

1 STATE OF NEW YORK

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3 IN THE MATTER OF

4 A PUBLIC HEARING

5 REGARDING BROOME COUNTY

6 RESOLUTIONS 46 and 47

7

8 -----

9 A Public Hearing held at Edwin L. Crawford County

10 Office Building, Sixth Floor, Binghamton, New York, on the

11 19th day of July, 2010, commencing at 5:30 PM.

12

13 BEFORE: The Broome County Legislature
Daniel Reynolds, Chairman

14

15 REPORTED BY: CZERENDA COURT REPORTING, INC.

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Matter of Public Hearing

1 THE CHAIRMAN: Everybody is quiet,
2 so I don't need to use a gavel tonight.
3 They must be ready to go. I'm going to call
4 this meeting to order.

5 This is a public hearing on
6 Resolutions 46 and 47. The first thing I
7 want to do is ask the clerk to announce the
8 fire exits, to be followed by a roll call.

9 THE CLERK: The fire exit
10 announcement is located to my left where I'm
11 now indicating (indicating). In case of a
12 fire, you will be notified by the ringing of
13 an alarm. Please move in a calm and orderly
14 fashion.

15 Mr. Materese.

16 MR. MATERESE: Present.

17 THE CLERK: Mr. Keibel.

18 MR. KEIBEL: Here.

19 THE CLERK: Mr. Sanfilippo.

20 Absent.

21 Mr. Moran.

22 MR. MORAN: Present.

23 THE CLERK: Ms. Messina.

24 MS. MESSINA: Present.

Matter of Public Hearing

1 THE CLERK: Mr. Whalen.
2 MR. WHALEN: Here.
3 THE CLERK: Mr. Nirchi.
4 MR. NIRCHI: Here.
5 THE CLERK: Mr. LaBare. Absent.
6 Mr. Pasquale. Absent.
7 Mr. Howard.
8 MR. HOWARD: Here.
9 THE CLERK: Mr. Merrill.
10 MR. MERRILL: Here.
11 THE CLERK: Mr. Garner.
12 MR. GARNER: Here.
13 THE CLERK: Mr. Hutchings.
14 MR. HUTCHINGS: Present.
15 THE CLERK: Mr. Diffendorf.
16 MR. DIFFENDORF: Here.
17 THE CLERK: Mr. Marinich.
18 MR. MARINICH: Here.
19 THE CLERK: Mr. Herz.
20 MR. HERZ: Present.
21 THE CLERK: Ms. Buchta.
22 MS. BUCHTA: Present.
23 THE CLERK: Mr. Klipsch.
24 MR. KLIPSCH: Present.

Matter of Public Hearing

1 THE CLERK: Mr. Reynolds.

2 MR. REYNOLDS: Present.

3 THE CLERK: Sixteen present, three
4 absent.

5 THE CHAIRMAN: Next, I'm going to
6 ask the clerk to read the notice of public
7 hearing.

8 THE CLERK: The notice of public
9 hearing was published in THE PRESS & SUN
10 BULLETIN on Friday, July 16, 2010, and
11 reads: Please take notice that a public
12 hearing will be heard regarding the approval
13 and adoption of Resolution 46 --

14 A SPEAKER: We can't hear.

15 A SPEAKER: Could you speak into
16 the mike.

17 THE CLERK: I do have the mike on.
18 Is that better?

19 -- 46, resolution designating the
20 Broome County Legislature as lead agency
21 with respect to the lease of oil and gas
22 mineral rights on Broome County real
23 property, and rendering a negative
24 declaration.

Matter of Public Hearing

1 47, resolution authorizing a lease
2 agreement with Inflection Energy, LLC, for
3 oil and natural gas rights on county
4 property.

5 The public hearing will be held on
6 Monday, July 19, 2010, from 5:00 PM to 6:30
7 PM in the Broome County Legislative
8 chambers, sixth floor, Edwin L. Crawford
9 County Office Building, Government Plaza,
10 60 Hawley Street, Binghamton, New York.

11 A copy of the proposed resolution
12 are available for inspection in the Office
13 of the Clerk of the Legislature, and on the
14 website at
15 HTTP/www.gobroomecounty.com/legis, July 22,
16 section, documents. Eric S. Denk, clerk,
17 Broome County Legislature, dated July 15,
18 2010.

19 THE CHAIRMAN: Thank you.

20 Next, I'm going to ask the clerk to
21 read the resolutions in question that are
22 the subject to this hearing into the record
23 and they should be entered in the record
24 along with the attachments, which include

Matter of Public Hearing

1 the full resolutions and the attached
2 thereto.

3 THE CLERK: 46 is a resolution --

4 A SPEAKER: Can't hear you.

5 THE CLERK: 46 is a resolution
6 designating the Broome County Legislature as
7 lead agency with respect to the lease of oil
8 and gas mineral rights on Broome County real
9 property and rendering a negative
10 declaration.

11 47 is a resolution authorizing
12 lease agreements with Inflection Energy,
13 LLC, for oil and gas rights on county
14 property.

15 THE CHAIRMAN: Those will be
16 entered into the record.

17 Sign-in sheets are at the entrance.
18 Please sign in if you're going to make a
19 comment. I have two sets of sign-in sheets.
20 If there's additional speakers that want to
21 sign in, there should be available sheets.

22 One sheet is for those that want to
23 speak in favor. Another sheet is for those
24 who wish to speak against the proposed

Matter of Public Hearing

1 resolutions.

2 This is a public hearing to hear
3 your comments regarding Resolutions 46 and
4 47. Please confine the comments to these
5 matters. The meeting is not going to be a
6 debate on whether horizontal drilling should
7 be allowed in New York State. The county
8 will not be making that decision, the state
9 will.

10 Speakers are going to be limited to
11 a certain period of time. We set aside two
12 hours for the meeting. We started 15
13 minutes late. We will conclude at
14 approximately 7:15. Initially, I had said
15 five minutes per speaker. A number of you
16 that have come today have requested that we
17 reduce to three minutes to allow for more
18 speakers. With three minutes, that will
19 allow approximately 40 people to speak. Can
20 I have a show of hands from those that would
21 prefer to have shorter comments and more
22 people allowed to make comments.

23 A SPEAKER: Shorter than three
24 minutes?

Matter of Public Hearing

1 THE CHAIRMAN: Confirming now. We
2 just reduced it from five minutes to three
3 minutes. That will allow more people to
4 speak.

5 A SPEAKER: What about the people
6 that have already prepared their statements?

7 THE CHAIRMAN: Well --

8 A SPEAKER: That's arbitrary.

9 THE CHAIRMAN: Thank you. So, how
10 about a show of hands for those that want to
11 keep to it five minutes.

12 All right. We will limit it to
13 three minutes.

14 Please do not make personal
15 comments directed at county officials.

16 We have made every attempt to
17 accommodate the public today. In addition
18 to these chambers, two overflows areas have
19 been made available for citizens, members of
20 the public. So, we have accommodated
21 approximately 200 people today.

22 If time runs out and you're unable
23 to speak, you can submit your comments by
24 e-mail to the legislative assistant, Chris

Matter of Public Hearing

1 Marion, at cmarion@co.broome.ny.us. The
2 comments will be made part of the record.
3 Written comments should be submitted by the
4 end of business on Wednesday. If you have
5 questions to submit, you can do this either
6 via e-mail or via fax. Our fax number is
7 778-8869.

8 Before we begin with public
9 comments, the county attorney's here to give
10 a short presentation describing the proposed
11 lease and show the properties that would be
12 affected. So, at this time I would turn it
13 over to the County Attorney, Mr. Sluzar.

14 MR. SLUZAR: Thank you,
15 Mr. Chairman. I'm not going to be to able
16 to bend down to the microphone, so I'll try
17 to talk loud enough for everybody to hear.
18 I'm just going to talk briefly about
19 Resolution 47, which is a resolution
20 authorizing --

21 A SPEAKER: We can't hear you over
22 in the overflow room if you're not talking
23 into a mike.

24 A SPEAKER: You can use this mike

Matter of Public Hearing

1 over here.

2 MR. SLUZAR: I'll be glad to use
3 that over there.

4 THE CHAIRMAN: The County Attorney
5 will move so everybody in the overflow area
6 can hear him. Thank you for pointing that
7 out.

8 MR. SLUZAR: I'm sorry that you
9 couldn't hear me, but I could certainly hear
10 you when you started screaming at me. So, I
11 hope we don't do any more of that.

12 I'm simply going to speak about
13 Resolution number 47. I'm simply here to
14 describe the aspects of Resolution 47, which
15 is a resolution authorizing the proposed
16 lease.

17 It's a resolution authorizing a
18 lease between a land owner, Broome County,
19 and a proposed natural gas developer,
20 Inflection Energy. It is not a resolution
21 about whether or not there will be natural
22 gas development in Broome County. That
23 decision is being made by other parties.

24 For example, that decision is being

Matter of Public Hearing

1 made by New York State DEC, and that
2 decision is also being made by other
3 landowners in Broome County. And that's why
4 we have some of the maps up front where
5 Mr. Marion is.

6 That first map you see is acreage
7 that is already leased to natural gas
8 companies in Broome County since 2003.
9 That's as of records in the Broome County
10 Clerk's Office. That represents over 85,000
11 acres. And, as a matter of fact, in the
12 lower left-hand corner is a -- you can't see
13 it on this particular map, but there is a
14 natural gas well that was developed in the
15 last several years. So, the decision is
16 being made partly by New York State DEC and
17 those property owners. Can you flip it,
18 please.

19 That just is the approximate 55 to
20 5,600 acres of county property in the light
21 purple. Because of the scale of the map,
22 it's not possible to show every small
23 parcel, but it gives you an idea. Just like
24 the first map couldn't show every small

Matter of Public Hearing

1 parcel because of the scale. Chris, then
2 the last map, please.

3 That just shows the two maps
4 overlaid on one another. The dark purple is
5 land that's already leased to other
6 landowners in Broome County, and the light
7 purple is Broome County land that would be
8 the subject to this lease, if it's
9 authorized by this legislature.

10 I'm just going to briefly describe
11 the lease very, very quickly. Of course,
12 anybody can refer to the resolution which,
13 as the chairman said, is already on file.
14 The resolution and the proposal lease calls
15 for a bonus of \$3,000 per acre. That \$3,000
16 is not contingent upon New York State DEC
17 doing anything. Essentially it would be
18 paid by the company 90 days following
19 execution of the lease. It would hold for a
20 five-year term. And then the lease calls
21 for a second 3,000 option to extend for an
22 additional three years, not necessarily on
23 all land, but nonproducing land and land
24 that the company wishes to extend the term

Matter of Public Hearing

1 on.
2 The property that it would apply to
3 you've already seen on the map. And one of
4 the comments that the county, not just
5 myself but many of the legislators have
6 received, is that the bonus payment is not
7 enough. The only thing I would like to
8 state on that, I realize this is an
9 emotional issue, but the only thing I would
10 like to state on that is, everybody in the
11 county understands that all that property
12 represents some acreage with good geological
13 markers and some acreage without great
14 geological markers. And this particular
15 resolution applies to all that county
16 property, the good property as well as the
17 property that doesn't hold as much natural
18 gas.

19 In addition, it also applies to
20 property such as parks and watersheds, and
21 the resolution states specifically that no
22 surface operations can be conducted on the
23 parks and watersheds. One of the comments
24 that I received, questions I've received is,

Matter of Public Hearing

1 well, if you can't drill on the parks and
2 watersheds, can you conduct other operations
3 like compressor stations, staging areas, et
4 cetera. The answer is no, no surface
5 operations, whether it be drilling,
6 compressor stations or whatever.

7 It calls for a royalty of 20
8 percent. It also calls for an environmental
9 monitor. During the past several years, one
10 of the comments that the administration has
11 received many, many times from legislators
12 and members of the public is this: We
13 believe that New York State DEC is doing a
14 good job and that they will come up with
15 very, very strong restrictions. What we are
16 concerned about is how those restrictions
17 and regulations are going to be enforced.

18 So, that's something that I
19 discussed for a long time with this
20 particular company, and the resolution
21 authorizes an environmental monitor to
22 address that situation. Essentially, a
23 monitor will be paid for by the company but
24 hired by Broome County and report to Broome

Matter of Public Hearing

1 County, and the monitor will help the county
2 ensure that not just DEC regulations are
3 followed, but also that lease covenants are
4 followed.

5 And, in addition, the lease calls,
6 or I should say Inflection Energy, proposes
7 an energy corridor. One person pointed out
8 to me that that wasn't necessary a definite,
9 and you're absolutely right. That's a
10 potential development. What we are trying
11 to do is spark economic development, and an
12 energy corridor, which will help transport
13 wastewater for treatment has a potential to
14 do that.

15 Those are the comments I wanted to
16 make. Mr. Chairman.

17 THE CHAIRMAN: All right. Thank
18 you, Mr. Sluzar.

19 We will start right in. So, it's a
20 little after 5:30. We will start right in
21 with speakers. The first speaker is Roy
22 Lackner from Binghamton.

23 A SPEAKER: Hi. Good evening,
24 ladies and gentlemen and good evening

Matter of Public Hearing

1 partners from the union. I wish that we
2 were talking about green jobs here and not a
3 dying fossil fuel industry, which we need to
4 let go.

5 Binghamton's sitting at the
6 crossroads. We need to reenergize our rail
7 infrastructure. We have so many things
8 going, number one is our water. First, let
9 me cut to the chase because money's what
10 everybody listens to. So, listen to this.

11 Besides the fate of future
12 generations, our health, safety and
13 inalienable rights to clean air and water,
14 nature bounds, fish and game, as well as
15 peace and quiet, consider these numbers
16 compiled by the United States General
17 Accountings Office, which is called the
18 government take, i.e., a combination of
19 royalties, bonuses and corporate taxes and
20 special fees collected, as by other states
21 and other countries for the oil and gas
22 corporations.

23 Wyoming, 52 percent. Texas, 53
24 percent. Oklahoma, 53 percent. Louisiana,

Matter of Public Hearing

1 57 percent. Alaska, 63 percent. Australia,
2 61 percent. I could go on. I'll pass these
3 out to the legislators. The United States'
4 take is a pathetic 37 to 50 percent.

5 When Penn State's Terry Engelder
6 told international investors the size and
7 extent of the Marcellus Shale, the gas
8 corporations sent out their private army of
9 land men and women to acquire the mineral
10 rights to their new prize, or as they call
11 it, play.

12 The bamboozling had begun. First,
13 they took advantage of struggling farm
14 families offering pennies on the dollar for
15 their mineral rights. 5, then 10, then \$25
16 an acre, which was offered with a minimal
17 royalty by law, 12.5 percent through an
18 1880s law. Soon hundreds of dollars per
19 acre were offered with 15 percent royalty
20 and a feeding frenzy was in full motion,
21 with attorneys even getting in on the act
22 with their own percentages of the real
23 landowner's mineral rights -- royalties.

24 The groundwork for this was well

Matter of Public Hearing

1 laid in New York and Pennsylvania with both
2 legislatures. This curtailed the ability of
3 landowners or coalitions to negotiate for
4 what was really at stake through the threat
5 of forced pooling, compulsory integration,
6 and the changing in spacing units.

7 At the federal level, a complete
8 hands-off of this industry's regulation,
9 compliments of our then vice-president, we
10 all know who that was. The 2005 Energy
11 Policy Act exempting the oil and gas
12 industry from compliance with the most basic
13 of laws, the Clean Air Act, the Clean Water
14 Act, the Safe Drinking Water Act, the
15 Community Right-to-Know and Property and
16 Liability Acts. You, the landowners, will
17 be liable. You, the county, will be held
18 liable.

19 Meanwhile, in Texas and Louisiana,
20 consider these numbers, then the paltry
21 2,400 that they're offering us for the
22 thickest part of the Shale, one which they
23 will exploit in five different frackings.
24 First, a 50-foot, then to 100, then to 150,

Matter of Public Hearing

1 they're going to frack this area five times
2 in successive layers.

