL IMMEDIATELY TO RESERVE A PLACE: 847-234-2353**

**May 7, 1998**  
**The Dearborn County Register**  
**Page 2-A**  
**"DOE plans tour of Fernald"**

### **DOE plans tour of Fernald**

The U.S. Department of Energy will hold a tour of the Fernald site for all interested stakeholders at 6 p.m. (DST, fast time) Tuesday, May 12, at the Alpha building. The tour will last about two hours. To register, call 1-513-648-5883.

The Citizens' Advisory Board on-site issues committee will meet at 6 p.m. Monday, May 11, at the Jamtek building. The CAB off-site issues committee will meet at 7:30 p.m. May 11, and the CAB efficiency committee will meet at 6:30 p.m. Thursday, May 14, at the Jamtek building. The full board will meet from 8:30 a.m. to noon at the Alpha building.

For more information, call 1-513-648-3153.

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*"Employees at Fernald once tasted uranium salts"*

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## Employees at Fernald once tasted uranium salts

The Associated Press  
CINCINNATI

Workers at a U.S. Department of Energy plant that processed uranium during the Cold War once routinely tasted radioactive salts to decide if they would make good laboratory samples.

Chilling anecdotes like that are coming to light as scientists interview longtime employees in a medical monitoring program that the former Fernald workers won in settling a lawsuit against the government.

"I don't know whether it was just stupidity or a lack of knowledge," Gene Branham, vice president of a coalition of 14 employee unions at the Fernald site, said Monday.

Middle managers at the former Feed Materials Production Center at Fernald would put a granular uranium hexafluoride substance called "green salt" on their tongues to check for the tell-tale metallic taste of a good sample. The managers worried that if they sent samples of poor quality to a lab for testing, their productivity records would suffer.

"I'm sure they wouldn't have done it if they thought it was dangerous," said Susan Pinney, an associate professor of environmental health at the University of Cincinnati.

She is helping to compile interviews with the former Fernald workers to help determine long-term health effects of their continued exposure to radioactive materials.

The Atomic Energy Commission, now part of the Energy Department, operated the Fernald site during its early years and failed to share with workers its information about the health hazards of radioactive materials, Branham said. But state-of-the-art information in the 1950s wasn't what it is now, Energy Department spokesman Ken Morgan said.

"I don't think it was ever anybody's policy that you should be sticking green salt in your mouth," Morgan added.

Branham, vice president of the Fernald Atomic Trades and Labor Council, has worked at the Fernald site since 1952, about a year after it started processing uranium for the government's production elsewhere of nuclear weapons. The so-called green salt was used in producing uranium ingots.

Production ended in 1989, but the cleanup of radioactive contamination at Fernald is expected to take until at least 2006.

The union coalition is trying to assemble all the worker-exposure information it can by itself before making specific requests from the Energy Department, Branham said.

He suggested that the department must have the information somewhere because it has been collecting data about deaths and sicknesses of workers at its uranium-handling sites for decades. Morgan said the Energy Department files an extensive but not all-encompassing

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Page C1

"Lindner money shows up at Pops"

By: Jim Knippenberg

**JIM KNIPPENBERG**

PSST!

## Lindner money shows up at Pops

Merciful heavens, look what just popped up . . . a wad of money from Mr. Carl Lindner.

You'll recall Sunday's Psst! item: The Lindner organization was to bankroll a PBS/Cincinnati Pops Orchestra Valentine's special to the tune of \$250,000. It was to tape in November and air in 1999.



Carl Lindner

Fine. Then the *Enquirer's* 18-page section examining Chiquita business practices hit the streets May 3. On May 4, a Lindner rep notified the CSO that the money was withdrawn because *Enquirer*

president and publisher Harry Whipple is on the CSO board.

Psst! stands behind that item. No one — not the CSO, not the Lindners, not CPO music director Erich Kunzel — denies its accuracy.

But what a difference a day makes. Sometime before 11 a.m. Monday, the gift was reinstated. No one will furnish details, but on Monday Pops conductor Erich Kunzel assured Psst! via a letter that the money's now there:

"I would like to emphasize *today* (Psst! added the italics) that all funding requested from Mr. Lindner is in place, and we are proceeding with PBS in our plans."

Meaning that the money reappeared Sunday, we asked CSO spokesman Rosemary Weathers? "No further comment." Same response from Kunzel and CSO executive director Steven Monder.

Meanwhile, an exec in one of Lindner's companies, one of four sources for the Sunday item, confirms: "The money is there now. I guess it was Sunday, but no one here knows. Lips are sealed here right now."

We'll say. Even as high up as American Financial vice president Sandy Heimann: "I'd love to help you out," she said Monday, "but you know I can't comment."

