



FOR IMMEDIATE RELEASE

DECOMMISSIONING OF WATSON ISLAND NEARING COMPLETION

MARCH 1st, 2017 - PRINCE RUPERT, BC – Over the past 18 months, the landscape of the Watson Island pulp mill site has slowly but surely been transformed. Where industrial structures once stood, now there are piles of scrap metal, ready to be removed.

“The decommissioning of Watson Island represents Prince Rupert tearing down its past, and preparing to build a new future,” said Mayor Lee Brain. “Once decommissioning is complete we look forward to new prospects for Watson Island to generate tax revenue for the City again.”

The City contracted NRI Global for a two year project to dismantle the former pulp mill site, with an anticipated completion date of Fall 2017. NRI, along with subcontractors, Stantec, and Clearview Demolition have been hard at work since 2015 to clear the site.

City Director of Operations Richard Pucci has overseen the execution of the contract, and says he is pleased with the progress being made. “The decommission process is securely on its critical path. We are very happy with the partners we have on this project, and we anticipate that it will be complete on schedule.”

Watson Island is the site of the Skeena Cellulose closed pulp mill, in operation from 1955 to 2001. The City was the unwilling recipient of the property in 2009, as a result of a tax sale from the previous owner, Sunwave Forest Products.

In 2013, the City and Sun Wave Forest Products Ltd., with the assistance of their lawyers, entered into a confidential Settlement Agreement for the site that has been enforced by the courts. Unfortunately, due to the terms of the Settlement Agreement, the City is unable to share the contents of the settlement agreement.

It should be noted that recycling of materials and pulping chemicals was included in the decommissioning contract, with 95% of all materials on site being recycled for other uses. Additional costs of the decommissioning were borne by Prince Rupert Legacy Inc., a 100% wholly owned subsidiary of the City of Prince Rupert, so as not to burden taxpayers. Once the Settlement Agreement has been completed, more financial information may be available.

For many years, the site housed dangerous pulping chemicals. After review, the City determined that decommissioning the site in its entirety was the most financially and environmentally responsible course to take, in order to prevent future environmental damage, and alleviate regular costs of site maintenance. Now, the pulping chemicals have been removed and are being reused in other BC pulping operations. Going forward, it is the intention of the City to repurpose Watson Island for industrial development so that taxes from the Island will again contribute to City revenues, helping Council tackle the City's infrastructure deficit.

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