

Below are a series of stories from *The Washington Post*, *New York Times* and *Christian Science Monitor* about the interrelationship of the Velsicol site settlement announced on November 18, 1982, the criticisms by Hugh Kaufman of the settlement, the efforts of Rita Lavelle to fire Kaufman, and the ultimate dismissal of Lavelle, who eventually went to jail for perjury in the case. Anne Gorsuch, her boss, the EPA Administrator was later fired over the case. NOTE: The author of the first story below, Philip Shabecoff more recently has written the widely praised book on environmental policy *Earth Rising: American Environmentalism in the 21st Century* (Washington: Island Press, 2000).

The New York Times

November 19, 1982, Friday, Late City Final Edition

SECTION: Section A; Page 18, Column 1; National Desk

LENGTH: 736 words

HEADLINE: \$38 MILLION PACT REACHED FOR MIDWEST TOXIC CLEANUP

BYLINE: By PHILIP SHABECOFF, Special to the New York Times

DATELINE: WASHINGTON, Nov. 18

BODY:

The **Environmental Protection Agency** today announced a settlement to clean up four toxic waste sites in Michigan that will cost the **Velsicol** Chemical Company an estimated \$38.5 million. The agency said it was the biggest financial settlement ever reached with a company for a cleanup.

The sites, all in St. Louis, Mich., contain such potent hazards as PBB's, or polybrominated biphenyls, a suspected carcinogen that killed thousands of cattle several years ago when the chemical, made by **Velsicol**, was accidentally mixed with feed. Several Michigan residents sued the company, saying they had become ill because of PBB's in the food chain. The sites also contain tris, another suspected cancer-causing compound made by **Velsicol** that had been used as a flame retardant for children's pajamas. It is no longer used for that purpose.

In return for the agreement, the Federal Government and the state of Michigan agreed to drop all current and future claims against **Velsicol** involving the St. Louis sites, including the state's \$120 million lawsuit.

Policy on Waste Dumping

Under the law, the environmental agency could have cleaned up the site itself and then charged the company for costs and damages. However, the Reagan Administration's policy is to negotiate with waste dumpers to make them undertake cleanup operations themselves.

The agreement announced today does not include hazardous waste dumps in other areas for which **Velsicol** is responsible, according to agency officials.

Anne M. Gorsuch, the administrator of the agency, said that the **Velsicol** settlement "clearly demonstrates that our initial enforcement approach of dealing with the regulatory community with a presumption of good faith can bring about the prompt cleanup of hazardous wastes."

However, environmentalists and other critics expressed doubts that the remedies announced today would be adequate. John M. Rademacher, vice president of **Velsicol**, said his company was seeking "to try to put past problems behind us." "This massive settlement effort is tangible evidence of the commitment that our corporate management is willing to make," said

Mr. Rademacher, a former official of the **Environmental Protection Agency**.

Terms of Agreement

The settlement calls for **Velsicol** to pay Michigan \$13.5 million for cleanup expenses including completion of the cleanup of the Gratiot County landfill, which was used as a dumping site by the company.

The company will also pay the Federal environmental agency \$500,000 for the administrative costs of its actions involving **Velsicol**. Mrs. Gorsuch called the \$14 million cash part of the **Velsicol** agreement "the largest cash settlement by a private party for remedial action in an environmental case since the establishment of **E.P.A.**"

The agency estimated that the value of using a deep well on the company's site to bury the materials from the county landfill and of using the company's clay to seal the disposal site was \$14.5 million. In addition, the company said it would spend about \$10 million to complete cleanup measures at the sites.

Company to Monitor Site

All the hazardous materials will be buried in "impermeable" clay at the company's plant site, the agency said. The company would be responsible for monitoring the site for 30 years to insure that the toxic materials do not escape into the environment.

Rita M. Lavelle, an assistant administrator of the agency, said that while some wastes might leach out, the amounts would not be a threat to public health or the environment.