3 But listen to what they were paying
4 to smaller, less desirable land than the
5 Marcellus. In Louisiana, Chesapeake, XTO
6 and others of the high-grade activity,
7 bonuses have reached 32,000 an acre, 25
8 percent royalty. The Dallas-Ft. Worth
9 Airport, 25,000 an acre, 25 percent royalty.
10 XTO is still paying 13,250 an acre and up to
11 22,500 an acre for bonuses in Tarrant
12 County, Texas. Ft. Worth offers, to date,
13 were 17,000 to 20,000 an acre with gas
14 companies admitting among themselves that
15 they were willing to go to 27,000 an acre
16 and 25 percent royalties. The average
17 Louisiana lease is approximately 13,400 in
18 the Fayetteville Shale. A 25 percent
19 royalty at one point was paid by Chesapeake
20 and in one Louisiana parish, Chesapeake paid
21 39,000 an acre.

22 On their own ledger books, they
23 consider one acre of Marcellus to be worth
24 33,000 to 50,000 an acre. They are here

Matter of Public Hearing

1 robbing us, fleecing us. We need to stand
2 up to this. This is pathetic. People began
3 to realize they were being targeted by
4 fleece hounds, prospectors looking to buy at
5 minimal lease for the quick flip at big
6 profits.

7 We already saw XTO do that when
8 they flipped their property to Exxon. We've
9 already seen Atlas Energy flip its property
10 to Shell. I've already seen on one of the
11 tree farms that I manage, the landowners
12 there watch their leases get flipped from
13 Chesapeake to Hess. Hopefully, the Delaware
14 River Commission will hold that at bay, and
15 if we use our common sense, will protect our
16 water to allow our farmers and landowners to
17 water royalties instead of this pathetic gas
18 royalty.

19 THE CHAIRMAN: That's time,
20 Mr. Lackner. Thank you.

21 A SPEAKER: There's no need to
22 fear scaring the profiteers away. All the
23 money in the world will never replace what
24 we already have and must protect. The

Matter of Public Hearing

1 nation's headwaters cannot be bought. They
2 must be protected at all costs. We don't
3 have to destroy all the resources --

4 THE CHAIRMAN: That's time.

5 A SPEAKER: -- all the resources
6 to get to one.

7 THE CHAIRMAN: Thank you.

8 Next, we have Mr. Rob Wedlake.

9 Mr. Wedlake is not here. We will
10 go to Lois Dilworth next.

11 A SPEAKER: Thank you,
12 Mr. Chairman. Thank you, legislators.

13 I'm the town supervisor for the
14 Town of Barker, and I need to tell you right
15 up front, I support gas drilling in Broome
16 County. However, I believe that Broome
17 County is in financial panic mode and, as
18 far as this lease opportunity is concerned,
19 do you want to be married to this company
20 for an indeterminant number of years? Don't
21 cater to deadlines.

22 But my primary concern today is the
23 four legislators who are not permitted to
24 address this issue. If you live in the Town

Matter of Public Hearing

1 of -- if you live in Vestal, the Town of
2 Binghamton, Conklin, Kirkwood, Windsor,
3 Colesville, Sanford, Barker, Lisle, Maine,
4 Nanticoke or Triangle, those legislators
5 representing those areas are not permitted
6 to discuss this issue. They are not
7 permitted to vote on this issue. And,
8 hello, the drilling will be done in the
9 rural area that these gentlemen represent.

10 You are depriving my constituents.
11 You're depriving this entire legislative
12 board of the expertise of these men, of the
13 experience, the knowledge that they've
14 gained over the entire period of time that
15 gas drilling has been discussed in Broome
16 County, and I think you're doing yourself a
17 great disservice. I respectfully request
18 that you rescind the no-vote, no-voice,
19 no-vote rule for those four legislators.

20 In closing, unless you live in a
21 rented apartment or a rented house, you can
22 become involved in gas drilling in Broome
23 County by reason of compulsory integration.
24 And if you don't know what that is, ask

Matter of Public Hearing

1 Mr. Keibel. Thank you very much.

2 THE CHAIRMAN: Thank you,
3 Supervisor.

4 Our next speaker is Charlotte
5 Schotanus.

6 A SPEAKER: Thank you. County
7 Executive Fiala, legislature members and
8 attendees at tonight's hearing, with regard
9 to signing a lease to allow hydrofracking in
10 Broome County land, I ask that you remove
11 your money blinders and consider the
12 ultimate devastation that all of this will
13 cause to our county. We are looking at the
14 destruction of our landscape, the animal and
15 bird life habitats, the contamination of our
16 rivers, lakes and streams and, most of all,
17 our drinking water supply, both public water
18 and many, many private wells.

19 On top of all of this, we will have
20 many increases in health problems such as
21 cancer, neurologic problems, endocrine and
22 genetics problems, et cetera. We need to
23 be -- we need to not be so interested in the
24 money but more concerned about the life of

Matter of Public Hearing

1 our future generations. Would you want to
2 destroy the health of your grandchildren,
3 future grandchildren, their future
4 grandchildren?

5 What about the food you eat? Any
6 of us that grow our own crops will have
7 contaminated soil. Would you want to eat
8 anything that could possibly have
9 carcinogens in them?

10 I feel that the county should not
11 be in such a hurry. The gas is not going
12 anywhere. It's been there for millions of
13 years, and it will still be there once the
14 DEC and the EPA have come out with their
15 guidelines. Remember, the economy always
16 has an upturn and a downturn, but our water,
17 air and environment cannot be replaced.
18 Please do not approve any lease agreement at
19 this time but wait and see what the overall
20 guidelines are to be recommended.

21 There are many other things
22 involved, such as protecting the integrity
23 of our roads, the safety of our children
24 traveling on them to and from school, the

Matter of Public Hearing

1 safety of the use of our parks, et cetera.
2 Don't be in such a rush just because you see
3 the dollar signs in front of you. Your
4 first obligation is to the protection of our
5 community, not its destruction.
6 Clean water is our lifeline.
7 Please vote against hydrofracturing. Thank
8 you.
9 THE CHAIRMAN: Thank you.
10 Next speaker is Aaron Price.
11 A SPEAKER: Good evening. Under
12 Broome County Executive Barbara Fiala's
13 leadership, three critical criteria have
14 been addressed with the Inflection Energy
15 proposal.
16 Number one, their proposed lease
17 has been based upon current, actual market
18 condition.
19 Number two, the natural gas
20 development will spark overall economic
21 development in Broome County.
22 Number three, that the proposal has
23 practical, effective provisions to protect
24 the environment.

Matter of Public Hearing

1 The bonus of \$3,000 per acre paid
2 within 90 days of the signing is fair and
3 reasonable for the current situation we are
4 in in New York with the moratorium on
5 drilling and uncertainty as to when that
6 moratorium will be lifted.

7 Broome County receiving \$16 Million
8 in bonus money will be a tremendous revenue
9 source to keep county services and programs
10 going, and to keep property taxes from
11 soaring. This money will give Broome County
12 government and struggling taxpayers
13 breathing room. Of course, once the actual
14 development of the Marcellus Shale begins,
15 the boost in the economy countywide will be
16 in the billions of dollars. Billions, not
17 millions. This projection is based on the
18 economic impact study that the county had
19 done on and what is happening economically
20 in Pennsylvania.

21 The proposed lease with Inflection
22 Energy also includes provisions to preserve
23 and protect Broome County's environment, to
24 manage Broome County's lands skillfully and

Matter of Public Hearing

1 wisely. An environmental monitor will
2 oversee the work to ensure regulatory and
3 lease compliance. Casings in the wells will
4 be submitted to the surface. Gray water
5 from a municipal treatment plant will be
6 used to minimize withdrawals from the
7 Susquehanna River.

8 In closing, I urge the county
9 legislature to remember all the taxpayers
10 who struggle to pay their county taxes. I
11 urge this county legislature to remember all
12 the men and women who depend on government
13 services. I urge the county legislature to
14 recall how this community once did thrive
15 and can again. I ask the county legislature
16 to vote yes in support of a lease with
17 Inflection Energy. Thank you.

18 THE CHAIRMAN: Thank you.

19 Next speaker is Adam Flint.

20 A SPEAKER: Thank you for this
21 opportunity to speak, legislators, County
22 Executive, citizens. I just have two points
23 to make, one having to do with the process
24 that we've seen in this county. It hasn't

Matter of Public Hearing

1 been a good one when compared to many other
2 counties. What I'd like to do today is urge
3 this body to consider doing things a little
4 bit differently.

5 In other counties there have
6 been -- in both this state and PA, there
7 have been task forces involving all the
8 stakeholders that have been established to
9 make the process more open and less
10 vulcanized between the fors and the against.

11 I should mention I'm representing
12 the Binghamton Regional Sustainability
13 Coalition. We support safe, clean,
14 responsible energy which, at this point,
15 this is far, far from.

16 We keep trading facts back and
17 forth. I've yet to see a real debate take
18 place. I think it's incumbent on you, as
19 county leaders, to facilitate that. And
20 given how few resources exist right now, to
21 provide those resources.

22 This map you see on the wall here,
23 I tried to get this map about a year ago and
24 was denied access to this map. I hope you

Matter of Public Hearing

1 will now make this map publically available
2 so that the residents can see where these
3 things are taking place. I know that is
4 not a complete map.

5 I would also urge you going forward
6 with this particular proposal, to simply
7 stop the clock. I realize that this company
8 is saying if you don't sign on to this
9 before the end of the month, you lose the
10 lease. Well, lose it. Where's the lease?
11 It's your responsibility to close based on
12 an actual lease that one can review, not
13 based on partial information and agreements
14 that have been circulated very, very late in
15 the day.

16 The second point I have to make has
17 to do with what the speaker before me, very
18 good timing, just mentioned, the
19 socioeconomic impact. In fact, we do not
20 know what, in fact, the socioeconomic impact
21 of this process will be because the study
22 the county commissioned did not consider
23 costs at all, and the benefits that were
24 considered were calculated in a questionable

Matter of Public Hearing

1 manner. So, you don't know that.

2 And, by the way, we don't know in
3 PA either. What we do know is that home
4 value is being lost as we speak. If you go
5 and look at a real estate listing, you'll
6 notice people are starting to list whether
7 they're near a lease or not. But what we
8 won't know is if there's a lease next door.
9 FHA/HUD regulations say they won't give a
10 mortgage on that property if you've got 300
11 feet or less than 200 feet between leased
12 property. That's just one example.

13 I also mentioned that we don't know
14 how much the cost will be to county
15 services, to the county infrastructure, this
16 has not been accurately studied, and the
17 current draft regulations on roads cannot
18 adequately protect us from the literally
19 tens of thousands of heavy truck trips that
20 will be involved.

21 Finally, there are alternatives to
22 this. Is there an alternative that will put
23 \$16 Million in the taxpayers' pocket in 30
24 days? Of course not. That's like going to

Matter of Public Hearing

1 Vegas and knowing you could get some
2 short-term cash in desperation, and the
3 county's counting on that.

4 Now, what we could do is, as the
5 very first speaker mentioned, look at what's
6 going on in the world. What's going on in
7 the world, the petroleum economy is coming
8 to an end. Five years, twenty-five, fifty,
9 it will end. So, are we going to be in on
10 the beginning of retrofitting very old
11 housing stock to the tune of tens of
12 millions of dollars of economic activity and
13 thousands of well-paying jobs? Are we going
14 to reactivate the agricultural economy of
15 upstate that's been neglected across the
16 board? Are we going to look past community
17 growth and financial institutions that
18 support local small businesses and medium
19 businesses, where the money stays here,
20 instead of going to corporate headquarters
21 that the companies are talking about to
22 share? That's the choices before us. I
23 fear if we take this road, we will be left
24 without choices.

Matter of Public Hearing

1 I will end by saying this: When I
2 grew up in this area, I didn't think I'd
3 remain here because so many of my peers did
4 not. Ask yourself this question: People
5 coming in from the airport going through
6 that energy corridor with all the pipelines
7 and drilling rigs and activity that's going
8 to be there, are they going to want to
9 continue to send their kids to Binghamton
10 University? The kids that grew up here, if
11 they have a choice, are they going to want
12 to remain here? What are going to be the
13 losses to balance against the six million?

14 THE CHAIRMAN: Time, Mr. Flint.

15 A SPEAKER: Thank you very much
16 for this opportunity. I hope you consider
17 this.

18 THE CHAIRMAN: We have got Mr. Leo
19 Cotnoir, you are the next speaker.

20 A SPEAKER: I actually prepared
21 for five minutes, but since I talk fast,
22 we'll probably get through in three.

23 Good afternoon. My name is Leo
24 Cotnoir and I live in Johnson City. Let me

Matter of Public Hearing

1 state from the outset, I'm not opposed to
2 drilling or hydrofracking if they're done
3 safely and cleanly by responsible companies
4 after due diligence. My concern is that
5 none of these criteria are met by this
6 proposed deal. Many others had addressed
7 the issues of safety and wastewater
8 management, so I will restrict my comments
9 and questions to the matters of whether
10 Inflection Energy is capable of the
11 requisite responsibility and whether the
12 county has, in fact, exercised due
13 diligence. My research over the past few
14 weeks has turned up some facts about
15 Inflection Energy and its principals that
16 raise serious questions in my mind, and that
17 I think the county should look into before
18 proceeding.

19 Let's start by looking at the
20 history of the principals of Inflection
21 Energy. In his July 7 presentation to the
22 county legislature, Mr. Sexton touted his
23 experience and that of his colleagues.
24 However, as he failed to mention, that as --

Matter of Public Hearing

1 how they left the companies and in what
2 condition they left them.

3 The DENVER BUSINESS JOURNAL stated
4 that during Mr. Sexton's tenure as CEO of
5 Evergreen Energy, it's hard to keep track of
6 all these companies, the company losses
7 doubled and he was fired in 2007. However,
8 thanks to his ability to negotiate a deal,
9 he walked away with nearly \$6 Million.

10 Mr. Zimmerman's departure from
11 Storm Cat Energy in early 2007, in fact, had
12 rather a whiff of scandal. He was abruptly
13 put on administrative leave in March of
14 2007. A month later he resigned as CEO and
15 as a member of the board after signing his
16 remaining stock options to his ex-wife.

17 He then went to a company called
18 South Texas Oil. In his -- he was on the
19 job for approximately six months. The terse
20 nature of his letter of resignation strongly
21 suggests that that was not an amicable
22 departure either.

23 Mr. Coyne finally left his
24 employer, CCR Technologies, Ltd., of

Matter of Public Hearing

1 Alberta, Canada, under a cloud. After
2 two-and-a-half years, the increasing losses
3 of the company, in May 2008, Mr. Coyne, it
4 was said, quote, resigned his position to
5 pursue other interests. If you have ever
6 done anything in the business world, you
7 know that's a euphemism for he was fired.
8 The county should inquire as to the
9 circumstances of these people leaving their
10 prior companies and, you know, what went on.

11 So, you might ask what happened to
12 those companies after they left. Evergreen
13 continued to lose money and is currently on
14 the verge of bankruptcy. In 2008, Storm Cat
15 defaulted on its loan obligations and put
16 its US operations in Chapter 11 bankruptcy.
17 South Texas Oil was placed in involuntary
18 Chapter 11 bankruptcy less than a year after
19 Mr. Zimmerman left. CCR Technologies
20 continued its death spiral as the stocks
21 dropped from a high of 31 cents to 2 cents
22 when the government of Alberta issued a
23 cease trading order against them. Surely,
24 the county needs some assurances that it

Matter of Public Hearing

1 will not suffer if Inflection follows a
2 similar course.

