

## City of Sandpoint

The City of Sandpoint has detailed a series of comments addressing the overall project description, regional economic impact, air quality, water quality, transportation, noise, penalty structure, decommissioning, cleanup and alternate locations as well as alternatives in a letter that has been uploaded. The City has also submitted City Council Resolution 18-50 and a summary of the public comments entered into the record at the October 17, 2018 Sandpoint City Council Meeting.



October 26, 2018

Grant Pfeifer, Director  
Eastern Regional Office  
Washington State Department of Ecology  
VIA email: <http://sepa.ecology.commentinput.com>

Dear Mr. Pfeifer:

Please accept the following scoping comments submitted on behalf of the City of Sandpoint regarding the proposed PacWest Silicon Smelter. We appreciate your careful consideration of these comments when developing the draft Environmental Impact Statement (EIS) for the project.

Given the scale and potential regional impacts of this project, it is appropriate that the Washington State Department of Ecology (DOE) adopt a broad scope that includes the City of Sandpoint and the surrounding region when preparing the draft EIS for the proposed project. DOE has already set this precedent when reviewing other projects<sup>1</sup> that had the potential to seriously impact the quality of life of residents that lived outside of the immediate project area. We respectfully request that DOE perform the same due diligence in this case and that future public hearings be held in the City of Sandpoint. We would also like to request that the EIS address the project at full build out rather than the proposed initial phase in order to capture the full scope of impacts to the region throughout the project duration.

The overall project description provided by the DOE<sup>2</sup> is too vague and lacks clarity. Please refer to the following areas of impact for a more detailed explanation of the components of the project description and study that are lacking.

**Regional Economic Impact:**

The City of Sandpoint, along with the wider region, is experiencing significant growth due in large part to the high quality of life attributes of the area. In fact, according to 2017 census data, the Sandpoint Micropolitan Statistical Area is the seventh fastest growing in the nation. In Bonner County, nearly 20% of jobs are directly related to the travel and tourism sector.

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<sup>1</sup> <https://fortress.wa.gov/ecy/publications/documents/1706013.pdf>

<sup>2</sup> <https://ecology.wa.gov/Regulations-Permits/Permits-certifications/Industrial-facilities-permits/PacWest-Silicon-project>

The competitive aspects of our region relative to the broader economy are dependent on the quality of our air, water and recreational amenities. These “quality of life” characteristics are essential to our identity, our branding and are responsible to a large degree for our economic growth as local employers have stated the importance of “quality of life” in their decision to locate in the greater Sandpoint region.

**The City therefore requests the draft EIS report study the potential economic impacts the proposed project would have on greater Sandpoint’s ability to attract and retain employers who are drawn to our “quality of life” amenities, which include the perception of clean air and water?<sup>3</sup>**

Our economic success is also dependent on sustainable transportation infrastructure that may be impeded by the proposed project. **What type and volume of traffic would be created by the proposed project? How specifically would the applicant mitigate these impacts?**

#### **Air Quality:**

In 1997, the City of Sandpoint was designated a moderate PM-10 nonattainment area by the U.S. Environmental Protection Agency for particulate matter pollution. Since 1997, significant improvements in air quality have been realized due to collaborative and proactive efforts of City leaders, staff and residents to reduce local sources of particulates. In April 2013, the EPA re-designated Sandpoint to attainment status.

The project description does not articulate the specific types of pollutants that will be released into the air as byproducts of the silicon smelting process. These primarily include carbon dioxide, sulfur dioxide, nitrogen oxides and particulate matter among others. The byproducts could put our attainment status at risk.

The PSD Modeling Protocol<sup>4</sup> provided by PacWest in October 2017 (then called HiTest Sands), states that operation of the smelter will emit approximately 320,000 metric tons per year of carbon dioxide, 760 metric tons per year of sulfur dioxide and 700 metric tons per year of nitrogen oxides. These compounds are in addition to small (2.5) and large (10) sized

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<sup>3</sup> <https://headwaterseconomics.org/economic-development/local-studies/bonner-county-economic-diversification/>

