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GALLATIN COUNTY CLERK  
 OF DISTRICT COURT  
 JENNIFER BRANSON

2014 MAY 5 AM 11 53

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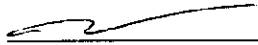
**MONTANA EIGHTEENTH JUDICIAL DISTRICT COURT  
 GALLATIN COUNTY**

MONTANA RIVER ACTION;	)	
COTTONWOOD ENVIRONMENTAL	)	Cause No.: DV-13-219 (A)
LAW CENTER,	)	
	)	
Plaintiffs,	)	<b>STIPULATION AND ORDER FOR</b>
	)	<b>DISMISSAL</b>
v.	)	
	)	
MONTANA DEPARTMENT OF	)	
ENVIRONMENTAL QUALITY; TRACY	)	
STONE-MANNING, in her official	)	
capacity as Director of the Montana DEQ;	)	
PAUL SKUBINNA, in his official capacity	)	
as Section Supervisor of the Water Quality	)	
Discharge Permits Section of the Montana	)	
Water Protection Bureau,	)	
	)	
Defendants.	)	

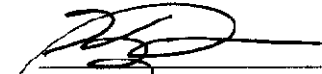
**STIPULATION**

IT IS HEREBY STIPULATED AND AGREED, by and between the parties hereto, acting by and through their respective counsel of record, that the above-entitled action has been fully settled on the merits, and that the same may now be dismissed with prejudice pursuant to Rule 41 (a), M.R. Civ. P., subject to a reservation of jurisdiction by the Court for the limited purpose of enforcing the terms of the Settlement Agreement, dated April 24, 2014, and attached hereto as Exhibit A.

DATED this 24 day of April, 2014

  
\_\_\_\_\_  
John Meyer  
Cottonwood Environmental Law Center

*Attorneys for Plaintiffs*

  
\_\_\_\_\_  
Kurt R. Moser  
Special Assistant Attorney General

*Attorney for Defendants*

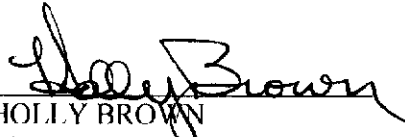
**ORDER**

Upon reading the foregoing Stipulation signed by the respective counsel of record in this action,

IT IS HEREBY ORDERED, that the above-entitled action be, and the same is, hereby DISMISSED, pursuant to Rule 41 (a) M.R. Civ. P., as having been fully settled on the merits and is now DISMISSED WITH PREJUDICE.

IT IS FURTHER ORDERED, that this Court shall maintain jurisdiction for the limited purpose of enforcing the terms of the Settlement Agreement, attached hereto as Exhibit A.

DATED this 5<sup>th</sup> day of May 2014.

  
HOLLY BROWN  
District Judge

cc: { John Meyer/Michelle Uberuaga, Esq.  
Kurt R. Moser, Esq.  
JOHN F. NORTON, ESQ.  
EMAILED }  
5/5/2014

## SETTLEMENT AGREEMENT

SETTLEMENT AGREEMENT (“Agreement”) made this 24<sup>th</sup> day of April, 2014, by and between Plaintiffs Cottonwood Environmental Law Center and Montana River Action (collectively “Cottonwood”) and Defendants Montana Department of Environmental Quality, Tracy Stone-Manning and Paul Skubinna (collectively “DEQ”).

### RECITALS

A. Plaintiff Cottonwood Environmental Law Center is a non-profit environmental law firm and conservation organization located in Bozeman, Montana.

B. Plaintiff Montana River Action is a nonprofit river advocacy, conservation organization located in Bozeman, Montana.

C. Defendant Montana Department of Environmental Quality is a state agency created by the Montana Legislature under Mont. Code Ann. § 2-15-3501.

D. Defendant Tracy Stone-Manning is the Director of the Montana Department of Environmental Quality and was included as a Defendant in her official capacity.

E. Defendant Paul Skubinna is the Program Manager, Water Quality Discharge Permits Section, Water Protection Bureau, of the Montana Department of Environmental Quality, and was included as a Defendant in his official capacity.

F. On or about April 3, 2013, Cottonwood filed its Complaint for Declaratory and Injunctive Relief with the Eighteenth Judicial District Court, Gallatin County, Montana (“District Court”). On or about August 12, 2013, the Cottonwood filed its Amended Complaint for Declaratory and Injunctive Relief with the District Court. That matter is styled *Montana River Action; Cottonwood Environmental Law Center v. Montana Department of Environmental Quality; Tracy Stone-Manning, in her official capacity as Director of the Montana DEQ; Paul Skubinna, in his official capacity as Section Supervisor of the Water Quality Discharge Permits Section of the Montana Water Protection Bureau*, Montana Eighteenth Judicial Court, Gallatin County, Cause No. DV-13-219A, District Court Judge Honorable Holly Brown, Presiding.

