Final Response to Public Comments on Draft Groundwater Restoration Plans prepared by Butte-Silver Bow and Anaconda-Deer Lodge City/County Government

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Final Response to Public Comments on August 2012 Draft Groundwater Plans prepared by the Butte-Silver Bow and Anaconda-Deer Lodge City/County Government

Section I. Introduction

In August 2012, Butte-Silver Bow and Anaconda Deer Lodge City-County governments submitted draft groundwater restoration plans to the Montana Natural Resource Damage Program (NRDP) for review and subsequent public comment. These plans were drafted based on funding allocation approved by the Governor in the *December 2011 Final Upper Clark Fork River Basin Long Range Priorities and Fund Allocation Guidance Plan* and on requirements specified in the *May 2012 Final Upper Clark Fork River Basin Interim Restoration Process Plan*. Following incorporation of NRDP input on the draft groundwater restoration plans, representatives of these counties summarized their respective draft plans at the August 15, 2012 meeting of the UCFRB Remediation and Restoration Advisory Council (Advisory Council).

On August 22, 2012 the NRDP released the two draft groundwater restoration plans for public comment through September 21, 2012. For outreach on this public comment period, the NRDP sent notices of this opportunity for public comment to over 460 individual/entities on its mailing lists, issued a press release, and placed two display ads in Butte and Anaconda areas newspapers.

A total of three individuals submitted written comments during the public comment period. See Attachment A for a list of commenters and Appendix 1 for copies of the three comment letters.

This document further summarizes the comments received and provides the State's responses organized by these categories.

Section II. Comment Summary and Response by Category

Category 1: Comments on Butte Draft Groundwater Plan

Comment: Tom Bowler, a citizen of Butte, submitted comments that were generally critical of Butte's plan and Butte's management of its water system. He commented that treatment upgrades were more important than waterline replacement, that there has been a lack of accountability associated with past funded projects, that funding should be on a project-specific basis rather than lump-sum basis, that the proposed improvements are based on unrealistic growth projections, and that more water conservation is needed, such as metering.

Response: No changes were made to the county's groundwater plan based on this comment. The funding of water system improvements in Butte constitutes an acceptable replacement of both drinking water services and the past and future use values as a result of the groundwater contamination in the Butte Hill bedrock aquifer. Through the development of the 2011 UCFRB Long Range Priorities and Fund Allocation Guidance Plan, an appropriate amount of settlement funding has been allocated for water system improvements in Anaconda and Butte based on the proportion of natural resource damage claims that were specific to injured groundwater resources and associated lost services. Cost savings and efficiencies can be accomplished by planning and implementing multiple projects than on a project by project basis. Funding will be on a reimbursement basis upon receipt of proper accounting and progress reports.

Comment: Albert Molignoni, Chairman of the County Water and Sewer District of Rocker, requests that Butte-Silver Bow's groundwater plan include an allocation of \$250,000 to replace portions of the drinking water system lines in Rocker that are believed to be eroding due to acid mine drainage and \$60,000 to explore a potential alternate water supply.

Response: The 2011 Final UCFRB Long Range Priorities and Fund Allocation Guidance Plan and the 2012 Final UCFRB Interim Restoration Process Plan adopted pursuant to the Guidance Plan, require that the county's groundwater restoration plans be based on locally approved water system master plans. Butte-Silver Bow delivers water to a storage tank in Rocker and the Rocker Sewer and Water District is responsible for further delivery to local users. The lines that are proposed for replacement and evaluation of an alternate drinking water source for the Rocker community are not covered in Butte-Silver Bow's 2012 master plan update that is the basis for Butte's groundwater restoration plan. Thus, the requested funding is not eligible for consideration at this time. The State recommends that the District work with Butte-Silver Bow to address such replacement needs in the next update to Butte-Silver Bow's master plan and groundwater restoration plan. The NRDP will further investigate and report its findings to the District regarding the possibility that such a replacement might be covered by remediation funds.

Category _2: Comment on Anaconda Draft Groundwater Plan

Comment: Lee Snow, an Anaconda citizen, commented that he does not support funding for meters and that low income citizens will not be able to afford to replace meters in the future.

Response: The Anaconda-Deer Lodge County groundwater plan proposes that \$200,000 per year be spent over the next five years for voluntary metering, which would cover the costs of supply and installing about 150 to 200 meters per year. If a homeowner requests to have a meter installed, the county will purchase the meter and install it for free. This program offers a greater incentive than the current metering program, in which the county supplies and installs the meter, but the homeowner pays for the additional plumbing necessary to install the meter as an inspection fee.

