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THE
IN BAY

News-Chronicle

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Meyer does job the same no matter who appoints him

He opposed making the DNR secretary a Cabinet post, and he misses the public intervenor

Wisconsin Department of Natural Resources Secretary George Meyer says he and Gov. Tommy Thompson have an understanding that the governor will not get involved in any enforcement in any regulatory decision under the DNR's jurisdiction.

"The day that would occur would be the last day I spend as secretary," Meyer said in a wide-ranging interview with the *News-Chronicle*.

Meyer, who was appointed by the state Natural Resources Board in February 1993 and then reappointed when the appointment of his position was shifted to the governor in 1995, said he opposed making the job a Cabinet post.

But the secretary said he makes decisions no differently now than he did in 1994.

Two of Thompson's most controversial actions on the environmental front were changing the appointment of the DNR secretary and eliminating the public intervenor office, which had the legal authority to challenge actions by state agencies or the Legislature that could hurt the environment.



Meyer

The intervenor was also eliminated in 1995.

"Now there is no avenue except for environmental groups to challenge those in court.

Unfortunately, they can't afford to do it," Meyer said.

"That probably makes the best case there is for the public intervenor's office being restored."

Meyer said he is certain the public intervenor would be playing a role in the Fox River cleanup and the proposed Crandon mine, the two biggest environmental issues facing Northeast Wisconsin today.

"I surely wouldn't mind to have the public intervenor in that case looking over our shoulder, looking at what we've done," he said.

"I think it would add to the credibility of the process."

The *News-Chronicle's* Q&A-style interview with DNR Secretary George Meyer begins on Page 5 of this morning's newspaper.

"It's pretty hard to get people to understand or focus on things that will impact them 10, 20 or 50 years down the road."

George Meyer
DNR secretary



DNR SECRETARY GEORGE MEYER has been involved in a variety of controversial decisions during his nearly a decade of leadership at the agency.

Meyer maintains his independence as DNR chief

Regarding interference from the governor: "The day that would occur would be the last day I spend as secretary"

MADISON — For nearly a decade, George Meyer has been the leader of the state's Department of Natural Resources, the chief regulatory agency for practically every environmental issue in the state.

Meyer, a graduate of St. Norbert College, has led the department since 1993, and he spent his first year on the job meeting with

240 groups to talk about land-use planning at the county level. Now he's proud to say that Wisconsin leads the nation in land-use programs and leads in conservation generally.

Hunting permits, farm discharge and smokestacks each go through his department, and it's a trusteeship he said he has enjoyed holding.

A 28-year veteran of the department, the nature of Meyer's position changed slightly when a 1995 budget switch that made the secretary a governor-appointed position, taking the appointment power away from the state Natural Resources Board. It's a switch that still brings criticism, but one Meyer insists has not affected his department at all.

Meyer sat down in his office with *News-Chronicle* reporter Jeff Decker for a wide-ranging interview about the issues facing the

DNR and the politics of the environment.

You say Wisconsin has become the nation's leading state in conservation. Can you list some examples?

Sure. There's been great progress in nearly every area.

From 1991 to 1996, there was an increase of 206,000 acres of preserved wetlands in Wisconsin. We're the leading state in terms of the removal of dams, which improves spawning conditions and habitats for fish and fisheries. There have been big improvements in water quality all across the state.

There were 20,000 contaminated sites in 1990; we cleaned 12,000 of those in the last 10 years. Our goal over the next 10 years is to reduce those to 1,000 or less.

We, by far, are the leading state for recycling and composting. Ninety-seven percent of the people do it every day in their own homes, but I don't think you can ever get that to 100 percent. The answer is reducing waste in the first place, reducing packaging.

You say that Wisconsin's nonpoint-source pollution program is the country's oldest?

We started in 1978. We spend \$20 million on farmers in local groups to reduce nonpoint emissions. Within the next year there will be more requirements for nonpoint runoff ... that will be the most comprehensive program in the nation.

Do you think global warming is being treated seriously enough, and should the

United States have ratified the Kyoto agreement?

It wasn't a perfect agreement, but we should have shown leadership and ratified it. How do we go to China and India and tell them they need to reduce their emissions when we don't and we're the world leader?

A real solution is to provide financial assistance and technical assistance, and through world trade opportunities to enable them to develop their emerging economy.

It's pretty hard to get people to understand or focus on things that will impact them 10, 20 or 50 years down the road.

Might alternative energy sources be an answer?

We're a big supporter of alternative energy. We would not support the expansion of hydroelectric power because of its effect on rivers and spawning.

We're supporting emerging technology like fuel cells and other things that have reduced emissions. There is a public benefits charge that is on all of our utility bills that goes to the Energy Bureau, partly for those projects. We have to continue to look at things like fusion and other energy mixes.

Will Wisconsin take the lead here, and maybe build a solar panel dome over all of Madison?

There would be some problems with that. We would have to do an impact statement on that.

Do you see population growth as a

main drive behind environmental problems?

Clearly the impacts of the population on the earth are very significant, but it's also a lifestyle issue. Between 1980 and 1990, there was a 3 percent growth in population in southeast Wisconsin, but there was a 50 percent growth in the land used to house them.

Let's talk politics. If major campaign finance reform was approved, would Wisconsin's environment be managed differently?

My observations as a government official for 30 years is that there is an impact of campaign finances on what policy choices are made.

(If reform had already happened), I think we would be further advanced on mercury issues. I think as a state we would have done more on greenhouse gas issues.

The DNR and U.S. Fish & Wildlife Service have two very different compensation plans for PCB damage to the Fox River. Why isn't there one cooperative plan?

We did not receive some of the key reports until the public did of how they translate the damages into what they're going to be asked for in terms of compensation.

We would still like to work together with them, but how can we be partners in something that we haven't had input in?

If we settle the state resources, they can't claim those under their document. If this

Please see MEYER, Page 6

MEYER: DNR chief wouldn't mind public intervenor

FROM PAGE 5

ends up in court, that's not going to happen for five or 10 years.

Fort James Corp. has never indicated to us that they can't afford to pay what is necessary to replace the use of the resource or what's been lost in terms of the habitat.

If it came to a situation where they couldn't afford to do both, we would want to make sure that the cleanup took place.

A survey in spring showed that 91 percent of DNR employees feel your position should not be appointed by the governor. What do you think?

It doesn't make any difference how I think. That's a policy issue for the Legislature.

When this passed in 1995, I fought very hard to keep the system a board-appointed position as did Herb Behnke, who was chairman of the DNR board at that time. We lost by one vote in both houses of the Legislature.

I have not changed my position on that issue at all.

Do you have a response to allegations that the governor has too strong an influence on DNR policy?

I don't make decisions any differently than I did in 1994.

He and I have a clear understanding on this. He is not involved in any enforcement in any regulatory decision, and the day that would occur would be the last day I spend as secretary.

Do you feel the public intervenor's office should be given its power back?

In the 1960s, the public intervenor was created because there was a concern that if you had the old conservation functions of fisheries and wildlife merged into the environmental regulatory agency, the fish and wildlife managers wouldn't have a fair say in regulations.

In fact, over the years the public intervenor had more of a role in other areas. One is making sure that other agencies do not undertake activities that cause environmental problems; secondly, and more frequently in recent years, that the state Legislature does not undertake projects that cause environmental problems.

The courts have ruled that the DNR cannot challenge the Legislature in court because we're a creation of the Legislature.

It used to be that the public intervenor took on those kinds of things. Now there is no avenue except for environmental groups to

Q & A

challenge those in court.

Unfortunately, they can't afford to do it.

That probably makes the best case there is for the public intervenor's office being restored.

I'm sure the public intervenor would be involved in the Fox River matter. The public intervenor had been involved in the Crandon mine issue, and I think in a constructive manner.

I surely wouldn't mind to have the public intervenor in that case looking over our shoulder, looking at what we've done. I think it would add to the credibility of the process.

(Otherwise) what they should do is say that any side that sues on an environmental issue gets their costs paid for if they win.

A lot of environmentalists have said that the "Bad Actor" law is not enforced as strictly as it should be. What determines when the DNR writes rules to implement legislation?

It really depends on the law and how it went through the Legislature. If, in fact the law was a general statement, if it was passed without a lot of debate and there's some gaps that need to be filled, we'll write rules.

In the case of the mining moratorium law, for example, an amendment was made to (require the same mine to have been both operated for 10 years and closed for 10 years), and it was defeated. It clearly connotes two mines.

That's the way the law reads, very clearly. That isn't just our opinion, we asked the lawyers in the Legislative Reference Bureau that drafted the law.

We are not superior to the legislature in terms of setting what the laws are.

That's not what the Legislature thought they had passed. That's where we have a situation where there's a mine in the desert, there's a mine in the mountain, and a mine in the permafrost in Canada.

We told them from the first day that unless it was narrowed to the same geologic formation as the Crandon mine, that the mine examples that were given us would not be helpful in us being able to regulate the Crandon mine.



Meyer

DNR secretary addresses \$7M PCB agreement

2-4-01
BY KEVIN NAZE

PRESS-GAZETTE CORRESPONDENT

George Meyer recalled when he was a senior at St. Norbert College in 1969, the worst thing that could happen was to get thrown into the Fox River.

"One of two things would happen," said Meyer, addressing a gathering of Trout Unlimited members last week in Green Bay. "You'd get an ear infection, or you'd get a rash."

Meyer spent the first part of the day — his eighth anniversary as secretary of the Department of Natural Resources — at the inauguration of a new governor, then drove north to address concerns about a \$7 million natural resources damage agreement the DNR reached with the Fort James Corporation in November for its share of the damages caused by the discharge of polychlorinated biphenyls into the Fox River.

"The only thing that lived (in the Fox) were carp, and they were breathing at the top," Meyer said of his days at St. Norbert. "Today the water quality has improved dramatically, but there are still problems with PCBs. The citizens have been harmed, and the resources have been harmed."

Fort James, now part of Georgia-Pacific Corp., is one of seven responsible parties involved in the cleanup and damage restoration of the Fox River. It was the

first to settle, but the fact that it approached the DNR had Trout Unlimited members wondering if the state moved too quickly.

"They said it was for business reasons, and (the merger) is my suspicion," Meyer said.

The \$7 million settlement is by far the largest in state history.

"We believe it's at least comparable to, if not better than, we'd have done in court and after years of litigation," Meyer said.

Natural Resources Damages Agreement coordinator Greg Hill told the crowd that the state expected to get another \$30 to \$40 million combined from the other six responsible parties.

Meyer said that the DNR and U.S. Fish and Wildlife Service "have a serious disagreement" in terms of how much damage has been done. FWS has proposed \$200 million to \$300 million in damages, but Meyer said the FWS has a history of proposing extremely high amounts throughout the country and then settling for 10 cents on the dollar.

All damage dollars are in addition to what Meyer said would be "hundreds of millions of dollars" in cleanup costs to the Fox



Meyer Spoke to Trout Unlimited group

River.

"While we are clearly concerned about damages, from day one, the No. 1 priority we've taken is the cleanup of the river," Meyer said. "Every year we lose about 600 pounds of PCBs into the bay."

Responding to criticism that negotiations with the responsible parties are done behind closed doors, Meyer said the public always has a chance to be heard before a settlement is final.

"This is a big lawsuit," Meyer said. "There are negotiations going on all the time. It's very costly and controversial."

Under its terms, Georgia-Pacific will buy and transfer ownership to the state of about 700 acres of land adjacent to Green Bay, provide funding for projects to improve water quality in the lower Fox River and Green Bay, provide funding toward the design and construction of Island 3 of the proposed Cat Island Chain on Green Bay and fund approximately 10 recreational projects around Green Bay and the Fox River.

It will also provide funding to expand the Wild Rose fish hatchery to increase spotted muskie rearing capability for Green Bay waters. Some individuals requested money for commercial fishermen to net undesirable carp and white perch from the bay, but Lower Fox River Water Basin Team Leader George Boronow of the DNR in Green

What's next

A 60-day public comment period on the agreement with Fort James concludes Feb. 21. Comments will then be reviewed and incorporated into the agreement to the federal court for approval.

Written comments on the agreement must be postmarked by Feb. 21 and submitted to: Greg Hill, NRDA Coordinator, Wisconsin DNR, P.O. Box 7921, Madison, WI 53707-7921.

Bay said studies have shown that's not feasible.

"White perch are the most abundant fish in the bay, and carp are also very abundant," Boronow said. "Not only would it be extremely costly and difficult to do, if you start harvesting millions of white perch, you're going to harvest what little is left of the yellow perch and do extreme damage."