Environmentalists said landfill disposal sites had been found generally ineffective over the long run. Christine Hall, a lawyer for the Environmental Defense Fund, a nonprofit group, said, "It makes me nervous to think they are putting that stuff in clay so close to the river. It is very chancy."

Hugh M. Kaufman, assistant to the director of the environmental agency's division on hazardous site control, said the action today sent out a "clear signal" that companies that improperly dispose of hazardous wastes could negotiate with the agency at the last minute and wind up paying only administrative costs.

The Washington Post

November 19, 1982, Friday, Final Edition

SECTION: First Section; A4

LENGTH: 434 words

HEADLINE: Firm Agrees to Pay \$38.5 Million for Michigan Cleanup

BYLINE: By Mary Thornton, Washington Post Staff Writer

BODY:

The Justice Department has reached a \$38.5 million settlement with the **Velsicol** Chemical Corp. of Chicago that will require the company to pay for the cleanup of three hazardous waste sites in Michigan.

The agreement comes after a lengthy investigation touched off by the discovery that poisonous polybrominated biphenyls (PBBs) produced by **Velsicol** were mistakenly mixed with cattle feed in 1973, forcing the slaughter of 10,000 cattle and causing farmers to lose millions of dollars.

Velsicol will pay \$24.5 million to clean up three hazardous waste sites in south-central Michigan and \$14 million to reimburse the federal and state governments. Carol E. Dinkins, assistant attorney general in charge of the lands and natural resources division, yesterday said the settlement was the largest ever in a hazardous waste enforcement case.

Chemicals, including the banned insecticide DDT, the fire retardants PBB and Tris, benzene and carbon tetrachloride, have been found in the Gratiot County Landfill and at the site of a now-closed plant that belonged to Michigan Chemical Corp., **Velsicol's** predecessor, in St. Louis, Mich., about 45 miles north of Lansing. The plant was in operation from 1936 to 1978.

The investigation found that in addition to the plant site and the landfill, a nearby golf course also was contaminated by chemical seepage.

PBBs, a flame retardant made by **Velsicol** until 1974, were mistakenly mixed with cattle feed and eventually entered the food chain and caused illness and possibly cancer in Michigan residents. **Velsicol** was not held responsible in subsequent court suits.

The agreement among **Velsicol**, the state of Michigan, the Justice Department and **Environmental Protection Agency** calls for the company to pay damages to the state and to pay for the cleanup, which will be supervised by the state Department of Natural Resources. **Velsicol** is required to complete all work by Nov. 15, 1984.

The settlement provides that **Velsicol** will:

- * Pay Michigan \$13.5 million for the cost of cleanups and investigations.
- * Pay \$500,000 to the **EPA** for the cost of investigations.
- * Provide an estimated \$14.5 million in materials and services for cleaning up both the landfill and the golf course.
- * Pay an estimated \$10 million to clean up the closed St. Louis plant. Contaminated earth from all three sites will be buried at the former plant site under a 50-acre impermeable clay cap and surrounded by 21-inch-thick containment walls.
- * **Velsicol** will be required to erect a fence around the site, with signs saying: "Warning-- Toxic Chemical Burial Area--KEEP OUT."

The New York Times

November 19, 1982, Friday, Late City Final Edition

SECTION: Section D; Page 1, Column 1; Financial Desk

LENGTH: 725 words

HEADLINE: BUSINESS DIGEST;
FRIDAY, NOVEMBER 19, 1982;
The Economy

BODY:

President Reagan was told that the G.O.P. lacks the votes in the House to advance the 1983 tax cut by six months. Congressional leaders said they expect Congress to demand cuts in the proposed arms budget and to reject further cuts in social programs. (Page A1.) Martin S. Feldstein, Mr. Reagan's chief economic adviser, told him that a highway repair plan urged as a way to create jobs might actually cost jobs. (D16.)