G. The Amended Complaint concerns, *inter alia*, Montana Pollutant Discharge Elimination System (“MPDES”) permits that have been administratively continued beyond the permit expiration date, pursuant to ARM 17.30.1313. ARM 17.30.1313 provides that MPDES permits may be administratively continued under certain conditions, remaining fully effective and enforceable until the effective date of a new permit.

H. Both Cottonwood and DEQ (collectively “parties”) desire to fully settle Cause No. DV-13-219A on the terms and conditions contained herein.

I. Both parties acknowledge that the Court will maintain jurisdiction for the limited purpose of enforcing this Agreement as further set forth below.

## Exhibit A

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Subject to the provisions of paragraph 12, below, this matter has been fully and finally compromised and settled upon its merits by this Agreement. The parties therefore agree to voluntary dismissal of this action pursuant to Rule 41 (a) of the Montana Rules of Civil Procedure, such that this matter is dismissed with prejudice.
2. The scope and effect of this Agreement is limited to DEQ's processing of those administratively continued MPDES permits which are listed herein.
3. On or before September 30, 2015, DEQ shall process MPDES permit applications to the extent that DEQ shall issue a final permit decision, as contemplated by ARM 17.30.1378 (1), for the following permits:

NPDES ID	Facility Name	Expiration Date
MT0030066	COLUMBIA FALLS ALUMINUM CO	January 31, 2004
MT0000264	CENEX HARVEST STATES COOP.	April 30, 2004
MT0000396	CORETTE THERMAL PLANT	March 31, 2005
MT0021229	WESTMORELAND RESOURCES INC - ABSALOKA MINE	April 30, 2005
MT0000035	FRENCHTOWN MILL SITE WWTS	May 31, 2005
MT0026808	STILLWATER MINING COMPANY	July 31, 2005
MT0000302	MDU - LEWIS & CLARK PLANT	November 30, 2005
MT0030287	RC RESOURCES- ROCK CREEK MINE	December 31, 2006
MT0030643	SLEEPING BUFFALO HOT SPRINGS - LAGOON	August 30, 2007
MT0000477	EXXONMOBIL REFINING & SUPPLY	October 31, 2008
MT0030279	MONTANORE MINERALS CORP MONTANORE MINE	March 31, 2011
MT0028584	IMERYS TALC AMERICA - YELLOWSTONE MINE	June 30, 2011
MT0031411	WOLF MOUNTAIN COAL	July 31, 2011
MT0029891	BARRETT'S MINERALS INC	September 30, 2011
MT0022586	CITY OF BILLINGS WWTP	October 31, 2011
MT0022594	CITY OF MISSOULA WWTP	October 31, 2011
MT0030732	ENNIS WWTP	October 31, 2011
MT0000205	BONNER PROPERTY DEVELOPMENT	November 30, 2011
MT0031488	CITY OF SHELBY WWTP	November 30, 2011
MT0027821	BEAVERHEAD TALC MINE	December 31, 2011
MT0020699	WHITE SULPHUR SPRINGS WWTF	April 30, 2012

## Exhibit A

MT0020664	SUPERIOR WWTF	May 31, 2012
MT0020460	YELLOWSTONE BOYS & GIRLS RANCH	June 30, 2012
MT0020168	LOLO WWTP	July 31, 2012
MT0022705	GARDINER WWTF	July 31, 2012
MT0031500	TOWN OF PHILIPSBURG WWTP	July 31, 2012
MT0020249	JOLIET WWTP	August 31, 2012
MT0030341	CITY OF LIBBY WTP	August 31, 2012
MT0030261	CITY OF LAUREL CITY OF GLENDIVE WATER RESOURCE & RECOVERY FACILITY	September 30, 2012
MT0021628		November 30, 2012
MT0022098	SHERIDAN WWTF	November 30, 2012
MT0028118	LIVINGSTON SWIMMING POOL	November 30, 2012
MT0028321	EXXONMOBIL BILLINGS REFINING AND SUPPLY	May 31, 2013
MT0020184	CITY OF WHITEFISH WWTF	June 30, 2013
MT0000230	MONTANA SULPHUR & CHEMICAL CO	August 31, 2013
MT0021288	FORSYTH WWTP	August 31, 2013
MT0021938	CITY OF KALISPELL WWTP	August 31, 2013
MT0030180	YELLOWSTONE ENERGY LIMITED PARTNERSHIP FACILITY	August 31, 2013

4. DEQ shall process the following permits to the extent that DEQ shall issue a final permit decision, as contemplated by ARM 17.30.1378 (1), within two years of the permit's listed expiration date:

NPDES ID	Facility Name	Expiration Date
MT0022390	LIBBY DAM WWTP	October 31, 2013
MT0022578	USBOR HUNGRY HORSE DAM WWTP	October 31, 2013
MT0024716	STILLWATER MINING COMPANY	October 31, 2013
MT0028797	TWIN BRIDGES WWTF	October 31, 2013
MT0020401	THREE FORKS TOWN OF	December 31, 2013
MT0021733	WEST GLENDIVE	December 31, 2013

5. If any of the MPDES permits subject to this Agreement are terminated, revoked, voluntarily surrendered, or if an permittee withdraws a pending application, DEQ's obligations under this agreement are satisfied, and there is no need to issue a final permit decision as contemplated by ARM 17.30.1378 (1).