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*"Corps may take over Fernald cleanup"*

By: Paul Barton

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## Corps may take over Fernald cleanup

Groups oppose moving job away from DOE

BY PAUL BARTON

Enquirer Washington Bureau

WASHINGTON — A key congressional committee reportedly is considering shifting control of the cleanup of Fernald and some other former nuclear weapons sites from the Energy Department to the U.S. Army Corps of Engineers.

Such a move — supposedly being contemplated by the House energy and water appropriations subcommittee — has been the subject of recent articles in trade publications that follow the Department of Energy (DOE) and cleanup issues.

Rep. Rob Portman, R-Terrace Park, whose congressional district includes Fernald, is also aware of the reports. "We understand it is a very, very preliminary proposal and it is something the appropriation subcommittee is just kind of batting around at this point," said Portman aide Brian Besanceney.

"We would have to very carefully evaluate any suggestion of transferring control to determine whether it would have a negative impact on the cleanup schedule."

Elizabeth Morra, spokeswoman for the House Appropriations Commit-

tee, said it was still too early in the budget process to say whether the idea would be considered.

Preliminary or not, the idea has sparked concern from activists.

"Absolutely not. Over my dead body," said Lisa Crawford of Fernald Residents for Environmental Safety and Health when asked about the idea.

"I don't think they have the expertise for dealing with the nuclear waste issue."

Last year, however, Congress gave the corps control over 46 sites nationwide that have low-level contamination left over from early nuclear weapons production activities. Those sites make up the FUSRAP program, short for Formerly Utilized Sites Remedial Action Program.

The possibility of giving the corps control over more substantially contaminated sites also worries Rep. Tony Hall, D-Dayton.

The Mound Plant, in Mr. Hall's district, is reportedly one of the sites that would be shifted to the corps' control along with Fernald.

Fernald and Mound are both part of the Energy Department's accelerated cleanup or closure program, sites scheduled to be cleaned up by 2006.

Mr. Hall said in a letter sent last month to Energy Secretary Federico

F. Pena that it would be wrong to think the corps could handle sites such as Mound and Fernald just because it was supervising the cleanup of smaller-scale sites.

"While I am a strong supporter of the corps' good work, I believe that it is premature to reach a conclusion on the success of the FUSRAP program transfer," the Hall letter said.

The Oil, Chemical and Atomic Workers International Union recently sent a letter to Vice President Al Gore protesting the idea.

The union, which said its views were similar to those of the Fernald Atomic Trades & Labor Council, said there was "no evidence this proposal will save money, and worker and communities will face potentially greater safety risks."

The Energy Department has built up too much expertise to take the job away from it now, the union said.

"Absent the transfer of DOE's nuclear safety expertise, the placement of responsibility for managing nuclear material in the U.S. Army Corps of Engineers is ill-advised, if not irresponsible," the letter to Mr. Gore said.

The Fernald plant processed uranium for the government's production elsewhere of nuclear weapons from 1951 until 1989.

"A Common Interest...Clean Water"

Advertisement

## A Common Interest...Clean Water

Clean water may be something most of us take for granted, but the employees at the Fernald Environmental Management Project take it very seriously. They recognize that cleaning up the water is one of the most important challenges facing the U.S. Department of Energy (DOE) and Fluor Daniel Fernald, the company managing the cleanup.

Their challenges include extracting uranium from both the Great Miami

Aquifer located beneath the site, and from rainwater runoff generated from other cleanup activities. In 1993, DOE and Fluor Daniel Fernald converted a building slated for uranium processing into a water treatment plant. New technologies in place at Fernald will clean the water much faster than previously expected. According to Cathy Glassmeyer, just one member of the talented team of Fluor Daniel Fernald chemical engineers, original estimates indicated it would take about 27 years to treat the water. "The new technologies we are implementing at Fernald will now allow us to finish the project within the next 10 years," she said. "As a matter of fact, a new module being added to the water treatment facility this spring will more than double our capacity to treat water."



"The new technologies we are implementing at Fernald will now allow us to finish the project within the next 10 years."  
Cathy Glassmeyer  
Chemical Engineer

The process they use to treat the contaminated water surrounding the Fernald site is similar to the process found in home water softeners except this ion exchange removes uranium instead of water "hardness."

Glassmeyer and approximately 50 other employees work in Fernald's water treatment facility. "It's great to work with a group of talented, dedicated people who have a common goal - cleaning up the water," Glassmeyer said. "I have been working on this project for almost four years and it's rewarding to see the progress that has been made." To date, they have treated more than 8 billion gallons of water and removed approximately two thousand pounds of uranium.