A better idea, Boronow said, is to remediate the PCB problem in the river. Then, when PCB levels drop in the fish, commercial netters could harvest them. He admitted that could take quite a few years.

Post Crescent 2-6-01

McCallum takes aim at DNR secretary in Cabinet shakeup

Governor is expected to name appointment to replace Meyer today

MILWAUKEE (AP) — Gov. Scott McCallum will replace Natural Resources Secretary George Meyer with the agency's deputy secretary.

McCallum is expected to announce today he will promote Milwaukee native Darrell Bazzell to DNR secretary.

The governor also was expected to reappoint state Tourism Secretary Richard Speros and Jane Hojan-

Clark as secretary of the Higher Educational Aids Board.

McCallum respects Meyer, "but the governor wants to bring in some members of his own team," said a state government source.

McCallum took office Thursday when Tommy Thompson resigned to become President Bush's health and human services secretary.

His choice of Bazzell, 42, is the biggest change in Cabinet secretaries so far.

State Revenue Secretary Cate Zeuske is resigning and Joe Leean, secretary of the state Department of

Health and Family Services, has retired.

Bazzell declined to comment Monday about McCallum's appointment. Meyer, 53, did not return calls to his office.

On the Web

Wisconsin Department of Natural Resources: www.dnr.state.wi.us

Inside

Revenue secretary turns to life in the private sector / A-8

Bazzell, as the state's top environmental protection officer, would inherit some contentious issues, including negotiations over the PCB cleanup of the Fox River, a pending application for a mineral mine in the Crandon area and Perrier's plan to sell Wisconsin water.

In 1995, Thompson pushed the Legislature to change state law to allow the governor to appoint the DNR secretary. Before that, a citizens board made the decision.

Democratic legislators pledged last week to restore the old way of naming the DNR secretary.



Meyer

DNR chief's likely successor will be Darrell Bazzell, a Milwaukee native.

Local/State

Surprise, support accompany Bazzell's DNR appointment

2-7-01
BY SCOTT HILDEBRAND
PRESS-GAZETTE MADISON BUREAU

MADISON — A wide range of reactions greeted Gov. Scott McCallum's appointment Tuesday of Darrell Bazzell as secretary of the Department of Natural Resources.

Some people familiar with the workings of the DNR said the change at the top of the agency surprised them. They wondered if Bazzell can handle the many difficult issues facing the department.

Others expressed support for Bazzell's appointment and confidence in his ability to run the massive agency, which has 2,900 employees.

Bazzell, 42, replaces George Meyer, who headed the DNR since 1993. Bazzell has served as deputy secretary of the agency since 1996.

Green Bay sport fisherman Frank Herres said the change would have made more sense, if McCallum, a Republican, had succeeded a Democratic governor.

McCallum last week took over for Republican Gov. Tommy Thompson, who was appointed U.S. secretary of health and human services.

"It shocked me," Herres said. "It was done by a new governor of the same party. It creates quite a bit of confusion."

Herres said Bazzell will have to be a quick study on important issues, including the Fox River cleanup and the presence of contaminated white perch in Green Bay. "There are so many problems, and we had a working relationship with George Meyer," he said. "We don't know how the new guy is going to operate."

State Sen. Robert Cowles, a member of the Senate Environmental Resources Committee, also has questions about the eventual impact of Bazzell's appointment.

Cowles, R-Allouez, said he was satisfied with Meyer's job performance and wondered what could be gained by replacing Meyer with his deputy. "I don't know what they're up to," Cowles said of the McCallum administration. "All I know is that George Meyer did an excellent job."

Herbert Behnke of Shawano, a member of the state Natural Resources Board, doubts that the appointment of a new secretary will lead to many changes.

Behnke said McCallum replaced one strong administrator with another. "You hate to see George Meyer go, but Darrell is an excellent appointment," Behnke said. "He's a straightforward and honest guy. He understands the workings of the department."

McCallum said Bazzell becomes the highest-ranking black in a governor's Cabinet in Wisconsin history.

That news was greeted favorably by Rodney Cotillier, vice president of the Northeast Wisconsin African American Association.

"Personally, I think it's fabulous that we're getting the opportunities for growth that we didn't have in the past," he said.

Cotillier said it is unlikely that Bazzell would have remained as deputy secretary for the past five years if he was not capable of handling the department's top job.

"Five years as the No. 2 man, he should be qualified," Cotillier said. "He knows the ropes and knows the game."

William Nabak, general manager of the Green Bay Water Utility, was contacting legislators' offices Tuesday afternoon to get more information about Bazzell.

Nabak said the utility's dealings with the DNR under Meyer were incomplete. The major issue between them has been aquifer storage and recovery, a state-of-the-art technique for storing treated Lake Michigan water underground so more is available during periods of peak demand.

"We certainly have a lot of things on the table," Nabak said.



Associated Press photo

NEWLY APPOINTED SECRETARY of the Department of Natural Resources Darrell Bazzell, right, speaks to reporters as Wisconsin Gov. Scott McCallum, left, talks with students at North Division High School in Milwaukee on Tuesday. Bazzell is a graduate of the school.

Incoming

NAME: Darrell Bazzell.
AGE: 42.
POSITIONS: Named Tuesday as Department of Natural Resources secretary. Served as DNR deputy secretary since 1996 and administrator of the DNR Office of Planning and Analysis, 1993 to 1996.
COLLEGE: Graduate of University of Wisconsin-Madison.
PERSONAL: Milwaukee native, graduate Milwaukee North Division High School.

Outgoing

NAME: George Meyer.
AGE: 53.
POSITIONS: Department of Natural Resources secretary since 1993. Led the DNR Enforcement Division, 1980 to 1993. DNR staff attorney, 1972 to 1980.
COLLEGE: Graduate of St. Norbert College; law degree from University of Wisconsin-Madison.
PERSONAL: New Holstein native.

New DNR chief an unknown to lawmakers, environmentalists

The change adds mystery to the Fox River cleanup and compensation plans

2-7-01

By Jeff Decker
 The News-Chronicle

No one in Northeast Wisconsin seems to know just what the departure of George Meyer as secretary of the Department of Natural Resources will mean, or how newly appointed Secretary Darrell Bazzell will approach the numerous environmental issues that are in their critical stages.

Bazzell, 42, who has served as deputy secretary of the DNR since 1996, was named Tuesday by Gov. Scott McCallum to head the agency.

He becomes the highest-ranking black in the cabinet in state history, the governor said.

"(Meyer) did a great job as secretary and I hope the new guy does as good a job as he did," said state Sen. Rob Cowles, who sits on the Senate Environmental Resources Committee.

Cowles said he had met Bazzell more than once, but that he couldn't predict what the change will mean for the department or the environment.

Rep. John Ryba, D-Green Bay,

said, "I don't know the guy from Adam, so I'll have to wait until I meet with him."

"This gives (McCallum) a fresh start with his own person," said Rebecca Katers, executive director of the Clean Water Action Council. "He can shed all the baggage of what Thompson did, but we don't know who this new person is and what his marching orders are."

In 1995 Thompson led a change in the state budget that put the DNR secretary in his cabinet, and McCallum is the first governor to replace a DNR secretary.

"(Meyer) was the last secretary appointed by the DNR Board," said Katers. She said that gave him a level of independence that Bazzell won't have.

"He was a career DNR staffer who rose through the ranks and knew the agency very well," she said. "Even though we disagreed with him, he at least knows what the situation is." Meyer took the job in 1993 after 30 years with the department.

Katers said she was glad to hear Meyer come out against policy decisions by Thompson, but that those may have played into his being replaced.

"Meyer had been making statements over the last several months on how he supports restoring the public intervenor's office, and we

know that's angered a lot of Republicans," she said.

That office had lost its power to sue the government in the 1995 budget.

What Bazzell's appointment means for Northeast Wisconsin is unknown, Katers said, but she did say the appointment so soon after McCallum's inauguration could mean politics will guide the office.

"If they were accountable directly to the public, that would be one thing, but if they are accountable the governor's special interests and campaign contributors, that's bound to impact their judgment on controversial natural resource issues," she said.

The permitting process over the Crandon mine is continuing, a multimillion-dollar cleanup plan for the Fox River is set for release in March and negotiations over millions in compensation for PCB damage to the river have been ongoing with several paper mills since summer.

The outcome of the compensation negotiations, such as the \$7 million agreement signed with Georgia-Pacific Corp., probably won't change, said Dennis Hultgren of Appleton Papers.

"I don't think that's going to change a whole lot, because (the secretary) isn't directly involved. It's not only the Department of Nat-



Hojan-Clark

Speros

ural Resources but also the Department of Justice," Hultgren said. "George Meyer's assistants are still working on the deal, and I don't think that's going to change one iota there."

McCallum said Meyer, 53, is his friend and will have a role in state government, but the governor declined to be specific.

"These aren't tenured jobs. It's part of government. Transitions will occur," McCallum said.

Meyer, who declined comment Tuesday, is scheduled to make a public statement this morning.

McCallum also reappointed Richard "Moose" Speros as Department of Tourism secretary and Jane Hojan-Clark as executive secretary of the state Higher Education Aids Board. Speros has been in office since 1995. Hojan-Clark has been in office since 1999.

The Associated Press contributed to this report.



Wisconsin State Journal

LOCAL

Fox River deal on hold, says DNR

The \$7 million agreement with Georgia-Pacific was blasted by critics for shortchanging taxpayers.

MARCH 14, 2001

By Ron Seely Environment reporter

A controversial proposed \$7 million settlement with Georgia-Pacific Corp. over damages for polluting the Fox River is being put on hold by the state Department of Natural Resources.

In testimony before the Legislative Audit Committee on Tuesday, DNR Secretary Darrell Bazzell said the agency is suspending final action on the proposed agreement to try and resolve differences with the U.S. Fish & Wildlife Service over the complicated formulas used to calculate a damage assessment.

The Fish & Wildlife Service has arrived at a damage assessment of between \$176 million and \$333 million for all seven paper companies that discharged PCBs into the river.

Bazzell also said the DNR is extending the public comment period on the agreement to June 20. Previously, the comment period was scheduled to end March 21.

At issue is the proposed settlement between the DNR and Georgia-Pacific, formerly Fort James Corp., for damage to the river caused when the paper company legally discharged polychlorinated biphenyls, or PCBs, until the 1970s. The toxic chemical was used in the manufacture of carbonless paper.

Under the proposed agreement, the DNR would credit the paper company with restoration and recreational projects the agency says are worth \$53 million.

Critics have blasted the proposed damage settlement, which is separate from eventual cleanup agreements, as shortchanging taxpayers and users of the river. Groups

such as Clean Water Action Council, a Green Bay environmental watchdog group, have also charged the DNR with negotiating and approving the proposal with no public hearing.

The proposed agreement was also the subject of an inquiry by the Legislative Audit Bureau, which found that the settlement does not appear to allow changes, even though DNR officials and paper company officials have indicated changes can be made after the close of a public comment period.

Bazzell told members of the Legislative Audit Committee that, despite the wording of the proposed agreement, it can still be amended.

"Certainly the deal is still open," Bazzell said. "I have the right to tear the agreement up at any time and start over." Bazzell later said, "I do recognize the actual settlement is not clear on that point."

Rebecca Katers, executive director of Clean Water Action Council, testified against the proposed settlement and urged the committee to order a full audit. She said the agreement was negotiated with no public input and settles for an "outrageously" low amount. As an example, Katers cited two communities along the Fox River that are considering pumping drinking water from Lake Michigan because of the pollution.

"They're looking at spending hundreds of millions of dollars to pump drinking water from Lake Michigan because the Fox River is too polluted," she said.

Katers also cited a recent report from the Science and Technical Advisory Committee of the Lower Fox River and Green Bay Remedial Action Plan. The committee advises the DNR on science issues related to the Fox River cleanup. In a letter Monday to the DNR, the committee criticized the proposed settlement with Georgia-Pacific as "seriously" underestimating the damages the paper company caused to the river.

"This is a bad agreement," Katers told the audit committee.

Also testifying Tuesday were representatives of the Brown County Conservation Alliance who said the organization approved a resolution opposing the proposed damage settlement because it "fails to

adequately address the harm done, not only to the fish and wildlife, but also to the quality of life for area residents."

In a joint announcement, the DNR and Fish & Wildlife Service said they are planning to meet and discuss how to arrive at a compromise on the damage assessment.

"We believe in the end these different approaches can be melded into a common approach," the statement read.

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DNR will re-examine PCB deal

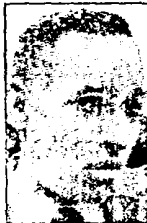
3-14-01
Comment
period
extended

By SCOTT HILDEBRAND
PRESS-GAZETTE MADISON BUREAU

MADISON — The state Department of Natural Resources is re-considering its deal with Georgia-Pacific Corp. related to PCB pollution of the Fox River, DNR Secretary Darrell Bazzell said Tuesday.