Leaders of the steelworkers have approved major concessions, including a \$2.25 an hour cut

in wages and benefits, according to union and company sources. In return, they said, the companies have offered workers a share in their profits. Locals vote today on the plan. (A1.) The U.A.W. and Chrysler will resume talks soon in the dispute that led to a strike in Canada. (D16.) Federal securities laws do not require disclosure of all illegal behavior, according to John M. Fedders, head of the S.E.C.'s enforcement division. His view is much narrower than that of his predecessor. (D9.)

Personal income rose a moderate 0.7 percent in October, the Commerce Department reported. But the data showed that wages actually fell: half the increase come in such Federal payments as jobless aid. (D3.)

International

Argentina unilaterally restructured part of its foreign debt. The country announced that it is substituting five-year bonds and promissory notes for \$4.7 billion in private foreign debt coming due in the next six months. The move was not wholly unwelcome to Argentina's creditors, but bankers emphasize that it could set a dangerous precedent. (D1.) Leading foreign banks have reportedly agreed to provide Mexico with an emergency \$1 billion credit. (D4.)

Markets

The decline in the British pound has been met with a mixture of joy and concern in London. For it could mean, at the same time, both improved competitiveness for British goods and harder times for British consumers. (D1.) Cattle futures prices declined. (D9.)

Stock prices rose moderately. At the close, the Dow Jones industrial average was up 4.60 points, to 1,032.10. Analysts said investors still expected the Federal Reserve to cut the discount rate. (D6.) The credit markets were quiet, except for prices on longterm bonds, which jumped two points late in the day. (D5.) Assets of money market funds fell \$469 million in the week ended Wednesday. (D5.)

Companies

Ford will close its last major auto assembly plant on the Coast because of the success of Japanese imports in the California market, the company announced. The plant, in San Jose, Calif., employs more than 2,300 workers. (D1.)

International Harvester said its sales drop must be reversed soon or it will be forced into bankruptcy. (D1.)

Dome Petroleum said it can meet operating and capital needs and pay interest and dividends next year without added funds. (D14.)

The **E.P.A.** said **Velsicol** has agreed to pay the equivalent of \$38.5 million to clean up four toxic waste sites in Michigan. The agency hailed the accord, but environmentalists and other critics voiced doubt that the remedies would be adequate. (A18.)

Damson Oil will buy interests in 2,182 wells and three gas processing plants from the Petroleum Corporation of Texas. (D4.)

Stokely-Van Camp asked the Big Board to halt trading in its shares amid signs it may announce that it is being taken over. (D4.)

An investment group headed by Irwin L. Jacobs raised its bid for 3 million shares of the Pabst Brewing Company to \$30 a share, from \$24. The company also said that, as of Nov. 17, it had been tendered about 2,175,000 shares of the brewer's stock. (D4.)

Today's Columns

The late Abba P. Lerner was a great economist, even though he never won any glittering prizes. His clear thinking influenced the theory of both the "market socialism" of the East and the "inflationary depression" of the West. Leonard Silk. Economic Scene. (D2.)

Railroad stocks have done so well recently that logic would suggest a bright future for rail equipment producers. But analysts say the impact of the recession has been so severe in that industry that a significant upturn won't begin until 1984. Market Place. (D6.)

The New York Times

November 21, 1982, Sunday, Late City Final Edition

SECTION: Section 4; Page 7, Column 6; Week in Review Desk

LENGTH: 296 words

HEADLINE: IDEAS & TRENDS;

E.P.A. Makes a Deal on Toxics

BYLINE: By Wayne Biddle, Margot Slade and Carlyle C. Douglas

BODY:

In what the Government called the biggest financial settlement of its kind and environmentalists considered an escape from potentially higher costs, the **Velsicol** Chemical Company agreed last week to spend \$38.5 million cleaning up four toxic waste sites in St.Louis, Mich.

Anne M. Gorsuch, administrator of the **Environmental Protection Agency**, said the agreement confirmed the Government's "presumption of good faith" in the corporate community. Toxics at the sites include PBB, a suspected carcinogen that was accidentally mixed with cattle feed several years ago in Michigan and, through the food chain, contaminated most state residents. Investigators also found Tris, a carcinogen once used as a flame retardant in children's pajamas. The wastes are to be buried in a deep well on company land in Michigan, sealed with clay and monitored by **Velsicol** for 30 years. **E.P.A.** said some wastes may leach out, but the amounts would not constitute a threat.

