



State of New Jersey

Department of Environmental Protection
Division of Remediation Support
Oversight Resources Allocation Element
Office of Accountability
401 East State Street, 5th Floor W
P.O. Box 028
Trenton, NJ 08625
Fax (609) 633-1454

Bradley M. Campbell
Commissioner

James E. McGreevey
Governor

CERTIFIED MAIL

RETURN RECEIPT REQUESTED

NO. 7002 2410 0002 5958 7103

NOV 18 2003

Knox Family, Inc.
C/O Lee Shippey
P.O. Box 168
Piseco, New York 12139

NO. 7002 2410 0002 5958 7110

Peter D. Nalle
2113 Delancey Street
Philadelphia, Pa 19103

Dear: Sir/Madam:

Re: Knox Family, Inc.
Knox Gelatin Site, 4th & Erie Streets, Camden, New Jersey
Directive and Notice to Insurers

Enclosed find for service a Directive and Notice to Insurers for the Knox Family, Inc. to arrange for the cleanup and removal of the discharges at the referenced site. The Department issues this Directive and Notice to Insurers pursuant to the Spill Compensation and Control Act, N.J.S.A. 58:10-23.11 et seq.

Knox Family, Inc. shall communicate its response to the Department in writing pursuant to N.J.A.C. 7:26C-4.2(g) within the timeframe set forth in the Directive and Notice to Insurers.

If you have any questions, please do not hesitate to contact Nadine M. Drake of my staff at (609) 777-1912 or email Nadine.Drake@DEP.STATE.NJ.US regarding this matter.

Sincerely,

Ronald T. Corcory, Assistant Director
Oversight Resources Allocation Element

Enclosure(s)

c: Colleen Kokas (w/enclosure), OBR
Linda Grayson, Office of Accountability



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2003 13 Directive Number
MS#00065054/P#G000026188

IN THE MATTER OF
KNOX GELATIN SITE
AND
KNOX FAMILY, INC.

DIRECTIVE
AND
NOTICE TO INSURERS

Respondent

This Directive and Notice to Insurers is issued pursuant to the authority vested in the Commissioner of the New Jersey Department of Environmental Protection (hereinafter "the Department" or "NJDEP") by N.J.S.A. 13:1D-1 et seq. and the Spill Compensation and Control Act, N.J.S.A. 58:10-23.11 et seq., and duly delegated to the Assistant Director of the Oversight Resources Allocation Element within the Division of Remediation Support pursuant to N.J.S.A. 13:1B-4. This Directive and Notice to Insurers is issued in order to notify the above-captioned Knox Family, Inc. that the Department, pursuant to the Spill Compensation and Control Act, has determined that it is necessary to cleanup and remove discharges, and in order to notify Knox Family, Inc. that the Department believes them to be responsible for the discharges.

FINDINGS

1. The Knox Gelatin Site is located at 4th & Erie Streets, Camden, and is also known as Block 746, Lots 16-18, 25, 32, 45-47, on the Tax maps of the City of Camden, Camden County (hereinafter "the Site"). The Site is bound by Erie Street to the south, 5th Street to the east, 4th Street to the west, and the Delaware River to the north.
2. Kind & Knox Gelatine Co. a New Jersey corporation owned and operated at the Site from the early 1920's through January 1968 when they merged with Knox Gelatine Inc., a New York Corporation. Knox Gelatine, Inc. (hereinafter "Knox (NY)"), was the surviving corporation after the merger, and continued to operate at the Site until 1972. Operation at the Site included the manufacturing of edible, pharmaceutical and photographic gelatine.
3. Waste disposal practices at the Site included the use of an industrial wastewater treatment plant. Wastewater was pretreated and sent to the municipal treatment plant, and the remaining sludge was placed in the settlement lagoons on site, and then utilized as fill after the dewatering process.
4. On May 9, 1972, Knox (NY) conveyed the site to Knox Gelatine, Inc., a Delaware Corporation (hereinafter "Knox (DE)" with its corporate offices located at 2445 Port Neal Road, Sergeant Bluff, Iowa.
5. On June 5, 1972, Knox (NY) changed its name to Knox Family, Inc. Knox Family, Inc. is a New York Corporation with its corporate mailing address known as C/O Lee Shippey, P.O. Box 168, Piseco, New York.
6. In February 1993, Knox (DE) changed its name to Kind & Knox Gelatin, Inc. Kind & Knox Gelatin, Inc. became known as Gelita USA, Inc.

7. On June 11, 1974, Peter Cooper Corporations purchased the Site and continued gelatine operations at the Site.

8. On October 22, 1976, Peter Cooper Corporations changed its name to Wilhelm Enterprises Corporation and subsequently sold all of its assets including the site and the former name of Peter Cooper Corporations, to Rousselot Gelatin Corp.