3 Mr. Sexton cites a number of awards
4 he says were received by his previous
5 companies. Now, as you know, any company
6 that gets an award likes to publicize it. I
7 searched the records of -- let's see, I
8 searched the DENVER BUSINESS JOURNAL, and
9 the Business Wire, two of the leading places
10 of the -- it would be published. I found
11 two awards, both by the Colorado Gas and Oil
12 Conservation Commission, and those were for
13 community relations.

14 Mr. Sexton fails to mention that in
15 1999 he was called before that commission's
16 Interim Committee on Oil and Gas to explain
17 how his company planned to compensate
18 landowners for damages caused by oil and gas
19 drilling, and to address complaints of wells
20 being contaminated by their activities. The
21 company's successor, Pioneer Natural
22 Resources, have been cited more than 400
23 times for environmental regu- -- for
24 violations in San Animas County, Colorado.

Matter of Public Hearing

1 Mr. Sexton's new company, Evergreen Energy,
2 was twice fined by the State of Wyoming for
3 illegally dumping wastewater.

4 Broome County needs assurances
5 that such things will not happen here, and I
6 do not believe that Mr. Sexton's plan that
7 Inflection pays for an environmental monitor
8 makes any sense. That's the fox guarding
9 the chicken house.

10 THE CHAIRMAN: Time.

11 I've got Diane MacInnes next.

12 A SPEAKER: First, I would like to
13 thank everybody for being here from all
14 sides.

15 I actually didn't have much time to
16 prepare because I -- and the concern I have
17 is that this resolution was put forward on
18 the 7th of this month, and there was, I
19 guess, by the 8th or 9th, you people
20 received it, the EAF was put forward the
21 13th. There was a meeting on the 14th and
22 on the 15th, and now there is this and then
23 Thursday they're already going to vote. And
24 people around my area hardly even know this

Matter of Public Hearing

1 is happening. Even though there's a big
2 overflow here, there's a lot of people in
3 this county that don't know this is
4 happening. And that's a concern.

5 I think we are moving far too fast
6 on this. I know that you've done a lot of
7 work, and I appreciate it, but there's a lot
8 of things to consider. This is an -- I'm
9 going to read from a few notes.

10 A public decision to lease
11 thousands of acres of land is a type-one
12 action and that requires the public to be
13 aware of it. I know that you put something
14 in the newspaper and there's been little
15 things, but, really, the public is not
16 aware, I can tell you, in my area.

17 Also, as a type-one action, the
18 SEQRA rules are in force, and I notice that
19 in the EAF you've got a negative
20 declaration. Now, I want to read what their
21 negative declaration is.

22 It says, the project will not
23 result in any large and important impact
24 and, therefore, is one which will not have

Matter of Public Hearing

1 significant impact on the environment.

2 Therefore, a negative declaration will be
3 prepared.

4 Well, how do you know that? The
5 EPA has not come out with their
6 investigation. The NYSDEC has not completed
7 the SGEIS, and the Delaware River Basin
8 Commission is still working on their rules.
9 So, how can you chose A, a negative
10 declaration?

11 You should be choosing C. C reads,
12 the project may result in one or more large
13 and important impacts that may have a
14 significant impact on the environment.
15 Therefore, a positive declaration will be
16 prepared. It seems that there may be a
17 negative impact, and I cannot understand how
18 you could choose A. It's not acceptable to
19 me.

20 I'm also concerned -- I see this
21 map here. I've been trying to put together
22 a map like this from your website for a
23 year, and the process is so cumbersome that
24 I can't do it. So, I would like a map with

Matter of Public Hearing

1 current leases and to be updated to be
2 available on your website so that we can
3 know what's happening around us.

4 I have some things to submit to you
5 from our -- you came out with economic
6 reports that I felt was missing quite a few
7 pieces. So, I have something I will submit.
8 I won't even take the time to talk about it
9 in the short time, but the potential impact,
10 or economic impact of this decision.

11 I also have a read ordinance from
12 Santa Fe County that I would like to
13 present, because they really, really looked
14 at this issue very deeply. And they've come
15 up with some plans that I think you should
16 look at. I'm not going to take the time,
17 there's just too much here.

18 I also have notes from an interview
19 with Kim Sorbin, who was on the Planning and
20 Zoning committee in Santa Fe, and a
21 reference to their attorney, Robert
22 Freilich, and what they did in Santa Fe
23 County. I think you should look at that
24 before you make any decisions, and one of

Matter of Public Hearing

1 their resolutions and resolutions from other
2 counties.

3 THE CHAIRMAN: I'm sorry. We got
4 time.

5 A SPEAKER: Okay, I'll finish. I
6 just want to say I think you need more time.
7 I think to make a decision this week, I know
8 that my grandmother used to tell me, when in
9 doubt, don't. I know if I buy a car and the
10 salesman says, you've got to -- I only have
11 this deal until this time. I say, okay.
12 Good-bye. I will come back. You know, I
13 need time to think about this. I --

14 THE CHAIRMAN: Time.

15 A SPEAKER: -- think you need more
16 time for thinking.

17 THE CHAIRMAN: We can get those
18 maps on the website, can't we, Chris Marion?
19 We can get those maps on the website, can't
20 we?

21 MR. MARION: Yes.

22 THE CHAIRMAN: We will get the
23 maps on the website.

24 Next speaker is Glenn Blake.

Matter of Public Hearing

1 A SPEAKER: Good afternoon,
2 Mr. Chairman. With your permission, I would
3 like to relinquish my three minutes so that
4 Mr. Cotnoir, who did much research, can
5 finish his presentation on my three minutes.
6 Is that agreeable with you?

7 THE CHAIRMAN: Yes, it is.

8 A SPEAKER: I searched business
9 records in the State of Colorado. You might
10 like to know that Mr. Sexton was cited at
11 least eight times for failing to file annual
12 reports.

13 Also, Inflection Energy's not one
14 company, it's four companies, three or four
15 companies. It's hard to tell. Also, the
16 Inflection Energy, Incorporated, as a
17 foreign corporation in New York, at the
18 office of Dickinson Town Justice Gregory
19 Gates. I think the county needs to know
20 what the circumstances are.

21 Here's something I turned up which
22 is extremely worrisome. This is a quote
23 from a blog by a former employee of
24 Evergreen Energy. Evergreen Energy,

Matter of Public Hearing

1 formally KFX, together with its founders and
2 management have a long track record of
3 failure, deception, SEC violations,
4 including market manipulation, FD
5 regulations and others, accounting
6 irregularities, evidence of insider trading,
7 paid promotions, relationships with known
8 criminals and cozy relationships with
9 corrupt public officials. The blogger
10 didn't identify himself, I'm sure he could
11 be found out. Those questions need to be
12 answered.

13 Now, there's another interesting
14 thing I discovered, and this just came up by
15 accident before I read this. There's a
16 company called Storm Cat Energy that
17 Mr. Zimmerman was president of. As you
18 know, he left under a cloud. Well,
19 interestingly enough, there's been an exact
20 correlation between the stock trading volume
21 of Storm Cat Energy at every key decision in
22 this process.

23 Normally, Storm Cat trades at
24 between 1,000 and 3,000 shares a day. On

Matter of Public Hearing

1 February 3rd, when Inflection signed the
2 lease in the Town of Maine, more than
3 368,000 shares changed hands. When the
4 technical comments of the SGEIS were
5 released on April 3rd, 217,000 shares
6 changed hands, followed by another 306,000
7 three days later. On May 10th, when another
8 lease in Maine was announced, and on
9 May 12th, 316,000 shares changed hands.
10 There was a spike of 150,000 shares in June
11 when Attorney Sluzar declared horizontal
12 drilling was safe in an interview. On
13 July 8th, the day after Mr. Sexton's
14 presentation, Storm Cat stock jumped 800
15 percent on 82,000 shares. On July 16th,
16 after the deal passed its first hurdle,
17 293,000 shares were traded. Maybe this is
18 just some incredible coincidence, but, to
19 me, it smells like insider stock trading,
20 and the county, I think, needs to know
21 what's going on.

22 Finally, and I really, really, feel
23 bad about his saying this, but as I dug into
24 this, I was left with the very strong

Matter of Public Hearing

1 impression that County Attorney Sluzar
2 sounded more like a salesmen for Inflection
3 than someone who's looking out --

4 MR. CHAIRMAN: All right. You're
5 out of order.

6 A SPEAKER: Sir?

7 THE CHAIRMAN: Your time is up.

8 Ms. Johnson next, Linda Johnson.

9 A SPEAKER: Can I call you Dan?

10 THE CHAIRMAN: Yes.

11 A SPEAKER: I'm Linda Johnson and
12 I grew up in Binghamton. This county and my
13 home mean a lot to me, as I'm sure it does
14 to most people here. About a year and a
15 half ago I met and formed an ad hoc group
16 and some of those gals are here today.

17 We put on an art show in January to
18 express our views through art how we felt
19 about what hydrofracking can do to our
20 county, and New York State, for that matter.
21 So, most of what -- by the way, the artists
22 who came weren't just the few who we put
23 this art show together, they were from all
24 around New York state.

Matter of Public Hearing

1 This occurred in January. At this
2 show, and in my later years, I had become
3 somewhat of a photographer, and some of the
4 pictures you see were taken by me and I
5 added some of my artwork by hand showing
6 what areas would possibly look like with
7 drilling and drill pads and millennium-type
8 pipeline stretching all across.

9 So, I'd like to ask a question of
10 all of you, especially those of you, not so
11 much the audience. If you don't come up to
12 the -- the legislators, if you would do this
13 for me. Would you raise your hands, how
14 many of you in this room sitting around the
15 table, you all here included, have been in a
16 kayak or a canoe and paddled down the
17 Susquehanna, the Delaware, the Tioughnioga,
18 and any of our beautiful lakes like Oquaga
19 Lake, Greenwood Pond, Dochester Lake, I
20 could go on and on with all of those, but
21 I'd like to see how many hands of you
22 sitting around have done this.

23 A SPEAKER: Any or one of them?

24 A SPEAKER: Any of them.

Matter of Public Hearing

1 MR. REYNOLDS: All three.

2 A SPEAKER: Wonderful. I'm really
3 glad to see -- I knew your hand would go up,
4 Dan.

5 If you have done this, then you
6 know full well how beautiful Broome County
7 is. You know full well how beautiful
8 Delaware County is. You know full well how
9 all of the Finger Lake area is, which is
10 part of the Marcellus Shale. So, I'm here
11 to speak more of the rivers, the lakes and
12 the ponds that I have kayaked them, I have
13 swam in them, I have fished in them and I've
14 even gone skinny-dipping in them.

15 THE CHAIRMAN: You're out of
16 order.

17 A SPEAKER: We'll see who's out of
18 order. I believe that most of you in this
19 room know full well what our most precious
20 resource is, it's water. It is our water.
21 I want to use the F word.

22 You cannot F it up. Because I
23 believe that is what is going to happen if
24 you allow hydrofracking to go on in this

Matter of Public Hearing

1 area that we love.

2 THE CHAIRMAN: All right. Thank
3 you, Ms. Johnson.

4 We've got Alex Parillo next.

5 A SPEAKER: My name is Alex
6 Parillo. I'm the field representative for
7 Laborer's Local 785. We represent
8 eight-and-a-half counties of construction
9 craft laborers down through the Southern
10 Tier here from Delaware County over to
11 Steuben County. I came here tonight to come
12 before the board, the body, to let you guys
13 know that we support the resolution engaging
14 into a lease with Inflection Energy.

15 In the past year the laborers and
16 construction trades in general in the
17 Southern Tier have seen a slow decline in
18 activity and economic development around
19 here. It's no mystery. It's no surprise to
20 anybody. The state of the economy has
21 driven developers away, it's driven business
22 away. The state of the infrastructure here,
23 the public works are declining as well. In
24 our opinion, we need an influx of economic

Matter of Public Hearing

1 development in a big way in this area.

2 What we have seen now in the
3 Pennsylvania area is a large economic
4 development package. We have seen massive
5 pipeline distribution systems. We've seen
6 those moneys float back through with
7 infrastructure projects. We've seen them
8 being able to rebuild their roads, their
9 bridges, all the things necessary to keep
10 society going on a day-to-day basis.

11 I personally, with a couple other
12 members of the Local Laborer's 785 executive
13 board, have met with some of the executives
14 from Inflection Energy. Contrary to some of
15 their words, and I didn't hear about a lot
16 of the things that were said, the first
17 words they asked me were, what type of
18 recruitment do you have. What kind of
19 training programs do you have. Where do you
20 recruit your people, and how can we get
21 involved with that. That was the first
22 thing they wanted to know. How do you train
23 your people, how trained are they, how can
24 we get involved in partnering with you to

Matter of Public Hearing

1 keep local residents right in the area to
2 work on our projects.

3 They didn't say, how can we
4 negotiate your wages down. How can we
5 negotiate your health care away. How can we
6 get rid of your pension. How can we talk
7 you guys into dumping stuff into storm
8 sewers when they're not looking. Those
9 weren't the questions.

10 They wanted to know how they can
11 hire local people, pay them a decent wage
12 and regain and rebuild some of the
13 infrastructure that's so vital and necessary
14 to this area. A lot of the people that I've
15 spoken with over the last year with regard
16 to natural gas have said, what are we going
17 to do with the water. What are we going to
18 do with this. What are we going to do with
19 that.

20 These people have answers. They
21 say we want to build a water treatment
22 facility. We want to process the water. We
23 see a need for it. They're proactive.
24 They're looking ahead. They're seeing

Matter of Public Hearing

1 what's coming, and that's what the Laborer's
2 want to be a part of, and that's what we
3 would like to see the county be a part of,
4 frankly.

5 Right now what we see is people
6 saying, no. No. No frack. No frack. No
7 frack. This is not a frack issue or a no
8 frack issue. This is for me and my members,
9 this is a job issue. This is about
10 rebuilding the Southern Tier. We have been
11 entrepreneurs and leaders in New York State
12 for hundreds of years down here. And right
13 now, we want to get back on the forefront.
14 We want to be those leaders. We want to
15 build those projects. We want to get this
16 gas to market. We want to put our people to
17 work and we want this area to be sustainable
18 for future generations through health care,
19 through pension and through good jobs.

20 This is one way that we can get
21 there. Today, we can pass this vote and we
22 can get this done. Thanks.

23 THE CHAIRMAN: Thank you,
24 Mr. Parillo.

Matter of Public Hearing

1 Next we've got Tarik.

2 A SPEAKER: You don't want to try
3 that last name?

4 THE CHAIRMAN: No. You're next.

5 A SPEAK: Is it possible for
6 subsequent speakers to just give them a
7 30-second heads-up when they have 30 seconds
8 left, just so not to suddenly cut off?

9 THE CHAIRMAN: All right. We just
10 wasted 30 seconds.

11 A SPEAKER: Thank you for
12 organizing this forum. I'm here on behalf
13 of Mayor Ryan and the city administration to
14 express our strong opposition to the gas
15 lease deal.

16 Just in regards to the process, we
17 do wish for some more open participatory
18 process, as one speaker mentioned earlier.
19 I think then, had we had all the
20 stakeholders at the table, some of the other
21 candidates, we might have found many other
22 credible alternatives to address what is
23 going to be a challenging budget next year,
24 but without kind of auctioning off the

Matter of Public Hearing

1 county as well for fair sales.
2 Just some questions we're going to
3 talk -- or some concerns, because we have
4 limited time. One is regarding
5 environmentally sensitive areas. There are
6 no drill sites, there are no surface
7 operations, but, of course, there will be
8 hydrofracking underneath all of these lands.
9 Many of these sensitive areas are watershed
10 areas and parks. So, the question is, do we
11 feel comfortable when the DEC hasn't even
12 finished their review of what those
13 environmental impacts will be. To suggest
14 that we just won't see it, doesn't mean that
15 there's not going to be serious risks to
16 health down the road.