Environmental groups were not pleased. By law, **E.P.A.** could have cleaned up the sites and then charged the company for costs and damages. In return for the settlement, the Federal Government and the State of Michigan agreed to drop all current and future claims against **Velsicol** involving the four sites, including the state's \$120 million law suit. Said Hugh M. Kaufman, an **E.P.A.** official and frequent critic of his own agency: "This is a clear signal that companies that improperly dispose of hazardous wastes can negotiate at the last minute and wind up paying nothing but administrative costs."

THE CHRISTIAN SCIENCE MONITOR

November 26, 1982, Friday, Midwestern Edition

SECTION: Pg. 14

LENGTH: 601 words

HEADLINE: **EPA** hopes Michigan waste cleanup settlement will serve as US model

BYLINE: By Lucia Mouat, Staff correspondent of The Christian Science Monitor

DATELINE: Chicago

BODY:

When it comes to multimillion-dollar cleanups of hazardous waste sites, the **Environmental Protection Agency (EPA)** often has had to sue culprit companies to get them to part with the dollars.

But the **EPA's** recent \$38.5 million cash, goods, and services agreement with the Chicago-based **Velsicol** Chemical Company is the largest such settlement yet from any one company and grew out of several years of negotiation rather than a court suit.

The **EPA** hopes it will serve as a national model for the job of cleaning up the nation's worst hazardous waste sites.

At issue in the **Velsicol** case are four dump sites in central Michigan contaminated with such toxic chemicals as PBB (polybrominated biphenyls) and DDT. The former Michigan Chemical Company, owned by **Velsicol**, produced the fire retardant PBB as well as a chemical additive used in livestock feed in the early 1970s at its plant site near St. Louis, Mich.

In what is generally considered the worst agriculture poisoning disaster in United States history, the PBB was inadvertently mixed with the feed in 1973. Some 1.5 million chickens and close to 40,000 cattle, sheep, and pigs that ate the feed had to be destroyed.

The State of Michigan for several years also has monitored health effects on individuals exposed to substantial amounts of PBB. Many of these people, including farmers, have filed suit to recover damages from **Velsicol**. And Farm Bureau Services Inc., an agency that sold some of the feed, has already paid out more than \$40 million in damages, and recently filed for bankruptcy to avoid making further payments.

Some would argue that the worst of the damage already is done. But toxic contamination of the plant site, affecting the recreational Pine River which borders it on three sides, and three nearby dump and storage sites continues to be a problem. One concern is that ground water beneath, and dust carried to, nearby home sites, bordering the plant site on the fourth side, may be contaminated.

Though **Velsicol** has had a reputation among environmentalists as uncooperative and tough to deal with, the company decided to come to grips with the issue and hired a new management team in 1979, including John Rademacher, a former **EPA** official and longtime environmentalist, as vice-president.

Velsicol officials then approached the State of Michigan, saying they wanted to work out a settlement. When those bilateral talks broke down in early 1980, Michigan asked the Chicago-based regional office of the **EPA** to become a party and take the lead in negotiations.

As **EPA** lead negotiator Dale Bryson recalls it, the talks were diverted at the start on a number of side issues and bogged down for a time on the extent and type of cleanup required. **Velsicol** proposed putting a clay top and walls on the river sides of the plant site. The **EPA** held out for walls on all four sides.

Even as the talks progressed, **Velsicol** proceeded to clean up two of the subsidiary sites.

"That's unprecedented," Mr. Bryson says. "Most companies won't turn a spade of dirt until the ink is dry."

The detailed solution, which **EPA** considers "state-of-the-art technology" and hopes will serve as a forerunner for others, calls for burying the waste material within heavy clay walls.