<sup>4</sup> [https://9b37abdd1c3135d9659b-298f012ea728efea7c302ad9a6f7bba0.ssl.cf2.rackcdn.com/knrd/HiTest\\_Sand\\_Newport\\_PSD\\_Modeling\\_Protocol.pdf](https://9b37abdd1c3135d9659b-298f012ea728efea7c302ad9a6f7bba0.ssl.cf2.rackcdn.com/knrd/HiTest_Sand_Newport_PSD_Modeling_Protocol.pdf)

particulate matter in amounts that are also expected to exceed the Prevention of Significant Deterioration (PSD) threshold. **A comprehensive and accurate accounting of byproduct concentrations must be included in the project description and any analyses/findings included in the draft EIS.**

Furthermore, the modeling methods proposed by PacWest to DOE to assess air quality impacts of the proposed smelter do not utilize site-specific meteorological monitoring data and are therefore inadequate. **We respectfully request that on-site meteorological data is collected for one year to most accurately model pollutant dispersal as these pollutants have the potential to significantly degrade Sandpoint's air quality.**

The draft EIS also needs to study and detail the following:

- **How airborne pollutants will impact the respiratory health of residents and visitors of Sandpoint, particularly more vulnerable populations like children and the elderly**
- **How airborne pollutants will impact visibility in Sandpoint over the course of the year in accordance with other factors such as wood burning stove and wildfire smoke**
- **How compromised air quality will impact the local economy**
- **How risks from compromised air quality will be mitigated for**
- **The effects of airborne pollutants on bird migratory patterns**
- **The effects of Silica dust from open rail cars traveling through Bonner County**

#### **Water Quality:**

Sulphur dioxide and nitrogen oxide airborne pollutants that will result from the operation of the proposed smelter can be transported long distances. These compounds react with water and oxygen in the air to form sulfuric and nitric acids that fall to the ground as "acid rain" in the form of rain or snow, and even fog and hail. These acidic particles and gases can also attach to surfaces in the absence of moisture via dry deposition.

Acid rain and the addition of acidic particles to Lake Pend Oreille and other water bodies in the greater Sandpoint area can have serious impact on ecosystem health. As pH decreases over time, aquatic plants and wildlife will have different abilities to cope, with some species exhibiting higher sensitivities than others. The draft EIS should include a detailed analysis and findings of the following:

- **How prolonged acid exposure resulting from the operation of the silicon smelter will impact the health of aquatic plants and wildlife in the greater Sandpoint area.**
- **How deterioration of Lake Pend Oreille, Little Sandcreek and other waterways within the greater Sandpoint area will impact the economy of Sandpoint.**
- **How risks to ecosystem health and the local economy will be mitigated for.**

**Transportation:**

The project description does not include information about the number of trucks and trains that will be necessary to transport 170,000 tons of quartz rock (by train), 150,000 tons of blue gem coal (by train), and 130,000 tons of wood chips (by truck) each year to the proposed project site in Newport, WA.

The routes that these trucks and trains will travel is also not articulated in the project description. The City of Sandpoint is currently investing approximately \$5.3 million in improving our downtown streets and invests approximately \$1.4 million annually on street maintenance throughout the city. Transportation routes and truck/train volumes through Sandpoint must be examined in detail in the draft EIS. Specific questions include:

- **What are the maintenance costs associated with increased truck traffic through Sandpoint related to silicon smelter operations?**
- **Will the anticipated increase in truck traffic necessitate intersection improvements within Sandpoint or other urban areas within Bonner County?**
- **Who is responsible for paying for road maintenance, repair or intersection improvements in Sandpoint associated with increased truck traffic related to silicon smelter operations?**
- **What kinds of traffic delays can be expected in Sandpoint because of increased truck and train traffic related to the operation of the silicon smelter? How will associated risks be mitigated?**
- **What are the impacts to emergency response (police, fire/EMS) from increased truck and train traffic related to the operation of the silicon smelter? How will associated risks be mitigated for?**

**Noise:**

Noise within the Sandpoint city limits will increase as a result of the number of trucks and trains required to transport raw materials to the proposed project site in Newport, Washington. Impacts on noise levels also necessitate a thorough analysis of truck/train numbers and routes through the City of Sandpoint. The following should be studied and results detailed as part of the preparation of a draft EIS:

- **How truck/train transport will increase ambient noise throughout the city.**
- **The impact of and risks (health and well-being) associated with increased noise from truck/train transport. How will associated risks be mitigated?**

**Penalty Structure, Decommissioning, Cleanup & Alternate Locations:**

The draft EIS should articulate how the existing penalty structure will be revised or additional requirements will be imposed above and beyond the typical “pay to pollute” practice so that when violations occur, there is relief and remedy for water and air resources.