"I have worked at the site for more than thirteen years," added Glassmeyer. "It has truly been a rewarding experience. Not only have I earned a masters degree through Fernald's education program, but I now teach environmental courses to college students. I have also had the pleasure of educating hundreds of elementary students about the Fernald cleanup. Fernald is a great place to work because I know my efforts are really making a difference."

To find out more about Fluor Daniel Fernald, including current subcontracting opportunities available, visit our web site at <http://www.fernaldd.gov>

**FLUOR DANIEL  
FERNALD**

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Page 2

*"Transitioning to an Aggressive Program for Cleanup, Closure & Revitalization at DOE-Fernald, Mound Lab"* 1462

**Transitioning to an Aggressive Program  
for Cleanup, Closure & Revitalization  
at DOE-Fernald, Mound Lab**

**May 11-14, 1998 King Island Inn & Conference Center • Cincinnati Ohio**

This event is intended to provide a comprehensive picture - on a project basis - of what services and technologies will be needed to accomplish the cleanup and closure of Fernald and the privatization of Mound Laboratory. As was told to the *Weapons Complex Monitor* by Fluor Daniel Fernald President John Bradburne, the closure of Fernald can only be accomplished through the procurement of services of the best and the brightest of outside contractors. And that's what Fluor Daniel intends to do - that's what they must do under their contract with DOE - get the right contractors, the right technology to achieve closure by 2003.

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Cincinnati Enquirer

Front Page

"Environmental group loosens pesticide standards"

By: Cameron McWhirter and Mike Gallagher

# Environmental group loosens pesticide standards

BY CAMERON McWHIRTER and MIKE GALLAGHER  
The Cincinnati Enquirer

In a two-page statement issued in response to questions by the *Enquirer*, the New York-based Rainforest Alliance stated that its rules prohibit banana plantations from using pesticides that are banned by the U.S. Environmental Protection Agency (EPA) or the European Union. These rules are less restrictive than previously pub-

lished alliance standards.

The statement comes a week after the *Enquirer* published a special section May 3 on Chiquita's business practices. The newspaper reported that Chiquita subsidiary farms

**Chiquita  
Secrets  
Revealed**

used several pesticides in violation of stated alliance policy. In documents provided earlier to the *Enquirer*, the alliance stated in its "General Production Standards" for its Better Banana program that certified farms can "only use products that are registered for use in the United States, Canada and Europe."

To be banned by the EPA or the European Union means a chemical cannot be used anywhere in the world on produce shipped to the United States or Europe, a restriction that must be adhered to by food importers according to U.S. and European law. (Please see CHIQUITA, Page A4)

The environmental partner of Chiquita Brands International Inc. issued pesticide standards Tuesday that loosen restrictions to conform to Chiquita's existing pesticide practices.

## Chiquita: Environmental group loosens standards

CONTINUED FROM PAGE A1

But the alliance's previously issued "General Production Standards" held producers to a higher standard. If a chemical is not registered for use in the United States, it cannot be used on farms in the United States but may be used on produce being shipped from overseas. The list of banned chemicals is far shorter than the list of chemicals not registered by the EPA or authorized by the European Union.

The *Enquirer* reported May 3 that several pesticides on Chiquita's own list of approved chemicals were not registered for use in the United States, Canada or one or more nations of the European Union, in contradiction to stated Rainforest Alliance policy.

Those pesticides included bitertanol, sold as Baycor, a pesticide that Chiquita and its subsidiaries use in aerial spraying. Both the company that manufactures the product as well as the EPA stated that bitertanol is not, and never has been, registered for use in the United States on bananas or any other crop.

Under the standards released Tuesday, pesticides used by Chiquita subsidiaries that were in violation of the previous rules are now permitted.

Since 1993, the Rainforest Alliance and Chiquita have worked on the ECO-O.K. — Better Banana program, an environmental certification designed to assure protection for workers and the environment on Costa Rican farms of Chiquita's subsidiaries, Compania Bananera Atlantica Ltda. (COBAL) and the Chiriqui Land Co. The program, originally called "ECO-O.K." but later changed to "Better Banana," has since expanded to Chiquita subsidiary farms in Panama and Colombia. Of 81 Latin American farms involved in the program, 74 are Chiquita subsidiaries. The farms pay for the alliance's certification process.

Eric Holst, New York coord-

inator of the alliance's Better Banana program, would not comment on the statement issued Tuesday, except to say that it had been approved by Chiquita.

Joseph Hagin, Chiquita's vice president for corporate affairs, did not return calls Tuesday.

The alliance statement made no reference to an *Enquirer* finding that Chiquita also conducts aerial spraying of banana farms while the workers are in the fields — another violation of the alliance's environmental policy.