Though the State of Michigan agreed to drop its 1975 \$120 million damage suit against **Velsicol** in exchange for the cleanup, the company remains liable for individual damage suits.

"It was the recognition of responsibility on the company's part that was the driving force behind the whole agreement," insists **EPA** regional administrator Val Adamkus.

The Washington Post

January 11, 1983, Tuesday, Final Edition

SECTION: First Section; A2

LENGTH: 754 words

HEADLINE: Charges Weighed For **EPA's** Lavelle

BYLINE: By Mary Thornton, Washington Post Staff Writer

BODY:

Rep. James H. Scheuer (D-N.Y.), chairman of a Science and Technology subcommittee, said yesterday that he is "leaning very heavily toward referring to the Justice Department for a perjury prosecution" discrepancies in the testimony of a top **Environmental Protection Agency** official appearing before his panel.

Scheuer said he is considering taking the action against Rita Lavelle, an assistant to **EPA** Administrator Anne M. Gorsuch, because of Lavelle's testimony concerning an employe who complained about **EPA** enforcement procedures.

In a letter to Lavelle Friday Scheuer warned, "We are currently reviewing your testimony . . . to determine if further action by a congressional subcommittee or appropriate federal agencies is warranted."

Staff aides said yesterday that they expect that a complaint will be forwarded to the Department of Justice within two weeks. Lavelle is in charge of the **EPA's** toxic waste control program, including the Superfund, which has been the target of recent House investigations that culminated last month in a vote to cite Gorsuch for contempt of Congress.

Lavelle was called before Scheuer's subcommittee last month to discuss some of the cases that Gorsuch is refusing to turn over to the House.

The information in dispute was provided by Lavelle under oath in a subcommittee hearing Dec. 16, when she denied ordering an investigation of Hugh **Kaufman**, a subordinate who had criticized **EPA's** performance in the hazardous waste area. She also denied making a statement that she would like to fire him.

But after Lavelle's testimony Scheuer produced an affidavit from Richard M. Campbell, **EPA's** former assistant inspector general, and a letter from Inspector General Matthew Novick. Both said that she had requested an investigation, and Campbell said in the affidavit that he recalled Lavelle saying she would like to fire **Kaufman**.

Kaufman has filed a complaint with the Labor Department, which last month ordered Lavelle to "refrain" from preventing him from exercising his rights. The **EPA** has appealed that decision, and a hearing is scheduled for today.

Byron Nelson, a spokesman for the **EPA**, said yesterday that he would not discuss Scheuer's

comment. "It's still speculative, and we don't comment on speculation," Nelson said.

The battle between the **EPA** and the House has gone on for months as various committees and subcommittees have attempted to obtain documents relating to whether the **EPA** is doing an adequate job of enforcing the \$1.6 billion Superfund, created by Congress in 1980 to help pay for cleaning up the nation's worst hazardous waste dumps.

After President Reagan ordered Gorsuch to withhold certain subpoenaed documents, the House voted 259 to 105 on Dec. 16 to cite her for criminal contempt of Congress--the first time that a Cabinet-level official was charged with contempt by the full House.

The Justice Department, representing Gorsuch, has argued that the documents are highly sensitive and should not be turned over to Congress, even in confidence. The House leadership has charged that the House needs the documents to make sure **EPA** is carrying out the law.

The Justice Department refused to carry out the orders of the House to prosecute Gorsuch for contempt. Instead, it filed suit asking the judge to void the contempt citation, contending that the dispute should be resolved as a civil case dealing with the limits of executive privilege.

Late last month the House argued in a harshly worded motion that the administration had mounted a "misguided attempt to restrain the operation of the legislative process" in seeking to block the contempt proceeding.

The House motion charged that the administration's lawsuit "offends so many established principles of federal jurisdiction" that it should be dismissed. "This case is an unprecedented and historic first," it said.

The Justice Department filed a new motion yesterday, saying that judicial intervention in the case is "urgently needed" to prevent "partial paralysis" of government operations.