Bazzell said the department is suspending final action on the settlement with Georgia-Pacific and extending the public comment period for three months.

During that period, the DNR and U.S. Fish and Wildlife Service will work to resolve differences over the best way to restore natural



Bazzell
Secretary of
the DNR

resources damaged by the release of PCBs into the Fox.

"We will make every effort during this process to strive for a proposal that would be supported by all parties and move us closer to cleaning up and restoring the Fox River," Bazzell said.

The DNR secretary announced the latest development at a public hearing on an audit of the state's settlement with Fort James Corp. for natural-resource damage to the Fox River. Atlanta-based Georgia-Pacific recently completed a buyout of Fort James.

The department negotiated a \$7 million deal with Fort James to compensate the public for damage to the environment caused by PCBs, or polychlorinated biphenyls. PCBs were released into the river by seven area paper mills during the 1950s, '60s and '70s.

The chemicals have been linked to reproductive problems and deformities in wildlife, and to developmental problems in children.

The settlement has come

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DNR/Environmentalist praises delay in final action

■ From A-1

under criticism from environmentalists, who say it vastly underestimated damages to the Fox River watershed. They say the Fish and Wildlife Service has estimated compensation requirements at \$176 million to \$333 million. Fort James share of that total has been estimated at 15 percent to 30 percent.

But in a joint statement, Bazzell and Fish and Wildlife Service regional director Bill Hartwig said all the parties responsible for assessing PCB damages will continue to meet in an attempt to review analytical methods and resolve differences.

"We believe in the end these different approaches can be melded into a common approach," the statement said.

The decision to delay final action on the proposed settlement received a favorable reaction from a local environmentalist and a company spokesman.

"It's good news," said Rebecca Katers, executive director of the Green Bay-based Clean Water Action Council. "It's definitely an improvement. Maybe it's a face-saving move by the DNR."

Georgia-Pacific spokesman Mark Lindley said the company would be pleased if deferring the proposed settlement leads to a more far-reaching agreement.

"We have long said a comprehensive agreement with all parties is the best way to go," he said.

The DNR previously extended the public comment period on the Fort James settlement one month to March 21. The additional three-month extension will lengthen

the comment period through June 21.

A review of the settlement by the Legislative Audit Bureau raised questions about whether the deal is subject to change on the basis of public comments.

But Bazzell said any implication that public comments would not be considered is erroneous. He said all public comments will be filed with a federal court in Milwaukee, which must approve the settlement.

"We always have the option of just saying the deal is dead," he said.

Bazzell also rejected accusations that the Fort James settlement was developed in secret.

"That statement implies that we are choosing to do something behind closed doors that could be conducted in public settings," he

said. "That is completely inaccurate and has no basis in truth."

The letter of the law has been followed in the settlement process, he said.

But he also said the law allows for a private company to be granted confidentiality on communications related to enforcement actions.

Katers said she remains dissatisfied with the DNR's approach to public involvement. She said the agency has held no public hearings on the proposed settlement.

"They are stifling public discussion of this issue," she said. "But they've had cozy little meetings with the company. Who do they work for?"

Bazzell said the DNR is unlikely to hold formal public hearings during the extended public-comment period.

How to comment

Copies of the settlement between the state Department of Natural Resources and Georgia-Pacific Corp. can be found at the Brown County Central Library, 515 Pine St., Green Bay; Door County Library, 104 S. Fourth Ave., Sturgeon Bay; Oneida Library, 201 Elm St., Oneida; and at the downtown libraries in Appleton and Oshkosh.

The settlement is also online at www.dnr.state.wi.us/org/water/wm/lowerfox/Sediment/fjnrdacp.html.

Written comments on the settlement must be postmarked by June 21.

Mail your comments to Greg Hill, NRDA Coordinator, Wisconsin Department of Natural Resources, P.O. Box 7921, Madison, WI 53707-7921.

DNR deal with polluters insults our heritage

This is Clean Water Action Council's 16th year of poking our collective finger into the eyes of corporate polluters. Our most consuming work for the last three years has been the Fox

Commentary



Curt Andersen

For The Green Bay News-Chronicle

River cleanup. We are disgusted with the state Department of Natural Resources for its insulting settlement with Fort James/Georgia-Pacific for damage done to wildlife, human health and our economy.

The family photos on this page show aspects of local life in the early 20th century. Below, my grandfather, Niels Jorgen Andersen (front

row, right), is pictured with his co-workers at Independent Fishing Co., circa 1918. This company was one of about 30 fishing companies that plied their trade from Green Bay during the period from 1897 to 1953. The names from the early years still ring familiar to us: Saunders, Johnson, Shiller; Fisher, Booth, Schober; Fowles, Maricque, Hermes. Few companies still remain, but only Maricque and Hermes still fish the bay. This heritage has been destroyed, in part, by the pollution from the paper mills. The mills tell us about all the jobs they've created but never mention the ones they've destroyed. Green Bay's rich history of fishing is discussed in much greater detail in Don Stiller's book, "A Multitude of Fishes."

The three boys in the boat are my sec-



ond cousins, circa 1917, shown after a successful duck hunt. Their father, Fred Saunders, built boats at his McDonald Street shop from 1910 to about 1954. In the background is Hoberg Paper Co., now Procter & Gamble. There are no boat-building operations on the Fox River anymore. Fred's customers, the fishermen, went out of business for two reasons: pollution and exotic species. No customers, no boats. It is also not a good idea to eat a duck from the Fox River or

The mills tell us about all the jobs they've created but never mention the ones they've destroyed.

the bay. This pastime and food source has been taken from us by the pollution from the paper mills. The PCBs are just the latest dagger in the heart of the environment. Have you written a letter to the DNR to complain about the measly settlement? Vent your outrage! Contact: Greg Hill, NRDA Coordinator, WDNR,

PO Box 7921, Madison, WI 53707-7921. Any letter will suffice. You have until March 21 to respond.

It is for these reasons that I am pleased to announce that Sheldon Rampton, a nationally known, investigative journalist and co-founder of the Center for Media and Democracy, will be the keynote speaker at the 2001 Annual Banquet of the Clean Water Action Council. Rampton and co-author John Stauber have just released a new book, "Trust Us. We're Experts: How Industry Manipulates Science and Gambles With Your Future." The book has received national acclaim because it unmasks disturbing and widespread methods used to influence opinion through bogus experts, doctored data and manufactured facts.

The Clean Water Action Council banquet will be held Friday at the pavilion at Green Isle Park, on the corner of East River Drive and Greene Avenue, in Allouez. We will have a vegan menu, plus herb-baked chicken. Tickets are \$15 per person (\$7.50 for students). To register, please contact Rebecca Waters at 920-437-7304. Music will be provided by Liam Robinson on the piano and A.J. Kluth on saxophone.

Come and break bread with us and listen to a sterling presentation of the anti-democratic workings that are going on all around us.

Curt Andersen is a lifelong resident of the Green Bay area and a Vietnam-era Navy veteran. He owns a small business and is on the board of the Clean Water Action Council. His column appears here Wednesdays. Write to him via e-mail at curtandersen@milwpc.com



Andersen family photo

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The Green Bay News-Chronicle

PCB PLAN: Disputes between agencies downplayed by FWS

FROM PAGE 1

recreational fishing. Wooley downplayed earlier disagreements between the agencies, which began last summer when the DNR said its representatives were not being permitted full access to key documents and planning.

That split was confirmed when DNR and Department of Justice officials began negotiations with Fort James, which has since merged into Georgia-Pacific Corp.

Before the dispute, the DNR was in line to be an equal trustee in the joint plan with the FWS, the National Oceanic and Atmospheric Administration, the Oneida, Menominee and Little Traverse Indian tribes and the Michigan attorney general.

"We recognize and respect the analyses done by all of the trustees," Bazzell said. "Some of the analyses employ different analytical methods. We believe in the end these different approaches can be melded into a common approach."

News of the talks was welcomed by three area environmentalists who drove to the hearing. Rebecca Katers, executive director of Clean Water Action Council, Ronald Vanderloop and

Bob Schmitz, president of the Brown County Conservation Alliance, had testified against the settlement.

Each said the \$7 million figure does not consider commercial fishing, boating and other activities that PCB pollution has prevented. They also condemned holding the Fort James negotiations, and current negotiations with six other paper mills, behind closed doors.

The three said that the FWS plan also does not demand enough money for environmental projects.

The hearing followed a partial audit requested by committee co-chairman state Sen. Gary George, D-Milwaukee, and enabled committee members a chance to consider requesting a full audit.

Committee member Rep. Mary Lazich, R-New Berlin, said she was concerned to learn that the DNR declined a FWS offer to pay for independent auditors to examine both plans and suggest a combination.

She said she was glad to hear that cooperation would soon be reached.

"(Both agencies) just don't have a meeting of the minds, and they're very stubborn and persnickety," she said.

AGE 3: County deals with finance exodus

48 Pages
1 section

News-Chronicle

www.gogreenbay.com ♦ Wednesday, March 14, 2001

Talks resume on joint state-federal PCB plan

**The DNR secretary
defends the state's
\$7 million agreement
while crafting a new one**

By Jeff Decker
The News-Chronicle

Department of Natural Resources Secretary Darrell Bazzell announced Tuesday that his agency has begun negotiations with the federal government to reach a combined compensation settle-

ment for PCB damage to the Fox River and Green Bay.

"With the agreement of Fort James Corp., WDNR is therefore suspending final action on the proposed Fort James settlement while all of the parties meet to discuss these issues, and is extending the comment period for an additional 90 days," Bazzell said at a public hearing in Madison before the Legislative Audit Bureau.

Assistant Regional Director of the U.S. Fish & Wildlife Service (FWS) Charlie Wooley, said a "cordial" meeting was held Friday in Washington that planted the seeds to combine the state and federal plans, which had been on a collision

course.

"We're not going to be able to get those benefits very quickly if we're in court for the next five, six or eight years," he said. The estimated range the FWS plans to ask seven Fox Valley paper mills for is \$170 to \$303 million.

With a state settlement for Fort James' share of the compensation at \$7 million, any possible objections raised in court would be strengthened with criticism from Wisconsin.

The two plans are meant to compensate Northeast Wisconsin for activities lost because of the damage from PCB contaminants released by paper mills, such as

Please see **PCB PLAN**, page 4

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Not a happy camper

DNR'S George Meyer adjusts, but his firing still smarts

By Rob Zaleski

March 3, 2001

Forever the diplomat, George Meyer is seated behind a desk in his cramped new office at the GEF II state office building and still doing his best to put a positive spin on his startling Feb. 6 dismissal as secretary of the Department of Natural Resources.

No question, the move by new Gov. Scott McCallum was a thunderbolt out of the blue, says the 53-year-old Meyer. But he wasn't the first DNR secretary to be "overthrown" in the agency's 72-year history and he probably won't be the last.

What's more, since his successor, Darrell Bazzell, 42, happens to be his former protege and one of his best friends, the transition couldn't possibly be going any smoother, he emphasizes.

The thing is, he probably would have retired in another two years anyway, rationalizes Meyer, who now holds the title of special assistant to the secretary. And frankly, he says, it's going to be nice to have some time again for his true passions in life — deer hunting and muskie fishing and camping with his family.

Before he was named secretary in 1993, he and his wife, Jayne, and their two kids (Andrew, now 22, and Jocelyn, 14) would camp out 40 to 45 nights a year. In recent years, it's been more like two or three times a summer.

"I sleep better in a tent than I do in my own bed," he muses.

Understand, "if this had happened after just three or four years, I might be thinking, well, what did I do

wrong? But I've had the **greatest** job in state government for eight years. We got a tremendous amount of things done. So I feel pretty fulfilled."

Still miffed:

But then, less than five minutes into the interview last week, the facade comes **crashing** down and it becomes obvious that Meyer is still miffed and bewildered by his abrupt firing.

He says in a beleaguered voice that he's received dozens of calls and e-mails from people who can't believe that the governor would do such a thing to a dedicated 30-year employee of the DNR — echoing the sentiments Meyer's wife expressed in an open letter that recently appeared in both The Capital Times and Wisconsin State Journal.

Certainly it was within McCallum's authority to fire him, Meyer says.

Moreover, "I'm a big boy — and I'm clearly not looking for sympathy. But a lot of people — myself included, obviously — **were upset** by how poorly the whole thing was handled, who felt that the governor didn't use good human relations skills.