In a story published May 3, the *Enquirer* reported that workers are exposed to pesticides through aerial spraying on Chiquita subsidiary farms in Costa Rica — and all these farms are certified under the Better Banana program. The newspaper quoted workers on Chiquita subsidiary farms.

For that story, Mr. Holst told the *Enquirer*, "We require that workers have protection from the application of chemicals. That clearly is a violation."

The *Enquirer* also published statements from tape recordings made from internal Chiquita voice-mail messages in which company officials discussed that Chiquita subsidiaries are conducting aerial spraying while workers are in the fields. Those tapes were provided to the *Enquirer* by a high-level source in Chiquita's Cincinnati headquarters.

In the United States, aerial spraying while workers are in the fields is banned by the EPA. EPA spokeswoman Denise Kearns said the EPA will, on rare occasions, allow an individual dressed in full safety gear to "flag" for a crop-dusting airplane, but all other workers are removed.

Asked why the EPA had such regulations, Ms. Kearns said "because of the acute reactions to pesticide applications of this kind and also over time, you have all kinds of chronic effects that creep up for the workers, so we simply don't permit it," she said.

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"Readers' Views... Chiquita SECRETS Revealed"

1462

## Investigation was long overdue

The spate of readers' letters condemning the *Enquirer's* investigation of Chiquita Brands International Inc. confirm that Cincinnati has lived with a repressed and corporately sycophantic press for so long its citizens have no idea what the press is for.

A city does not become "better" by virtue of media avoiding stories which reflect badly on the local situation, serving up only "positive news coverage to greet (its) Sunday morning reader" ["Don't drag our city down with attacks," May 6], but by exposing problems so that they can be addressed and corrected.

Yes, "it's a shame that the *Enquirer* has to beat up one of its own friends," as one reader wrote ["We should promote our local businesses"]. But it has been a cozy and corrupting friendship.

The question no one has asked — and the investigative report I'd really like to see — is why it took the *Enquirer* so long.

**G.L. FRANK**  
Clifton

## Chiquita SECRETS Revealed

### Chiquita improves workers' way of life

In response to the allegations published by the *Enquirer* regarding Chiquita Brands International Inc., I specifically take issue with the allegation of a murder, and a destroyed village and other human rights violations in Chiquita's Latin American operations.

Having traveled in Latin America as a missionary, I have witnessed firsthand some of the most desolate areas of these third-world countries.

The horrible living and working conditions are beyond imagination to those of us in the United States. For those who are employed, wages are extremely low, and benefits nearly unheard of.

However, the meager conditions have steadily

increased over the years. This is due in large part to the presence of businesses like Chiquita in Latin America. Chiquita had been a leader among American corporations in helping advance development and improve labor and living conditions throughout Latin America.

The hundreds of millions of dollars contributed to the national and local economies, infrastructure and numerous religious and charitable organizations have increased the quality of life, not just for Chiquita employees, but for the entire country.

Chiquita is one of the largest private employers in Panama, Honduras and Costa Rica, providing unusually high wages and excellent benefits, including education, housing and child care, and even large Christmas bonuses.

In 1996, I spent a week in Latin America at Christmas-time handing out small "shoebox" gifts containing shoes, toothpaste and Hot Wheels to nearly 10,000 families.

For most of these children, it was the first "gift" they had ever received, and their large, brown eyes could not

help but reveal their excitement. It brought tears to my eyes.

The presence of successful, ethical businesses like Chiquita — businesses that care about their employees — make it possible for the children of the thousands of workers it employs to share this same joy.

**DAVID R. LANGDON**  
Clifton

### Philanthropy may not be genuine

I hope that your report that Carl Lindner is withdrawing his \$250,000 gift to the Cincinnati Symphony Orchestra for a Pops' Valentine's Day concert is incorrect ["Lindner company yanks \$250,000 gift to CSO," May 10].

I thought that besides being a darn good businessman, he was also a genuine philanthropist. Guess I was just naive.

**PATRICIA M. HEIM**  
Colerain Township

*Editor's note: The gift from Mr. Lindner was reinstated.*

**May 4, 1998**

**Inside Energy**

**Front Page**

**"Pena Warns Cleanup Moves Would Fail"**

**By: Bill Loveless**

## **PEÑA WARNS CLEANUP MOVES WOULD FAIL**

Energy Secretary Federico Peña last week warned that transferring three of DOE's major cleanup projects to the Army Corps of Engineers or another federal agency would cause a number of problems, including uncertainty over the handling of nuclear materials at department facilities and delays in restoring department sites to other uses.

