

9 Minnesota businesses file lawsuit against the Department of the Interior to protect the Boundary Waters

Today, nine Boundary Waters businesses filed a lawsuit challenging decisions by the U.S. Department of Interior to reinstate long-expired federal mineral leases. Proposed sulfide-ore copper mining on public lands near the Boundary Waters Canoe Area Wilderness (BWCA) poses an imminent threat to businesses that rely on the Boundary Waters. At risk are thousands of jobs and northeastern Minnesota's sustainable economy.

The lawsuit will challenge the reinstatement of two long-expired mineral leases on Superior National Forest lands within the watershed of the Boundary Waters Canoe Area Wilderness.

[The lawsuit was filed in U.S. District Court for the District of Columbia on Thursday, June 21.](#)

The following is for immediate release:

BREAKING: Outdoor recreation businesses file lawsuit to protect the Boundary Waters

Plaintiffs cite irreparable harm to a vital economic driver and negative financial consequences for local businesses

WASHINGTON, D.C.—Today, nine local businesses that rely on the Boundary Waters Canoe Area Wilderness to support jobs and that contribute to a sustainable economy in northeastern Minnesota filed a lawsuit against the U.S. Department of the Interior challenging the reinstatement of two long-expired mineral leases on Superior National Forest lands near the edge of the Boundary Waters, America's most visited Wilderness Area. The lawsuit challenges that the Department of the Interior's unlawful actions pose an immediate threat to small businesses, public health, jobs, clean water, wildlife, and the sporting and outdoor economy of Minnesota.

The lawsuit challenges the Department of the Interior's decision to abandon longstanding mineral leasing policy - established with strong bipartisan support—to distort the plain language of the expired leases to benefit a Chilean-owned mining company with a history of pollution. The unlawful reinstatement also

ignored the U.S. Forest Service's decision to withhold consent to the reinstated mineral leases because of the likelihood of harm to the water quality of the Boundary Waters and the inability to mitigate Acid-Mine Drainage (AMD) in the vast interconnected rivers, lakes and streams of the BWCA.

Plaintiffs in the lawsuit include Voyageur Outward Bound School, Piragis Northwoods Company, Ely Outfitting Company, Hungry Jack Outfitters, Sawbill Outfitters, River Point Resort and Outfitting Company, Northstar Canoe, Wenonah Canoe, and Women's Wilderness Discovery. A locally based conservation group, Northeastern Minnesotans for Wilderness, is also a plaintiff.

"My clients would be repelled by water and noise pollution and other harm to the Boundary Waters," said Steve Piragis, owner of Piragis Northwoods Company. "They will stop using substantial areas of the Boundary Waters, including important entry points and major canoe routes. Others will cease to visit at all because it will no longer be the place they love and remember. It would not take long for the recreational economy we have worked so hard to develop for many decades in Ely to be severely affected. My business will suffer."

Sulfide-ore copper mining at the edge of the Boundary Waters, and within its watershed, will devastate northeastern Minnesota's outdoor recreation economy. According to the Outdoor Industry Association, Minnesota's outdoor recreation economy generates annually \$16.7 billion in consumer spending, \$4.5 billion per year in wages and salaries, and \$1.4 billion in state and local tax revenue, and it supports 140,000 direct jobs.

The Boundary Waters is not only home to fish and abundant wildlife in its 1.1 million acres of interconnected waterways and boreal forests—it's also Minnesota's outdoor recreation destination for paddlers, hunters, anglers, canoeists, adventurers, artists, and outdoor enthusiasts from around the country. Minnesota's Governor Mark Dayton, other elected officials, four Minnesota and First Nation Chippewa tribes, thousands of medical professionals, more than 50 scientists, and 70% of Minnesotans oppose sulfide-ore copper mining in the watershed of the Boundary Waters.

"Voyageur Outward Bound School has been serving the Outward Bound mission—changing lives through challenge and discovery— in the Boundary Waters for more than fifty years," said Jack Lee, Executive Director of Voyageur Outward Bound School. "Our interests as an organization are inextricably tied to the health and preservation of the Boundary Waters and maintaining its wilderness character. The potential pollution and destruction to the Boundary Waters by adjacent mining operations on leased Superior National Forest lands present what we have concluded is a lethal and unacceptable risk to our business and mission of changing lives through challenge and discovery."