No changes were made to the county's groundwater plan based on this comment. The State supports the use of NRD funds for water conservation and believes metering to be a critical component in supporting the long-term sustainability and efficiency of the county's water system. By increasing metering and working towards a fully-metered system, the county will become eligible for other funding sources that either require metering or give preference to metering.

ATTACHMENT A. GUIDE TO PUBLIC COMMENTS

List of Comment Letters Received

Letter No.	Organization	Author	Date Received
1	NA	Tom Bowler of Butte	8/23/2012
2	NA	Lee Snow of Anaconda	8/30/2012
3	Rocker Water and Sewer District	Albert Molignoni	9/21/2012

Categorical Breakdown of Comments

Category No.	Category Title	Letter Number
1	Butte-Silver Bow Draft Groundwater Restoration Plan	1, 3
2	Anaconda-Deer Lodge Draft Groundwater Restoration Plan	2

Appendix 1

Public Comments Received

Coleman, Kathleen

From: Sent: To: Subject: Tom Bowler <mttomb@bresnan.net> Thursday, August 23, 2012 6:19 PM Natural Resource Damage Program Comments On Butte Groundwater Plan

Hello,

I have read the Butte-Silver Bow "Groundwater Restoration Plan" and find nothing in the document that appears to relate to restoring groundwater in or near Butte so i take exception with the title of the document. Everything in the plan is connected to making improvements to the municipal water system originating from sources distant from the Butte aquifer so i feel a more honest name for this plan to reflect its content is in order.

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I find nothing to support the contention of the local government that the entire sum of 28 million and change needs to be passed along to them immediately to begin implementing the more critical aspects of the municipal water system repairs, upgrades, and modifications to meet the changing treatment requirements that all water systems throughout the developed world must also face. I feel the State of Montana can invest the money at far higher rates of return and allocate the funds as needed for specific tasks -- the ones associated with treatment upgrades to be the priority. The remaining transmission line projects do not look to be the high critical failure items or improvements of efficiencies to my eyes as the writers of this document lead us to believe and those replacements could be done further down the road and perhaps within the water division's own operation budget if they looked to economizing their operation and to reducing the present operating costs. As i look at their number of customers and estimate the rates paid, the bills to water users must equate to around six million dollars annually and if that is all going to run the system now, some serious attention must be addressed to getting those costs down if this system is ever to be sustainable without the NRD trough to slop in. We continually hear how much greater a burden the Butte water supply system is than other cities and towns in the state. We hear that everybody else's water is far easier to treat. We hear that we pay some of the highest water rates in the state. I would like to see either BSB or NRD produce a comparison matrix to prove these contentions as a basis for Butte being more entitled to NRD money than Anaconda, Deerlodge, or Drummond might be some day down the road.

Nothing about the system is a surprise or should have been when the local government foolishly took over the system. The needs have long been known and prior neglect in pursuing solutions AFTER the BSB acquisition are as responsible for the present woes as the previous long term neglect in private ownership. To cry wolf now and demand a large sum of NRD cash to be handed over to a government with a highly questionably track record in accounting for the funding they receive and the results they produce with outside money is disingenuous. They have previously gotten many tens of millions of NRD money to do water distribution system work for the Moulton, Basin Creek, and Big Hole components and recently in one fell swoop spoke of abandoning all of these water sources and planned on asking for around \$100 million dollars to pursue an entirely new source of water. This speaks of both a lack of integrity and a lack of competence on the part those being handed huge sums of funds. Funds, which i question being legally applied to the

proposed purpose here at all with much environmental damage due to mining in the Clark Fork Basin still remaining. I even read in this document language along the lines of "As an alternative to complete abandonment of the Moulton System" After NRD has poured so much money into that system previously? When we are being told the overall system with all of its Thomas Tank Engines pulling cannot meet the anticipated demands? There are many things in this proposal that do not jive.

I attach a link to a USGS publication which examined the Butte municipal water system, as well as the industrial use of the area alluvial aquifer almost exactly one hundred years ago. The document casts doubt on many of the premisses that the "Groundwater Restoration Plan" for Butte would have us swallow in their plea for a huge sum of NRD money. To Quote page 119 of the document in the words of 0. E. Meinzer

"PUBLIC SUPPLY.