Separately, the Oil, Chemical & Atomic Workers International Union sent a letter to Vice President Gore criticizing the idea of reassigning the three projects — the Mound Site and the Fernald Environmental Management Project, both in Ohio, and the Rocky Flats Environmental Technology Site in Colorado — to the Army Corps. The union, which represents workers at Mound and seven other DOE sites, said it understood the Fernald Atomic Trades & Labor Council and the United Steelworkers of America at Rocky Flats share its concerns.

Peña, in an April 27 letter to Rep. Tony Hall, D-Ohio, whose district includes Mound, predicted that transferring the projects to another agency would result in "a greater number of problems and few benefits." "The cleanup work at these sites is often complex and difficult. ... There are no easy solutions to make the problems disappear. Transferring the

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Inside Energy

Front Page

**"Peña Warns Cleanup Moves Would Fail"**By: *Bill Loveless*

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program to another agency will merely shift the problems to someone else."

Last month, Hall wrote Peña expressing concern over a suggestion by Rep. Joseph Knollenberg, R-Mich., a member of the House Appropriations Committee, that Congress transfer from DOE to the Army Corps responsibility for cleaning up the three sites (IE/FL, 13 April, 1). Congress took similar action last year, when it transferred DOE's Formerly Utilized Sites Remedial Action Program to the corps.

Peña told Hall that shifting Mound, Fernald and Rocky Flats — whose cleanups DOE expects to complete by 2006 — from the department would raise a number of questions, including how it would affect the department's mandate under the Atomic Energy Act to manage weapons grade plutonium and other nuclear materials.

"We take these duties very seriously and do not believe they should be transferred to another agency without extraordinary consideration given to issues such as conduct of operations, separation of civilian and military agency roles and responsibilities, safeguards and security, and the technical aspects of working with radioactive materials," Peña said.

Another concern is how the change would affect other cleanup operations at DOE, many of which the department plans to integrate with those at Mound, Fernald and Rocky Flats. "The department has been working to ensure cost-effective management of wastes by integrating treatment and disposal of nuclear waste among departmental sites to avoid duplicating capacity for similar wastes," the secretary said. "Transferring responsibility to another agency could disrupt this integration. Moreover, the necessary integration between two agencies and budgets would require more resources being devoted to bureaucracy, instead of towards accomplishing the cleanup."

Peña also raised some of the same concerns DOE has cited in regard to the congressional decision to move FUSRAP to the corps. For example, he said it is unclear whether another agency could provide the indemnification that DOE extends to its cleanup contractors through the Price-Anderson Act. "It is also unclear," he said, "what residual liabilities the department would incur for nuclear materials at closure sites under the [Atomic Energy Act], the Comprehensive Environmental Response, Compensation and Liability Act and other statutes."

OCAW President Robert Wages raised similar concerns in an April 24 letter to Gore. "First, the U.S. Army Corps of Engineers has no experience in managing or processing tritium, plutonium or radium bearing sludges, special nuclear materials that must be carefully managed at these three sites," Wages said. "By contrast, DOE retains a substantial level of institutional competency and memory, which can be drawn into solving complex, safety and technical challenges. Absent the transfer of DOE's nuclear safety expertise, the placement of responsibility for managing nuclear material in the [corps] is ill advised, if not irresponsible."

According to OCAW, the move also would circumvent a law passed by Congress in 1993 — and cosponsored by Gore — that requires DOE and its contractors to convert former nuclear-weapons workers into environmental cleanup workers.

Among its other complaints, OCAW maintained that interest in the transfer "appears to be part of an effort — commenced last year with the movement of FUSRAP — to dismantle the Department of Energy through the appropriations process." — *Bill Loveless*

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Front Page

"House Panel Vote On Defense Worries DOE"

By: Jeff Barber

### HOUSE PANEL VOTE ON DEFENSE WORRIES DOE

DOE officials criticized the House National Security Committee's decision last week to direct the department to apply nearly \$341 million in prior-year appropriations to its FY-99 defense programs budget, saying the money has already been committed.

In an FY-99 defense authorization bill approved Wednesday, the panel agreed to provide \$4.5 billion to DOE's defense programs, \$17 million below what the administration had sought.

The panel's decision, however, to include the \$341 million in so-called "uncosted balances" in fact represents a significant cut in program funding, because the money is not available, agency sources said.

Committee members were apparently persuaded by a General Accounting Office analysis that assumed the Defense Programs division would have the money available. DOE sources, however, said GAO's conclusions were flawed because they were based on the spending rates reported by the division in the first quarter of FY-97 and did not take into account DP's plans to increase the rate of spending in FY-98 on key provisions of the science-based stockpile stewardship program, the agency's \$45-billion effort to ensure the reliability of the nuclear arsenal under a Comprehensive Test

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Ban Treaty. "This amounts to a \$341-million cut in the program," one source said Thursday. "The money is simply not there and at the end of this fiscal year we will not have any uncosted balances."