17 And what's interesting is that
18 almost all the other counties in the area
19 are moving in a completely opposite
20 direction than Broome County. There's
21 Sullivan County, Tompkins County, Onondaga
22 County, Cortland County, all of their
23 legislative bodies passed resolutions
24 banning hydrofracking in county lands,

Matter of Public Hearing

1 either until they're told the DEC completed
2 their job or the EPA completed their job.
3 They're taking a precautionary approach to
4 protect public health. I don't think that
5 this is the kind of exceptionalism or
6 leadership that this body wants to be a part
7 of. I'd ask you to question if that's the
8 legacy you want.

9 In regards to Cole Park, for
10 instance, there's a question, maybe this can
11 be addressed later, of 387 acres or so. Are
12 you inadvertently putting adjacent
13 landowners at risk of being victims of
14 compulsory integration? As you know, once
15 they get 60 percent of a 640-acre unit, they
16 can compel property owners to be a part of
17 that unit. Cole Park represents 57 percent
18 of the unit. I don't know if you want to
19 participate in restricting freedoms of
20 choice of property owners as to how they
21 want to participate in the Marcellus Shale
22 gas flows.

23 Finally, then just the terms.
24 There was an interesting exchange I had with

Matter of Public Hearing

1 a county representative saying that, if this
2 was just about the bonuses or the royalties,
3 they wouldn't have done it. But it's about
4 the monetary, which is what, a 60, \$70,000
5 benefit to the county for five years.

6 That's not much.

7 This energy corridor. What is this
8 energy corridor? Nobody really knows what
9 it is, because if the benefit is citing a
10 frack treatment center, I think more
11 constituents of the legislature need to be
12 involved with that. Do we consider that a
13 strong enough benefit that we're going to
14 undersell again our public assets and
15 quickly depreciate a lucrative public asset.

16 I think that's what's frustrating
17 to so many residents, is that we've seen
18 enough instances at the federal and state
19 level where public assets are being
20 transferred over to private companies for
21 extreme benefit. This shouldn't happen here
22 in the county, and I hope this legislative
23 body doesn't participate in that.

24 Finally, this is about jobs and

Matter of Public Hearing

1 revenue. It's entirely about jobs and
2 revenue. Passing this today will not create
3 one job. As you all know, the DEC will not
4 allow one permit to be processed until the
5 gas company can prove as to where they're
6 going to be disposing the wastewater. We've
7 heard that from DEC for at least a year.

8 THE CHAIRMAN: That's time.

9 A SPEAKER: Is that 30 seconds
10 warning?

11 THE CHAIRMAN: I gave you the
12 30-second warning.

13 A SPEAKER: I didn't hear.

14 THE CHAIRMAN: I'll pass it to you
15 again. You've got another 30 seconds.

16 A SPEAKER: I appreciate that.

17 The last thing I will just mention
18 is that, when you look at some of the
19 encounters, there was a flipping that went
20 on with Anadarko Petroleum, which is, again,
21 a huge amount. \$14,000 an acre in
22 Pennsylvania, so in the Marcellus Shale. If
23 we were to wait a couple years, two years,
24 three years, maybe we would see that. What

Matter of Public Hearing

1 is that? That's \$74 Million.

2 Now, you want to talk about
3 transformation, you want to talk about jobs,
4 you want to talk about developing our
5 Brownfield areas, you want to talk about
6 retrofitting our homes, profit sharing in
7 the municipality. I think if you were to
8 ask your constituents, do you want us not to
9 take a little investment to protect our
10 assets for the long-term benefits? I
11 guarantee the overwhelming majority would
12 say, hell, yes.

13 THE CHAIRMAN: Next speaker is
14 Jeff Decker.

15 A SPEAKER: Can everyone hear me
16 okay? I like to see smiles. Wouldn't we
17 all rather be skinny-dipping today? I loved
18 it. Wasn't she cool? I loved it.

19 When you stop to think about it,
20 this is actually drawing the community
21 together. That's -- years ago this started,
22 all right. I'm for the gas drilling, I will
23 state that, but I want to make sure if it
24 comes, it's the best possible thing for the

Matter of Public Hearing

1 area and safe.

2 What a lot of people don't realize,
3 and I don't know if we know this, if you
4 guys have been up to speed with this or not,
5 the green technologies are here. They
6 started -- years ago I got involved in this.
7 First, the companies came and I jumped and
8 we started a small group of landowners in
9 Vestal. We started the Vestal Coalition.
10 Some of you folks know I travel around and
11 helped some of the other guys get started.
12 Those other people are doing the same thing.

13 We have a common thread, a common
14 goal of coming together to protect what we
15 love, our communities. We talked to the
16 counties at times and said, hey, this is
17 coming. They knew it was coming. Everybody
18 here has been involved with it.

19 Whether or not people want this or
20 not, everybody's going to be affected by it,
21 one way or the other. Families right now
22 are being affected. Do you people who are
23 against it realize that you're causing
24 another person to die every day overseas

Matter of Public Hearing

1 fighting for the oil? We do appreciate you

2 guys.

3 A SPEAKER: Objection.

4 A SPEAKER: Okay. I can take your

5 objection.

6 THE CHAIRMAN: All right. Settle

7 down. You've got to listen to this man

8 speak.

9 A SPEAKER: It's just a concept.

10 We're trying to protect our country. All

11 right. I love you guys. It's keeping us

12 focused. It keeps us on the cutting edge.

13 Some people talk about doing things

14 and making changes. Some people actually

15 plunge in and try to make a difference.

16 Well, by golly, right, wrong or different, I

17 am trying, and a lot of people are here.

18 God bless every one of you guys that are

19 here, good and bad.

20 Everybody's trying to make a

21 difference. Remember, we live in a free

22 country and we should be working together.

23 I now am still part of the Vestal Coalition

24 and I've gone to work for the industry also

Matter of Public Hearing

1 to try and make a difference, and we are.
2 The green technology is here.
3 I work for a company called the
4 Green World Geo-Technologies. They are
5 incredible. There is now green seismic
6 activity that has minimized the impact on
7 the community, and I don't know if you guys
8 are aware, but now the frack fluids, they've
9 improved green frack fluids. Two specific
10 companies now have the green frack fluid.
11 I want to ask, this is something
12 that can be in our lease, if I can --
13 anybody here that's involved with things, I
14 challenge you to share true advice to our
15 county legislators. They look to us for
16 insight, for information, if we have facts
17 and truth.
18 There are green pipes with frack
19 fluids. Two of the companies have them
20 approved now. They're trying to get them
21 mandated in New York State. This is
22 something I had talked to the most
23 high-powered attorneys in this state for oil
24 and gas. It is something that can be

Matter of Public Hearing

1 integrated noiseless, and some of the
2 companies are willing do that. Have that,
3 and also your green seismic activity.

4 We can do this, folks. We have
5 come this far. If these companies are this
6 interested, you know, we can ask them, is
7 this your best deal? Maybe Inflection is
8 only able to offer this because they are
9 going to such extremes to be green. Are
10 they going to put that in writing? Are they
11 going to back it?

12 You know, maybe these are questions
13 we should be asking. Maybe we already have.
14 Maybe that's already in the lease, I'm not
15 sure.

16 THE CHAIRMAN: Time.

17 A SPEAKER: I do care about
18 committing. Thank you very much, folks, for
19 all your time.

20 THE CHAIRMAN: Thank you.

21 Gerri Wiley is the next speaker.

22 A SPEAKER: My name is Gerri
23 Wiley. I'm a registered nurse. Thank you
24 very much for holding this public hearing

Matter of Public Hearing

1 today.

2 Legislators, I ask you to vote no
3 to the lease proposal from Inflection
4 Energy. Resolution 46 states, quote, the
5 county legislator, based on the
6 environmental assessment forum, or EAF,
7 Exhibit A, as we call it, hereby determines
8 and declares that said activity of entering
9 into a lease with Inflection Energy, will
10 not have a significant effect on the
11 environment.

12 This EAF, required by New York
13 State, was signed six days ago by Deputy
14 County Executive Patrick Brennan. This
15 document tells the state, yes, this site is
16 located over a primary, principal or sole
17 source aquifer. Yes, 903 agricultural acres
18 are involved. Yes, 198 acres of open water
19 and wetlands are involved. In other words,
20 Inflection Energy can run a pipeline and
21 drill under parkland, watersheds and
22 floodplains.

23 Yes, Mr. Brennan admits, the
24 project site is presently used by the

Matter of Public Hearing

1 community or neighborhood as an open space
2 or recreation area. Within or contiguous to
3 the project area are 11 streams, 2 rivers
4 and multiple county watersheds and parks.

5 Mr. Brennan answers that no mature
6 forest or other locally important vegetation
7 will be removed by this project, although
8 two-thirds of the total 5,610 acres are
9 reported to be forested land.

10 To the question, is surface liquid
11 waste disposal involved? He says, no.

12 Is subsurface liquid waste disposal
13 involved? He says, no.

14 Will the project involve disposal
15 of solid waste? He says, no.

16 Will the project routinely produce
17 odors? He says, no.

18 Will the project produce operating
19 noises exceeding the local ambient noise
20 level? His answer, No.

21 Everyone who knows anything about
22 drilling for natural gas, know the answers
23 to all of these questions is yes.

24 Mr. Brennan does say yes to the

Matter of Public Hearing

1 question, is the proposed action compatible
2 with adjoining surrounding land uses within
3 a quarter of a mile, even though parks,
4 agricultural lands and suburban residential
5 areas are included? Do they sound
6 compatible to you?

7 Again, Resolution 46 states, based
8 on this environmental assessment form, you,
9 the legislature, declare that, entering into
10 a lease agreement with Inflection Energy
11 will not cause a significant impact on the
12 environment. Is this true? Is this what
13 you declare?

14 Even DEC's draft supplemental
15 generic environmental impact statement
16 states, quote, drilling and production
17 operations have local noise, visual and air
18 quality impacts, as well as impacts on water
19 resources and may have impact on land use
20 such as agricultural, tourism and
21 alternative energy. Broome County needs to
22 determine drilling impacts prior to signing
23 a lease with Inflection Energy, LLC.

24 Let's not short-circuit the process

Matter of Public Hearing

1 with untruths and be bullied into a pressure
2 deadline set by Inflection Energy. It's
3 Broome County's responsibility to limit or
4 eliminate treats to the health of all life
5 existing within its borders. Please vote no
6 to Resolutions 46 and 47.

7 THE CHAIRMAN: We've got Bob
8 Poloncic is our next speaker.

9 A SPEAKER: Good afternoon to
10 everyone. I am a member of the Vestal Gas
11 Coalition steering committee, their chair,
12 and I'm here to send a couple messages on
13 behalf of our coalition, and I think it
14 would basically be sent from most all the
15 coalitions.

16 We worked quite hard over the last
17 two-and-a-half years as coalitions to learn
18 ourselves what the gas industry is all
19 about, the pros and cons, the risks and the
20 rewards.

21 Also, we have spent a great deal of
22 time educating our folks regarding those
23 topics. We have spent an enormous amount of
24 time developing landowner friendly contracts

Matter of Public Hearing

1 that will protect us far beyond what the
2 state's regulatories will protect us. And
3 we feel pretty proud of the fact that we
4 have established a strong relationship with
5 our community. I think our joint coalitions
6 represent a significant amount of the
7 acreages of this Southern Tier area. And we
8 are not conceding to offers and have not
9 conceded to offers that we felt didn't
10 fulfill our objectives. One, either living
11 up to our expectations relative to our
12 lease, or the monetary value that it would
13 bring to our community.

14 We have, the Vestal Coalition,
15 turned down numerous offers of greater value
16 than what is being offered here today. We
17 were offered several times from the very
18 company that you're dealing with, the
19 opportunity to execute a lease. We found
20 them to be woefully inadequate, financially,
21 to support that opportunity. This was about
22 a year ago. They are depending, we believe,
23 on venture capitalist money, outside
24 funding. They have little themselves. They

Matter of Public Hearing

1 are basically acting as the voice piece of
2 investors to collect land that they will
3 sooner or later flip to somebody else and
4 make an enormous amount of money on it, that
5 they harvest the gas. So, we turned them
6 down twice and went on our merry way.

7 Some of the reasons we turned them
8 down were stated earlier. We did also
9 investigate the background, and I won't
10 reiterate those comments, but we found that
11 also to be true. So, that's kind of our
12 outlook on what we've done with Inflection.

13 I guess I'm here just to caution
14 and warn you to make your decision after
15 having gathered all the facts and having
16 everything in focus. \$3,000 an acre today
17 would be fine, \$6,000 an acre a year from
18 now would be great. A better company down
19 the road would be great.

20 Have them sign a contract that says
21 they will not flip in the first five years.
22 They won't sign that. They won't sign it
23 for the first year. As soon as the
24 regulatories are lifted, they're going to

Matter of Public Hearing

1 flip it and make a lot of money. So, be
2 cautious of all of that.

3 Secondly, I'd like to ask that
4 considerations are given to the four
5 legislators who represent a lot of our rural
6 area. Ours personally in Vestal is not
7 going to be represented in this vote because
8 of the regulatory that's been put on the
9 decision-making process, and we feel that's
10 unfair. I think our rural legislators have
11 a right to have a voice and represent us.
12 Thank you.

13 THE CHAIRMAN: The next speaker is
14 Barbara Kane-Lewis.

15 A SPEAKER: Good afternoon. Can
16 you hear me okay? My voice is a little
17 soft, so I have to remember to speak up.

18 I'm today representing 617, and
19 probably more by now, because that was the
20 last number that I had when I left my house
21 a few hours ago, people who have signed a
22 petition and what we are asking is the
23 following: To the Broome County
24 legislature, by signing this petition, we

Matter of Public Hearing

1 indicate that we oppose the adoption of
2 Broome County Resolution number 47, which is
3 scheduled to come before the Broome County
4 legislature on July 22, 2010.

5 This resolution, if adopted, would
6 authorize a leasing agreement between Broome
7 County, located in the State of New York,
8 and Inflection Energy, LLC, to develop
9 natural gas and/or oil drilling production
10 on Broome County property. We feel that
11 this is a complex issue that requires
12 further study and public comment before any
13 legislative action is taken. So, I'm
14 representing those people.

15 But I'm also representing myself
16 when I say that I believe that this number
17 of interested persons warrants a larger
18 public hearing. The number of people that
19 we are having come forward warrants that you
20 spend a little more time listening to us. I
21 would just ask for your consideration in
22 that way. I respectfully ask that you hold
23 another hearing to allow more people to
24 speak.

Matter of Public Hearing

1 You also will be voting on
2 Resolution 46, which includes the latest
3 attachment, Exhibit A, the full environment
4 assessment form. I, as some of the other
5 speakers have stated, am very concerned that
6 this form is not comprehensive enough.

7 Resolution 47 specifically states
8 that the lessee, Inflection Energy, agrees
9 to drill at least two wells on real property
10 subject to this lease, or on land pooled
11 therewith. So, obviously, there would be
12 some drilling going on.

13 Yet, the environmental assessment
14 form indicates that there will be no
15 disturbance of vegetation, no increase in
16 truck traffic, no increased noise, no
17 increased energy use and no anticipated
18 additional use of water. It further states
19 that there will be no effect on groundwater
20 and no effect on water quality. Although
21 I'm certainly not an expert in gas drilling
22 and production, I have visited active drill
23 sites. Clearly, those operations do affect
24 energy use, air quality, noise levels, water

Matter of Public Hearing

1 quality, increased truck traffic and
2 disturbance of trees and vegetation.

3 I ask that you revisit this issue
4 and take a more comprehensive view of the
5 process before proceeding ahead with any
6 action that would commit Broome County to
7 being part of gas drilling and production.
8 Specifically, please also review pages 6
9 through 20, and on page 20 the question that
10 is asked: Is there likely to be public
11 controversy related to potential
12 environmental impacts? This question on the
13 assessment is answered no. I know for sure
14 that at least 600 people do not agree with
15 this answer. Thank you very much.