"May Congress compel an executive branch official to produce sensitive materials from open law enforcement files even though the disclosure of those documents would, in the opinion of the president and the attorney general, impair the president's ability to take care that the laws will be faithfully executed?" it asked.

Questioned about the new motion, Stanley Brand, counsel to the House, said, "They don't respond to our argument that you can't sue the House of Representatives."

The Washington Post

February 8, 1983, Tuesday, Final Edition

SECTION: First Section; A1

LENGTH: 1268 words

HEADLINE: President Fires **EPA** Executive;
Lavelle Is Ousted; Gorsuch Dismisses 2 Other Employees

BYLINE: By Cass Peterson and Mary Thornton, Washington Post Staff Writers

BODY:

President Reagan yesterday fired Rita M. Lavelle, the **Environmental Protection Agency** official in charge of hazardous wastes, after a bitter battle over power and policy in the agency.

In a one-sentence statement, three days after **EPA** Administrator Anne M. Gorsuch announced

Lavelle's resignation, the White House said Lavelle's appointment was "terminated . . . at the direction of the president."

Gorsuch also fired two of Lavelle's top aides, chief of staff Warren C. (Chip) Wood and special assistant Susan Baldyga.

The action grows out of bizarre infighting at **EPA** over personalities, personnel, and whether the agency is cracking down too hard on companies dumping toxic wastes, according to agency sources. But the controversy is seen differently by environmentalists and members of Congress, who have strongly criticized the agency's enforcement of the new and largely untested "Superfund" law designed to clean up hazardous waste dumps.

These groups have accused the agency of pandering to the chemical industry, dragging its feet on enforcement and refusing to disburse millions of dollars in cleanup funds authorized by Congress.

Lavelle's office at the Waterside Mall was guarded over the weekend to prevent her from removing any files, according to Rusty Brashear, an **EPA** spokesman. A security officer remained on watch yesterday.

Agency sources said as many as 10 more of her aides are expected to be dismissed.

Lavelle could not be reached for comment yesterday.

Gorsuch asked for Lavelle's resignation Friday, according to several senior **EPA** officials, after she saw the draft of a Lavelle memo to the White House that sharply criticized the agency's general counsel, Robert Perry.

The draft, a copy of which was obtained by The Washington Post, accused Perry of "systematically alienating the primary constituents of this administration, the business community."

The draft, which is in the form of notes and was never sent to the White House, also criticized Perry for what it calls his attempts to "scuttle" negotiated settlements with chemical companies responsible for three of the nation's worst toxic waste dumps. Referring to one case, Lavelle's memo said, "he resisted settlement throughout, opting always for litigation."

One of the three is Waukegan Harbor, Ill., where discharges from the Outboard Marine Corp. have contaminated the harbor with polychlorinated biphenyls (PCBs).

The case has been under litigation since 1978, and the **EPA** has been negotiating with Outboard Marine and Monsanto Chemical Corp., which manufactured the PCBs, to foot the bill for the costs of the cleanup, estimated in 1980 at \$14 million.

Lavelle's draft memo said Outboard Marine and Monsanto "were persuaded by RML Lavelle that **EPA** might seriously consider a new settlement offer." But when attorneys for the companies arranged a meeting with Perry, he "rejected the first proposal and seriously alienated the companies (according to them)."

EPA's regional office in Chicago said the case was still under negotiation and "it would not be out of the ordinary" for a headquarters official to enter discussions. The Illinois **Environmental Protection Agency**, which also has been involved in the case, confirmed that "there was conversation" between the companies and Lavelle.

The draft memo also referred to the Chem-Dyne Corp. dumpsite in Hamilton, Ohio, where last August **EPA** announced a major settlement involving voluntary agreements from 112 companies to contribute a total of \$2.3 million for surface cleanup. At the same time, **EPA** filed a lawsuit against 16 other firms which refused to accept the settlement proposal.