- **The draft EIS should require a full decommissioning and cleanup plan.**
- **The draft EIS should require the applicant fully evaluate other sites that will not have impacts on the City of Sandpoint.**

**Alternatives:**

We respectfully request that DOE consider the “No Action” alternative for the proposed project. Under this scenario, DOE should compare the socioeconomic, health and environmental impacts (to Sandpoint) of the PacWest Silicon Smelter as currently proposed versus if the proposal were not to occur at all.

Thank you for your careful consideration of these scoping comments. For your reference, I have also attached Sandpoint City Council Resolution 18-50 and the public comments entered into the record at our October 17, 2018 City Council meeting.

We look forward to participating in and reviewing a draft EIS that addresses how the proposed PacWest Silicon Smelter at all phases, including full build out, would directly and indirectly affect the residents, businesses, and visitors of Sandpoint. Clean air, clean water, and good stewardship of taxpayer dollars has a significant impact on our current and future economic and social vitality as local jobs, tourism, and livability are all fueled by a healthy environment.

Sincerely,



Shelby Rognstad, Mayor

Attachments: Resolution 18-50  
Public Comments – 10/17/18 Council Meeting

Grant Pfeifer, Director  
Eastern Regional Office  
Washington State Department of Ecology  
Page 6

Cc: Bonner County Board of County Commissioners  
Governor Butch Otter  
Idaho State Senator Shawn Keough  
Idaho State Representatives Heather Scott, Sage Dickson  
Senators Mike Crapo, James Risch  
Representatives Raul Labrador

RESOLUTION  
OF THE CITY COUNCIL  
CITY OF SANDPOINT

**TITLE: SCOPING COMMENTS ON THE PROPOSED PACWEST SILICON SMELTER IN  
PEND OREILLE COUNTY, WASHINGTON**

WHEREAS: The Washington State Department of Ecology (DOE) is developing a draft Environmental Impact Statement (EIS) for the proposed PacWest Silicon Smelter in Pend Oreille County, Washington; and

WHEREAS: In 1997, the City of Sandpoint was designated a moderate PM-10 nonattainment area by the U.S. Environmental Protection Agency (EPA) for particulate matter pollution. Since 1997, significant improvements in air quality have been realized due to collaborative and proactive efforts of City leaders, staff and residents to reduce local sources of particulates. In April 2013, the EPA re-designated Sandpoint to attainment status. The smelter description does not articulate the specific types of pollutants that will be released into the air as byproducts of the silicon smelting process, and these byproducts could put our attainment status at risk; and

WHEREAS: The Prevention of Significant Deterioration (PSD) Modeling Protocol provided by PacWest in October 2017 states that operation of the smelter will emit approximately 320,000 metric tons per year of carbon dioxide, 760 metric tons per year of sulfur dioxide and 700 metric tons per year of nitrogen oxides, and this is in addition to small and large particulate matter in amounts that are also expected to exceed the PSD threshold; and

WHEREAS: The modeling methods proposed by PacWest to the Washington State DOE to assess air quality impacts of the proposed smelter do not utilize site-specific meteorological monitoring data and are inadequate; and

WHEREAS: Sulphur dioxide and nitrogen oxide airborne pollutants will result from the operation of the proposed smelter that will fall to the ground as acid rain, with the addition of acidic particles to Lake Pend Oreille and other water bodies in the greater Sandpoint area that can have serious impacts on ecosystem health; and

WHEREAS: The project description does not include information about the number of trucks and trains that will be necessary to transport 170,000 tons of quartz rock (by train), 150,000 tons of blue gem coal (by train), and 130,000 tons of wood chips (by truck) each year to the proposed project site in Newport, Washington; and

WHEREAS: Noise within the Sandpoint city limits will increase due to the number of trucks and trains needed to transport raw materials to the proposed project site in Newport, Washington; and

WHEREAS: The City of Sandpoint is branded as a community that offers a high quality of life for residents, visitors and employers. This brand, which includes excellent air and water



quality, has enabled Sandpoint to attract quality employers and needed workforce in a very competitive global market, particularly in technology, medical and tourism sectors. The proposed smelter would tarnish this brand, decreasing Sandpoint's competitive advantage and negatively impacting the City's ability to attract and retain high paying jobs and the workforce to sustain them.

