February 15, 2008

Assistant Attorney General
Environmental and Natural Resource Division
P.O. Box 7611
U.S. Department of Justice
Washington , D.C. 20044-7611

Comments on: American Specialty Lines Insurance Company, Inc. v. NWI-1, Inc. et. al. DOJ Ref. 90-11-2-0709/1

The Pine River Superfund Task Force is officially recognized by the U.S. Environmental Protection Agency as the community advisory group for Superfund sites being remediated in the Pine River watershed in central Michigan . Having delayed these comments until the last possible moment awaiting information we had requested in previous correspondence related to this settlement, we must submit the comments or miss the deadline for submission.

We must acknowledge that several of those with an interest in this settlement have approached us in the last 30 days requesting that we allow this settlement to become final. We trust that they believe the settlement is in the best interest of the federal and state governments, the government of the City of St. Louis and other parties. However, the Pine River Task Force has received no concrete responses to our initial request for a meeting to answer citizen questions about the settlement nor have we been provided with a key document referenced in the settlement, the 'Velsicol policy.' Without access to that document, we cannot fully interpret the meaning of the settlement.

Well before the expiration of the comment period, on January 27, we made an urgent request for the 'Velsicol policy' and a public meeting. Both of those could have been addressed in the last two weeks and we might have asked for nothing more. However, having received none of what we requested, we must seek this information, make several additional comments, request a public meeting and a delay in United States approval of the settlement.

We must clarify that we understand delay may cause the settlement to collapse and potentially the Trust and City of St. Louis may fail to secure the share of the settlement allocated to Michigan . However, given that the proper remediation of sites in our community will cost far more than any amounts available under this settlement, we do not believe the failure of this settlement is necessarily not in the public interest. In addition to the already known costs of remediation of the environment, we have learned in the past week of suppression of a report from ATSDR on "Public Health Implications of Hazardous Substances in Twenty-six U.S. great Lakes Areas of Concern." For seven years we have requested a comprehensive health study of the community from the National Institute for Environmental Health Sciences and ATSDR only to be subject ot repeated delay. How can the government possible determine the proper cost recovery to seek to address the environmental-health consequences of the exposures from Michigan Chemical/Velsicol and from the lands transferred from Velsicol to Fruit of the Loom/NWI without such studies? How can the government possibly determine the remediation costs that should be the basis of this settlement when the feasibility study for the Velsicol Chemical Site – Michigan has been delayed from 2003 to some date at the end of 2008 if not later? Further complicating remediation cost calculations that should drive this settlement is the oddity of the Gratiot Golf Course Site, which was delisted from the NPL before ever being listed in 1983 and remains in remediation limbo.

Given this background, we make the following comments:

First: we cannot effectively assess the meaning of the settlement without access to the text of the insurance policy issued to Velsicol Chemical by American Specialty Lines Insurance Company, Inc. (called the “Velsicol Policy” and identified as policy PLS/CCC No. 476 16 84) referenced on pages 1 and 13 and elsewhere in supporting documents of the proposed Settlement Agreement. Without access to the text of that policy, any meaningful review of the settlement cannot be completed. Therefore, we request that we be furnished a copy of that policy at the earliest possible date. If all the parties want a settlement to this case, as they maintain, this policy can be made public. If the parties wish to keep it secret, then the public must insist that our government refrain from accepting this settlement.

Second: we request that a public hearing [meeting] be held in our community, which is an “affected area,” in accordance with section 7003(d) of RCRA, 42 U.S.C. 6973(d).

Third: for three reasons we request an extension of the comment period on the proposed settlement:

a. To allow time for the receipt and review of the “Velsicol Policy” identified in our

first comment;

b. Time to assess the impact of the proposed settlement, especially given other

pending litigation involving the United States , Velsicol, and our city government

(City of St. Louis v. Velsicol Chemical Corp. et. al, Case No. 07-13683, U.S.

