



Missoula City-County Health Department

WATER QUALITY DISTRICT

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**Former Smurfit-Stone Mill Site Update
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**Superfund Listing and site investigation
Permit Appeal
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Superfund Listing and Site Investigation

The U.S. Environmental Protection Agency will not list the former Smurfit-Stone site on the National Priorities List of federal Superfund sites this spring. The site was proposed for listing in May, 2013. Extensive comments opposing the listing were submitted by Rock Tenn Company and M2 Green Redevelopment LLC. EPA needs additional time to review and respond to these comments. Sites are added to the list only twice per year, so the earliest that the site could be placed on the list would be in the fall.

But, EPA is moving forward to initiate investigation of site contamination through what is known as a remedial investigation. EPA commonly initiates site investigation and sometimes even cleanup before a site receives final listing as a Superfund site. Agreements to conduct Investigation and cleanup are often negotiated with former or current owners and operators of the property. EPA has sent general notice letters to various past and present owners and operators of the mill property, Rock Tenn Company, International Paper, Montana Rail Link, BNSF Railway Company, M2 Green Redevelopment and Missoula County. EPA plans to send special notice letters to a select group of former owners and operators of the mill, initiating negotiations to conduct the site investigation. The cost would be paid for by one or more of the former owners and operators. If the responsible parties do not agree to conduct the investigation voluntarily, EPA can issue a legal order requiring the work to be done.

Rock Tenn Company received its letter from EPA because it acquired Smurfit-Stone Corporation, which owned and operated the mill until its closure. Rock Tenn had also previously acquired the Hoerner-Waldorf Corporation, which operated the mill up until 1977. International Paper Company received its letter because it acquired Champion International, which operated the mill from 1977 to 1986.

Missoula County received one of EPA's general notice letters due to past ownership of about 3 acres of land at the site. EPA's letter identifies the County as a past landowner. It does not assign liability for cleanup. We do not expect to receive EPA's special notice letter regarding initiation of site investigation. In 1971 and 1978 Missoula County assisted the mill to obtain environmental improvement revenue bonds to install air pollution scrubbers and water pollution treatment equipment at the mill. The County deemed it in the public interest to assist in the revenue bonds for the pollution control equipment, in order to protect the environment, public health and welfare while encouraging economic development. The County took ownership of land under the boilers and other buildings where the pollution control equipment was installed, as security for the bonds. The land was transferred back to the mill's owners when the bonds were paid off in 1986. The County did not conduct any operations at the mill site, and we do not expect to incur liability for investigation or cleanup of site contamination. But we will be closely involved with the site and advocate for effective cleanup to protect public health and the environment. We view this as an opportunity that will

guarantee the County a seat at the table, and enable us to guide an outcome that will be beneficial to the community, public health and the environment , ultimately enhancing economic growth in the area.

The current owner, M2 Green, has started some environmental investigation work on their own, reportedly funded by former owners and operators of the mill. We do not know the scope of these studies and have not been provided a copy of the workplan.

Wastewater Discharge Permit Appeal

The Missoula Valley Water Quality District has appealed the Montana Department of Environmental Quality's decision to renew a wastewater discharge permit for the former Smurfit-Stone mill site in Frenchtown, requesting a hearing with the Montana Board of Environmental Review.

The permit would be issued to M2 Green Redevelopment, which purchased the mill site in 2011 and has salvaged or demolished the mill's paper making equipment. DEQ's decision would renew the old paper mill's discharge permit, allowing a hypothetical facility to use its wasteload allocations, groundwater mixing zone, and four outfalls to the Clark Fork River. The permit was last issued in the year 2000 when the mill was in full operation. DEQ would renew the old permit despite the fact that the paper mill has been demolished and will never again operate, and has not discharged to the river since 2009. Doing so violates DEQ's own rules as well as Federal regulations that require old permits to be terminated upon plant closure and prohibiting transfer of these permits when new facilities are proposed that require changes to the permit.

The Water Quality District is not opposed to an appropriate discharge permit being issued when and if an actual facility is proposed if it meets today's standards and protects groundwater and the river from degradation. But if the old permit was transferred and renewed, it would allow waste loads discharged in the past by the pulp and paper mill. This could turn the clock back 15- 20 years for water quality in the river.

The Water Quality District has contacted M2 Green to inventory several existing on site wastewater systems that are available for use or can be modified to accommodate economic activity. Other systems could be modified or installed at the mill. Such on-site systems have been used at other former industrial sites, including the former plywood mill in Bonner.

Fish Consumption Advisory

The Montana Department of Fish, Wildlife and Parks completed an investigation of contaminants in rainbow trout and northern pike downstream of the former mill site in 2013. A "do not eat" advisory was issued for northern pike, and a "four meal per month" limit for rainbow trout, from the Clark Fork's confluence with the Bitterroot River, near Missoula, to the confluence with the Flathead River, near Paradise. The advisory was issued due to contamination in the fish by PCBs and dioxins. Site contaminants at Smurfit-Stone site may be contributing to contamination of fish. FWP hopes to conduct additional studies of fish in the river, depending on availability of funds for the work.