NOW, THEREFORE, BE IT RESOLVED THAT: The Sandpoint City Council hereby approves the submission of the attached draft letter to the Washington State Department of Ecology (WA DOE) recommending that WA DOE:

- 1) Adopt a broad scope that includes the City of Sandpoint and the surrounding region when preparing the draft EIS for the proposed project; and
- 2) Hold future public hearings in the City of Sandpoint; and
- 3) Address the project at full build out rather than the proposed initial phase in the EIS in order to capture the full scope of impacts to the region throughout the project duration; and
- 4) Adequately study air quality, water quality, transportation, meteorological, economic and noise impacts for the region; and
- 5) Consider the "No Action" alternative for the proposed project; and
- 6) Articulate how the existing penalty structure will be revised or additional requirements will be imposed above and beyond the typical penalty structure when violations occur; and
- 7) Develop a full decommissioning and cleanup plan; and
- 8) Evaluate other sites that will not have impacts on the City of Sandpoint.

BE IT FURTHER RESOLVED THAT: The Sandpoint City Council opposes the proposed PacWest Silicon Smelter.

  
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 Shelby Rognstad, Mayor

ATTEST:

  
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 Melissa Ward, Acting Deputy City Clerk

City Council Members:

	YES	NO	ABSTAIN	ABSENT
1. Eddy				X
2. Aitken	X			
3. Williamson	X			
4. Ruehle	X			
5. Aispuro				X
6. Darling	X			

**ADDENDUM**  
**PUBLIC COMMENTS DURING SANDPOINT CITY COUNCIL MEETING**  
**SANDPOINT CITY HALL COUNCIL CHAMBERS**  
**OCTOBER 17, 2018**  
**5:30 p.m.**

**Robert Edmondson**, business owner in Sandpoint, Idaho and resides in Priest River, Idaho, said the majority of the residents who live in this area appreciate clean air, clean water and land to grow crops. As a father of seven children, he strongly the proposed silicon smelter. The proposed smelter will have zero benefit for the citizens of Idaho as it's a Canadian company constructing a smelter in Washington that will impact the City of Sandpoint. The proposed smelter will impact property values, our land, our water, our air and our children. Cancer rates and medical bills will increase as well as financially impact our area. Those who have resided near a smelter have provided negative comments about this type of industry. It's common for smelter companies to pay the fine when in violation rather than fixing the issue.

**Greg Simpson**, resident of Sandpoint, Idaho, said he is a product of living directly below the Consolidated Mining and Smelting Company (COMINCO) smelter in Trail, B.C. for 25 years. He is currently being treated with stage 3 colon cancer. He ate the fish from the water and ate the deer off the land. He saw the destruction from the smelter where he lived eight miles below the smelter along the Columbia River. COMINCO had effluent within water that was contaminated and is very expensive to remove legitimately. It was less expensive for their company to pay the fine then to fix the problem. They got away with the contaminations that were put into the river and continue to get away with it. He feels it's an extreme possibility that his cancer was caused by eating the fish from the Columbia River, downstream from the Trail, B.C. smelter. Some residents had noticeable lead in their soil. It was noticeable closer to the smelter that the foliage along the river bed had disappeared.

**Constance Albrecht**, resident of Sandpoint, Idaho, said she has been involved in geology and environmental impacts over several years. The smelter is very bad news because they will be burning coal, wood and charcoal which will create various air pollutants. She supports the proposed resolution and proposed scoping comments. She wishes that other local governments would also be concerned in protecting our water quality. She urged City officials to encourage other governmental agencies to join in their efforts. The Governor of the State of Washington has been involved in the process and has spent \$300,000 in State money which is minimal from their budget. Unfortunately, our area will be significantly impacted from a Canadian company with the State of Washington receiving the tax dollars. There's no guarantee that there will be a lot of jobs available at the proposed smelter. There are other smelters constructed utilizing the same model with one of the smelters in Ireland closed due to environmental reasons. Another smelter in Ireland has had several problems that was closed down and left pollutants. She urged the City to send the proposed resolution and scoping comments to the Department of Environmental Quality. She suggested to add public health impacts under environmental studies. She also suggested adding the consideration of looking at an alternative location for the smelter. Within the original agreement with the State of Washington, the funds received was to put the proposed smelter on an aluminum smelter site but instead the proposed site will be within a rural residential area. She urged City Council to include within the EIS a different location for the proposed smelter. They should be required to locate based on what was originally agreed upon. She also

