

***Work Session Summary***

May 27, 2011

**Attendance:** Edward Coar (Chairman), Commissioner Brian Smith, Chris Barrett, Dave Messersmith, Michele Stahl, Laura Travis, Sgt. Sean Georgia

**Websites** – Chairman Edward Coar indicated that he has been working with the Wayne County Emergency Management Agency (EMA) to update their website. The finished product will contain a new section that illustrates how the Wayne County EMA is involved with public safety as it relates to the gas industry. Mr. Coar also noted that Chris Barrett is working through a similar process to update the Wayne County Planning Department website. The updated site, when finished, will have a new look with information relating to the natural gas industry as well. Dave Messersmith also indicated that the Penn State Cooperative Extension website has been updated. He indicated the content is still the same but the site has a new look to it.

**Future Public Meeting** – A discussion took place in regard to the next public meeting topic. There are two possible topics that could be presented. The first is a program on public safety and a second topic would center on community impacts with a focus on economic development in relation to the natural gas industry. It was also discussed if it would be beneficial to have a representative present from another County where drilling is occurring, such as Bradford County, to give some perspective in terms of the economic impacts. Mr. Messersmith indicated that August 24<sup>th</sup> was selected as a tentative date for the Community Impacts/Economic Development public meeting.

**Sub-Committee Reports:**

**Outreach** – Dave Messersmith reported that the Outreach Sub-Committee met prior to the Task Force work session. The group is focusing on the development of the two public meetings mentioned previously. Mr. Messersmith distributed a Penn State Cooperative Extension publication titled “[Local Business Impacts of Marcellus Shale Development: The Experience in Bradford and Washington Counties, 2010](#)”. He also indicated that a study has been done to assess some of the issues that local municipalities have been dealing with and also to assess the municipal financial impacts that are directly related to Marcellus activity. Preliminary results from the study show that there has not been a big change in terms of either municipal revenue or spending due to the gas industry. It was noted that neighboring Susquehanna County was one of the studied counties.

**Government** – Laura Travis reported that representatives of Scott, Preston and Starrucca were invited to a meeting with representatives of Hess Corp. in Honesdale. It was not known why those three municipalities were the only ones to be invited. At that meeting, it was announced by Hess that there would be no drilling in those municipalities for the foreseeable future due largely to the proposed regulations of the Delaware River Basin Commission (DRBC). It was also stated that even if the newly proposed regulations were to be adopted, the company representatives were not sure if the draft requirements could be met. They addressed rumors that the company would still proceed with drilling in the Susquehanna River Basin. Mrs. Travis indicated that she believed there to be 15,000 acres leased by Hess in the Susquehanna River Basin and 96,000 in the Delaware River Basin.

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According to Mrs. Travis, the company representatives indicated it was not worthwhile to drill in one basin and not the other and all sites would be shut down. However, if the State requires them to reduce the size of the existing drilling site footprints, they will do so. A specific timeframe for any future activity or drilling was not mentioned. The companies expressed frustration with the DRBC and the timeframe established for the development of the draft regulations. It was noted the 'Agreements' with the municipalities would be left in place and they would be redone if necessary. The Preston Township Supervisors inquired about two State Roads that were very much in need of repair. The roads were scheduled to be milled and paved by Hess Corp. It was reported the company will no longer be doing this needed roadwork and that an agreement was reached with the Pennsylvania Department of Transportation (PENN DOT). Mrs. Travis does not know the nature of the agreement and expressed concern in regard to the manner and level of repair that will be applied to these two State Roads. Mrs. Travis also mentioned a Township Road in Scott Township that was in need of repair. The Company representatives were under the impression that the roadwork was already completed. Mrs. Travis stated this was not the case and the road had not yet been repaired. She also reported the companies are still waiting for results on the test wells.

Commissioner Brian Smith reported that he, upon learning of the discussion that took place at this meeting, contacted Harry Forbes, who is the Governor's Office Northeast Pennsylvania Regional Director. Mr. Smith conveyed the contents of the meeting to Mr. Forbes along with the fact that the residents of Northern Wayne County with gas lease interests are not pleased with the delay in drilling. Mr. Smith also notified John T. Hines, the acting Executive Deputy Secretary for Programs of the Pennsylvania Department of Environmental Protection (DEP). Mr. Smith also expressed to Mr. Hines the displeasure that some landowners had for the DRBC in regard to the delays due to the draft regulation process.