Sources said that unless reversed, the committee's action would severely impact the stockpile stewardship program and could jeopardize its ability to meet key program goals.

The news out of the committee was much better for DOE's environmental management programs. The panel recommended \$5.8 billion for cleanup work in FY-99, nearly \$18 million above the administration's request. The committee's mark includes \$5.7 billion in new budget authorization and the use of roughly \$94 million in unappropriated funds from prior years.

Included in the bill is \$1 billion — \$40 million above the request — for the department's Defense Facilities Closure Project, a separate account set up to fund the completion of cleanup work at the Rocky Flats Environmental Technology Site in Colorado and the Mound and Fernald sites in Ohio.

The bill provides \$1 billion — \$38 million above the request — for construction and site completion at other facilities DOE plans to close by 2006 and \$2.8 billion — \$92 million above the administration's request — for cleanup work at facilities that will close after 2006.

Also included in the bill is \$286.9 million for the Environmental Management division's privatization program. Although the amount is \$230 million below what DOE had requested for FY-99, a DOE source described the funding level as "livable." Of the amount provided by the panel, \$100 million was earmarked for the huge tank waste remediation program at the Hanford Site.

In addition, the committee approved nearly \$271 million, roughly \$78 million more than had been requested, for EM's science and technology program.

The panel did vote to withhold 25% of EM's program direction funds until the department submits to Congress a plan to improve the agency's employment system. In a bill summary released Thursday, the panel said the provision "reflects the committee's belief that DOE's poor record with regard to environmental management is due in part to failure in hiring quality technical and management personnel."

DOE sources believe the EM budget approved by the panel is important because it appears to signal continued support for the department's of the massive cleanup effort.

DOE and industry sources say members of the House Appropriations subcommittee on energy and water development are examining the possibility of transferring DOE's authority over all or parts of the program to either the Army Corps of Engineers or to a newly created independent agency that would operate along the lines of the Resolution Trust Corporation.

The appropriators may not be alone in considering alternatives to continued DOE management of the program. Several stakeholder groups in the Pacific Northwest have begun talks with Washington and Oregon state government officials to determine whether there is interest in establishing "quasi-public corporation" to take over responsibility for the Hanford Site cleanup. As currently envisioned, the corporation, established as an independent agency under the White House, could expand its jurisdiction to other DOE sites if it proves successful at Hanford, sources said last week. — Jeff Barber

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**"Hatch Leaves Fluor as Corps Is Eyed for More DOE Work"**

By: Mary B. Powers

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## WASHINGTON OBSERVER

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### Hatch Leaves Fluor as Corps Is Eyed for More DOE Work

**A** former Army Corps of Engineers chief is leaving as head of one of the Dept. of Energy's largest cleanup efforts, just as some in Congress are saying the Corps is just the agency to take over cleaning up other DOE sites. These are just two examples of the flux that continues to characterize the program since it became DOE's main mission in 1989.

Twenty months ago, Fluor Daniel Inc. hired Henry J. Hatch, retired chief of the Corps, to spearhead its effort to win the \$5-billion, five-year management contract for DOE's Hanford site near Richland, Wash. In August 1996, Fluor snagged the job. But DOE has grown increasingly unhappy with Fluor Daniel's management of the site. Now, Hatch has announced he will leave the firm on May 29. Rumors that Hatch would leave had been swirling in the industry. "He is the fall guy," says an industry source. Hatch's departure was his choice, says a Fluor spokesman.

Some on Capitol Hill feel the Corps should get the cleanup job at DOE's Fernald and Mound sites in Ohio and Rocky Flats in Colorado. Outgoing Energy Secretary Federico Peña disagrees. He says "we see a greater number of problems and few benefits from transferring the program to another agency." Hatch agrees. Instead, he advocates a good working relationship between DOE and the Corps. "By combining DOE's technical talents and capabilities with the Corps

management skills, the two could be brilliant together," says Hatch. But both parties must be willing, he says.

Hatch praises DOE's move toward contract reform, calling it a stroke of brilliance. But to carry out reform, DOE needs strong, consistent leadership, says Hatch.

The White House hasn't named a new assistant secretary for environmental restoration and waste management and also is seeking a replacement for Peña, who will leave the department June 30. Industry sources say that DOE, particularly its cleanup operation, is floundering with a lame-duck

secretary and a vacancy in the assistant secretary's slot. To make things worse, critics say, the White House is seeking people with the right political makeup for both posts. "Whatever happened to the idea of putting the person who can do the best job in the job and worrying about the politics later?" asks one observer.