The case was heralded by the **EPA** as a "landmark" settlement that proved that the administration was strongly enforcing the nation's toxic waste laws. Critics, however, noted that the cleanup covered surface contamination only, and that the 112 companies which settled, for an average of just over \$20,000 each, will face no further liability if contamination later is found in groundwater or sub-surface soil.

EPA officials said that Perry had criticized Lavelle for her handling of the Stringfellow Acid Pits, a high-priority waste disposal site in California. According to those sources, Lavelle had worked as a public information officer for Aerojet-General Corp. of La Jolla, Calif., the source of some of the wastes in the dump.

Although Lavelle wrote a letter last June 18 withdrawing herself from any decisions involving Stringfellow, **EPA** sources said she was involved in decisions before her recusal and afterward sat in on meetings where the site was discussed.

Penny Newman, a leader of Concerned Neighbors in Action, a California citizens group that has worked on Stringfellow, charged yesterday that Lavelle was involved in the decision last year to cover the site with a coating of clay rather than require a more expensive cleanup.

Lavelle's ouster removes from the **Environmental Protection Agency** the official generally believed to have the closest ties to the White House.

Lavelle is a friend of White House counselor Edwin Meese III and served on Reagan's personal staff when he was governor of California.

Her firing also comes less than a week before the scheduled start of an administrative law hearing expected to focus on her role in the alleged harassment of an agency whistleblower, Hugh **Kaufman**. The **Kaufman** case was at the root of a perjury investigation of Lavelle by a House Science and Technology subcommittee. In sworn testimony before the panel, Lavelle denied having ordered an investigation of the whistleblower or saying she wanted him fired. The subcommittee later obtained evidence from two government officials that she had done both.

An aide to Rep. James H. Scheuer (D-N.Y.), chairman of the subcommittee, said that a high-level **EPA** official representing the White House approached subcommittee staff members last month and asked if Scheuer would be willing to drop his efforts to seek prosecution of Lavelle on perjury charges if she resigned.

Through the aide, Scheuer sent word that he would drop his efforts if she were no longer in that job. Last week, the official notified Scheuer's staff that the matter would be "resolved shortly," the aide said.

However, Rep. John D. Dingell (D-Mich.) said that he does not plan to drop his investigation into "allegations that the distribution of Superfund money has been manipulated for political purposes, and we are investigating allegations of misconduct and unethical behavior by an agency official." Dingell warned Gorsuch of his intent in a letter last week.

Gorsuch is embroiled in an unprecedented contempt-of-Congress charge because of her refusal, under Reagan's orders, to provide Congress with documents dealing with toxic waste cleanup cases under the Superfund. The **EPA** contends that the documents involve sensitive legal negotiations, and Reagan has said they are protected by executive privilege.

Among the documents that Gorsuch has refused to turn over Dingell's committee are some dealing with the Stringfellow site. **EPA** sources have said that Dingell is looking into allegations that Gorsuch held up funding on the Stringfellow cleanup because she did not want to assist then-governor Edmund G. (Jerry) Brown Jr. in his campaign for the Senate last year.

Dingell has also warned Gorsuch that he plans to investigate the "veracity" of Perry's testimony before his committee concerning the practice at **EPA** of collecting negative

information on employees that is stored in personnel files. Perry was not available for comment yesterday.

The New York Times

February 8, 1983, Tuesday, Late City Final Edition

SECTION: Section A; Page 1, Column 1; National Desk

LENGTH: 857 words

HEADLINE: REAGAN DISMISSES HIGH **E.P.A.** OFFICIAL

BYLINE: By DAVID BURNHAM, Special to the New York Times

DATELINE: WASHINGTON, Feb. 7

BODY:

President Reagan today dismissed a top official of the Environmental Protection Agency after she refused to resign at the request of Anne M. Gorsuch, the agency's administrator.

The White House, in a statement today, said that the appointment of Rita M. Lavelle as assistant administrator in charge of the national program to clean up toxic waste dumps was "terminated today at the request of the President."