Mr. Smith reported his dialogue with representatives of a gas company, in which it was stated that there is gas in Wayne County and if Wayne County were solely in the SRBC, the companies would be here developing the gas reserves. The companies have also expressed their frustration to Mr. Smith in regard to the DRBC's inability to pass the regulations in a timely manner. Mr. Smith also reported that, although he has tried, he has not been able to have any recent conversations with Carol Collier of the DRBC. At the time of this meeting, he did receive a call back message from her, but they are still playing phone tag at this point. Commissioner Smith wanted to be sure that Mr. Forbes and Mr. Hines understand the impact of the delay on the residents in terms of financial hardship. Mrs. Travis also expressed how many residents are having difficulty paying their taxes and that some landowners are considering whether or not they can hold out for another year or if they should just sell their farms. She added another story in regard to someone not being able to follow through with a medical procedure due to a lack of financial means. Commissioner Smith noted that he will continue to have dialogue with Mr. Hines and Mr. Forbes on a regular basis.

Mr. Smith also spoke of reductions or eliminations in funding of the DRBC by both the participating state governments (most recently Delaware), as well as the Federal Government. Mr. Smith further pointed out there have been no ramifications in terms of loss of voting privileges for the states that have cut or eliminated funding. The topic was raised whether or not Pennsylvania should do the same and reduce or eliminate funding the DRBC.

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In other government business:

- Commissioner Smith was informed that the DRBC received approximately 49,000 comments on the proposed draft natural gas regulations.
- Mrs. Travis had dialogue with a local municipal representative from Bradford County at the State conference in regard to new gas company road agreements. This representative indicated that they were dealing with five (5) different gas drilling companies in their municipality and, as such, had five (5) different road agreements in place. Mrs. Travis reported that she requested copies of these road agreements in order to see if there is useful language in the agreements that would be beneficial to Wayne County municipalities.

**Planning** – Edward Coar reported that the Planning Sub-Committee met on May 19<sup>th</sup>. A Penn State Cooperative Extension webinar was viewed by the group on the topic of “*The Impacts of the Natural Gas Industry on Landfill Operations*”. For anyone interested, this webinar, together with any other previously recorded webinar, can be viewed on the Penn State Extension website by clicking [here](#). Mr. Coar reported some of the points from that webinar, which included:

- When the drill cuttings are sent to a landfill to be disposed of the material is tested for 72 different parameters. The drill cuttings are composed mostly of rock and shale mixed with small amounts of drilling fluids.
- The drill cuttings are unstable for the landfill machinery to drive on so it has to be mixed with a bulking agent, such as sawdust, cement kiln dust or lime to increase the percent solids to 50% – 60 %.
- In the drill cuttings, there is a certain amount of Naturally Occurring Radioactive Material (NORM). The average radioactivity reading for the drill cuttings is 2.1pCi/g. For comparison, Fire Brick has an average reading of 4.3 pCi/g and Sandblast Media has an average reading of 19.1 pCi/g. The EPA standard for radium at the surface for uranium mill cleanups is 5 pCi/g for unrestricted uses such as a hospital or elementary school.
- Dave Messersmith, who also viewed the webinar, pointed out that during the webinar it was mentioned the radioactivity scanners at the landfills are so finely calibrated and sensitive that they received a signature from a driver inside the cab of a waste disposal truck who had recently received radiation therapy for a medical condition.

Mr. Coar also noted that copies of proposed Senate Bill 1100 were distributed to the Planning Sub-Committee for review. SB 1100 proposes impact fees on the drilling companies that would be collected and distributed to various local, county and state entities. Mr. Coar drafted a two-page summary of the Bill and distributed that to both the Planning Sub-Committee and the Task Force. Several of the key points and proposed funding distribution recipients were reviewed with the Task Force. If anyone is interested in viewing the proposed legislation of SB 1100, it can be viewed by clicking [here](#).