The administration supposedly trimmed the list for assistant secretary to Frank Coffman, former International Technology Corp. vice president and 15-year DOE environmental man-

agement official, and Edgar Berkey, a DOE environmental management advisory board member. But officials offered the job to Carolyn Huntoon, a former National Aeronautics and Space Administration official, and asked Coffman to be her deputy. Coffman is believed to have said no.

Sources say the White House hopes to announce its pick to succeed Peña by June. Front-runners are rumored to be Deputy Secretary Elizabeth A. Moler and Bill Richardson, ambassador to the United Nations. Whoever it may be, the new secretary will face an agency in turmoil and under fire.

—By Mary B. Powers



**DOE DIO Corps could take over cleanup.**

May 15, 1998

Cincinnati Enquirer

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*"Neighbors of Fernald may get more money"*

By: Tim Bonfield

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# Neighbors of Fernald may get more money

Hearing June 10  
on unspent \$10.5M

BY TIM BONFIELD

The Cincinnati Enquirer

Neighbors of the former Fernald uranium processing plant may get to share an "extra" \$10.5 million that has gone unspent from a \$78 million class-action settlement fund created in 1989.

A hearing on how to distribute the money is scheduled for June 10 before U.S. District Judge S. Arthur Spiegel.

The leading proposal calls for giving

as many as 9,000 neighbors additional payments for emotional distress caused by living for years in fear of radioactive pollution emitted by the plant. Neighbors already have shared \$18 million in emotional distress payments that ranged from \$550 to \$18,000 per person.

The Fernald neighbors class-action lawsuit was filed in 1985 and was settled in 1989. The class included more than 18,000 people.

The surplus funds have occurred because payments to residents who suffered reduced property values were less than initially projected. So were

the costs of a continuing medical monitoring program.

Cincinnati attorneys who won the initial settlement — Stanley M. Chesley, Louise Roselle and Paul DeMarco — filed a motion May 7 that proposes spending the surplus funds on emotional distress payments because those payments were capped to make sure there was enough money for the medical monitoring program.

Nearly 6,300 people got emotional distress payments after going through exams by experts from Saint Louis University. A few thousand other neighbors with potential emotional distress claims chose to accept advance payments of a few hundred dollars.

If the judge approves the proposal, both groups may be eligible for a share of the extra \$10.5 million, Mr. DeMarco said.

May 15, 1998

Cincinnati Enquirer

Editorial Page A18

"Dump DOE From Fernald?"

By: Tony Lang

## ▶ DUMP DOE FROM FERNALD?

Some of the harshest critics of the Department of Energy's cleanup at Fernald balked this week at putting a different federal bureaucracy in charge. The House energy committee has floated trial balloons for dumping DOE and turning over cleanup at Fernald and other radioactively contaminated sites to the U.S. Army Corps of Engineers.

"Over my dead body," said Lisa Crawford of Fernald Residents for Environmental Safety and Health (FRESH). This isn't a case of neighbors simply preferring the devil they know to the devil they don't know. "I don't

think (the Corps) has the expertise for dealing with the nuclear waste issue," Mrs. Crawford said.

The official theory behind a switch is that the Corps knows how to do projects. It also is hurting lately for projects. Last year, Congress gave it 25 small former nuclear weapons sites to clean up. But assigning more highly contaminated sites such as Fernald to the Corps would be a \$6 billion decision. That's roughly DOE's Environmental Management

budget annually.

You need only look at Mill Creek to wonder about the Corps' environmental sensitivity, though it is getting better. Start-up costs for switching from DOE to the Corps would be

tremendous, and could further threaten the slipping fast-track schedule at Fernald. All the contaminated sites face legal deadlines. We don't need more lawsuits.

"Congress ought to be reasonably sure it would get a major improvement in performance before it goes through new delays and expenses and building new relationships with the community," said John

Applegate, chairman of the Fernald Citizens Task Force. Instead some members of Congress want a switch just to give the Corps more to do or perhaps take enough work from DOE to justify killing it, as some advocate. DOE hasn't covered itself in glory at Fernald, but a change of horses now sounds like a formula for an even worse waste of time and tax dollars. A different set of federal faces is no guarantee of different results.