Late Friday, Mrs. Gorsuch released a joint statement announcing that Miss Lavelle had resigned. Sources in the agency said that Mrs. Gorsuch had also demanded the resignation of four of Miss Lavelle's assistants. A spokesman for the agency said that an armed guard had been posted by the door of Miss Lavelle's office and ordered to prevent the removal of documents. "There are some obviously sensitive documents there and the agency wanted to make sure they were not disturbed," the spokesman said. Miss Lavelle's office was responsible for preparing the cases that are at the heart of the House's decision to cite Mrs. Gorsuch for contempt of Congress, making her the first Cabinet-level official to face such a charge.

The House voted the contempt citation last December after Mrs. Gorsuch, acting on Mr. Reagan's orders, refused to turn over to a House committee documents it had requested on the agency's efforts to clean up hazardous wastes.

Many of those documents were stored in Miss Lavelle's office.

Friday's statement by Mrs. Gorsuch quoted Miss Lavelle as saying: "I have accomplished what I set out to do to in getting the agency's hazardous waste and superfund programs started off on a good footing. Having met this goal, I am ready to go back to California." The superfund is a \$1.6 billion program to clean up the nation's worst hazardous waste sites.

In the statement, Mrs. Gorsuch added: "Rita has presided over the creation of complex operating programs for both superfund and resource recovery and leaves an organization on which we can continue to build. I have accepted her resignation and understand her desire to return to her native state."

In light of the fact that Miss Lavelle had not submitted her resignation by this afternoon, it was unclear whether she had actually made the statement attributed to her.

Miss Lavelle was considered a protegee of Edwin Meese 3d, the President's adviser, and had worked for Mr. Reagan when he was Governor of California.

'Too Tough on Business'

No further explanation of the dismissal was given by the White House, but Representative

James H. Scheuer, Democrat of Queens, said one element in the Administration's decision to dismiss Miss Lavelle was a memorandum she had written attacking the agency's general counsel as being too tough on businesses believed responsible for toxic wastes.

Mr. Scheuer, chairman of the House Science Committee's Natural Resources Subcommittee, said the dismissal was also related to perjury charges that his subcommittee was considering requesting be brought against Miss Lavelle. In addition, he said, there were questions about her handling of the cleanup of a toxic waste dump in Glen Avon, Calif.

"We understand that the straw that broke the camel's back was her admitting that she had written the memorandum attacking Robert Perry, the **E.P.A.**'s general counsel," Mr. Scheuer said.

According to a copy of part of the memorandum written on a word processor in Miss **Lavell's** office, Mr. Perry was criticized for "systematically alienating the primary constituents of this Administration, the business community."

Mr. Scheuer said Miss Gorsuch had attended a meeting Thursday of a Cabinet-level committee normally chaired by Interior Secretary James G. Watt. He said the committee had authorized Mrs. Gorsuch to take "strong actions" against Miss Lavelle.

Neither Miss Lavelle nor her lawyer, James Bierbower, could be reached for comment. Attempts to reach Mrs. Gorsuch and Mr. Perry were also unsuccessful.

2 Congressional Inquiries

Miss Lavelle faces two Congressional investigations. One involves her denial that she had ordered environmental agency officials to investigate Hugh B. **Kaufman**, an engineer in the **E.P.A.** who has been publicly critical of the Reagan Administration's effort to clean up toxic waste dumps.

Miss Lavelle was scheduled to appear Feb. 14 before an administrative law judge on charges brought by Mr. **Kaufman** that Miss Lavelle had harassed him.

The second investigation concerns her office's handling of a case involving the Stringfellow Acid Pits in Glen Avon, Calif. Miss Lavelle was formerly a public relations officer for the Aerojet General Corporation, which has an interest in the case.

Representative James J. Florio, Democrat of New Jersey, chairman of the House subcommittee with responsibility for overseeing the handling of hazardous wastes, said: "The incidents of the last few days only confirm what many of us have been saying about the environmental policies of this Administration. When the whole truth is known, the public will see the extent to which the cause of environmental protection has been subordinated to special interests."