Nearly the entire water supply of Butte and adjacent settlements is provided through an extensive and ingeniously devised system owned and operated by the Butte Water Co. The information in regard to this system was obtained through the courtesy of Mr. Eugene Carrpll, the superintendent and chief engineer of the company. "

This is very much contrary to the ill conceived, thrown together, ramshackle system the BSB government and their hired gun engineers would try to have us believe.

http://pubs.usgs.gov/wsp/0345/report.pdf

Contrary to the language in the current document outlining BSB's water system plans before the NRD that the system is still transitioning from a "Largely industrial to domestic water system" --to paraphrase, the document that i cite which was prepared in 1912 speaks of the system almost identical to the present configuration as a public supply with industrial users relying on alluvial groundwater wells as their water supply. If I recall the details of an article in the magazine published by the Montana Historical Society, many of the Butte Breweries were located along Silver Bow Creek to have access to that water for their operations. I find little in the USGS document to support the present contention of a major shift in the use of the system as basis for the funding request. To Quote:

"The loss of this groundwater and surface water source has required the citizens of Butte to assume responsibility for a vast and extensive water supply, treatment and distribution system that relies upon raw water supplies considerable distance from the customer base. Moreover, the infrastructure for this system was put in place nearly a century ago and is in dire need of replacement and upgrades."

So it has always been.

NRD funds to support this proposal by BSB should only be distributed on a specific project basis, not the entire remaining lump sum. The individual projects should be prioritized to move those that actually provide usable water to an extensive transmission system at the maximum rate the supply's water rights will allow to the top of the list and distribution addressed long term. If the water is not potable -- why are we pumping it those considerable distances and foisting it on the consumer. DOJ needs to demand invoices for every paper clip purchased with NRD funds. I dispute the projections for growth and rising demand outstripping the maximum capabilities of the system. In my life time in Butte, there has been a major demographic shift of county citizens living in rural areas on wells and not on the city water system. Recent growth has been nil. With the likes of our present government and public works, we are likely to attain ghost town status soon. The system should be emphasizing less water use in any case; meters, lower impact landscaping to reduce irrigation need, fewer department of public works employees hooking hoses to hydrants to wash street smut into the gutter when they could get on the end of a shovel, and other conservation measures. That would, however, cut into the revenue stream wouldn't it. I work at a facility which pays around \$160 dollars a month for a large meter and which typically uses less volume than a typical home. I would call that pure gravy and suspect there are many more instances around the community where demand has little correlation to billing.

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Tom Bowler 735 W Broadway Butte

Mr. Lee Snow of 105 North Locust Street in Anaconda, Montana called Tom Mostad of the Natural Resource Damage Program on August 30, 2012 at 11:43 a.m. and commented on the Anaconda-Deer Lodge County's groundwater plan. He stated that there are a lot of low income people in Anaconda that can't afford replacement of meters. There are a better ways to spend the money.

1108 Grizzly Trail

Albert Molignoni, Chairman Butte, MT 59701

Phone: 406-723-9365

May 19, 2012

Natural Resource Damage Program PO Box 201425 Helena, MT 59620 RECEIVED

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NATURAL RESOURCE DAMAGE PROGRAM

To Whom It May Concern:

The County Water and Sewer District of Rocker met on February 18, 2012, for our regular, monthly, meeting. We are a county entity of Butte Silver Bow and we would like to request an amendment to Butte Silver Bow's application for damage resource money.

As you may know, we were heavily damaged by arsenic in our ground water by the former Anaconda Company. We were left with acid mine waste rock that has damaged portions of our water system.

At this time we are requesting two things:

- A \$250,000 allocation out of the money that Butte Silver Bow is requesting to replace the portions of our system that are being eaten out by the acid mine water from the mine waste that was left in place after the Superfund clean up.
- (2) Before we hooked onto the former Butte Water Company line, which was owned by the Anaconda Company, the community of Rocker's water was supplied by two (2) massive springs at the Butte Gun Club property (please note that this water is out of the ground water control area and is owned by our District). We are requesting \$60,000 to hire an engineering firm to evaluate the potential of restoring this property into a water supply for the community of Rocker. Also note that not only were the residents supplied by water from this resource, but also the Rocker Timber Framing Plant and the BA&P Railroad utilized this water supply for their steam engines.

The County Water and Sewer District of Rocker would appreciate any assistance that the NRDP may be able to give us. Thank you very much for your consideration.

Sincerely,

albert Molignani

Albert Molignoni Chairman of the Board