"I mean, as secretary of this agency, I've had to ask a number of people to move on over the years. But there are ways of doing it, I think, that are more respectful to the individual."

And it clearly was even more of a shock, Meyer says, considering that he and McCallum have known each other for nearly 20 years. Their kids, in fact, once attended the same state day care center.

"So we were far from strangers," he says. "We were decent friends."

Meyer says the governor's decision was such a bombshell that he's still **fuzzy** on some of the details of the Tuesday morning meeting, which lasted no more than five minutes.

"You've got to think pretty quickly in a situation like that — because my first thought was, well, what am I going to do now? I mean, I've got a mortgage and things like that, so I've got to have a job someplace."

Meyer says that after he and McCallum briefly discussed the possibilities, he left the Capitol in a daze. He then got into his car and hurried to his west side home to break the news to his wife, fearing that she might hear about it from a radio or TV report.

"Naturally, she was pretty floored," he says.

Then he drove back to his office at GEF II and found Bazzell, who'd just finished talking to McCallum on the phone and was as stunned as Meyer by the sudden turn of events.

"He was asking me what to do," Meyer says. "And as I've stated before, I told him, 'Darrell, this isn't about you and it's not about me. It's about the institution. And you've got to take the job.' "

Why the firing?

Though McCallum didn't go into great detail about why he decided to fire him, Meyer says that now, some three weeks later, he's convinced more than ever that it essentially came down to just one thing: Meyer's publicly stated views that the Natural Resources Board — not the governor — should appoint the DNR secretary, and that for the good of the agency, the Legislature needs to restore the Public Intervenor's Office, which former Gov. Tommy Thompson dismantled with the Legislature's approval in 1995.

"It's not as though I've been out rattling sabers or working the Legislature on those issues. That wasn't my place," says Meyer, noting that a bill that would return the appointment powers to the Natural Resources Board passed the state Senate two weeks ago. "But he knew how strongly I felt about them," he said of McCallum.

Meyer is not about to back down now.

It is, he says, absolutely critical that the Legislature reverse the damage that was done five years ago — if nothing else, out of fairness to Bazzell. Otherwise, Meyer argues, the new secretary will be operating under the same dark cloud that Meyer did in recent years — where every decision he makes is viewed with suspicion.

Indeed, Meyer says if he had to cite his biggest

disappointment as DNR chief, it was his inability back in 1995 to convince Thompson just how devastating those changes would be, not only to himself but to the DNR.

"He was just adamant on the fact that the governor needed that direct control," Meyer says. "So I don't think he ever appreciated the extent of the impact it had on the agency and its reputation – or on the morale of its employees. And clearly, Governor McCallum doesn't understand it."

Nonetheless, Meyer maintains there wasn't a single instance where Thompson abused his authority over the DNR.

"And I want to make this clear, so it doesn't get confused," he says. "There was never a debate over environmental regulatory enforcement decisions. He never, ever directed me to either issue a permit or deny a permit, to bring an enforcement case or not to bring an enforcement case."

At the same time, Meyer says he can understand why environmentalists and others may have had that perception. And why Democrats couldn't resist using that perception for political leverage.

Tommy listened:

Meyer insists he and Thompson had some heated debates on a variety of issues over the last five years. And, yes, Tommy could be overbearing at times — many times even pounding on his desk.

But if there was one thing that sets Thompson apart from most politicians, it's his willingness to listen, Meyer says.

"He'd come in from his travels throughout the state. He'd hear X person say the DNR is doing this or whatever. And his style was, he'd come after you about stuff like that. He'd say, 'What the heck are you doing about this?' And you've have to understand that's the way he was and not get cowed by that.

"But then you'd sit back and rationally explain, 'Well, here's what wasn't said to you, here's the other side of the issue.' And on policy issues where we had disagreements, nine times out of 10 he'd end

up saying, 'Yeah, that's a great way to go,' or 'I don't agree with you but, yeah, I can see your point.' "

Meyer says the best example of that was a conversation they had on a plane to Washington, D.C., in 1996, during which Meyer strongly recommended that they set up a blue-ribbon committee to study the reauthorization of the Stewardship Land Acquisition Program and boost its funding to \$460 million.

"He thought about it maybe 10 seconds and said, 'Give me some names,' " Meyer recalls.

No question Tommy could be difficult, Meyer says. But he says Thompson was one of the first people to call him and offer moral support after his dismissal, "and I will tell you there's a very strong mutual respect between him and me."

As for his relationship with McCallum, Meyer says they haven't spoken a word to each other since their Feb. 6 meeting.

"He's still the governor," Meyer says coolly. "I still respect the office."

Environmentalists:

Meyer says he's the first to admit that his reign was highly controversial at times, and that he and environmentalists always seemed to be at odds. Though he rarely took the criticism personally, Meyer says it still hurt, since the very reason he joined the DNR three decades ago was because of an intense desire to protect the state's resources.

He says it bothers him that environmentalists rarely gave the DNR credit when it took their side on a particular issue — such as its testimony before the Public Service Commission that there were better environmental alternatives than the proposed 250-mile Arrowhead to Weston transmission line through northern Wisconsin.

"Or let's take the (Crandon) mining situation," he says. "Nicolet Minerals applied for its permit in August of 1993. So that's clearly not a company that's had a sweetheart deal. In any other state in the country, they would have had a decision one way or another four or five years ago.

"And how about Perrier? I mean, it's a real joke to say they got favored treatment. They got the most rigorous environmental requirements of any high capacity well ever issued in this state. We went way beyond what the law required there (in Adams County)."

Meyer also notes that he's president of the Environmental Council of States and vice president of the International Association of Fish and Wildlife Agencies — positions he says he never would have been appointed to if his environmental opinions weren't respected.

Still, Meyer says he stands behind every hotly contested decision his agency made during his tenure, whether it was its support of a hunting season for mourning doves — "Why should a Wisconsin hunter have to go to Illinois or Missouri to hunt mourning doves? It just doesn't make sense" — or, more recently, its proposed \$7 million damage settlement with Fort James Corp., one of seven paper companies responsible for heavy PCB concentrations in the Fox River. (The U.S. Fish and Wildlife Service proposed a settlement in the \$200 million to \$300 million range.)

"What people don't understand, I think, is that those companies are going to have to clean up the river, and it's going to cost them hundreds of millions of dollars to do it — on top of these settlements," he says, reiterating that the \$7 million would be the largest environmental settlement in state history.

Whatever the case, Meyer says that, as unsettling as his firing was, he at least can draw comfort from the fact that Wisconsin enters the 21st century with some of the strictest environmental regulations in the country.

Looming threats:

At the same time, he says Wisconsin's resources face a grave threat from two relatively recent phenomena: urban sprawl and global warming.

"My first year as DNR secretary I gave 240 speeches and land use was the first issue in every speech," he says. "And what I found is that, even though it was a controversial subject back then, what I was saying

was resonating. I'd go into very conservative townships and I'd give that speech and town chairmen would be nodding."

Meyer says he believes those speeches and the DNR's constant warnings about the situation were a key reason the Legislature eventually passed a Smart Growth initiative. However, considerably more must be done, he cautions, or some parts of Wisconsin will look like one continuous city – similar to the Eastern seaboard.

"Only 30 percent of the municipalities in this state have comprehensive zoning. And some of those need to be updated with these Smart Growth policies," he says. "Because sprawl drives everything — non-point pollution, air pollution, automobile traffic, loss of fish and wildlife habitat. Just about every major environmental issue we have is worsened because of sprawl."

As for global warming, Meyer notes that he was a big skeptic when news reports on the subject first began popping up in the late 1980s. But he's spent a lot of time researching the issue and talking to DNR scientists about it over the last eight years and now agrees that we'll see, at minimum, a 2- to 4-degree temperature increase over the next century.

Unless Wisconsin acts now, he says, the changes could have a dire effect on our forests, farms and waterways.

Granted, there are still some skeptics out there, he says – including several environmental advisers to President Bush.

"You're never, ever going to have every scientist in the world say that there's global warming," he says. "But when you get about 95 percent saying that, you might start to think that there's a problem. And there is a problem and we need to deal with it."

Asked if he has any parting words of wisdom for his successor, Meyer says only that Bazzell should try to maintain the traditions of a first-class agency and to continue to rely on the expertise of its 2,900 employees.

"So my advice would be, just do your job, listen and provide a strong keel."

He leans back and forces a grin.

"And have a thick skin."

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McCallum opposes Fox plan

Superfund designation unwanted

By BRIAN TUMULTY
PRESS-GAZETTE
WASHINGTON BUREAU

WASHINGTON — Gov. Scott McCallum told the head of the federal Environmental Protection Agency on Monday that Wisconsin doesn't want the Fox River designated a Superfund site for the cleanup of harmful PCBs.

Although McCallum said improving the state's share of federal tax revenue is his top priority in Washington — one recent report ranked Wisconsin 50th among states in per-capita federal spending — Superfund money is not on his list.

"We don't want to go into Superfund," McCallum said in an interview while attending the National Governors Association winter meeting. "We'd like to avoid it because everybody ends up paying into the court system rather than into cleanup."

But the state already has received \$4 million in federal Superfund money to help plan the Fox River cleanup, said Rebecca Katers, executive director of Clean Water Action Council of Northeast Wisconsin.

Katers said McCallum's comments don't reflect local public opinion. She cited a 1999 poll by St. Norbert College that found 70 percent of the people in Brown County supported Superfund designation.

"It would seem very backwards that he wouldn't understand the benefits of this federal program," Katers

PCBs in the Fox River

Polychlorinated biphenyls, formerly used in carbonless copy paper, were released into the Fox River from 1957 to 1971. They have been linked to reproductive problems and deformities in wildlife, and to lowered IQs and slowed development in children exposed to elevated levels in the womb.

The U.S. Environmental Protection Agency is considering whether to list the river as a Superfund site.

Superfund designation would provide government funds to start the cleanup and could levy penalties beyond cleanup costs against the paper companies deemed responsible for the contamination.



McCallum
Says courts
get money

said. "We have had 15 years of official planning, and the main holdup has been the lack of money to do the detailed planning that's necessary."

The new EPA administrator, Christine Todd Whitman, is a former governor of New Jersey who oversaw her state's extensive use of Superfund site designations to redevelop urban areas.

"We've identified more Superfund sites than any state in the country, and we're constantly lobbying for renewal," New Jersey's acting Gov. Donald DiFrancesco said in an interview. "We're glad Christie Todd Whitman is in the Cabinet. We hope she'll be an asset for the Northeast and particularly New Jersey for issues such as that."

DiFrancesco, who like McCallum is a new governor who ascended to office when his predecessor became part of President Bush's Cabinet, said they have both talked about their need to make quick decisions on a variety of issues, including McCallum's decision to release his own state budget last week.

"I think he's been able to

Please see **McCallum, A-2**

McCallum/Says state needs to get more federal money

■ From A-1

jump in feet-first and hit the ground running," DiFrancesco said.

Because of McCallum's quick transition from lieutenant governor to governor after Gov. Tommy Thompson was named secretary of

health and human services, he's only begun to address Washington-related issues such as staffing for the federal lobbying office a few blocks from the U.S. Capitol.

McCallum must hire a new Washington lobbyist — the former director joined Thompson at the Department of Health and Human

Services — and set a state agenda for the congressional delegation.

"All of us will be conscious of trying to capture our share of the federal tax dollar and bringing it home," McCallum said.