District Court, Eastern District of Michigan); and

c. Time to publicize and hold the public hearing [meeting] requested in our second

comment on the proposed settlement and to allow time for citizens attending that

hearing to write comments on the information presented at the hearing.

Fourth: We are disappointed that the sum received is not larger. Why did not the Justice Department receive the full $100 million, under the AISLIC policy, since the costs of clean-up far exceed $100 million. We expect the answer to this comment should include an itemized list of the cost of full remediation of the seven sites. Full remediation should be a permanent removal of the threat to the communities from the sites, since permanence is a criteria in determining proper clean-up.

Fifth: The Settlement Agreement refers to the former plant site in St. Louis , Michigan as the St. Louis facility and other vague definitions. This facility should be defined as only the property transferred from Velsicol to Fruit of the Loom in 1986.

Sixth: Language in the Settlement Agreement related to the Pine River must remove vague language and make clear NWI did not own the Pine River and its remediation costs must be recovered from other source. The Pine River was not an entity owned by Velsicol, Fruit of the Loom, NWI or any other party mentioned in the Settlement Agreement.

Seventh: The Settlement Agreement seems to include within the St. Louis facility land owned by Velsicol at the Gratiot Golf Course site.

The property boundaries of the golf course site need to be specifically identified and only the property transferred to Fruit of the Loom in 1986 included in any definition of the St. Louis facility.

Eighth: Through continued investigation into the former Velsicol Chemical plant site, Golf Course Site (now known as “burn pit site”) and other sites around the county, it has been revealed that Velsicol dumped waste in many places around the region creating many potential sources of contamination of the groundwater and Pine River . The settlement agreement must specifically make clear that only the property transferred to Fruit of the Loom by Velsicol in 1986 is subject to this agreement.

Ninth: Given the complex nature and many known sources of contamination in this area, it is unlikely that it can be proven that vertical and lateral migration of contamination that exists outside of a two-dimensional map boundary originated from a single source. The Settlement Agreement or responses to these comments should make clear the St. Louis facility is only a two dimensional property.

Tenth: The Settlement Agreement should no exempt private contractors, sub-contractors or any private company or individual working on remediation of any of the seven sites.

Eleventh: The community is puzzled by the long period over which relatively small payments are to be made from the settlement. We feel shortening the time for payout in half is more than adequate. What is the justification for the lengthy payout other than to mitigate loss from interest paid on the settlement monies?

Twelfth: Since there are many alleged health problems related to exposures in Gratiot County to contaminants from Velsicol, health

problems that the community has sought through repeated appeals to our Superfund related health agencies, NIEHS and ATSDR, we believe it is inappropriate to reach a settlement that frees responsible parties from liability for potential problems that our government refuses to study. At a minimum, we request a clear statement from the Department of Justice that nothing in this settlement frees any company or individual from responsible for health problems identified through later investigation.

We regret if these comments cause a delay that complicates settlement of the ASLIC claims. However, given the clear imminent and substantial danger to the community arising from the behaviors of Michigan Chemical, Velsicol, NWI, and Fruit of the Loom in this community, delay is more important than giving away rights to pursue all possible responsible party support for human health and environmental remediation. We have faced delays for a quarter century in full remediation of the sites in the community, during all that time we now know our water supply was contaminated. There has been no rush on the part of our public health officials to assess human exposure problems. Even now they suppress studies that could move research further.

Given that history, we can see no reason to rush. A claim has been made against a $100 million insurance policy. We expect Velsicol to make a claim against its own policy so that we and our fellow sites in Tennessee , New Jersey , and Illinois may recover as much of the costs of recovery from damages as possible. Consequently, we beliveve the proper response from our government is to request the full $200 million insurance purchased by the firms.

Thank you for your review and response to these comments. As always, we are willing to work with you on promoting the requested hearing. If you have questions on these comments please contact me at (989) 463-7203 or lorenz@alma.edu.

Sincerely,

/s/

Edward C. Lorenz

Chair, Legal Committee