



Montana Department of
ENVIRONMENTAL QUALITY

Environmental Quality Council
Agency Oversight Subcommittee
Meeting Minutes and Exhibits
Date: 3.9.04
Exhibit No. 8

Judy Martz, Governor

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February 13, 2004

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LEGISLATIVE ENVIRONMENTAL
POLICY OFFICE

Representative Gail Gutsche
1530 Cooper St.
Missoula, MT 59802-2220

Senator Jon Ellingson
141 North Ave. E
Missoula, MT 59801-6011

Subject: Missoula White Pine Sash

Dear Representative Gutsche and Senator Ellingson:

Thank you for your December 31, 2003 letter regarding Sparrow Group's proposal to create a residential development on the north portion of the Missoula White Pine Sash facility (MWPS) that is being addressed under Montana's Comprehensive Environmental Cleanup and Responsibility Act (CECRA).

During the past couple of years, the Department of Environmental Quality (DEQ) has heard from numerous parties regarding concerns about the length of time it is taking to cleanup the facility and the impact on redevelopment of the property. In response to those concerns, DEQ developed preliminary remediation goals that are protective of human health and the environment. In addition, DEQ said it would entertain any interim action proposal that it received for the north portion of MWPS.

It appears that the 3,587 part per trillion (ppt) dioxin soil sample result referenced in your letter is from an area where Huttig Building Products (Huttig) conducted an interim action in January 1999. This contaminated soil has been removed from MWPS. Even though some contaminated soil has been removed, pentachlorophenol and dioxins/furans are still present in soils at levels that exceed the preliminary remediation goals that DEQ established to be protective of residential use and the environment (i.e. groundwater). Contamination levels also exceed preliminary remediation goals established for commercial use. Therefore, cleanup will be needed before the north side of MWPS could be developed commercially or residentially.

In two December 3, 2003 letters, the Missoula City-County Health Department (MCCHD) raised concerns about some potential sources on the north side of MWPS that were not investigated in the remedial investigation and subsequent sampling conducted by Huttig.

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DEQ is working with Huttig to obtain additional information regarding these potential sources and to determine if additional data is needed to address these potential sources.

Sparrow Group has coordinated with both DEQ and MCCHD regarding our concerns about its initial interim action proposal and developed an alternate proposal that was presented to numerous interested parties at a January 9, 2004 meeting. Sparrow Group indicated that it would submit its alternate proposal to DEQ once it had collected some additional information on the property. During that meeting, Sparrow and DEQ agreed to accept public comment on the alternate proposal recognizing that it might delay the project. DEQ is not required to provide for public comment on every action that occurs under CECRA, but this seemed to be an appropriate compromise. I hope this addresses the concern you raised about eliminating public comment.

Your letter also indicates that MCCHD is not aware of any other wood processing sites in the United States or Canada that have been cleaned up that support residential use. It is DEQ's understanding that these facilities were not cleaned up to levels that would be protective of residential use. Often the cost of cleaning up to the more protective residential levels drives companies and agencies to look at other less costly cleanup options that are coupled with strong institutional control measures to prohibit residential development. DEQ conducted a very conservative site-specific risk assessment for MWPS and identified preliminary remediation goals that are protective of human health and the environment and would result in cleanup to the fullest extent practical.

You asked for my opinion about building homes on a superfund site. If additional information and data are collected to close the data gaps and the contaminated soils on the north side of the property are cleaned up to the residential and environmental preliminary remediation goals under a DEQ-approved work plan, then I believe, along with other DEQ staff, that residential use would be acceptable. Please note that DEQ cannot approve of any interim action that may be inconsistent with the final cleanup for the entire facility (i.e. capping).

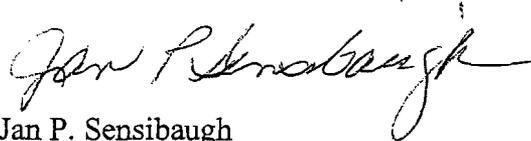
I appreciate your concern about circumventing the CECRA process; however, CECRA contemplates the use of interim actions and Sparrow Group's proposal would not abandon the process. All the requirements of CECRA would still be met and the interim action would be part of the proposed plan in which DEQ outlines the final cleanup options for MWPS. While the interim action would not contain an exhaustive evaluation of cleanup alternatives, the proposal to remove all contaminated soils above the residential and environmental preliminary remediation goals and dispose of that contamination at an appropriate facility is a presumptive remedy (categorically determined by EPA to be an appropriate remedy at wood treating sites to meet the identified cleanup goals) and it is effective and protective. DEQ believes there is incentive for Sparrow Group to correctly implement a DEQ-approved work plan because Sparrow Group needs a "no further action" letter from DEQ to present to lending institutions and potential future homeowners. An interim action proposal to cleanup this portion of MWPS to this degree by a

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party that currently has no legal obligation under CECRA to do so is a demonstration of Sparrow Group's commitment to do the right thing. Lastly, Sparrow Group has indicated a willingness to work with state and local agencies to stage various regulatory processes and requirements, as well as to implement any approvals they may receive, in a way that ensures protection of human health and the environment.

If you have any additional questions or concerns, please feel free to contact Andrew Heltibridle, DEQ's project officer, at 406-841-5067.

Sincerely,



Jan P. Sensibaugh
Director

cc: EQC Agency Oversight Subcommittee
Andrew Heltibridle - DEQ
Sandi Olsen - DEQ