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Agency Continues to Drag Feet On Firm Tied to Bugging Case

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The Environmental Protection Agency has refused for 18 months to take an Idaho mining company to court to enforce water pollution violations, despite at least 10 recommendations for prosecution by the agency's regional staff, according to government records released by Rep. Henry Reuss (D-Wisc.).

The Idaho firm, the Bunker Hill Co., is a wholly-owned subsidiary of a Texas corporation that was apparently the original source of a controversial \$100,000 contribution to President Nixon's campaign. The contribution was sent to Mexico and later deposited in the bank account of one of the Watergate bugging defendants.

Following examination of government records related to Bunker Hill's pollution problems, Rep. Henry Reuss (D-Wis.) yesterday called on President Nixon to "dispel the impression that this money was a bribe for fixing a lawsuit . . . by referring the matter immediately to the Justice Department for action."

On Oct. 6, The Washington Post reported that EPA pressure on Bunker Hill to correct extensive water and air pollution discharges had diminished following the \$100,000 contribution to Mr. Nixon's campaign.

William D. Ruckelshaus, administrator of the EPA, said in an Oct. 13 letter to The Post that any suggestion that the agency's record on Bunker Hill was "related to a campaign contribution is plainly irresponsible."

Ruckelshaus declined yesterday to comment on Reuss' remarks or the new information released by the congressman.

According to government records released yesterday by Congressman Reuss, EPA's Washington headquarters repeatedly has refused to prosecute Bunker Hill over the sometimes "urgent" requests of its regional staff experts.

Reuss, in a letter sent to Ruckelshaus on Thursday, charged that EPA's enforcement record regarding heavy metal discharges into Idaho waters by Bunker Hill is deplorable. Reuss is the chairman of the House Conservation and Natural Resources Subcommittee.

One EPA regional memorandum sent to Washington and dated May 3, 1971, said: "We urgently request that the Department of Justice take steps to abate this toxic discharge (by Bunker Hill). Mercury, zinc and other metals have been poured into this stream until it is a biological desert."

A June 11, 1971, memo said that daily discharges into local rivers by Bunker Hill, including more than one ton of zinc, represents "a good example of the exploitation philosophy of early America. It should not be continued."

A year later, a May 18, 1972, memo says that Bunker Hill officials "consistently maintain an outward appearance of cooperation" of reducing water pollution, but "little physical progress is observed."

At least seven other memos deal directly with the pollution problem and recommend court action to relieve it.

In addition, the memos show that James L. Agee, the Pacific Northwest regional administrator, unsuccessfully sought EPA Washington headquarters approval several times to file a civil suit against Bunker Hill to reduce the water pollution.

Reuss also charged in his letter to Ruckelshaus that the EPA region is now negotiating a consent decree containing a

number of provisions "which are inconsistent with the consent decrees entered into by the Justice Department with other polluters."

"We urge," Reuss said, "that your headquarters office stop insisting on fruitless negotiations, and immediately give your regional administrator the approval he has sought for these many months, namely, to refer the case to the U.S. Attorney in Boise."

Reuss also asked that Ruckelshaus turn over to the subcommittee copies of the headquarters file on Bunker Hill by Nov. 20.

In releasing EPA records related to Bunker Hill, Congressman Reuss charged that a "deadly minuet between the administration and Bunker Hill" had taken place, "polluting not only the waters of Idaho, but also the public morality."

Reuss' reference was to a \$100,000 contribution to the Nixon campaign involving Gulf Resources Corp. of Houston, Tex., the parent company of Bunker Hill. Federal investigators have said that the money moved through Mexico in a series of four complicated transactions to conceal the original source of the money.

This process is called "laundering" whereby the names of

the donors become virtually untraceable. Spokesmen for the Committee for the Re-election of the President have said that the money came from Texas donors who want to remain anonymous.