suggested to add that an economic analysis be conducted and included and not limited to loss of tourism and impacts to housing, schools, property taxes and revenues. The question is now that Sandpoint complies as a nonattainment area, how will the proposed smelter put Sandpoint back into non-compliance. Because the smelter stacks won't be high, the pollutants will not go high into the air but rather spread out locally. Will we lose Federal funding if Sandpoint no longer has nonattainment status? Will this impact those who will rely on wood heat? The company should pay for the analysis. She raised concern with the kinds of particulates and the heavy metals that will be emitted from the smelter and additional costs to treat our surface water.

**Preshella Marshall**, resident of Clark Fork, Idaho, said her and her family moved here from Portland, Oregon and originally didn't want to move in this area due to the proposed smelter. The reason they changed their mind is because of our community and the Sandpoint Mayor's view on the proposed smelter. She fears that only one organization can stop the smelter and stressed having a smelter near our community is in appropriate particularly with our air inversion and terrain. It's important that our community expose this company on what the impacts will be.

**Elizabeth Iha**, resident of Sandpoint, Idaho, said she supported the proposed resolution and comments. She requested that City Council openly oppose the smelter within the resolution. The smelter will be detrimental to our environment and our health. She encouraged City Council to urge the Bonner County Commissioners to also openly oppose the proposed smelter and to work with Pend Oreille County, Washington to create a much better solution for job creation. She said of the 200 people that attended the scoping hearing in Newport, Washington, 95% spoke in opposition of the proposed smelter. She provided a "rap" musical rendition of comments she had written.

**Steve Lockwood**, resident of Sandpoint, Idaho, expressed support of the scoping comments. He pointed out we need data gathered from downwind sites throughout Bonner County as we currently don't have adequate base line data. He raised concern with water, air and land pollution, visibility and snow pack. He said he's been involved in creating jobs in our community for the past ten years as his membership on the Sandpoint Urban Renewal Board. As a candidate for Bonner County Commissioner, he hears daily from Bonner County residents their concern about their health that may be impacted by degraded air quality and our recreation and natural beauty will be harmed. He wished Bonner County was more involved. 40,000 Bonner County residents need to have a voice.

**Alan Andrews**, Bonner County resident, said he has lived in this area for approximately 40 years. He thanked the Mayor and other City elected officials for attending the scoping hearings. He moved here 40 years ago because he's had asthma problems that dissipated since he moved here. He is appalled that there will be 750 tons per year of air pollution. This comes to 1.5 billion pounds per year in the air which does not take into consideration the ground water and silicates that will be waste products. Coal ash is a main concern and silicates in the air that causes minor diseases in lungs. According to a study, there will be a 200-mile wind plume that will reach all the way in the State of Montana. This will impact the entire Inland Northwest. If the proposed smelter is constructed, this will impact the dollars used to fund our new roads and water treatment. He stressed if it is constructed, he will move. The smelter will change everything we deal with in our lives negatively permanently.

**Tina Scherr**, resident of Sandpoint, Idaho, spoke emotionally in opposition of the proposed smelter. She supports the work City officials put into the proposed resolution and scoping

comments and the sacrifices they are making for our community. She urged City Council to openly opposed the proposed smelter. If the proposed smelter is constructed, it will be unfortunate that those who reside here because of quality of life, will move away.

**Mayor Rognstad read the following comments into the record:**

**Trevor Scherr**, resident of Sandpoint, Idaho, is very worried for his children's future with the proposed smelter as there will be air pollution, acid rain and our waterways will be destroyed.

**Shelby Huyck**, Bonner County resident, urges City Council to consider the health and welfare of all citizens of Bonner County and Boundary County. She opposes the proposed smelter.

**Lester Scherr**, Bonner County resident, opposes the proposed smelter.