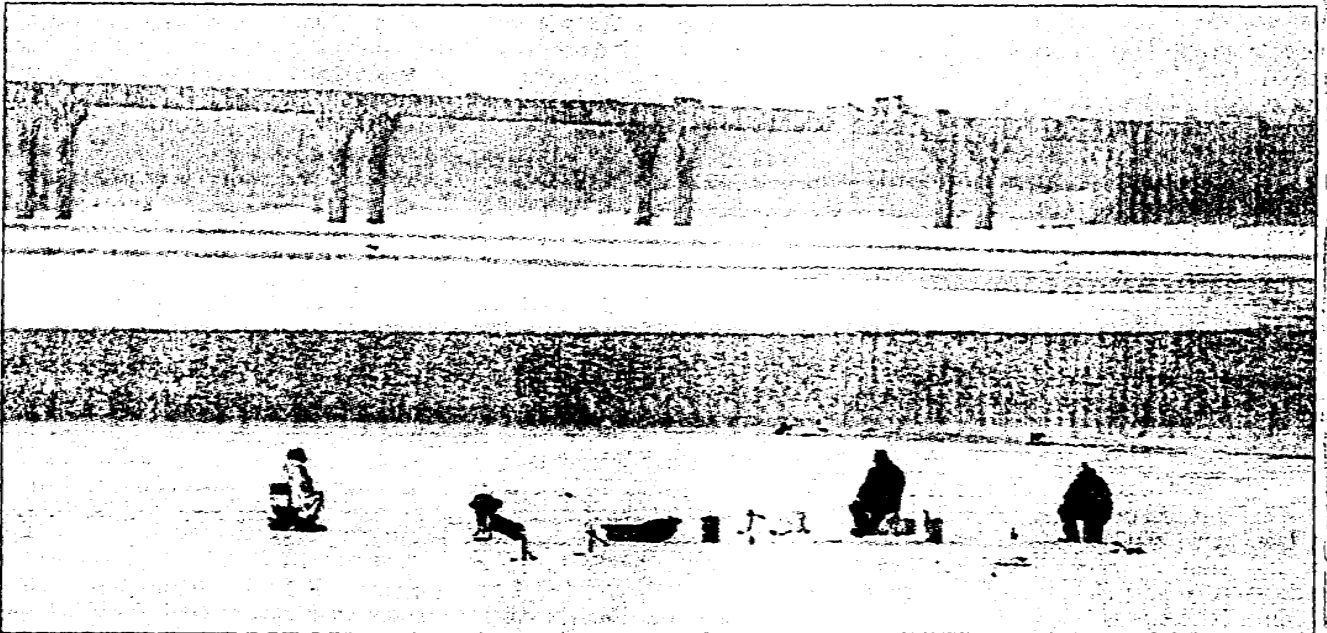
The Northeast Midwest Institute, a Washington think tank, estimates that the federal govern-

ment spent \$4,305 per person in Wisconsin in 1999 — the lowest of the 50 states — and about half as much as top-ranked Alaska's \$8,521 per person.

On other topics, McCallum said he also warned the EPA administrator of the need to avoid price spikes when reformulated gaso-

line is reintroduced on a seasonal basis this summer in Southeastern Wisconsin.

And he said Wisconsin needs to participate in a new national energy policy because the state does not have enough generating capacity or power lines to meet future needs.



Patrick Ferron/Press-Gazette

As a few men spend Tuesday ice fishing on the Fox River in De Pere, the state's new Department of Natural Resources secretary said his agency should have a river cleanup plan ready to share with the public by late spring.

DNR chief agrees with PCB deal

2-14-01
Bazzell still reviewing Georgia-Pacific settlement

BY SCOTT HILDEBRAND
PRESS-GAZETTE MADISON BUREAU

MADISON — Department of Natural Resources Secretary Darrell Bazzell says his predecessor took the right approach in settling natural resource damage claims against Georgia-Pacific Corp.

However, Bazzell said he still is reviewing the specifics of the state's deal with Georgia-Pacific and is not prepared to seek similar negotiations with other paper companies responsible for the damage.

In an interview Tuesday, Bazzell said he agrees with the way former DNR Secretary George Meyer handled negotiations with Fort James Corp. to settle damage claims related to PCB pollution of the Fox River. Atlanta-based Georgia-Pacific

"The idea was to negotiate a settlement based on recovering the damages, but in a way that got us to the bottom line and avoided costly and timely litigation."

— Darrell Bazzell,
new DNR secretary



ic since has completed a buyout of Fort James.

"The idea was to negotiate a settlement based on recovering the damages, but in a way that got us to the bottom line and avoided costly and

■ Bazzell comfortable with high expectations, A-2

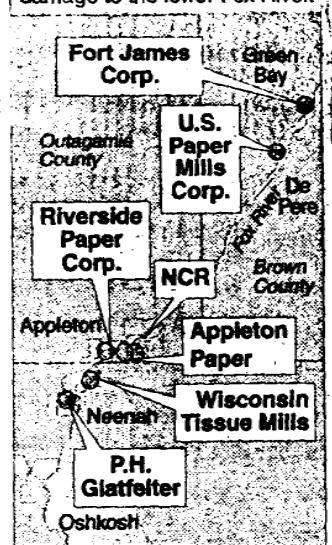
timely litigation," Bazzell said. "It's certainly a preferred approach to artificially inflating a number and going through a lengthy, litigious battle with the paper companies. I don't think that serves anyone well."

Meyer negotiated a \$7 million deal with Fort James to compensate the public for damage to the environment caused by PCBs, or polychlorinated biphenyls. The potentially cancerous chemicals, used by paper companies in a de-inking process, were released into the river from 1957 to 1971.

PCBs have been linked to reproductive problems and deformities in wildlife, and

Fox River damage

The federal government has named these seven paper companies as potentially responsible parties for PCB damage to the lower Fox River.



Press-Gazette

Please see DNR, A-2

DNR/Federal court to make final decision on plan

■ From A-1

to developmental problems in children.

Rebecca Katers, executive director of the Clean Water Action Council in Green Bay, was quick to criticize Bazzell's comments on the Georgia-Pacific settlement.

Katers said even a U.S. Fish and Wildlife Service estimate of compensation costs is too low. The service last year estimated compensation costs due from seven paper companies, including Georgia-Pacific, at between \$176 million and \$333 million.

"I take strong exception to the statement that Fish and Wildlife has artificially inflated those values," Katers said. "If anything, they underestimated the costs."

Sees rationale

Sport fisherman Bob LaMay of

Green Bay said he is not surprised that Bazzell supports the approach taken by his former boss on the PCB damage assessment. And LaMay said Meyer may have had good reason to pursue the negotiated settlement.

"I don't agree with the amount of money," LaMay said. "But George might have been right in his thinking that it's better to take a little than not get anything. You'll be fighting them forever."

Bazzell on Tuesday discussed the Fox River issue publicly for the first time since Gov. Scott McCallum appointed him DNR secretary last week. Bazzell succeeded Meyer, who had served as secretary since 1993.

The DNR is accepting public comment on the Georgia-Pacific settlement until Feb. 21. A federal court will make the final decision

What's next

A hearing on the Department of Natural Resources' settlement with Georgia-Pacific Corp. will begin at 6:30 p.m. Thursday in the Nature Education Center at Bay Beach Wildlife Sanctuary, 1660 East Shore Drive, Green Bay.

Copies of the settlement can be found at the Brown County Central Library, 515 Pine St., Green Bay; Door County Library, 104 S. Fourth Ave., Sturgeon Bay; Oneida Library, 201 Elm

on the plan.

Bazzell said he wants to review the public response to the settlement and research the methodology that led to the deal.

"I feel the methodology that's been employed here is the appropriate one," he said. "But I'd like

St., Oneida; and at the downtown libraries in Appleton and Oshkosh. The settlement is also online at www.dnr.state.wi.us/org/water/wm/lowerfox/Sediment/fjnrdaep.html.

Written comments on the settlement must be postmarked by Feb. 21. Mail to Greg Hill, NRDA Coordinator, Wisconsin Department of Natural Resources, P.O. Box 7921, Madison, WI 53707-7921.

to better understand it before we would consider similar negotiations with the other paper companies."

Companies respond

Tim Dantoin, public outreach director for the Fox River Group

of paper companies, said Bazzell deserves time to become more familiar with the details of the settlement and the Fox cleanup effort.

"He has a lot of issues on his plate," Dantoin said. "He's got to take things one at a time."

Most of the DNR's Fox River focus is on development of the final cleanup plan, Bazzell said. He said the agency should have a plan ready to share with the public by late spring.

Bazzell described the cleanup of the Fox as a significant task.

"I'm hopeful that the cleanup plan that will be presented to the public will provide a level of cleanup that protects human health and the environment and to a level that the public will feel comfortable with," he said. "We want to be able to eat the fish again."

2-17-01

ANOTHER NEWSPAPER'S OPINION

DNR changes are wild

Darrell Bazzell, Gov. Scott McCallum's choice to head the Department of Natural Resources, is an unknown quantity to the public and even to many involved in environmental issues. Some of those who have met him or seen him in meetings say he has been a very quiet deputy secretary at the DNR who has kept his opinions to himself.

That should change now. If Bazzell and his boss want to reassure everyone that environmental protection is high on their agenda, the new secretary must make his positions clear on key issues. These include — but are not limited to — urban sprawl, mercury levels in state waters, wetlands protection, the Crandon mine and whether taxes paid on motorboat fuel should be reserved for water protection programs or used to help pay for state highways.

"Surprise" is probably the word that best describes the general reaction — even among the capital's chronic whisperers — to the governor's removal this week of DNR Secretary George Meyer and the appointment of Bazzell.

Meyer is a longtime DNR hand and had been selected by the Natural Resources Board to head the DNR; he was then reappointed by former Gov. Tommy Thompson after a 1995 law switched the appointment power from the board to the governor.

Meyer had a solid record as DNR chief — although he was a little too soft for some on a few issues such as the Crandon mine — and had overseen significant developments as well as several

controversies in his tenure. He was as surprised as anyone when McCallum told him last Monday that he would no longer serve as DNR secretary.

The argument for his replacement is not that he had done a bad job, but that McCallum wanted his "own team" of cabinet heads. That's understandable, but it would be more convincing if McCallum were replacing every cabinet chief.

He is not, which may account for the rumors that Meyer may have been removed because he had recently taken stronger positions than the new governor on a few issues. Chief among these, it is said, was his support for the return of public intervenors, who formerly had the independent authority to sue state agencies.

The announcement has spurred renewed interest in moving the appointive power back to the Natural Resources Board, making the position less subject to

the political whim of, say, a new governor.

It is wrong to categorize Bazzell, another longtime DNR hand, as a political crony of McCallum's. But this is still a political appointment, and it raises the question of whether state residents really want the job to be that political. Such a discussion needs to take place soon in the Legislature.

Meantime, McCallum could do Bazzell and himself a favor by explaining why Bazzell is a better fit for the job than Meyer. And Bazzell needs to spell out where he stands on the key issues and how hard he will fight for those positions.

Milwaukee Journal Sentinel

*Surprise is probably the
best word to describe
the removal of DNR
Secretary George Meyer.*

THE GREEN BAY News-Chronicle

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The Leading Voice of Green Bay and Brown County

THE
IN BAY

News-Chronicle

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Audit highlights alleged flaws in state PCB deal

State Sen. George wants McCallum to halt the agreement with Georgia-Pacific Corp.

By Jeff Decker
The News-Chronicle

A partial audit was released Thursday that examines the \$7 million compensation agreement between Georgia-Pacific Corp. and the Department of Natural Resources over PCB

damage to the Fox River.

The release was followed with a barrage of criticism of the deal and a call from one lawmaker for Gov. Scott McCallum to step in and halt the plan.

"The river is dirty, but not as dirty as the deal between the DNR and Fort James," said state Sen. Gary George, D-Milwaukee, who ordered the audit. "For too long we have worshipped at the altar of business development at all costs."

George spoke Thursday morning at the Brown County Courthouse.

➤ **Citizens at hearing blast deal as well:**

Page 5

Under the agreement, several area parks would receive extensive trail systems and boat launches, 800 acres of wetlands near Peshtigo would be bought and given to the state, a fishery would be expanded and payments made towards partial reconstruction of an island chain in the bay.

Please see **PCB DEAL**, Page 5



THE GEORGIA-PACIFIC WEST MILL is a backdrop for a sailboat being stored at a marina in Allouez. Environmentalists and at least one state senator are against a proposed state settlement with the papermaker over PCBs in the Fox River.

H. Marc Larson / The News-Chronicle

Environmentalists decry DNR's deal with Georgia-Pacific

A tape of Thursday night's hearing will become part of the official public record

By Jeff Decker
The News-Chronicle

Discontented with the lack of a public hearing on the state's \$7 million PCB-damage compensation deal with Georgia-Pacific Corp., environmentalists held their own hearing Thursday to express their dissatisfaction with the plan.

More than 50 people attended the hearing at Bay Beach Wildlife Sanctuary.

Almost 20 of them spoke before a video camera, and organizers plan to mail the tape to Madison by the end of the public comment period regarding the agreement between the company and the departments of Natural Resources and Justice.

"I am steamed," said Joe Musial of Kewaunee County. "Every sportsman, every fisherman, every hunter, every sailor, everybody's steamed."

"It's completely ludicrous that the DNR has come out with such a small amount. (Gov. Scott) McCallum and (DNR Secretary Darrell) Bazzell should resign if this is the best they've got."

Steve Abitz of De Pere is on the board of

directors for the Clean Water Action Council, which organized the hearing.

"Let's get real," he said. "There are some serious restoration projects around the bay, and it's going to take some big bucks to do it," he said.

Even the U.S. Fish & Wildlife Service plan, which asks for \$177 million to \$333 million, is not enough, said Larry Smith from Sturgeon Bay, a sociology professor at University of Wisconsin-Green Bay.