16 THE CHAIRMAN: The next speaker is
17 Mark Kicsak.

18 A SPEAKER: Well, you know who I
19 am now. Some of you already did, I suppose.

20 The one thing that hasn't been
21 brought up here today is of prime interest
22 to me. That's why I'm here, and that is the
23 citizens that live near the Broome County
24 landfill. None of those have been even

Matter of Public Hearing

1 mentioned. None of the comments have
2 addressed this, but as part of the Citizen's
3 Advisory Council in the '80s, the county
4 revealed to us that the landfill underneath
5 cell one, the water there was polluted and
6 moving in a southeasterly direction.

7 I happened to be southeast, as are
8 some of my neighbors, and there's not a lot
9 of votes up there. But the idea of sinking
10 drills through polluted groundwater is
11 insanity. And I'm all for drilling, but I'm
12 not for drilling there. It's nonsense.

13 We all need money. We all have
14 tight budgets. You do. I do. The county
15 does. But we have been host community out
16 there, Barker, Nanticoke, and I'm in
17 Chenango, but my property borders county
18 property. You get up there and you screw up
19 my water, I'm done. My property is worth
20 nothing and I've got no water to drink.

21 Maybe you can sense that I'm hot.
22 I am. This is irresponsibility on the part
23 of the county to consider drilling one drill
24 through ground pollution that could possibly

Matter of Public Hearing

1 connect that pollution to the aquifer that
2 supplies that small community that borders
3 that landfill. That's really all I have to
4 say. Thank you.

5 THE CHAIRMAN: We have got
6 Kathleen Eaton next.

7 A SPEAKER: Good evening. I'm
8 Kathleen Eaton, a Binghamton resident. I
9 represent four generations of my family
10 which are living in Binghamton at this time.
11 Obviously, we think that it's a good place
12 to live and we want to keep it that way.

13 It's very upsetting to me that a
14 company that has only existed as a business
15 just two years offering a deal that has to
16 be agreed upon in less than 30 days is even
17 considered. After living here 50 years,
18 it's hard to believe that we just take on a
19 company with such a short record for such a
20 great, big important decision.

21 I attended the public health and
22 environment meeting. I was one of the
23 fortunate ones able to get a seat. Others
24 had to wait outside until someone left in

Matter of Public Hearing

1 order to be seated and to hear the
2 proceedings. We were not allowed to
3 participate. That's part of, I think, the
4 cause for this hearing. I believe we need
5 many more hearings. This is such an
6 important decision.

7 It was shocking to hear that
8 Resolution 46, Exhibit A, was presented to
9 the committee in such short time that the
10 chair admitted he had not had time to study
11 the document. He asked if others had had
12 time. No agreement that the document had
13 been studied was presented. Instead, it was
14 pushed to be signed, to move the lease along
15 as if we were insignificant -- as if it were
16 insignificant and, obviously, it's very
17 significant.

18 It is frightening to think that
19 such an important and potentially dangerous
20 resolution as Resolution 47 could be handled
21 in a similar manner. The public issues and
22 environment were not -- were just -- were
23 just not discussed, just deferred to the
24 DEC, the EPA. That does not give me a sense

Matter of Public Hearing

1 of protection, care or concern by this
2 legislative body.

3 Everything about this affects every
4 citizen of Broome County. Each of us needs
5 more information and time to learn about
6 this proposal. We need an economic
7 stimulus. We need a sustainable flame, not
8 a dangerous spark of the economy. Thank
9 you.

10 THE CHAIRMAN: We have now Victor
11 Furman.

12 A SPEAKER: Good evening. I'm Vic
13 Furman. I'm pro gas. I'm pro drilling. I
14 did sign this petition that went out with
15 the 600-plus signatures on it because I do
16 think Inflection is a bad choice for Broome
17 County.

18 I would also like to reiterate the
19 fact that the four legislators who would not
20 be allowed to vote should be allowed to,
21 because they are representative of many
22 people in this county, and not just the city
23 people.

24 It is important that we understand

Matter of Public Hearing

1 as a county that hydrofracturing into the
2 wall structure -- into deepwater reservoirs,
3 excuse me, that's nonsense. It's important
4 that we realize hydrofracturing the wells in
5 this county, and anywhere in this state, has
6 been going on for over 40 years. There is
7 argument about how much hydrofracture fluid
8 has been used, and the average is 80,000
9 gallons per well. The new system of
10 hydrofracturing allows deep-well drilling on
11 a 640-acre lot compared to 40 acres.

12 What the county wants to do with
13 the Broome County landfill is acceptable to
14 me and my way of thought, simply because
15 it's already polluted, as the gentleman
16 before me said. That casing -- I'm glad you
17 find this amusing. The casing that goes
18 down into the well won't be bypassed with
19 polluted water.

20 It is actually three layers of
21 casing. We have an outer casing that is
22 filled with concrete that comes up. Then
23 another casing is drilled into that casing,
24 which is filled with concrete. It comes up

Matter of Public Hearing

1 again. And then the third casing which is
2 drilled. There's absolutely no chance, and
3 there never has been, any recorded incident
4 of groundwater contamination caused by
5 hydrofracturing. That's all I have to say.

6 A SPEAKER: Dimock, Pennsylvania.

7 THE CHAIRMAN: Thank you. The
8 next speaker is Walter Hang.

9 A SPEAKER: Greetings. My name is
10 Walter Hang. I am the President of Toxics
11 Targeting, an environmental database firm
12 based in Ithaca, New York. Toxic Targeting
13 has compiled extensive local, state and
14 federal government information for more than
15 550,000 known and potential toxic sites in
16 New York. We have mapped and profiled more
17 than 6,400 sites in Broome County, including
18 landfills, Brownfields, leaking tanks and
19 spills, permitted pollution discharges and
20 hazardous waste generators.

21 I recently learned that Broome
22 County had proposed to lease more than 170
23 public properties for natural gas
24 extraction. My colleagues obtained a list

Matter of Public Hearing

1 of those properties and made a map of their
2 locations. Parcels proposed for natural gas
3 leasing included senior citizen centers,
4 parkland, watersheds, a playground, a mobile
5 home, an airport and a solid waste
6 management landfill. Sensitive receptors
7 near those parcels include schools,
8 churches, public water supply wells,
9 including one only 300 feet from the edge of
10 the property, related freshwater from
11 wetlands and thousands of residential homes.

12 All of these issues are of extreme concern.

13 It is my understanding that Broome
14 County proposed that no drilling be allowed
15 on certain parcels and that all horizontal
16 hydrofracturing extraction activities comply
17 with the Supplemental Generic Environmental
18 Impact Statement, SGEIS, the New York State
19 Department of Environmental Conservation is
20 in the process of adopting. Until an SGEIS
21 is adopted, there's a de facto moratorium on
22 horizontal hydrofracturing in New York's
23 Marcellus Shale formation. The maps are
24 available tonight at toxictargeting.com.

Matter of Public Hearing

1 You can basically see where the schools are
2 vis-à-vis the proposed parcels.

3 Toxic Targeting conducted a review
4 of hundreds of spills reportedly associated
5 with natural gas activities in New York.
6 That information was obtained from the DEC,
7 as well as health departments in Chautauqua,
8 Cattaraugus and Allegany counties. We
9 identified fires, explosions, massive
10 uncontrolled releases, contaminated water
11 supplies, as well as home evacuations. Many
12 of those problems were never cleaned up in
13 compliance with New York State remediation
14 requirements. In one instance natural gas
15 migrated 8,000 feet, literally in a matter
16 of minutes, and forced 12 homes to be
17 evacuated, and that water has been
18 permanently polluted.

19 You can also see several instances
20 of people who have either been paid off for
21 hydrofracturing, the impact on the water
22 supply, or they have received offers to be
23 paid off. That's all in New York State.

24 Given the longstanding shortcomings

Matter of Public Hearing

1 of the DEC's existing regulation of natural
2 gas extracting activities, I drafted a
3 coalition letter to Governor Paterson
4 requesting that he withdraw the draft SGEIS
5 in order to address its inadequacies. That
6 letter has now almost 10,000 signatories,
7 including hundreds of elected officials,
8 business owners and environmental group
9 individuals.

10 Moreover, the U.S. Environmental
11 Protection Agency also identified numerous
12 shortcomings in DEC's draft, SGEIS. On
13 12/30/2010, EPA Region 2 wrote, quote, we
14 have concerns regarding the potential impact
15 to human health and the environment that we
16 believe warrant further scientific and
17 regulatory analysis. Of particular concern
18 to EPA are issues involving water supply,
19 water quality, wastewater treatment
20 operations, local regional air quality,
21 management of naturally occurring
22 radioactive materials disturbed during
23 drilling, cumulative environmental impacts,
24 and the New York City watershed. EPA

Matter of Public Hearing

1 recommended that these concerns be addressed
2 and essentially environmental protection
3 measures established prior to the completion
4 of the SEQRA process.

5 So, for all these reasons, I urge
6 Broome County not to proceed with the
7 leasing of its public property for natural
8 gas extraction until a detailed sensitive
9 receptor survey has been conducted on all
10 the inadequacies of the draft SGEIS have
11 been resolved. Absent comprehensive
12 environmental assessment and rigorous
13 regulatory safeguards, Broome County's
14 environment and citizens cannot be afforded
15 adequate protection from natural gas
16 drilling activities.

17 Finally, I recently wrote
18 respectfully to County Executive Barbara
19 Fiala to bring to her attention
20 contamination problems at both the county
21 airport and solid waste landfill --

22 THE CHAIRMAN: Time.

23 A SPEAKER: -- that reportedly do
24 not meet cleanup standards, and those data

Matter of Public Hearing

1 are posted on my website. The last thing
2 that Broome County needs is more pollution
3 problems.

4 THE CHAIRMAN: The next speaker is
5 Andre LaClair.

6 A SPEAKER: Thank you for your
7 time. I'd just like to propose, and just
8 from a perspective of, if I was sitting on
9 the legislative board, I'd ask you to
10 consider the answers to a series of
11 questions on this particular matter.

12 The offer on the table from
13 Inflection Energy does represent a mostly
14 lower return than other leases that we've
15 seen in the paper. So, I guess the question
16 I would ask the legislators, what do the
17 county residents gain in return for this low
18 market financial investment?

19 So, based on that, hopefully, I
20 would ask, the next question is, do the
21 provisions of the lease provide for
22 environmental protection and oversight that
23 meet and, indeed, exceed proposed
24 recommendations and encouragements offered

Matter of Public Hearing

1 by the DEC's draft SGEIS? This is prudent
2 before we move forward to know that DEC will
3 actually require this in the future, and
4 without a clear understanding of all the
5 full range of impacts possible with this
6 relatively new form of drilling technology.

7 The next question I would offer up
8 was answered by Attorney Sluzar earlier
9 about leases of the public parks and the
10 natural places. If this is, indeed, no
11 surface rights have been offered, then I
12 believe that that's a good thing.

13 Next, does the proposed lease offer
14 any kind of phase approach to all the
15 drilling activities have a natural
16 consequence of signing the lease that will
17 minimize near drilling impact. So, the
18 impact to roads and the quality of life for
19 residents in the vicinity of those
20 activities.

21 The next question, will the lease
22 contain limitations of drilling activities
23 at the landfill that will respect
24 concessions by a promise to the people that

Matter of Public Hearing

1 live in the vicinity of the landfill that
2 have already been impacted by the activities
3 up there. The gentlemen spoke quite frankly
4 to that moments before me.

5 Then once the lease terms have
6 played out, do the legislators clearly
7 understand the consequences of the delivery
8 infrastructure upon the public, the land,
9 and if you do so, would you openly embrace
10 this if it was running across your property
11 or adjacent to where you live.

12 So, based on that, I guess if you
13 can answer yes to all those questions, I'd
14 say, by all means, vote in favor of this.
15 We certainly do have an economic, fiscal
16 crisis on our hands, but the cost may be
17 later -- worse in the future than if we rush
18 into this at this point. So, be sure you
19 understand, not only the content of the
20 lease, but a little vision to understand
21 what this is going to bring in the future.
22 Thank you.

23 THE CHAIRMAN: We're going to
24 stand adjourned for five minutes.

Matter of Public Hearing

1 (Whereupon a short break was taken)

2 THE CHAIRMAN: If everyone can
3 take their seats, we will resume this public
4 hearing. We just burned seven or eight
5 minutes. We're going to go until 7:30 at
6 this point, see how many speakers we can get
7 through.

8 We will start with -- I will start
9 with County Attorney Bill Gibson, who's
10 going to address 46. There's been a couple
11 of questions having to do with the
12 environmental assessment. I think we've had
13 three or four questions on that. Mr. Gibson
14 will try to address that for a few minutes,
15 and then we will get right back into public
16 comment.

17 MR. GIBSON: Thank you, Chairman
18 Reynolds. My name is Bill Gibson. I serve
19 as special counsel for Joe Sluzar, the
20 County Attorney; Frank Evangelisti, the
21 director of planning and economic
22 development; and I worked on some of the
23 environmental aspects of Resolutions 46 and
24 47.

Matter of Public Hearing

1 As we got into it, it turned out to
2 be kind of a strange situation. Under the
3 regulations, if a governmental entity is
4 going to lease more than 100 acres of land,
5 it is subject to a full environment
6 assessment form and coordinated review.
7 Well, we asked, who do we coordinate it
8 with, and they said, well, all involved
9 agencies. What's an involved agency? An
10 agency that has control over your proposed
11 action.

12 So, we said, well, what's the
13 action? The action is the act of signing
14 the lease. It is not really to do with the
15 use of lease premises once the lease is
16 signed, it's the act of signing the lease.
17 The only agency that has discretionary
18 control over the authority of this is Broome
19 County.

20 So, we ran into this dilemma. It
21 seems sort of circular. I mean, if we have
22 a negative declaration, but that's what it
23 sort of comes down to, that the use of the
24 premises, if the lease is authorized, is

Matter of Public Hearing

1 totally subject to DEC rules and
2 regulations, cannot be used for oil and gas
3 well drilling or surface rights unless the
4 DEC issues a permit. The county has no
5 permitting process, the DEC has totally
6 preempted, in legal jargon, the whole
7 process. So, what we came down to is the
8 negative declaration, and that was the
9 reason for it.

10 We consulted with the DEC on this.
11 We consulted with our bond counsel, the
12 environmental specialist on this. We
13 consulted with other county attorneys, and
14 the reality of it is, no county to date has
15 gone this route. We stand alone. It's
16 what's called a case of first impression.
17 So, that, hopefully, will explain a little
18 bit about what 46 is all about. Thank you.

19 THE CHAIRMAN: Thank you,
20 Mr. Gibson.

21 Our first -- our next speaker is
22 Yvonne Lucia.

23 A SPEAKER: Thank you. I'm from
24 the Town of Binghamton. I attended the

Matter of Public Hearing

1 public health and environmental public
2 meeting this past Wednesday and I was, like
3 several others have alluded to, was rather
4 alarmed that at that meeting there was
5 absolutely no discussion of either public
6 health issues or environmental issues as
7 related to the lease.

8 Despite rhetoric to the contrary
9 that it was not about the money, a segment
10 of the meeting was devoted largely to a
11 discussion about budgetary problems with
12 moneys that have already been budgeted to
13 last year's budget from gas drilling
14 revenue.

15 Secondly, I'm concerned with the
16 entire process, because I believe we would
17 not be having a public hearing today had not
18 70 concerned citizens come unannounced to
19 that meeting on Wednesday. We were given no
20 opportunity to speak because of time
21 constraints. Because of that, we approached
22 our legislators after the meeting demanding
23 to be heard, and later that night on the
24 county website was an announcement of a

Matter of Public Hearing

1 public hearing, which we are at today.