The decision made on May 2, 2018 by the Department of the Interior unlawfully granted rights to a foreign-owned mining company without consideration of environmental damage to the water, air and land of the Superior National Forest and the Boundary Waters, or of the economic risk to the region and State, including losses for hundreds of small businesses and thousands of jobs that rely on the Boundary Waters.

The lease reinstatement also ignores the U.S. Forest Service's science-based decision to withhold its consent to the leases. In 2016, at the end of a three-year review and a public comment period that included two heavily-attended public meetings, the Forest Service concluded that the development of a copper mine within the Boundary Waters watershed risked serious and irreparable harm to this unique and iconic Wilderness area.

The Forest Service is now conducting a two-year study of its proposal to ban sulfide-ore copper mining on 234,328 acres of Superior National Forest lands in the watershed of the Boundary Waters for twenty years—lands that include the areas covered by the two reinstated mineral leases. Reinstatement of leases occurred in the middle of the study that will document the negative environmental, economic, and social impacts of copper mining near the Boundary Waters.

More than 350 businesses, sportsmen groups, and conservation groups stand together to protect the Boundary Waters from nearby sulfide-ore copper mining.

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Quotes from the Plaintiffs and Others

“The effects of copper mining development will harm my business,” said Peta Barrett, owner of Women’s Wilderness Discovery. “My business and my quality of life depend on the protection of the water, the fish and wildlife, healthy forests, clean air, dark night skies and the natural soundtrack of the BWCAW and of the areas people travel on the Superior National Forest to get into and out of the BWCAW.”

“One hundred percent of Sawbill Outfitters’ business is outfitting people to take trips into the Boundary Waters, said Clare Shirley, co-owner of Sawbill Canoe Outfitters. “A decline in or the loss of our business due to inevitable mining pollution would have a wide impact as we do business with local companies for our supplies and needs, so if we went out of business, there would be a devastating ripple effect going out into further communities and businesses.”

“My business recently underwent a significant construction expansion following the 2016 decision not to renew the expired federal mineral leases that Twin Metals had held,” said Jason Zabokrtsky, owner, and operator of Ely Outfitting Company and Boundary Waters Guide Service. “My business will suffer in the future, and its value has already declined, as a result of the recent decision by the Department of Interior and the Bureau of Land Management to reinstate expired mineral leases and applications to renew those leases.”

“If sulfide-ore copper mining moves ahead, its pollution would find its way into this fragile, unique watery ecosystem, and the results will be disastrous,” Dave Seaton of Hungry Jack Outfitters. “Experience with this type of mining elsewhere shows that it causes pollution—catastrophic pollution that is likely to last for centuries, essentially forever. Not only would this have a drastic negative impact on the perception of the entire Wilderness, but would deal a blow to the local economy, causing my business and others to suffer—some may not survive.”

“As the business owners located at ground zero of the Twin Metals proposed mining site, there is no possibility that we would be able to continue operating our two businesses here if a mine was built in this area,” said Steve Koschak, owner, and operator of River Point Resort and Outfitting Company. “To take the present recreational district of the Superior National Forest and turn it into a mining district would be the end of River Point Resort & Outfitting Company as we now know it, our home, and our way of life.”

“We focus about 90% of our advertising on the Boundary Waters area. In fact, if the Boundary Waters didn’t exist, Northstar Canoes wouldn’t exist,” said Ted Bell of Northstar Canoes. “The Boundary Waters is one of the only places in the entire United States that a person can escape civilization. Without the appeal of the pure Wilderness, travel into the Boundary Waters would most certainly wane. The decrease in visitors would greatly affect many outfitters, which in turn would result in a potentially large loss of business for Northstar Canoes.”

“We know our market, and people who are recent or regular Boundary Waters paddlers are far more likely to buy our canoes than those who have not or do not regularly visit the Boundary Waters,” said Michael Cichanowski, Founder and President of Wenonah Canoe, Incorporated. “The drop in visitors would definitely harm my major retailers and wholesale buyers. There are other places to mine and other copper deposits in the world, but there is only one Boundary Waters.”