Commercial fishing is ignored by both plans, as are hunters and passive outdoors people, Smith said.

Some speakers brought in photos of family members fishing or duck hunting on the Fox River and the bay.

Many lamented lost fishing and swimming opportunities, while others said they missed the fishing and boat-making jobs.

"The biggest majority of the people don't have any idea what's going on," said Dave Johnson of Green Bay.

He divided \$7 million by 200,000 Brown County residents to get \$35 per person from the settlement.

"And that's just Brown County!" he said. "It's not enough. We have to fight it, and we have to stick together!"

Every speaker was against the agreement. DNR and Georgia-Pacific officials were invited but did not attend.

PCB DEAL: DNR secretary says he supports agreement

FROM PAGE 1

Those projects are designed to compensate residents for losses sustained over the decades from PCB contamination, primarily to recreational fishing.

PCBs were released into the Fox River by paper mills until the 1970s, and are known to cause reproductive and neurological damage to humans and animals.

George, who is running for governor in 2002, ordered the partial audit through his role as co-chairman of the Legislative Audit Committee. Thursday morning he delivered a letter to McCallum and DNR Secretary Darrell Bazzell, asking them to halt the provisions of the agreement until the "many questions raised about this pact have been answered."

"This deal would never have happened if I was governor," he said.

George criticized holding the negotiations in secret, having the state's consultants chosen by the paper mills, and the dollar figure — which he sees as too low.

On Tuesday, newly-appointed DNR Secretary Darrell Bazzell said

he fully supports the agreement and the process will continue.

"If he says that again after he gets a chance to read the audit, then he's making a mistake," George said.

McCallum spokeswoman Lisa Hull said it was unlikely the governor would stop the agreement. As part of the deal, the state scheduled a 60-day public comment period that was to have ended Wednesday. That deadline has been extended one month to March 21.

"This is an enforcement issue the governor is not going to step into," Hull said.

Franc Fennessy, executive assistant to the DNR secretary, said no governor has ever intervened in an enforcement matter involving the DNR.

PRIVATE NEGOTIATIONS DEFENDED

The 10-page audit reviews the settlement and describes several aspects that have met with harsh criticism from environmentalists and some legislators.

The audit points out how a U.S. Fish & Wildlife Service compensation plan, released in October, asks for \$177 million to \$333 million to

cover all the mills, and to the disagreements that led to two plans.

The DNR began negotiations with Fort James (now Georgia-Pacific Corp.) last summer when then-secretary George Meyer felt disagreements with the federal agency had grown too great to have one joint plan.

The state's settlement agreement was signed on Nov. 17. Rep. Judy Krawczyk, R-Green Bay, who is starting her first term, said the DNR's initiative on this is to make a settlement with one paper mill and then go right down the line with the others.

"I've heard criticism, but I think it's good to sit down at the bargaining table," Krawczyk said. "And I think it's good to start the compensation work right away, rather than sitting in court."

Negotiations are underway with the other six companies, held out of the public eye, George said "to hold these negotiations in secret is an insult to the public trust."

DNR spokesman Bruce Baker defended the private talks and said the entire process is guaranteed to provide sufficient compensation in a speedy way.

"This is a model process that we might be using on other great lakes and tributaries," Baker said. "Everything we did is founded in a process that's been developed by the federal government and used by the federal government in other cases," he said.

The audit "didn't really identify anything that was new to us," he said. "The letter that they put together is basically an historic accounting."

It would be possible to halt the entire process, he added.

"If we don't file a consent decree, then there's no agreement," he said. "But the idea that the governor should intervene is counter, I feel, to the idea of keeping politics out of our decisions."

CLEANER AT THE EXPENSE OF JOBS?

While the agreement must still be approved by a federal judge, the signed settlement shows how the work will get done, rather than getting locked in litigation, Baker said.

"Just because you take it to court doesn't mean that you'll win," he said.

Rebecca Katers, executive director of the Clean Water Action Coun-

cil, said the state's attempt to cooperate with the mills has failed.

"It is unrealistic to expect corporations to donate hundreds of millions of dollars unless there is a threat of an enforcement action behind it," Katers said. "That's the gorilla in the closet."

"It's pretty sad that a legislator from Milwaukee had to task for the audit, that none of our own legislators would approach it."

Rep. John Ryba, D-Green Bay, said he isn't very familiar with the agreement but that he would soon be studying it.

"I'm sure in the next couple of weeks there will be more out there, and we'll be directed on what we should be doing," he said.

Ryba considers himself an environmentalist, but said he must consider that one of Georgia-Pacific's mills is in his district.

"They're our biggest employer," Ryba said. "Do we want them to shut down and move, and then what? Are we going to have cleaner water with 2,500 people out of a job?"

The Associated Press contributed to this report.

PCB settlement draws fire from residents at public hearing

2-16-01

'This whole deal stinks to high heaven'

BY PETER REBHAHN
PRESS-GAZETTE

Ines Kinchen posed a question for the 50 or so people who attended a public hearing Thursday night in Green Bay.

Green Bay is blessed with unique natural resources in the bay and Fox River, the city resident said. "So how come nobody looks on the map and says, 'Let's go there for the weekend?'" she asked.

Kinchen's answer — pollution of the river and bay with polychlorinated

biphenyls, or PCBs — was also the reason for the hearing.

The hearing was sponsored by the Green Bay-based Clean Water Action Council to allow comment on the state Department of Natural Resources' settlement with Georgia-Pacific Corp. for natural-resource damage related to its share of PCB pollution of the Fox River.

No one from Georgia-Pacific attended Thursday's hearing.

Some who attended Thursday's hearing didn't mince words in blasting the deal and the DNR's methods for reaching it.

"Where is the public interest served by private meetings?" asked White Lake res-

ident George Rock. "Where is the public interest served by sweetheart deals for private industries? This whole deal stinks to high heaven folks."

Bob Howe, a University of Wisconsin-Green Bay biology professor, called the deal "an insult."

"The settlement itself fails to address the issues that are relevant here," Howe said. He said the settlement doesn't address the real problem, which he said is a "sick ecosystem."

A De Pere High School student, Curt Hendricks, called the PCB-laced river bottom a toxic dump whose danger is underestimated by residents because it's under water.

"If we had a toxic dump in our back yard, it would have

been cleaned up a long time ago," Hendricks said.

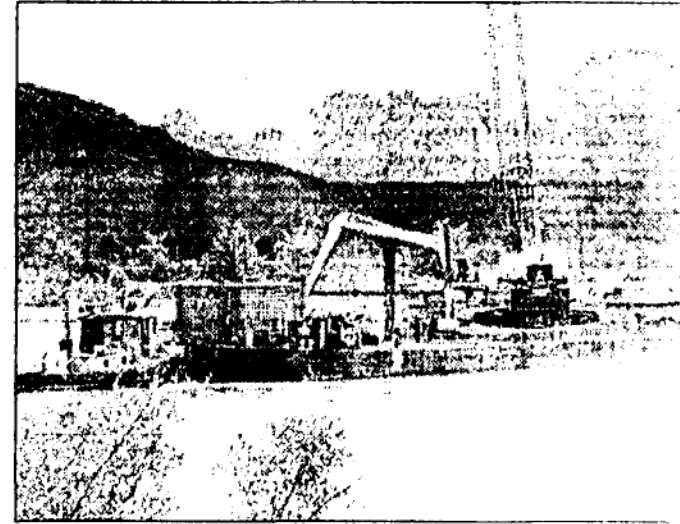
Green Bay resident Charles Frisk slammed the DNR's deal for not accounting for the losses of commercial fishermen. "These people have lost millions and millions of dollars," he said.

State Sen. Dave Hansen, D-Green Bay, called for more openness and public involvement in any future DNR deals with the six other paper companies responsible for the pollution.

Kinchen said the scope of the PCB damage isn't properly understood.

"We need to realize the greatness of our loss here," she said.

"If people don't know about the loss, we'll never get a fair settlement."



File/Press-Gazette

Workers began PCB removal in 1999 from the Fox River. About 50 people attended Thursday's public hearing to criticize the Department of Natural Resources' deal with Georgia-Pacific Corp. to pay for the PCB damage.

Report questions PCB deal

2-16-01 McCallum urged to block Fox settlement

BY SCOTT HILDEBRAND
PRESS-GAZETTE MADISON BUREAU

MADISON — State Sen. Gary George is calling on Gov. Scott McCallum to halt a deal between the state and Georgia-Pacific Corp. related to PCB pollution of the Fox River.

The Milwaukee Democrat asked McCallum to intervene Thursday after the Legislative Audit Bureau raised what George described as "serious questions" about the state's agreement with Georgia-Pacific.

"The number of questions that have been raised about this settlement are so serious that the public trust we demand is in severe jeopardy," said George, who is running for governor in 2002.

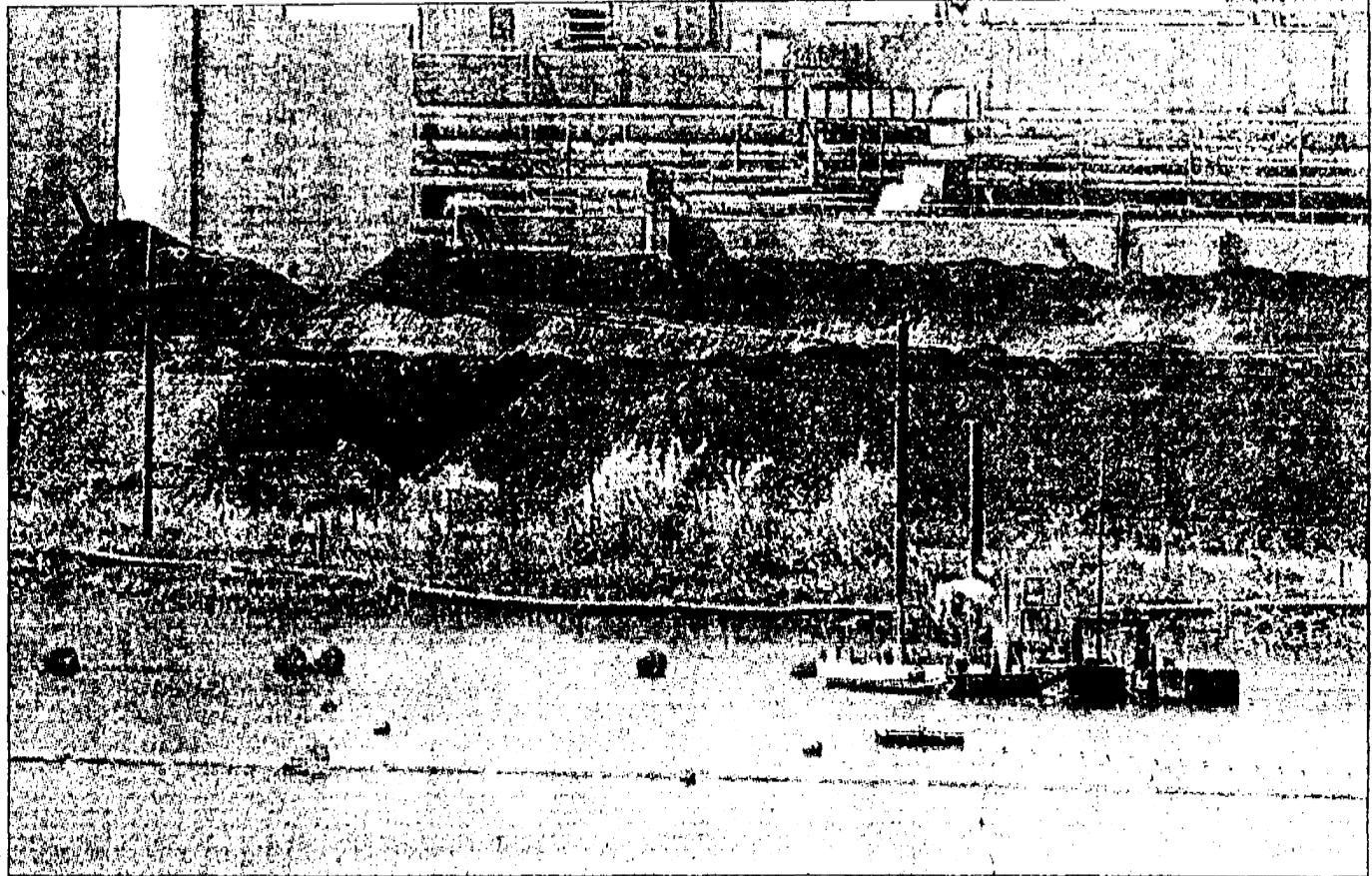
But a spokeswoman for McCallum said it's unlikely the governor would respond

■ Citizens sound off at hearing, B-1



McCallum
Not likely to halt settlement

Please see PCB, A-2



File/Press-Gazette

Dredging of PCB sediments in the Fox River began in 1999. Some lawmakers are criticizing the Department of Natural Resources' \$7 million deal with Fort James to compensate the public for environmental damage caused by PCBs.