2 The third point I'd like to make is
3 the discussion of the energy corridor, which
4 was brought up at that meeting, which seemed
5 to be news to a number of people on the
6 environmental committee, including
7 Mr. Nirchi, who did state at that meeting
8 that he had not heard of this concept of a
9 pipeline or water waste treatment
10 transportation, things going on to the Huron
11 campus. I found that rather alarming,
12 again, that an issue of this magnitude was a
13 surprise to one of the legislators on this
14 body.

15 I would also like to know what the
16 people who live in the Endicott plume would
17 feel about the notion that this is coming to
18 a neighborhood near them. Thank you.

19 THE CHAIRMAN: Thank you.

20 The next speaker is Sylvain
21 Ranieri. Sylvain Ranieri.

22 All right. We will move on to Kris
23 Pixton.

24 A SPEAKER: Good evening. Thank

Matter of Public Hearing

1 you for the opportunity to speak to you. I
2 want to talk to you today about your failure
3 to consider relevant environmental issues
4 with respect to this lease, in spite of the
5 fact that this lease includes all of the
6 county parks. Cole Park, Greenwood Park,
7 Hawkings Pond nature area, Aqua-Terra Park,
8 Finch Hollow nature center, the list goes
9 on. Most of these parks include substantial
10 lakes and waterways. Cole Park, as you
11 know, is a much loved county treasure.

12 There seems to be a lot of
13 confusion in the public mind that the
14 difference between mineral rights, which
15 allow the taking of gas from under the
16 ground, and surface rights, which allows
17 drilling anywhere. This confusion was made
18 much worse by a headline in the PRESS & SUN
19 BULLETIN on Saturday, which stated,
20 "sensitive land excluded from the gas lease
21 proposal," causing a lot of people to
22 believe that Broome County had removed all
23 the parklands and sensitive wetlands from
24 the lease deal.

Matter of Public Hearing

1 Of course, this is not the case.
2 Nothing has changed. Those parklands and
3 wetlands are all part of this deal. At the
4 environmental committee meeting last
5 Wednesday, the county attorney stated that
6 the lease for this surface drilling in these
7 areas, as though that somehow makes it okay,
8 completely ignoring the fact that
9 contamination does not happen just at the
10 well pad.

11 If this deal goes through and those
12 properties are leased, there will eventually
13 be drilling pads all around the parks. The
14 drilling will go under the parklands, and
15 the chances of contaminating their many
16 lakes and waterways will be sizable. Any
17 nearby spills are apt to end up in these
18 waterways because these well pads will be
19 quite close, and in our beautiful water-rich
20 area, water travels far, carrying surface
21 pollution along with it.

22 Methane migration, which has been a
23 common problem in Pennsylvania, may be a
24 problem here, too. There is even the

Matter of Public Hearing

1 possibility of an explosion or other
2 catastrophic accident. Accidents happen.

3 There will certainly be increased
4 air pollution from diesel fumes from the
5 many trucks which are required to drill or
6 frack a well, and later from the conditions
7 related to that gas production facility.

8 The peace and tranquility, which we all seek
9 when we go to a park, will be permanently
10 destroyed, replaced by the heavy industrial
11 activity that is required for natural gas
12 extraction and production, like pollution,
13 noise pollution, air pollution, water
14 pollution. These will define the
15 profiteering for the next 30 years if our
16 parks are leased.

17 Imagine taking any one of our parks
18 and putting it in the middle of a highly
19 industrialized zone. Imagine industrial
20 activity, noise, smells, light, unceasing 24
21 hours a day, 7 days a week, surrounding the
22 park. Imagine never knowing what might be
23 in the water in the lake or in the stream
24 that runs through the parks.

Matter of Public Hearing

1 You don't have to drill through the
2 surface of the park to have all of these
3 problems. Put the well pads nearby, close
4 enough to drill under the parkland and you
5 will effectively destroy the value of our
6 parks and wild areas for all of us.

7 I was at the meeting last Wednesday
8 of the public health and environmental
9 protection meeting. I expected to hear the
10 members discussing all the issues that I
11 just mentioned, plus a lot more. I was
12 shocked when not one of these issues was
13 mentioned. There was no discussion
14 whatsoever of the environment.

15 Please fulfill your responsibility
16 to protect the health and welfare of the
17 citizens of Broome County, reject this lease
18 proposal. Do not let yourself be railroaded
19 into signing away these mineral rights for
20 short-term gain and long-term ruination of
21 our precious public natural resources.
22 Thank you.

23 THE CHAIRMAN: We have got Steve
24 Westcott. Steve Westcott.

Matter of Public Hearing

1 We will move on to Alan Hochberg.

2 A SPEAKER: I will be brief

3 because many of the things I was going to

4 say have already been said by others.

5 Just to summarize, it's clear that

6 this is a very complex issue which needs a

7 very comprehensive study of the

8 environmental and the economic impacts and

9 really needs an independent scientific

10 study, such as by the EPA, due to signings

11 before the drilling.

12 I'll just skip over -- just to

13 personalize it. I was in Dimock. There's

14 some talk about how great the DEC is. Well,

15 I went there and I saw home after home

16 polluted, which was 1,000 feet away from

17 their homes, 1,000 feet. What is the

18 current regulations in the SGEIS as far as

19 how far from a municipal well someone can

20 be, 1,000 feet. 1,000 feet.

21 The other thing is, when I even

22 initially read this document, in about 10

23 minutes I found information of the 255

24 spills that Walter Hang exposed, in about 10

Matter of Public Hearing

1 minutes, which was not even mentioned in the
2 document. Of course, I'm just like stunned
3 and stunned and stunned from what I
4 intensively read -- you know, studied this
5 issue, especially in the last three to six
6 months. For example, people have mentioned
7 this, the 2005, the exempt -- that gas
8 hydraulic fracturing is exempt from many
9 environmental regulations, including the
10 Safe Water Drinking Act.

11 The thing with Broome County, with
12 all due respect, it looked at economic
13 analysis. I think they're very superficial.
14 What's fundamentally wrong with them, what's
15 fundamentally wrong, it even lacks common
16 sense, is they don't look at the negative
17 impact or what primarily was called the
18 extraneousities, such as air and water
19 pollution and how they will be paid for, and
20 the impact of them. So, it's very,
21 extremely superficial and looking at just
22 short-term economic impact, not even long
23 term.

24 So, this is -- based on that, I'm

Matter of Public Hearing

1 just urging people to vote no. When people
2 I speak to and are more knowledgeable about
3 these things, it seems hard to believe how
4 someone would want to vote yes. Thanks.

5 THE CHAIRMAN: I have Mr. Nixon.

6 A SPEAKER: I was wondering if
7 Dixon or Nixon. I'm here on my own, I'm not
8 with any group. I'm just representing
9 myself and my public access broadcast, TV
10 broadcast on Tuesday nights at 7:00 PM. I
11 did do a broadcast on this a month or so ago
12 and I'm not going to repeat it, but I have
13 something to say. I jotted down a few
14 comments.

15 America the Beautiful, we know the
16 song, versus America the desecrated, and
17 there's no song on that. No one sits down
18 to write a song about America the
19 desecrated.

20 Scranton during the 1940s, and I
21 went through there in uniform, was ugly. It
22 was a coal mining slag heap city. Now, 60
23 years later, it has been cleaned up at great
24 cost over those years, as you probably know,

Matter of Public Hearing

1 many of you. So, they had to repair what
2 went wrong. I don't want that to happen to
3 Broome County. Right now, they're better
4 than us in terms of beauty.

5 Now, early on, California and
6 portions of other western states, including
7 desert basins, were desecrated from
8 free-wheeling mineral and metal mining.
9 Then it mostly ended, partly because the
10 federal government set aside and protected
11 what is now beautiful portions of America,
12 the national parks, the forests, those
13 special mountains and those special desert
14 basins. If you haven't gone through them,
15 go through them, they're beautiful.

16 Other land portions of America, in
17 Oklahoma, Texas, Louisiana, and other
18 western and southwestern states are now
19 desecrated and ugly because of oil and gas
20 mining. The Dnieper River in the old Soviet
21 Union that runs north to south, that empties
22 into the gulf, that empties into the Black
23 Sea, I was there, I was in the Ukraine. It
24 was polluted by industrial waste sanctioned

Matter of Public Hearing

1 by the government.

2 Now, that's what happened in the
3 Gulf of Mexico. The drilling in the Gulf of
4 Mexico was sanctioned by the federal
5 government, and that's -- we repeated what
6 the Soviets did in the Gulf of Mexico, and
7 now that's the problem.

8 I don't think anyone can deny that
9 most land in our country, in our County of
10 Broome, is mostly beautiful. Principally,
11 county-owned land, by design, from the
12 initiative of the people and because they
13 are wise, they let the government
14 representatives make it happen.

15 Things have appeared to have
16 changed. At a meeting with Joe Sluzar, who
17 was representing Barbara Fiala, I think it
18 was two years ago or last year, he spoke
19 about gas drilling, fracturing, the whole
20 process. He put some of it to us tonight,
21 and he promoted it, both on private
22 properties and the Broome County public
23 land. I think he was representing a
24 major -- major special interest gas

Matter of Public Hearing

1 companies behind this PR campaign.

2 THE CHAIRMAN: Time, Mr. Nixon.

3 A SPEAKER: Then, since state and
4 federal governments have become more
5 involved, in the end, I think, that many
6 who -- that those of you who do vote against
7 this will come before the voters, and based
8 upon this vote here, you will lose your
9 jobs. I think that might happen.

10 I'm going to propose detailed
11 Broome County and private land gas maps, not
12 this map. I want a real comprehensive map
13 put forth by the gas company, Inflection,
14 other drilling companies and from Broome
15 County.

16 The names of fracturing chemicals
17 to be pumped into the ground, I want to know
18 exactly what those -- the names of those
19 chemicals will be.

20 And details of how groundwater
21 aquifer under Broome County will be changed
22 from gas drilling. How will water treatment
23 facilities affect -- be affected by -- how
24 will the watershed be affected by these gas

Matter of Public Hearing

1 drilling facilities?

2 And when they leave, what will be
3 left, when that gas drilling company leaves?
4 Will it be different or the same from
5 watershed aquifers supplying water to
6 Syracuse and New York City, where gas
7 drilling was withheld or prohibited? Why
8 are we doing it here and they're prohibiting
9 it? What are the reasons? On this issue,
10 would you be agents of the people or of the
11 gas drilling companies?

12 I think a nonbonding, nonbinding
13 resolution should answer this issue. Put it
14 before the people, nonbonding resolution.

15 THE CHAIRMAN: It's time.

16 A SPEAKER: Then the issue of
17 liability, if something goes wrong, if we
18 have something -- if we have a disaster,
19 and it can happen any time.

20 THE CHAIRMAN: That's five
21 minutes.

22 A SPEAKER: Who will be liable?
23 Will Broome County be liable? Will the
24 representatives of Broome County be liable?

Matter of Public Hearing

1 What will happen there? Or will the people
2 be liable for a gas drilling disaster in
3 Broome County if this goes through?

4 I suggest on the -- for the people,
5 and I think I do represent most of the
6 people --

7 THE CHAIRMAN: Mr. Nixon, we've
8 got --

9 A SPEAKER: -- please vote against
10 this issue, 46 and 47.

11 THE CHAIRMAN: Our next speaker is
12 Barbara Thomas. Barbara Thomas. Barbara
13 Thomas.

14 Charlie Manasse. Charlie Manasse.

15 A SPEAKER: Thank you. Chief
16 Executive Fiala, legislators, citizens,
17 thank you for this opportunity.

18 I am reminded of about three weeks
19 ago when about 300 of us went on buses, went
20 to Albany. I don't know if Clifford Crouch
21 is here. Clifford Crouch is an assembly
22 person for New York State representing
23 Chenango County. And Clifford Crouch, I'll
24 paraphrase briefly what he said, and I'll

Matter of Public Hearing

1 add a time element that's mine.

2 Basically what he said, I feel like
3 Elizabeth Taylor's eighth husband. I know
4 what I've got to do, but how can I make it
5 interesting and in under five minutes. That
6 was supposed to be a joke.

7 I come to you in a couple
8 capacities. I'm the former town supervisor
9 for the Town of Barker and, also, I am the
10 chairperson of the steering committee at the
11 Countyline Landowner's Coalition, with over
12 20,000 acres and growing. As far as this
13 contract with Inflection is concerned, I
14 urge the legislators to vote no against both
15 46 and 47 resolutions. I've been studying
16 this thing for two-and-a-half years, as have
17 most of the people involved in coalitions.

18 I'm also upset the four legislators
19 who have been asked not to comment, not to
20 vote on this, have been recused from this, I
21 would ask the attorney, the County Attorney
22 to reconsider his opinion of that. As far
23 as I remember in school, I was taught that a
24 person is innocent until proven guilty.

Matter of Public Hearing

1 And as far as conflict of interest
2 is concerned, again, the vice president of
3 this country in the past administration had
4 obvious conflicts and, you know, has not
5 been asked to recuse himself from that
6 legislation.

7 Another observation I would like to
8 make, and I will try to keep it under five
9 minutes. I'm not good at that. Of all of
10 the speakers here today, I've listened to
11 the whole thing, it's interesting, there are
12 people who are totally against drilling in
13 any form, okay. They don't want any
14 drilling. Then we have people in coalitions
15 who are coming up here. I have not heard, I
16 think maybe one opinion from one of the
17 labor unions that is for passing the
18 contract with Inflection. But, basically,
19 all the people who are anti-drilling, are
20 anti-drilling.

21 Then we have the people from the
22 coalitions who have studied this, and the
23 legislations who have studied it. It's not
24 a good deal. So, to me, the vast majority

Matter of Public Hearing

1 of the people here, we're kind of all on the
2 same side of the issue, whether we favor
3 drilling or not drilling, you're against
4 this contract with Inflection. All together
5 on that.

6 There's some serious questions I
7 have about it. Is my time almost up? The
8 -- I heard one of the provisions was that
9 they were going to pipe leachate from the
10 county landfill. Actually, I was -- when I
11 was town supervisor, that was in the '70s,
12 late '70s and early '80s, I was involved in
13 the original deal, which the Town of Barker
14 spearheaded, which allowed the county
15 landfill to be in the Town of Barker.

16 There was a leachate problem back
17 then. And, unfortunately, it got passed and
18 that was where the landfill ended up. They
19 promised never to expand it. And I don't
20 know, it's what, several thousand acres now.

21 Be that as it may, one of the
22 provisions which I understand is to pipe the
23 leachate, which now is in excess, it can't
24 be handled and treated at the landfill.

Matter of Public Hearing

1 They're trucking it to Ithaca and other
2 processing plants. So, the concept of
3 piping it to the Huron campus, I think is a
4 great one.

5 I do have some serious questions
6 about the capacity of the processing plant
7 at the Huron campus. Can it handle the
8 leachate? Can it handle all those fluids?
9 So, that's an issue.

10 Also, the price of \$3,000, with all
11 due respect to revenue anticipation, as a
12 executive for the Town of Barker, I had
13 serious questions, too. And with all due
14 respect to anyone that does a budget, you
15 don't have any idea what the revenues are
16 going to be.

17 You're trying to figure a tax base.
18 You're trying to keep it as low as you can.
19 You cannot anticipate sales tax revenues,
20 there's a lot of things you cannot
21 anticipate. So, with all due respect to the
22 budget, unfortunately, the gas revenues
23 which were probably going to happen did not
24 happen. But to sell them now for \$3,000 is

Matter of Public Hearing

1 very shortsighted, especially with what's
2 going on in Pennsylvania.

3 The other thing is, as was
4 mentioned earlier by an earlier speaker, it
5 was said that one of the justifications for
6 accepting that lower number is that they're
7 taking land that may not be suited
8 geologically for drilling. Well, the truth
9 of the matter is the deals were negotiated
10 with coalitions, with their entire lands in
11 the coalitions in Pennsylvania. So, there
12 were lands in those deals that also were not
13 suited or may not have geological
14 characteristics capable of drilling. So,
15 that aggregate price of 3,000 is much too
16 low based on those comparisons.