9. On November 15, 1995, the City of Camden executed a Memorandum of Agreement with the Department to conduct remedial activities at the Site.

10. On March 22, 2002 the Department approved a Remedial Investigation Report submitted by the City of Camden. Soil sampling conducted during the remedial investigation revealed soil contamination including but not limited to PCB's and Lead, sediment sampling revealed contamination from lead, copper, chromium and arsenic.

11. To cleanup and remove the discharges the Department has determined that it is necessary for the Department to conduct a remedial action including capping the Site in order to address the hazardous substances at the Site.

12. The substances referenced in the paragraph(s) above are hazardous substances pursuant to the Spill Compensation and Control Act, N.J.S.A. 58:10-23.11b.

13. Knox Family, Inc. is responsible for the discharges of hazardous substances at the Site which were discharged to the lands and waters of the State.

14. Pursuant to N.J.S.A. 58:10-23.11g.c., Knox Family, Inc. are strictly liable, jointly and severally, without regard to fault, for all cleanup and removal costs.

15. Pursuant to N.J.S.A. 58:10-23.11f., whenever any hazardous substance is discharged, the Department may, in its discretion, act to clean up and remove or arrange for the cleanup and removal of such discharge, or may direct any person in any way responsible for the hazardous substance to clean up and remove, or arrange for the cleanup and removal of the discharge.

DIRECTIVE

16. The Department hereby directs Knox Family, Inc. to arrange for the cleanup and removal of the discharges at the Site by paying the Department **\$1,060,000.00** within thirty (30) calendar days after receipt of this Directive and Notice to Insurers to conduct remedial actions at the Site in order to protect human health and the environment.

NOTICE

17. If Knox Family, Inc. fails to pay the Department the amount set forth above, the Department may commence suit against Knox Family, Inc. seeking reimbursement for all costs incurred.

18. Further, failure to comply with this Directive and Notice to Insurers will increase Knox Family, Inc.'s potential liability to the Department in an amount equal to three (3) times the cost of arranging for the cleanup and removal of the discharge and may cause a lien to be placed on Knox Family, Inc.'s real and personal property pursuant to the Spill Compensation and Control Act, N.J.S.A. 58:10-23.11f., including a first priority lien on the property subject of the discharge.

19. Pursuant to N.J.S.A. 58:10-23.11u. the Department may issue an order to require compliance with the Spill Compensation and Control Act. Failure by the Knox Family, Inc. to comply with this Directive may result in the issuance of an order by the Department, which will subject the Knox Family, Inc. to penalties of up to \$50,000 per day and each day of violation constitutes an additional, separate and distinct violation of the Spill Compensation and Control Act, N.J.S.A. 58:10-23.11 et seq.

RESERVATION OF RIGHTS

20. In the event that the costs of completing the activities described in this Directive and Notice to Insurers exceed the current estimates, the Department reserves the right to direct Knox Family, Inc. to pay such costs and to seek full reimbursement and damages for all such costs. In the event that the costs of completing the activities described in the Directive and Notice to Insurers are less than the estimate specified above, the Department will rebate the unexpended funds to those parties that complied with the Directive and Notice to Insurers on a proportional basis.

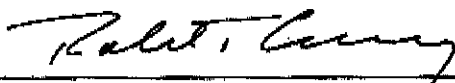
21. The Department reserves the right to direct the Knox Family, Inc. to take or arrange for the taking of any and all additional remediation which the Department determines to be necessary to protect the public health and safety or the environment and to seek full reimbursement and treble damages for all costs incurred in taking such additional remediation.

22. Knox Family, Inc. is advised that the discharges referenced in this Directive and Notice to Insurers may also constitute violations of the Water Pollution Control Act, N.J.S.A. 58:10A-1 et seq., and the Solid Waste Management Act, N.J.S.A. 13:1E-1 et seq., and that Knox Family, Inc. may, therefore, be subject to the penalties prescribed for violations of these Acts. The Department reserves all rights and remedies under those Acts as well as any other rights and remedies under any applicable law.

NOTICE TO INSURERS

23. BE ON NOTICE THAT, pursuant to N.J.S.A. 58:10-23.11s., any claims for costs of cleanup or civil penalties by the State and any claim for damages by any injured person, may be brought directly against the bond, insurer or any other person providing evidence of financial responsibility. Knox Family, Inc. is therefore urged to contact such insurers and notify them of the issuance of this Directive and Notice to Insurers.

Date: **NOV 18 2003**



Ronald T. Corcoran, Assistant Director
Oversight Resources Allocation Element