Key findings of the audit bureau's report

The Legislative Audit Bureau on Thursday released a review of the state's \$7 million deal with Georgia-Pacific Corp. on damage claims related to PCB contamination of the Fox River.

Auditors noted that:

■ Critics have questioned the use of environmental consultants hired by paper companies to prepare damage assessments.

"These critics believe that the paper companies have a bias to minimize

their liability and that a process they control ultimately benefits them and not the public," the audit said.

The Department of Natural Resources countered that the process was not biased because the DNR directed the consultants' activities.

■ Even though the DNR is taking public comments on the settlement, the agreement says nothing about changing it on the basis of those comments.

A federal court has the final say on the settlement.

"The number of questions that have been raised about the settlement are so serious that the public trust we demand is in severe jeopardy."



— Sen. Gary George,
D-Milwaukee

PCB/DNR extends commentary period

■ From A-1

favorably to George's request for an executive order to stop implementation of the settlement.

"I don't expect the governor to issue an executive order," said McCallum spokeswoman Lisa Hull. "In a general sense, he has a lot of confidence in the work the DNR has done on this issue."

The audit bureau on Thursday released a 10-page review of the state's settlement with Fort James Corp. for natural-resource damage to the Fox River. Atlanta-based Georgia-Pacific recently completed a buy-out of Fort James.

The Department of Natural Resources negotiated a \$7 million deal with Fort James to compensate the public for damage to the environment caused by PCBs, or polychlorinated biphenyls. PCBs were released into the river by seven area paper mills during the 1950s, '60s and '70s.

The chemicals have been linked to reproductive problems and deformities in wildlife, and to developmental problems in children.

The agreement with the state requires Georgia-Pacific to spend



Bazzell
is taking public
comment on deal

about \$7 million on recreational, fish and wildlife habitat and other environmental benefits. The deal will provide a \$55 million economic benefit to the area, according to DNR estimates.

Hearings wanted

George asked McCallum to direct the DNR to hold public hearings on the settlement and to delay its implementation until the many questions raised have been answered.

"Environmental groups throughout the state are upset over what they characterize as a 'secret pact' between the DNR and Ft. James," George wrote in a letter to McCallum and DNR Secretary Darrell Bazzell. "There were no public hearings held on this proposed settlement, and the agreement is being characterized as a slap on the wrist for the paper companies."

Rebecca Katers, executive director of the Green Bay-based Clean Water Action Council, expressed support for George's request.

"We're very anxious to see that the process is followed through correctly," said Katers, whose group held its own hearing on the agreement Thursday night.

Deadline extended

The DNR is considering public comments on the settlement and has extended the comment period by one month to March 21. However, auditors said the agreement

View the settlement

Copies of the settlement between the state Department of Natural Resources and Georgia-Pacific Corp. can be seen at:

- Brown County Central Library, 515 Pine St., Green Bay
- Door County Library, 104 S. Fourth Ave., Sturgeon Bay
- Oneida Library, 201 Elm St., Oneida

■ Downtown libraries in Appleton and Oshkosh.

The settlement is also online at www.dnr.state.wi.us/org/water/wm/lowerfox/Sediment/fjnrdacp.html.

To comment

Written comments on the settlement must be postmarked by March 21. Mail to Greg Hill, NRDA coordinator, Wisconsin Department of Natural Resources, P.O. Box 7921, Madison, WI 53707-7921.

does not mention that it is subject to change.

"This is something we felt we needed to bring to the public's attention," State Auditor Janice Mueller said.

But Franc Fennessy, executive assistant to Bazzell, said the department will consider all public comments on the agreement. He said the DNR already has received 600 comments.

"We intend to evaluate and review them with an eye to improv-

ing the agreement where it needs to be improved," Fennessy said.

A federal court must approve the settlement.

The audit raises numerous questions about the use of environmental consultants hired by the paper companies to prepare natural-resources damage assessments. The consultants' work has been controversial because critics question why the paper companies effectively were allowed to conduct their own damage assessment.

Through Jan. 5, the DNR consultants have been paid \$773,703 by the Fox River Group of paper companies to evaluate studies prepared for the companies, the audit said. It also said DNR consultants have been paid \$138,442 by Fort James for work directly related to its settlement with the state.

DNR officials said it was necessary for the consultants to be paid by the paper companies because the state could not afford such experts. The audit also noted that the consultants signed agreements that require their working papers to be maintained as confidential and forbid the consultants from contact with paper company representatives.

"DNR and the Department of Justice believe the confidentiality agreements helped to ensure that the consultants worked in the best interest of the state," auditors said.

Reporter John Dipko contributed to this report.

THE POST-CRESCENT

WISCONSIN

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WEDNESDAY, FEB. 14, 2001 ■ C-2

Wisconsin's Best Newspaper

2-14-01 New DNR boss defends PCB settlement

Bazzell agrees with Meyer's approach to Fort James claims

By Scott Hildebrand
For The Post-Crescent

MADISON — State Department of Natural Resources Secretary Darrell Bazzell says his predecessor took the right approach in settling natural resource damage claims against Georgia-Pacific Corp.

However, Bazzell said he still is reviewing the specifics of the state's deal with Georgia-Pacific and is not prepared to seek similar negotiations with other

paper companies responsible for the damage.

In an interview Tuesday, Bazzell said he agrees with the way former DNR Secretary George Meyer handled negotiations with Fort James Corp. to settle damage claims related to PCB pollution of the Fox River. Atlanta-based Georgia-Pacific since has completed a buyout of Fort James.

"The idea was to negotiate a settlement based on recovering the damages, but in a way that got us to the bottom line and avoided costly and timely litigation," Bazzell said. "It's certainly a preferred approach to artificially inflating a number and



Bazzell

Fort James to compensate the public for damage to the environment caused by PCBs, or polychlorinated biphenyls. The potentially cancerous chemicals, used by paper companies in a de-inking process, were released into the river from 1957 to 1971.

PCBs have been linked to

going through a lengthy, litigious battle with the paper companies. I don't think that serves anyone well."

Meyer negotiated a \$7 million deal with

reproductive problems and deformities in wildlife, and to developmental problems in children.

Rebecca Katers, executive director of the Clean Water Action Council in Green Bay, was quick to criticize Bazzell's comments on the Georgia-Pacific settlement.

Katers said even a U.S. Fish and Wildlife Service estimate of compensation costs is too low. The service last year estimated compensation costs due from seven paper companies, including Georgia-Pacific, at between \$176 million and \$333 million.

"I take strong exception to the statement that Fish and Wildlife

has artificially inflated those values," Katers said. "If anything, they underestimated the costs."

The DNR is accepting public comment on the Georgia-Pacific settlement until Feb. 21. A federal court will make the final decision on the plan.

Bazzell said he wants to review the public response to the settlement and the methodology that led to the deal.

Tim Dantoin, public outreach director for the Fox River Group of paper companies, said Bazzell deserves time to become more familiar with the details of the settlement and the Fox cleanup.

■ Scott Hildebrand writes for the Green Bay Press-Gazette.

PCB/Georgia-Pacific committed to plan

■ From A-1

All politics

Rebecca Katers, executive director of the Green Bay-based Clean Water Action Council, said McCallum's involvement would not make the settlement any more political than it already is.

"It is a Cabinet form of government so he is accountable for this decision," Katers said. "The governor is responsible."

George could not be reached for comment Friday. But Dave Begel, a spokesman for George, said McCallum should look for answers to serious questions the audit bureau raised.

"It's unfortunate that Governor McCallum puts this in political terms," Begel said. "There are no politics about the purity of Wisconsin's natural resources."

The agreement between the

About the pact

The state Department of Natural Resources negotiated a \$7 million deal with Fort James Corp. — now Georgia-Pacific Corp. — to compensate the public for damage to the environment caused by PCBs, or polychlorinated biphenyls. The

chemicals, formerly used in carbonless copy paper, were released into the river from 1957 to 1971.

PCBs have been linked to reproductive problems and deformities in wildlife, and to developmental problems in children.

state and Georgia-Pacific requires the company to spend about \$7 million on recreational, fish and wildlife habitat and other environmental benefits.

Georgia-Pacific responds

Georgia-Pacific is committed to working with the state and the U.S. Environmental Protection Agency on the issue, Lee Thomas, president of the company's Consumer Products division, said Friday.

"As the overall plan is developed, we are fully prepared and fully committed to participate in that," said Thomas, a former administrator with the EPA.

"The assessment of those damages is a very subjective process. It's not unusual you will have differing opinions."

He said the damage assessment is a different issue than cleanup costs, which have yet to be determined.

Georgia-Pacific, which has operations throughout the United States, has participated in other large cleanups.

"Sites like this are complex. It is difficult to assess in determining long-term risk. It is difficult to determine a remedy," he said.

Bruce Baker, manager of the Fox River case for the DNR, said the deal would be the largest environmental enforcement settlement in state history. He said McCallum would set an "amazing precedent" if he got involved.

McCallum said he prefers a negotiated approach over a lengthy court battle with paper companies over damages.

"We want a clean river, but we also want to maintain economic viability" in the Fox River valley, he said.

Reporter Richard Ryman contributed to this report.

View the settlement

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GAZETTE

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McCallum won't stop PCB deal

2-17-01
Governor says
politics shouldn't
be involved

By SCOTT HILDEBRAND
PRESS-GAZETTE MADISON BUREAU

MADISON — Gov. Scott McCallum will not halt a deal between the state and Georgia-Pacific Corp. on damage claims related to PCB pollution of the Fox River.

The Republican governor said Friday that he will not intervene in the case as requested Thursday by state Sen. Gary George, D-Milwaukee.

"The DNR did the negotiations," McCallum said. "I don't think there ought to be heavy political influence in their decision."

George asked McCallum to issue an executive order to stop implementation of the agreement until public hearings are held so questions about the deal are answered.

George requested the governor's intervention after the Legislative Audit Bureau



McCallum
Letting DNR
handle issue

released a review Thursday of the settlement, which called for Georgia-Pacific to pay \$7 million for natural resource damages to the Fox River.

That review raised questions about the use of environmental consultants hired by paper companies and limits on public involvement.

"I find it interesting that the same Democrats that are saying I shouldn't have appointed a Cabinet member at DNR are now calling for me to intervene with the DNR and become politically involved," McCallum said. "You can't have it both ways."

Please see PCB, A-2

2-19-01

Concern rises over PCB deal

Bay water loss could be part of settlement

By PETER REBHAIN
PRESS-GAZETTE

A settlement between the state Department of Natural Resources and Georgia-Pacific Corp. for natural resource damages could be changed to reflect loss of the bay of Green Bay as a potential drinking-water source, a DNR official said.

"It could be," said Greg Hill, the DNR's damage assessment coordinator. "The regulations provide for it." U.S. Department of Interior regulations guide natural resource damage settlements.

The DNR signed a \$7-million deal in November to settle resource-damage claims against the former Fort James Corp. stemming from pollution of the Fox River with polychlorinated biphenyls, or PCBs, by seven paper companies.

Atlanta-based Georgia-Pacific purchased Fort James

Fox River damage

The federal government has named these seven paper companies as potentially responsible parties for PCB damage to the lower Fox River.



Press-Gazette

Nov. 27.

Settlement terms call for Georgia-Pacific to turn over environmentally sensitive land to the state, and to fund

Please see Deal, A-2

Deal/PCBs have harmed ability to get water from bay

■ From A-1

habitat restoration and recreational projects.

The village of Howard told the DNR last week that the deal falls short because it doesn't address nonrecreational uses of the bay.

"Recreation was only one aspect of the damages for the village of Howard," said Bob Strazishar, Howard's president. "The ability to cost-effectively harvest water out of the bay for drinking purposes has been harmed."

Howard is one of nine Green Bay suburbs planning to build a \$150-million drinking-water pipeline to Lake Michigan to replace a shrinking supply of groundwater. The others are Allouez, Ashwaubenon, Bellevue, De Pere, Hobart, Lawrence, Ledgeview and Scott.

A consultant to the suburbs estimated last year that a pipeline to the bay would cost an estimated \$4.5 million more to build, and 30

to 40 percent more yearly to operate and maintain, than a longer pipeline to Lake Michigan, thanks to extra costs related to removing PCBs.