— Tony Lang



The Cincinnati Enquirer/Michael E. Keating

Radioactive waste silos at Fernald

May 14, 1998

Cincinnati Enquirer

Front Page

"Chiquita backed at annual meeting"

By: Ursula Miller and Mark Skertic

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# Chiquita backed at annual meeting

## Banana giant defends practices, blasts Enquirer

BY URSULA MILLER  
and MARK SKERTIC

The Cincinnati Enquirer

More than 400 shareholders and employees turned Chiquita Brands International Inc.'s annual meeting Wednesday into a testimonial to the Lindner family and the Cincinnati-based banana company.

The outpouring of support, which included a standing ovation for Chiquita Chairman and



S. Warsaw

Chief Executive Officer Carl H. Lindner Jr., followed a May 3 investigation of the company by the *Enquirer*. That report revealed questionable overseas business practices including bribery, hidden control of farms, environmental problems and political influence.

"We reject the outrageous allegations reported by the *Enquirer*," Chiquita President and Chief Operating Officer Steven G. Warsaw told shareholders and employees at the meeting at the Omni Netherland hotel downtown.

"You cannot imagine the moral outrage of Chiquita associates in this room and around the world," he added.

*Enquirer* Editor Lawrence K. Beaupre declined to comment on any specific criticism Wednesday, except to say: "The *Enquirer's* stories were

(Please see CHIQUITA,  
Page A6)

# Chiquita: Enquirer reports blasted by banana giant

CONTINUED FROM PAGE A1

highly detailed and fully documented."

Mr. Warsaw wrapped up the regular business portion of the meeting in less than 15 minutes. He then took a few moments to say Chiquita expects improved profits in its core banana business this year.

But the bulk of his remarks — 20 minutes of the 55-minute meeting — were spent denouncing the *Enquirer's* reporting as "tabloid journalism" and "atrocious misrepresentations."

Though Mr. Warsaw adamantly defended Chiquita's business practices, he did say he "couldn't guarantee" the honesty of each of the company's "40,000 associates in 50 countries." He added that Chiquita disciplines employees who disobey company policies.

Mr. Warsaw also attacked the newspaper for publishing the contents of internal Chiquita voice-mail messages. A high-level source within Chiquita provided the *Enquirer* with tape recordings of more than 2,000 voice-mail messages. Mr. Warsaw said the tapes were "stolen." The *Enquirer* has reported that its source also has turned copies of the tapes over to U.S. Securities and Exchange Commission (SEC) investigators. In April, the SEC launched an investigation into the company's business practices and issued multiple subpoenas for internal Chiquita records.

Mr. Warsaw did not mention the SEC investigation during his speech. However, talking to report-

ers after the meeting, he said the company is cooperating with the investigation.

At the conclusion of his remarks, Mr. Warsaw opened the floor to questions from shareholders.

A half-dozen shareholders or friends of the company spoke. Only two asked questions. The others lambasted the *Enquirer* and praised Chiquita for its contribution to Cincinnati's economy and the Lindner family's charitable donations.

Mr. Warsaw was the only company executive who discussed official business at the meeting. Mr. Lindner thanked the audience for the standing ovation. Keith Lindner, the elder Lindner's son and vice chairman of Chiquita, briefly offered his appreciation for the shareholders' support.

Meanwhile, on the sidewalk outside the Omni, more than 30 protesters demonstrated against Chiquita. Several badgered Mr. Lindner as he pulled up to the hotel in his white Bentley.

"Hey, Carl, stop killing the workers," one of the protesters gathered along Race Street shouted at the 79-year-old businessman. Mr. Lindner ignored the man and questions from local media as he walked into the hotel.

The group was hoping to send a message to shareholders, said Scott Campbell, a North Avondale resident.

"They call themselves good corporate citizens, and they've certainly done a lot for Cincinnati," he said. "But being a good corporate citizen involves more than that."

A second group of protesters arrived while the meeting was in progress to demand the *Enquirer* take a hard look at its practice. Unlike the anti-Chiquita crowd, which was mostly dressed in jeans and carried homemade signs, those supporting the banana company came dressed in business suits or white shirts and dark slacks. The signs they carried had been printed by a computer and all carried the same message:

"*Enquirer* ought to investigate their own unethical business and union practices."

Among the findings of the *Enquirer's* May 3 report:

► Chiquita secretly controls dozens of supposedly independent banana companies through business structures designed to avoid restrictions on land ownership and security laws in Central America countries.

► Chiquita and its subsidiaries are engaged in pesticide use that threatens the health of workers and residents at the company's Central American banana plantations, despite an agreement with an environmental group to adhere to safe practices.

► Authorities seized more than a ton of cocaine from seven Chiquita ships in 1997. The company was unaware and didn't approve of the cocaine shipments, but the problem was traced to lax security on its Colombian docks.

► Employees of Chiquita and its subsidiary were involved in a bribery scandal in Colombia.