“I was lucky enough to have a healing experience in the Boundary Waters through the military veterans program at Voyageur Outward Bound School,” said Erik Packard, Chair of Veterans for the Boundary Waters. “It was on this trip that I finally felt like I could move on from the Iraq war and live fully back in the world. But now, the noise from the current exploratory mining activity is already harming this healing place and is stealing the chance at rehabilitation for all vets who fight for their country because of the misplaced interest of a foreign mining company.”

Supporting Economic Data and Public Opinion

Minnesota has a strong and growing outdoor recreation economy. According to the Outdoor Industry Association, outdoor recreation in Minnesota generates annually \$16.7 billion in consumer spending, \$4.5 billion in wages and salaries, and \$1.4 billion in state and local tax revenue, and it supports 140,000 direct jobs. According to Explore Minnesota (the state tourism department), the Boundary Waters and Voyageurs National Park are major contributors to the economy of northeastern Minnesota, where tourism supports more than 17,000 jobs and generates \$913 million in sales annually. Finally, the Congressional Sportmen’s Foundation has documented Minnesota’s strong hunting and fishing tradition: Minnesota ranks 7th nationally in spending by sportsmen and women; annually Minnesota hunters and anglers spend \$3.17 billion and support 47,901 jobs.

According to an October 2017 economic study by Key Log Economics, LLC, copper mining on leases MNES-01352 and MNES-01353 and other public lands in the watershed of the Boundary Waters would be harmful to the economy of northeastern Minnesota. Based on conservative assumptions, development of sulfide-ore copper mining on 234,328 acres of Superior National Forest lands in the Boundary Waters watershed would cost the three-county Boundary Waters region:

In diverse industries enjoying amenity-based growth at the heart of the recovery of northeastern Minnesota since the early 1980's:

- 5,066 to 22,791 lost jobs; and
- between \$402 million and \$1.6 billion in lost annual income

In travel and tourism: \$288 million in lost annual visitor spending that would support:

- 4,490 local jobs;
- \$76 million in residents' income;
- \$31 million in state and local taxes; and
- \$181 million in proprietor's income and business-to-business transactions

In property value losses (a one-time drop in asset value that will spawn annual reductions in local property tax revenue throughout the region):

- \$509 million

The number of local jobs that would be lost if sulfide-ore copper mining were developed in the watershed of the Boundary Waters (4,490 jobs) is ten times the number of new direct mining jobs that copper mining is projected to bring to all of Minnesota and Douglas County, Wisconsin according to the study cited by copper mining proponents. The 2012 study *The Economic Impact of Ferrous and Non-Ferrous Mining on the State of Minnesota and the Arrowhead Region, including Douglas County, Wisconsin* by the Labovitz School of Business and Economics, University of Minnesota Duluth projects that copper mining projects will lead to only 427 direct mining jobs.

In 2014, the Center for Small Towns & Data Services Center at the University of Minnesota Morris released a report on its survey of all property owners in the four townships surrounding Ely (Morse, Eagles Nest, Fall Lake, and Stony River). Leases MNES-0152 and MNES-0153 and federal prospecting permits are located in the townships area. In addition to examining the ownership trends within the four townships, the survey asked residents about what they valued about the region. When asked, "Why do you choose to live or own land in the four townships area?" respondents overwhelmingly highlighted natural amenities. Conversely, when asked what would make them leave the four townships area, respondents chose "mining" (23%) and "pollution" (22%) as the top two of three categories. The report explains that most of the "mining" response came from those expressing potential negative consequences from mining.

NMW has commissioned statewide polling on the issue of sulfide-ore copper mining in the watershed of the Boundary Waters. In 2018, conservative pollster Fabrizio Ward found that:

- 70% of Minnesota voters oppose copper mining near the Boundary Waters.
- 56% of voters in the Eighth Congressional District, the location of the Boundary Waters and the Park, oppose copper mining in areas near the Boundary Waters.
- 59% of Minnesota voters oppose the decision by the Department of Interior to renew mining leases for a mining company seeking to develop copper mining near the Boundary Waters.
- 87% of Minnesota voters see the importance of outdoor recreation to the economic future of Minnesota.