"Without the PCBs, it would be cheaper to go to (the bay of) Green Bay," said Mike Winegard, the Chicago-based engineer who performed the estimates. He said public perception also had a hand in his recommendation to go to the lake instead of the bay.

"It's hard to get people to want to drink water from a place where the fish are poisoned," Winegard said. Trying to convince residents that "you can't eat the fish, but you can drink the water" would be an uphill climb, he said.

Other engineering problems related to a pipeline to the bay, such as ice and algae, could be overcome, Winegard said. A bay pipeline would have entered the bay in Door County near the community of Shoemaker Point.

David Allen, a Green Bay-based U.S. Fish and Wildlife official who's overseeing the federal agency's damage assessment, called the drinking-water issue "interesting." The Fish and Wildlife damage assessment, like the DNR's, ignored the issue.

"If it's true drinking water from the bay is limited by PCBs that are traceable to the responsible parties ... then trying to do some sort of restoration project for that could make a certain amount of sense," Allen said.

Georgia-Pacific spokesman Mark Lindley said Howard's claim came as a surprise. "We're trying to figure out how that relates to natural resource damages," he said. But Lindley acknowledged Howard's right to make the complaint. "That's what the public comment period is all about."

Hill said Howard's criticism would become part of the official settlement comment, which will be

viewed by the federal judge who will render a final ruling on the deal.

The DNR last week extended the comment period to March 21.

Hill said he is concerned about statements from foes of the proposed settlement who say the public comment won't make any difference because the settlement is a done deal.

"That's a real disservice, I think," he said. "It's a disservice because, if people believe that, they will not provide comments."

Hill said he's worried that protracted wrangling over the Georgia-Pacific deal and others yet to come with the six other companies could, in effect, disenfranchise residents by landing the matter in court. There, he said, past Fish and Wildlife claims have been settled for an average of just 10 cents on a dollar.

"The public expectation is very high," Hill said.

View the settlement

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THE POST-CRESCENT

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SATURDAY, FEBRUARY 17, 2001 ■ B-2

Wisconsin's Best Newspaper

McCallum says state will honor PCB deal

By Scott Hildebrand
For The Post-Crescent

MADISON — Gov. Scott McCallum said Friday he will not halt a deal between the state and Georgia-Pacific Corp. on damage claims related to PCB pollution of the Fox River.

The Republican governor said he will not intervene in the case as requested Thursday by state Sen. Gary George, D-Milwaukee.

"The DNR did the negotiations," McCallum said. "I don't think there ought to be heavy political influence in their deci-

sion."

George asked McCallum to issue an executive order to stop implementation of the agreement until there have been public hearings so questions about the deal are answered.

George requested the governor's intervention after the Legislative Audit Bureau released a review Thursday of the settlement for natural resource damages to the Fox River.

That review raised questions about the use of environmental consultants hired by paper companies and limits on public involvement.

"I find it interesting that the same Democrats that are saying I shouldn't have appointed a Cabinet member at DNR are now calling for me to intervene with the DNR and become politically involved," McCallum said.

"You can't have it both ways."

Rebecca Katers, executive director of the Green Bay-based Clean Water Action Council, said McCallum's involvement would not make the settlement any more political than it already is. She said the Cabinet is appointed by the governor.

■ Scott Hildebrand writes for *The Green Bay Press-Gazette*.

Governor completes his Cabinet

MADISON (AP) — Gov. Scott McCallum rounded out his cabinet Friday, appointing a utility lobbyist, Phyllis Dube, to head the Department of Health and Family Services.

McCallum also appointed state budget director Rick Chandler as secretary of the Department of Revenue.

"Neither of these two agencies are very easy to manage, that's why I wanted adminis-

trators, solid managers for each of these departments," McCallum said.

Dube, who turns 52 today, is director of regulatory advocacy for Wisconsin Electric Power Co., representing the utility's interests before the state Public Service Commission.

At the Department of Revenue, Chandler will succeed Cate Zeuske, a former state representative.

Meyer was shocked when asked to leave DNR post

By Ed Culhane

Post-Crescent staff writer

George Meyer had been secretary of the state Department of Natural Resources for eight years when he walked into a meeting with Gov. Scott McCallum.

He had a list of issues with him to discuss with the new governor. It never came out of his pocket.

"He said sit down, George, I have bad news for you," Meyer recalled.

And so it came to an abrupt end, this dream job he had worked toward his entire professional career.

It was a new governor picking

Former secretary says Thompson 'didn't understand' why McCallum asked him to leave

his own Cabinet, and Meyer was out. McCallum issued his press release within hours.

Meyer had only enough time to call his wife, Jayne, and to speak with his deputy, Darrell Bazzell, who had just been offered his job.

"I leaned on him that he needed to accept the position for the good of the agency," Meyer said. "I wasn't able to get to the employees. Many of them heard about it on the radio on their way in to work the next morning."

Five days later, former Gov. Tommy Thompson came home

for the weekend from his new Cabinet post in Washington, D.C. He called Meyer at 10 p.m., just off the plane.

"He said he didn't understand what happened or why," Meyer said. "He just said you and your family are strong, and you will get through this well."

It was Thompson who set the stage for this sudden transition at the helm of the 5,000-member agency.

It was Thompson who ended Wisconsin's six decade tradition of insulating environmental decisions from politics, a tradition that dates back to the creation of

the former Department of Conservation in 1928.

For all of those years, a citizens board with members appointed in staggered terms by the governor and approved by the Legislature, held the power to appoint the DNR secretary.

"One of the benefits of the board system is you tend to have a longer tenure of secretaries," Meyer said. "I am only the fourth secretary in 48 years. You don't get that kind of situation in Cabinet government."

But in 1995, with Republicans in control of the state Assembly and Senate, Thompson submit-

ted a budget bill that made the DNR secretary a member of his Cabinet, to serve at his pleasure. Thompson said it would make the agency more responsive.

Meyer, appointed secretary by the Natural Resources Board, strongly opposed the change.

So did every environmental organization in the state. Lawmakers reported being flooded with calls and letters opposing the change.

It came down to one vote in the Assembly and one in the Senate.

On Tuesday, the state Senate voted 20-13 to put things back

the way they were, but it won't happen this year.

McCallum has said he will veto the bill if it gets to his desk. The Assembly might not even take it up.

As for Meyer, he is currently serving as Bazzell's assistant. His highest responsibility, he said, is to help Bazzell get off to a good start.

He has other duties. He is currently president of the Environmental Council of States, made up of the nation's state administrators of environmental protection.

Meyer is also vice president, and possibly the next president of the International Association of Fish and Wildlife Agencies.

COLUMNIST'S PERSPECTIVE

Deal with Georgia-Pacific doesn't pass smell test

Clean Water Action Council (CWAC) recently held a hearing on the chump-change \$7 million settlement that our Department of Natural Resources (DNR) "wrenched" out of Fort James/Georgia-Pacific (G-P), for the damage done to the Fox River, Green Bay, and Lake Michigan. CWAC held the hearing because our DNR no longer represents the people of Wisconsin, though its charter demands just that. (This is one reason why we need our public intervenor office brought back.)

The settlement will help the polluters who dumped the PCBs into the Fox River, and who continue to dump tons of other pollution into the river every day, by funding the Cat Island "restoration project," which will be a new, *déjà vu* Kidney Island mess all over again.

The meeting attracted about 50 people from all over our neck of the woods, including representatives of the business community, students, teachers, environmentalists, sportsmen and conservationists. We also had the ever-present industry spy from the Fox River Group, who we have seen so many



Curt Andersen

For The Green Bay News-Chronicle

\$7 million is peanuts.

The corporate execs who run Georgia-Pacific have more money than that caught in the lint traps of their clothes dryers.

times that she's almost like family.

Everyone thought that the \$7 million was a slap in the face, and we don't believe that DNR mumbo-jumbo about that being the best they could do. We think it's peanuts. The corporate execs who run G-P have more money than that caught in the lint traps of their

clothes dryers.

One person testified that we are sitting next to one of the most precious resources on the entire planet — the Great Lakes — and that these corporations treat it like a garbage dump. One person mentioned that you rarely hear anyone say, "Hey, let's go to Green Bay for a vacation!" (It's true. You don't site a resort on the edge of a cesspool.) Another person spoke of the exotic species of white perch, which are crowding out our beloved yellow perch, but cannot be caught and sold for pet food because they are too toxic for pets to eat. If not for PCBs, netting and selling white perch and carp could be a profitable industry here.

In the last two weeks, the communities of Howard and Bellevue have registered their dismay with the cheapo settlement. Both will have to spend hundreds of millions of dollars for their share of a pipeline that will bring drinking water from Lake Michigan. Engineering studies have shown that the water in the bay is too polluted to be used for drinking water, so the communities will be forced to spend millions to go to the big lake.

As an additional slap in the face, the polluting paper mills won't be paying for the new pipeline, yet will now have the groundwater to themselves. The mill uses hundreds of thousands of gallons of well water daily. This is another example of corporate welfare. These are our tax dollars. When will we hear from taxpayer groups when these issues come up?

This settlement is the economic equivalent of leaving a few bucks on the dresser for "services rendered."

You can express your concerns about the paltry settlement by writing to: Greg Hill, NRDA Coordinator, WDNR, P.O. Box 7921, Madison, WI 53707-7921. Give the DNR your own reasons why this is too little money for the terrific damages done to this priceless treasure.

Curt Andersen is a lifelong resident of the Green Bay area and a Vietnam-era Navy veteran. He owns a small business and is on the board of the Clean Water Action Council. His column appears here Wednesdays. Opposing or supplemental viewpoints are welcome. Write to him via e-mail at curtandersen@milwpc.com.

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DNR suspends cleanup deal with paper company

by MEG JONES

the Journal Sentinel staff

First Updated: March 13, 2001

A proposed \$7 million settlement with Fort James Corp. for projects to repair damage to the Fox River has been suspended to allow more time for discussion by state and federal officials, authorities announced Tuesday.

The period for public comment, which was scheduled to end March 21, will be extended to June 20.

Meanwhile, the extra time will give the state Department of Natural Resources, the U.S. Fish & Wildlife Service, tribal leaders and other parties a chance to come to an agreement on how best to handle damages done to the Fox River by Fort James, now part of Georgia Pacific Corp., and other papermakers.

The damage issue is separate from the cleanup of Fox River sediment contaminated with PCBs from paper companies. The DNR is working on a final cleanup proposal that is expected to be released in May.

Fort James and DNR officials in November reached a tentative settlement calling for the papermaker to provide \$51 million worth of recreational resources, restored wetlands and improved fisheries to the state for damage done to the river by pollution from its plant in Green Bay. In exchange, the state agreed not to sue the company for damages arising from the release of PCBs into the river.

Under that proposed agreement, Fort James actually would spend only \$7 million on specific projects in the Green Bay area but get credit, under a complicated formula, for repairing \$51 million in resource damage.

However, federal and tribal officials have been putting together their own plan for Fort James and five other papermakers to pay for damages.

The state's proposed agreement must be approved by a federal judge. And the U.S. Department of Justice has already told the state that it cannot ask a federal judge to approve an agreement between Fort James and the state until the federal government makes a decision regarding cleanup of the river.

Since the state was working out its own tentative deal with Fort James and federal and Oneida tribal officials were working on their own plan, Tuesday's announcement means all interested parties will work on the same plan.

"It's clearly being done with the idea if we can bring more people to agree on (a) settlement it'll be a lot easier on everybody in terms of the court process," said Bruce Baker, of the DNR's water division.

Baker said a decision with Fort James and the state and federal governments could be used as a boilerplate for agreements with other papermakers.

From the federal government's standpoint, the state's tentative agreement for damages didn't include any input from the U.S. Fish & Wildlife Service.

"Things were going on a little bit too quickly and without complete coordination among the trustees," said Charlie Wooley, assistant regional director for the U.S. Fish & Wildlife Service based in Minneapolis.

Fort James spokeswoman said the company is encouraged by the decision by state, federal and tribal officials to discuss the possibility of a joint settlement.

"We extend the schedule that we all believed we were on for settling the state claims, but we understand the reasoning behind the state's request of us for the extension," said Kathleen Bennett, vice president for resource stewardship.

The Oneida tribe is pleased with the state's decision to **suspend** action on the Fort James settlement, said Tom Nelson, an environmental specialist for the tribe. The tribe didn't **favor** the proposed agreement because tribal officials felt the state and the company didn't assess enough damages.

Paper mills released PCBs into the river when they **were making** and recycling carbonless copy paper. In 1977, the federal government **banned** the chemicals, which studies **link to cancer**, reproductive problems and poor mental development in children.

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