6. DEQ shall not be considered in violation of this Agreement if DEQ's work in reviewing, drafting, or issuing permits is delayed or prevented by any event or cause not within the control of DEQ. Such events or causes include, but are not limited to, appeals of permit actions, citizen suits, environmental emergencies, injunction, acts of God, fire, or flood. Such events do not include the ordinary loss or turnover of DEQ employees or permit writers.

7. DEQ shall not be considered in violation of this Agreement if DEQ takes an enforcement action against a permittee involving a permit subject to this Agreement and such action results in a stay of DEQ's review and processing of the associated renewal application.

8. DEQ will focus its processing of MPDES permit applications on those permits that have been administratively continued for a period of greater than two years with a heightened focus on those permits that have been administratively continued more than five years as of the date of this Agreement.

9. DEQ will provide reasonable efforts to minimize processing time for permit applications through all procedural steps, including the processing of comments received on draft permits and the issuance of final permit decisions as contemplated by ARM 17.30.1378 (1). Where no comments are received for a draft permit and no public hearing is requested, DEQ will issue the final permit decision, as contemplated by ARM 17.30.1378 (1), within 30 days following the close of the public comment period under ARM 17.30.1372.

10. Subject to the provisions of paragraph 12, below, and consideration of the terms of this Agreement, the parties hereby release and discharge each other of all claims as contemplated by the matter styled *Montana River Action; Cottonwood Environmental Law Center v. Montana Department of Environmental Quality; Tracy Stone-Manning, in her official capacity as Director of the Montana DEQ; Paul Skubinna, in his official capacity as Section Supervisor of the Water Quality Discharge Permits Section of the Montana Water Protection Bureau*, Montana Eighteenth Judicial Court, Gallatin County, Cause No. DV-13-219A, District Court Judge Honorable Holly Brown, Presiding.

11. Subject to the provisions of paragraph 12, below, the Court may enter an Order Dismissing, with prejudice, Cause No. DV-13-219A pursuant to Rule 41 (a) of the Montana Rules of Civil Procedure.

12. The Court shall maintain jurisdiction to enforce the terms of this Agreement; Cottonwood may seek a Court order to enforce the terms of this Agreement.

13. The parties shall each pay their own attorney fees and costs. If Cottonwood seeks judicial enforcement of this Agreement, Cottonwood shall be awarded its reasonable attorney fees and costs for enforcement, PROVIDED, the Court finds DEQ in violation of this Agreement.

14. This Agreement represents the entire agreement between the parties. Any amendment or modification must be set forth in written agreement and signed by the parties.

15. The terms of this Agreement, or the negotiations for settlement, shall not be considered an admission against interest as to any party

16. Each of the signatories to this Agreement represents that he or she is authorized to enter into this Agreement and to bind the parties represented by him or her to the terms of this Agreement.

17. This Agreement shall be effective upon the date it is signed by all of the parties or their authorized representatives. However, in the event the Court refuses to dismiss the matter as stipulated to by the parties, this Agreement shall be null and void.

DATED this \_\_\_\_ day of April, 2014

DATED this 24 day of April, 2014

COTTONWOOD ENVIRONMENTAL  
LAW CENTER  
Plaintiff

MONTANA DEPARTMENT OF  
ENVIRONMENTAL QUALITY,  
TRACY STONE-MANNING AND PAUL  
SKUBINNA, Defendants


\_\_\_\_\_  
John Meyer  
Executive Director

  
Tracy Stone-Manning  
Director

MONTANA RIVER ACTION  
Plaintiff

\_\_\_\_\_  
Joseph Gutkowski  
President

\_\_\_\_\_  
John Meyer  
Cottonwood Environmental Law Center  
Attorneys for Plaintiffs

  
Kurt R. Moser  
Special Assistant Attorney General  
Attorney for Defendants

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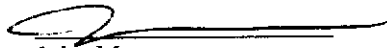
17. This Agreement shall be effective upon the date it is signed by all of the parties or their authorized representatives. However, in the event the Court refuses to dismiss the matter as stipulated to by the parties, this Agreement shall be null and void.

DATED this 23 day of April, 2014

DATED this \_\_\_\_ day of April, 2014

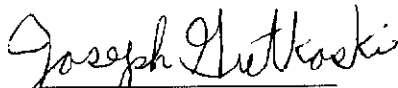
COTTONWOOD ENVIRONMENTAL  
LAW CENTER  
Plaintiff

MONTANA DEPARTMENT OF  
ENVIRONMENTAL QUALITY,  
TRACY STONE-MANNING AND PAUL  
SKUBINNA, Defendants

  
John Meyer  
Executive Director

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Tracy Stone-Manning  
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