17 I would also say that the county
18 has sponsored several gas summits, to which
19 local coalitions steering committees members
20 were invited, and I attended several of
21 those and I thank the county for sponsoring
22 those.

23 I thought the coalitions
24 representing so much land as we do, would

Matter of Public Hearing

1 work with the county. If the legislature
2 accepts this \$3,000 per acre number, it
3 undercuts all the rest of us. We're shot.
4 Inflection or whoever else is going to say,
5 well, your county said it's three grand an
6 acre, you should, too. So, I'm against it
7 on that.

8 Okay, also I will say, earlier it
9 was said --

10 THE CHAIRMAN: Time.

11 A SPEAKER: I'll just quickly say
12 that the 640-acre size is plus or minus 10
13 percent. You subtract 64 from 640, it drops
14 down to about 560, 570 -- okay, 580. Excuse
15 me.

16 When you do that, you only need 60
17 percent of that. The land in Cole Park
18 makes that unit feasible to allow compulsory
19 integration for any one of the neighboring
20 properties. And, also, the state has 40
21 acres in amongst the drilling in the other
22 units, which they can compulsorate (sic)
23 almost anybody in the county. If they have
24 control of 60 percent of a 40-acre parcel,

Matter of Public Hearing

1 that's 24 acres.

2 Thank you. Please vote no to both
3 Resolution 46 and 47. Thank you.

4 THE CHAIRMAN: It's 25 of 8:00 at
5 this point, and we've got another 36 people
6 that have signed up, which will be
7 approximately two hours' time. We don't
8 have the -- we have the building open.
9 We've got the stenographer for a certain
10 period of time. We don't have time to
11 continue at this point.

12 So, for those of you that came here
13 tonight, were unable to speak publicly, I'm
14 sorry about that. We did the best. I would
15 urge you to submit written comments to the
16 legislative clerk. I've given you Chris
17 Marion's e-mail address once. I'm going to
18 give it to you again. It's
19 cmarion@co.broome.ny.us, or our fax,
20 778-8869.

21 You can submit comments right
22 through the end of business on Wednesday.
23 They're going to be considered part of the
24 public record. We will provide those and

Matter of Public Hearing

1 receive those. So, with that, this meeting
2 is closed.

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1 STATE OF NEW YORK :

2 COUNTY OF BROOME :

3

4 I, TROY KELLEY, Shorthand Reporter, do
5 certify that the foregoing is a true and accurate
6 transcript of the proceedings In the Matter of a Public
7 Hearing Regarding Broome County Resolutions 46 and 47,
8 held in Binghamton, New York, on July 19, 2010.

9

10

11

12

TROY KELLEY

13

Shorthand Reporter

14

Notary Public

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24

Marion, Christopher H.

From: Cindy Stephens Westerman [raindrop@stny.rr.com]
Sent: Tuesday, July 20, 2010 4:36 PM
To: Marion, Christopher H.
Subject: My comments on County leases for mineral rights
Attachments: County lease comments.doc

10 JUL 21 AM 9:40

RECEIVED
OFFICE OF CLERK
COUNTY LEGISLATURE
BROOME COUNTY, NY

Mr. Marion:

I am attaching my comments in a MSWORD file. In case you can not read them in this format, I am also including them below. NOte that both sets of comments are identical. (I hate it when people send me things twice and do not say this.) I hope you can get these to the legislators **before voting on Thursday**.

Cynthia Westerman
Vestal, NY

I am one of the 36 people who signed up to speak at the public hearing Monday and was unable to due to time restraints. I am sending my comments now. I hope you will give these to the legislators for their consideration **before voting**.

First, Broome County has been much too aggressive in the whole gas drilling activity. I note that other nearby Counties such as Tompkins and Sullivan have been very cautious and even declared that there land would not be leased until the DEC analysis is concluded or even later. I am very ashamed that Broome (my County) is not being cautious and even trying to market its land for drilling.

Next the Economic Report done by the Texas professors last summer was totally useless and worse misleading. Who ever heard of an economic analysis only listing the positives? There were so many negative factors which were not even looked at. I am ashamed my County government wasted so much money on such a worthless document.

I do compliment the County for getting money in its lease for an environmental inspector that the **County** chooses. That is about the best thing in the lease agreement I have read about.

I consider it good that the agreement bans drilling at the landfill property but would not one be crazy to allow drilling there? I also note Mr. Sluzar touting that there will be no drilling in parks and "watersheds". I cover parks in the next paragraph. However, "watersheds" really! That has no meaning. We all of us live in some watershed. I assume he means headwaters of creeks or rivers or possibly "sensitive" watersheds. I have been surprised that no one has called the County executive or Mr Sluzar on the confusing use of this word publicly before this.

My main comment which I have left for last concerns the leasing of mineral rights to parks- particularly the wilderness parks -Aquaterra and Hawkins Pond. People go to these parks to get away from noise,

7/21/2010

cars and industrial activity. The County is very fortunate to have two parks like this which are not developed. By leasing mineral rights near these parks, the County is inviting a complete change in their character. In order to obtain the mineral rights, it will be necessary to drill next to the parks. Not only may this force neighbors into compulsory integration but it will bring drills, surface disturbance, lights, noise and trucks to the periphery of these **quiet** undeveloped parks. Please, please, if the the County must lease mineral rights, do **not** lease them under any park but particularly these two: Hawkins and Aquaterra. I am sure I am not the only resident who goes to these facilities to get completely away from modern life. You will hear a lot of us complain once the quiet and rural character has been ruined.

Thank you for considering what I say and hopefully voting against the current lease proposal,

Cynthia S. Westerman

Vestal Resident

Marion, Christopher H.

From: Charlotte Schotanus [cschot@stny.rr.com]
Sent: Tuesday, July 20, 2010 3:06 PM
To: Marion, Christopher H.
Subject: My presentation at hearing 7-19-10
Attachments: "Certification"

The following is my presentation at the hearing on 7/19/10.

July 19, 2010 presented by Charlotte Schotanus, 369 Port Road
Binghamton, NY 13901 (Town of Chenango)

County Executive Fiala, Legislature members, and attendees at this hearing:

With regards to signing a lease to allow hydrofracking on Broome County land, I ask that you remove your "money" blinders and consider the ultimate devastation that all of this will cause to our county.

We are looking at the destruction of our landscape and the animal and birdlife habitats, contamination of our rivers, lakes, and streams, and most of all our drinking water supply—public water and many, many private wells. On top of all of this, we will have many increased health problems such as cancer, neurologic, endocrine and genetic problems, etc. We need to not be so interested in the money but more concerned about the life of future generations. Would you want to destroy the health of your grandchildren, future grandchildren, etc?

What about the food you eat. Any of us that grow our own crops will have contaminated soil. Would you want to eat anything that could possibly have carcinogens in it?

I feel that the county should not be in such a hurry. The gas is not going anywhere. It has been there for millions of years and will still be there once the DEC and EPA have come out with their guidelines.

Remember, the economy always has an upturn and downturn but our water, air, and environment cannot be replaced.

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COUNTY LEGISLATURE
BROOME COUNTY, NY

10 JUL 20 PM 3:13

Please do not approve any lease agreement at this time but wait and see what the overall guidelines are to be recommended. There are many other things involved such as protecting the integrity of our roads, the safety of our children traveling to and from school, the safety of the use of our parks, etc. Don't be in such a rush just because you see the dollar signs in front of you. Your first obligation is to the protection of our community, not its destruction. Clean water is our lifeline. Please vote against the hydrofracking lease.

10/11/2010 10:11:11 AM

Marion, Christopher H.

From: Tim Krein [timkrein@stny.rr.com]
Sent: Tuesday, July 20, 2010 1:12 PM
To: Marion, Christopher H.
Subject: gas lease resolution #46 and 47 of the legislature

10 JUL 20 PM 1:26

RECEIVED
 OFFICE OF CLERK
 COUNTY LEGISLATURE
 BROOME COUNTY, NY

Dear Broome County Legislature:

We are writing to urge you to vote "NO" on resolution #46 & #47 – the leasing of Broome County public land for oil and natural gas rights.

The leasing of public land requires much more in-depth study. It should not be a decision that is rushed into. Here are just a few reasons why leasing public land for oil and natural gas rights in Broome County is not a good idea:

- 1) If this is about money and jobs, you absolutely must vote "NO" on this resolution.
 - If it's about money, we're not sure you can put a price on public land like Greenwood Park, Nathaniel Cole Park, Hawkins Pond Nature Area, etc. If you think you can put a price on public land or think you have the right to put a price on it, \$3000 / acre with 20% royalty is woefully inadequate. These areas are true gems of Broome County. The fact that you would risk them in a deal for which no one knows what safeguards will be put in place is irresponsible. And even the land coalitions are saying the offer is too low. If you lease it they will drill and in fact, your documents require that they drill at least 2 wells. So indicating that signing the lease has no environmental impact is by itself factual, but you cannot ignore that they will drill and thus there will at the very least be impacts to our roads, air quality, natural quiet, and communities. Moreover, there is enormous risk of damage to wells, ground water, and the environment, under the current regulations (or lack thereof (lack of Clean Water Act, Clean Air Act, etc.). And please don't cite a publication (SGEIS) that doesn't exist yet as a protection in this matter.
 - If it's about money, how much will it cost to clean up our parks if there is an accident? Have you considered this? Who will pay for it? What if the company responsible refuses or can't clean it up? What then? Is enough money set aside for cleanup efforts? Will you be setting aside money to buy land and relocate Greenwood Park or Cole Park or Hawkins Pond Nature Area etc. in the event of an accident?
 - If it's about money, who will pay to fix damaged roads? What is the estimated amount of damage expected? Are you offloading this cost to the towns and taxpayers? Your resolution states that overweight vehicles need to apply for a permit. Is that all? Just apply for a permit and you're good to go?
 - Jobs – most everyone knows that the jobs gained on this venture will be short term. Many of the jobs will be filled by the drilling companies themselves, bringing their trained staff in from other areas.
 - If this is about jobs, consider this: upon graduating from Clarkson University in the late 1980s we thought long and hard about where we wanted to settle and raise a family. We looked into areas like Research Triangle Park, etc. In the end, we decided to stay here in the Southern Tier. It's beautiful here with plenty of green space and natural quiet and it's a short drive to work and services from our fairly rural home on 2 acres. We both work and have good jobs here and are raising two children here. If you promote turning this area, especially our rural areas, into what will become a major industrial zone, we no

longer want to live here!

- 2) It's public land and thus it belongs to the community. Placing our parks in the middle of an industrial area is not what they were set aside for. These areas are set aside in perpetuity for future generations. We grew up going to Cole Park and now we take our children to Greenwood Park. The money you will gain from this "deal" is a short term advantage. What's the future price our parks will pay?
- 3) Simply relying on the DEC's SGEIS is inadequate. I'm confused by the resolution. Are you saying that you don't need to do an Environmental Impact Statement for the Parks? Yes we realize you've stated that there won't be surface drilling – but there will still be impacts to these areas. Each of these areas is unique and will require it's own Environmental Impact Statement. Pollution knows no boundaries! The air will be impacted, the natural quiet will be impacted, etc. It will be up to you to safeguard these areas with a specific EIS. Don't shortchange the people, especially our children.
- 4) Has the Broome County Legislature considered the impact that leasing the public lands will have on the neighbors of the leased lands? If Broome County agrees to the lease, it appears as though the compulsory integration clause will be easily enacted. So the government will be forcing individuals into compulsory integration. Is that really the kind of tone you want the legislature to set?
- 5) If you're the first county to go ahead with this, and you're the ones blazing the trail, well...that should say something. Take a step back. Vote "NO" on this resolution. Study the issue some more. The gas isn't going anywhere and you must consider ALL the issues before going any further with this otherwise you're shortchanging everyone.
- 6) Inflection Energy does not seem to be the best choice. You have but to do some research to see why. (Please look into this company further before voting).

Why is Broome County in such a rush? This whole thing sounds like a used car deal. The offer is only good until the end of the month? Fine. Then please reject it. Another offer will come along. There is no risk in waiting. But there is much to gain in waiting:

- 1) A better lease deal if indeed it's only about the money. But even if a better deal comes along, consider the total loss of such a venture and see if the \$ coming in truly outweighs the costs.
- 2) Better regulations to safeguard our air, land, and water.
- 3) Perspective. Whenever we've personally rushed into something, we've regretted it.

While you deliberate this, I'd like you to consider pushing this topic aside for 5 years or more. Time will tell whether the risks outweigh the benefits. The gas isn't going anywhere. And the longer you wait, the more the gas will be worth. Consider banking it for future generations, for a time when the people of Broome County, NYS, and the US really, really need it. Then it will be really worth something! And perhaps by that time, a much cleaner and safer method of extraction (and better regulations) will have been developed. And in that situation, there will be no controversy.

Sincerely,

Diane & Timothy Krein
4616 Foster Valley Road
Endicott, NY 13760

Marion, Christopher H.

From: Patricia Kane [pakane@stny.rr.com]
Sent: Tuesday, July 20, 2010 10:35 AM
To: Marion, Christopher H.
Subject: Comment on Broome Land Lease

10 JUL 20 AM 11:52

RECEIVED
OFFICE OF CLERK
COUNTY LEGISLATURE
BROOME COUNTY NY

Daniel Reynolds
Chairman Broome County Legislature
Broome County Office Building
60 Hawley Street, PO Box 1766
Binghamton, NY 13902

Dear Mr. Reynolds:

As life-long residents of Broome County we are urging you and other Legislators to vote "No" on the leasing of property owned by Broome County for gas production. We believe that this is not in the best interests of the residents of Broome County for the following reasons:

1. While there has been "talk" of the county leasing land for a couple years, only this month did the "deal" materialize – and it must be signed by the end of July. This short period for public input is a slap in the face to the residents of Broome County. Only this week was a public hearing publicized – to be held within a week of the notification. Since no drilling permits can be issued – what is the hurry? The gas will be there. Is this leasing company in a hurry to sell the county lease to another company – at a large profit (which the residents of Broome County will not share in)?
2. The actions of the County Executive over the past two years regarding inclusion of leasing monies in the budget have been inappropriate. The actions of the County Executive in the promotion of natural gas drilling in the county without recognizing any of the negative effects of gas drilling, especially water contamination, have not been in the best interest of the residents. Indeed, in all the information regarding gas production on the County website, no negative information is presented. As county land has not been leased out, the inclusion of the funds in the budget, leads to an automatic deficit. That would be like us counting our lottery winnings as income, prior to winning the lottery. It amazed us that the Legislature also went along with this scheme. So now the mantra is "unless we lease the county land there will be a deficit and we will need to raise taxes". Shame on all of you. We have supported the County Executive at the polls in the past; it is unlikely we will continue this support.
3. There is not enough information on the company intent on leasing the land, thus transparency in this situation is almost nonexistent. There is no company website, and the only information found on the "personnel" is their past employment history – which is active at best, and with mostly defunct companies. This does not appear to be a stable company, and certainly it does not have a track record. Has the question been asked – where are they getting the funds to do this?
4. The "deal" indicates that there will be no surface operations on wetlands or park land – so exactly where will the surface operations be done – on neighboring land included due to the compulsory integration allowance? Has the county discussed this with the adjoining land owners? If the county is so supportive of drilling – let the company drill in the parks if it is so safe. Don't come through the back door and try to put a pretty face on it.

