

John Meyer, Esq.
 Cottonwood Environmental Law Center
 24 S. Willson Avenue, Suites 6-7
 Bozeman, MT 59715
 Phone: (406) 587-5800
 john@cottonwoodlaw.org
Attorneys for Plaintiffs

GALLATIN COUNTY CLERK
 OF DISTRICT COURT
 JENNIFER BRANSON

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Kurt R. Moser
 Special Assistant Attorney General
 STATE OF MONTANA
 Department of Environmental Quality
 P. O. Box 200901 / 1520 East Sixth Avenue
 Helena, MT 59620-0901
 Phone: (406) 444-4009
 kmoser2@mt.gov
Attorney for the Defendants

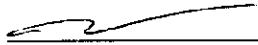
**MONTANA EIGHTEENTH JUDICIAL DISTRICT COURT
 GALLATIN COUNTY**

| | | |
|--|---|----------------------------------|
| MONTANA RIVER ACTION; |) | |
| COTTONWOOD ENVIRONMENTAL |) | Cause No.: DV-13-219 (A) |
| LAW CENTER, |) | |
| |) | |
| Plaintiffs, |) | STIPULATION AND ORDER FOR |
| |) | DISMISSAL |
| 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

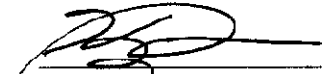
IT IS HEREBY STIPULATED AND AGREED, by and between the parties hereto, acting by and through their respective counsel of record, that the above-entitled action has been fully settled on the merits, and that the same may now be dismissed with prejudice pursuant to Rule 41 (a), M.R. Civ. P., subject to 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

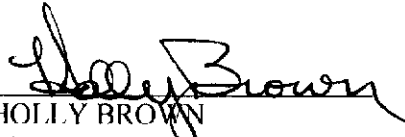
ORDER

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 5th 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 24th 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 | BARRETTS 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
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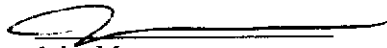
17. This Agreement shall be effective upon the date it is signed by all of the parties or their authorized representatives. However, in the event the Court refuses to dismiss the matter as stipulated to by the parties, this Agreement shall be null and void.

DATED this 23 day of April, 2014

DATED this ____ day of April, 2014

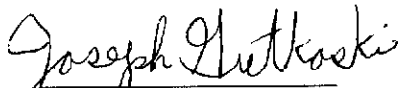
COTTONWOOD ENVIRONMENTAL
LAW CENTER
Plaintiff

MONTANA DEPARTMENT OF
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