7/20/2010

5. Lastly, we are beginning to ask if our elected representatives can read, can Google, or are even interested in knowing if there is a downside to natural gas drilling in Marcellus Shale, especially since our neighbors to the south have had such terrible experiences. There have been virtually no statements from our government officials indicating that there may be a downside to natural gas drilling in Marcellus Shale. Are you willing to take the responsibility for inflicting this on the residents of Broome County? Has there been any discussion among the Legislators regarding negative impacts of drilling? Has there been a discussion of what the county will do if there is contamination of the drinking water? Have county legislators reached out to the residents they represent (other than those promoting gas leasing) to obtain their opinions? Our legislator has never contacted us regarding this issue or any others. We are pleased that those legislators with leasing contracts may not participate in this discussion or vote. That is appropriate, despite the argument their constituents are not represented. The basic conflict of interest should be understood by all legislators – you don't vote on issues you have a financial interest in.

We would like to provide information of "where we are coming from" in our comments. We have lived and farmed in the Town of Fenton for over 30 years, and while the press and government officials have characterized landowners as being pro gas drilling, that is not always the case. We are landowners and we do not support gas drilling, due to the very great potential for impacting the water supply. As the town has increased population, we have seen our water well depleted, resulting in the need to drill an additional well to support our cattle. We are nearing retirement age, and yes – the dollars for leasing are very attractive. We are members of a land owner's coalition – for the sole purpose of protection of our water. It became apparent early on in this process that the county government, the state government and the Federal government were not going to protect our water supply. We believe that the only protection we may have is with a strict lease with the gas company. We own a farm that we want to remain a farm, so we will not be leasing for a well site. We believe the residents of Broome County are going to be between a rock and a hard place – once gas drilling is initiated it will be difficult to sell a house; banks are already not providing mortgages to homeowners with leases. So if we near our retirement age, and want to leave the area and have a lease on our property, we may not be fortunate enough to find a buyer.

These are all issues that the Legislature must consider. The Legislature needs to postpone any action on this lease. Please respect our comments on this issue and give the Broome County residents additional time to provide feedback to you and for the legislature to gather the information that is needed to make this decision.

Sincerely,

Michael & Patricia Kane
472 Monkey Run Road
Port Crane, NY 13833

Marion, Christopher H.

From: Robert Knight [bobknightus@yahoo.com]
Sent: Tuesday, July 20, 2010 7:42 AM
To: Marion, Christopher H.
Cc: Bob Knight
Subject: Vote Against Drilling

10 JUL 20 AM 8:50

RECEIVED
OFFICE OF CLERK
COUNTY LEGISLATURE
BROOME COUNTY, NY

Tuesday, July 20, 2010

To Broome County's legislators:

I respectfully and firmly request that you vote against the proposal involving Inflection Energy's offer to lease certain Broome County land for natural gas extraction purposes.

I base my request on three basic, critically important conclusions:

First: The County's proposed lease deal is not in the economic best interests of the County. As documented, the amounts of the lease payments are far too low compared to similar lease deals. The county residents do not even get free or discounted use of their own county's natural gas in their homes, schools and businesses. Leased county lands suffer the extraction process while the extracted gas travels elsewhere to heat homes, schools and businesses out of state.

Further, the gas company in question appears to be an unreliable partner according to reports made at last night's meeting. Can the County count on that company to meet all its obligations, including all liability for damage and loss to others? In sum, does any of this make sense?

Second: Entering into the proposed lease exposes Broome County itself to potential major liability in the event of catastrophic loss, despite its attempts to contract or legislate away, or insure against, such liability. Could county taxpayers have to pay to cover County losses?

More important, the County's entering into this gas lease deal exposes the entire Broome County community to an unacceptable risk of catastrophic loss. Accidental drilling and well failures deep in the earth could pollute broad areas of the Susquehanna River and its watershed in ways that could never be cleaned up, due to the extreme depths and scope of the pollution plume, in contrast to the shallow, limited pollution plume in the Endicott area. As has happened elsewhere, the county could then face toxic drinking water. In a worse case scenario, with regional water contaminated, if clean water could not be piped in from elsewhere, then people and industry in our county could be forced to relocate. Does that sound extreme? Why? This may have been the very thinking of NYC's government leaders when they called for their Catskills watershed to be off limits to drilling. The small, limited, temporary gain was just not worth the risk to its people.

Third: Broome County's role in the larger gas extraction process between private landowners and various gas drilling companies should be as a supporter of its citizens, or at least as a neutral, independent arbitrator, separate from the courts, to help settle the inevitable disputes which will follow the drilling and pipelining of our county region. The County's role would be seriously compromised with a major conflict of interest, due to its own natural gas drilling deal. Its residents, looking to the county for help, would suffer the consequences.

7/20/2010

Every once in a great while, you, as County legislators, must face a decision that will seriously and profoundly affect the lives, the livelihoods and well being of every resident of Broome County. That's why you applied for the job. To make a difference when it really counted. Your role is primarily to protect all of us who live here from harm, especially from outside interests, and to enhance our values, our long term well being and our way of life. Today, that duty calls for you to vote against the proposed deal to lease county land for natural gas drilling.

Thank you.

Respectfully submitted,

Robert C. Knight

Marion, Christopher H.

From: Jildarush@aol.com
Sent: Tuesday, July 20, 2010 7:29 AM
To: Marion, Christopher H.

10 JUL 20 AM 8:50

Subject: Gas Drilling in Broome County or anywhere in N.Y. - Cement Failure

RECEIVED
OFFICE OF CLERK
COUNTY LEGISLATURE
BROOME COUNTY, NY

Dear County Representatives,

I am sending you an article I published in the Press-Sun Bulletin that briefly explains problems with cementing gas/oil wells. Cement failure was the cause of Dimock, PA and the Gulf of Mexico well failures, and many others. Here is the article:

Gas Fracking and Cement Cracking

Everyone is familiar with cement. But have you ever thought about its use in gas wells?? In the gas industry, cement plays a crucial role!!

First, the driller penetrates all the strata and the "cuttings" are removed, leaving a bare borehole. Next, a metal pipe called a "casing" is placed in the borehole. Most people believe fluids and gases can't possibly get through the casing, therefore the casing will protect underground aquifers from contamination. Wrong!! Pollution can still occur in the space between the outside of the casing and the inside of the borehole, called the "annular space". This is why drillers force a Cement mixture down the inside of the casing, then up the outside of the casing into the "annular space" until the cement fills this area and returns to the surface. This cement is the CHIEF mechanism for protecting water sources from contaminants!

Having been an Asphalt/Concrete Materials Tester, I am concerned over the extreme conditions deep drilling operations will exert on this concrete. Portland Cement by nature is too brittle and low in tensile strength to withstand pressures and vibrations. A study, conducted by the Petroleum Industry itself, titled "From Mud to Cement-Building Gas Wells" illustrates the results of improper cement selection and design. (Google this title to download the study.) - "Since the earliest gas wells, uncontrolled migration of hydrocarbons to the surface has challenged the oil and gas industry. Gas migration can lead to sustained casing pressure (SCP). By the time a well is 15 years old, there is a 50% probability it will have measurable SCP in one or more of its casing annuli. However, SCP may be present in wells of any age. **CEMENT DAMAGE CAN OCCUR LONG AFTER THE WELL CONSTRUCTION PROCESS.** Even a flawless primary cement job can be damaged by rig operations occurring after the cement has set. The mechanical properties of the casing and the cement vary significantly; consequently, they do not behave in a uniform manner when exposed to changes in temperature and pressure. As the casing and cement expand and contract, the bond between the cement and casing may fail!"

Conventional cement is designed for optimal ease of placement and strength. Emphasis on strength at the expense of durability often leads to the development of SCP. Conventional cements also shrink during setting. Therefore, specially engineered cements can and should be designed which expand, thereby tightening the hydraulic seal; and, flex in unison with the casing rather than failing from tensile stresses!!

Each gas well needs a cement designed for its specific geological attributes. However, this requires

significant underground studies, then incorporating the data into computer simulated wellbore models so the cement can be subjected to the same pressures, temperatures, and chemicals actually encountered underground. Drillers rarely conduct these studies. State regulators and citizens should demand such studies to ensure proper cements are designed; especially since Pennsylvania DEP proved that cement failure caused contamination of several water wells in Dimock!! Remember, proper cement is the CHIEF mechanism to protect water sources from contaminants!! Submitted by, Jilda Rush, former Oregon DOT Engineer. (81 Farr Rd., Windsor, NY 775-1187)

Gas drilling is not as fool-proof as you may have been led to believe. "Thank You" for allowing me to submit my comments. I have much more information on this topic that I have submitted to DEC. If your staff is interested please contact me. -- Jilda Rush

Legislators of Broome County,

I ASK YOU TO VOTE NO to the lease proposal from INFLECTION ENERGY LLC:

Resolution #46 states "the County Legislature, based on the Environmental Assessment Form (Exhibit A), hereby determines and declares that said activity of entering into a lease with Inflection Energy LLC will not have a significant effect on the environment." This Environmental Assessment Form, required by New York State, was signed 6 days ago by Deputy County Executive, Patrick Brennan. It tells the State:

- "Yes", "The site is located over a primary, principal, or sole source aquifer."
- "Yes", "Hunting, fishing or shell-fishing opportunities presently exist in the project area."
- 3,730 acres of forested land are involved.
- 903 agricultural acres are involved.
- 198 acres of open water and wetlands are involved. [Inflection Energy LLC can run pipeline and drill under parkland, watershed, and floodplain.]
- "Yes", Mr. Brennan admits, "The project site is presently used by the community or neighborhood as an open space or recreation area." (County parks)
- His answer to: "Does the site include scenic views known to be important to the community?" is "A determination was not made."
- Within or contiguous to the project area are 11 streams 2 rivers, and multiple county watersheds and parks.
- Mr. Brennan answers that no mature forest or other locally-important vegetation will be removed by this project. [although 2/3... 3,730 acres of the total 5610 acres are reported to be forested land]
- To the questions, "Is surface liquid waste disposal involved?" He says "No". "Is sub-surface liquid waste disposal involved?" He says, "No". "Will the project involve the disposal of solid waste?" He says "No". "Will the project routinely produce odors (more than one hour per day)?" He says "No". "Will the project produce operating noise exceeding the local ambient noise levels?" His answer? "No" [Everyone who knows anything about drilling for natural gas knows the answers to all of these questions is "Yes"!]
- To top it off, Mr. Brennan says, "Yes" to the question, "Is the proposed action compatible with adjoining/surrounding land uses within ¼ mile?", even though parks, agricultural land and suburban residential areas are included. [Do they sound compatible to you?]

Again....Resolution #46 states that based on this Environmental Assessment Form, you, the legislature, declare that entering into a lease agreement with Inflection Energy LLC will not have a significant effect on the environment. Is this true? Is this what you can declare? Even DEC's Draft Supplemental Generic Environmental Impact Statement states that, "drilling and production operations have local noise, visual and air quality impacts", as well as "impacts on water resources" and "may have impact on land use such as agriculture, tourism, and alternative energy."

Broome County needs to determine drilling's impact prior to signing a lease with Inflection Energy LLC. Let's not short-circuit this process with lies and be bullied into a pressured deadline set by Inflection Energy LLC.

It is Broome County's responsibility to limit or eliminate threats to the health of all of life existing within its borders.

Please vote "No" to both Resolutions #46 and #47.

Gerri Wiley, RN gerriwiley@yahoo.com 607-342-3159

Legislators of Broome County,

WE ALL CAN AGREE THAT:

- Energy security is important.
- Dependence on foreign oil is politically dangerous.
- We want to be employed in jobs that we love and meet our personal and financial needs.
- We want our communities to thrive.
- We want our parks to be well-maintaining and available for our recreation.
- We want our water to be pure, clean, and sufficient in quantity.
- We want our air to be free of contaminants.
- We want our soil to be rich and support nutritious foods for our sustenance.
- We want our opinions to be heard and to be respected.

WE MAY NOT AGREE THAT:

- Renewable resources can meet our energy needs.
- Renewable resources will provide sufficient "green jobs" for our population.
- Global climate change is a serious challenge that needs our immediate action.
- The impact on climate of extracting natural gas is similar to the use of coal because of its release of methane.
- Inflection Energy LLC has not told us the whole truth of potential costs to the county up to 30 cents per thousand cubic feet (mcf).
- Inflection Energy LLC has not told us the whole truth of its drilling beneath the surface of our parks, watersheds, flood plains, and private residences already leased, nor has it discussed compulsory integration or eminent domain.
- Inflection Energy LLC does not have our best interest in mind as it rushes to force a binding agreement.
- We can get through this tough time without the 15.9 million dollars from Inflection Energy LLC.
- 15.9 million dollars is insufficient to pay for damages, lawsuits, foreclosures, sadness, anger, broken dreams, poor health, destruction of our beautiful landscape, insults to our ears, our eyes, our noses, our immune systems, our endocrine systems, our wildlife, and our the future of our families.

It is difficult to deal with the offer from Inflection Energy at this time of financial need.

We need to pool our ideas and come up with the right decision for all with regard to both public health and financial health:

One idea is for an organization to upfront the funds for solar panels on public and private buildings and residences, to be (re)paid monthly like any energy bill.

Another is to fund the budget shortfall with a "reusable bag incentive", which would reduce plastic and paper bag production, clean up the environment, and reduce landfill costs.

Let's not be forced into a decision we will regret.

LEGISLATORS: PLEASE SAY "NO" TO INFLECTION ENERGY'S OFFER!

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OFFICE OF CLERK
COUNTY LEGISLATURE
BROOME COUNTY, NY

10 JUL 20 AM 10:34

Gerri Wiley, RN
Gerriwiley@yahoo.com
607-342-3159

Marion, Christopher H.

From: Joanne Corey [jcorey@stny.rr.com]

10 JUL 20 AM 9:45

Sent: Tuesday, July 20, 2010 9:32 AM

To: Marion, Christopher H.

Subject: comments on Resolution 46/47

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OFFICE OF CLERK
COUNTY LEGISLATURE
BROOME COUNTY, NY

Resolutions 46 and 47 raise many questions, but I want to concentrate on Exhibit A of resolution 46. It is perplexing that this is filled out only as the impact of signing a piece of paper, not for the action that would result, natural gas extraction by unconventional drilling techniques on or beneath county owned land, which is really owned by all our residents.

The Supplemental Generic Impact Statement does not yet exist. I question even when it is finished, if it will adequately address our individual circumstances here in Broome County. You were elected to serve our County and our interests, so I think you should ask yourselves the questions on all the parts of the Appendix A, the Full Environmental Assessment Form, as they apply to possible gas drilling on or beneath our public lands here in Broome County.

While all of us are concerned with the potential for grave environmental harm and pollution due to accidents or faulty drilling techniques, you also have to think about impacts that would occur even if everything went perfectly as planned 100% of the time. Accepting this lease means the industrialization of acreage which has been agricultural, residential, forest, and all the other categories listed. There would be impacts in terms of noise pollution, light pollution, and air pollution at drilling sites and noise and air pollution along many of our roads. Truck traffic will be much heavier, even if some of the water is moved by pipeline rather than truck. What does this mean for the quality of life of people near these sites or along these roads?

What about water? Broome County is designated by the Environmental Protection Agency as a sole source aquifer, meaning that over 50% of our water comes from one aquifer and that there is no ready access to another fresh water source. In our case, the Susquehanna River exchanges water with the sole aquifer. While we worry about the disaster of the aquifer and river system being contaminated, we also have to ask ourselves if we can afford to take water out of the system forever. Even using some gray water as fracking fluid, the drilling process would bury millions and millions of gallons of water thousands of feet underground, taking it out of the normal recharging of the aquifer that we see from other large uses of water, such as crop irrigation. Do we run the risk of increasing summer droughts, as we are seeing right now in drilling regions in PA?

What about our parks? Even if drilling is not allowed on the park lands, you would be leasing the rights to the gas underneath. You would be raising the risk to adjacent property owners of compulsory integration and there would need to be drilling pads close to the borders of the parks in order to reach the gas underneath. There would probably need to be approval from the State Legislature as well, under the parkland alienation rules. Parks would be affected, even though drilling wouldn't be on the surface of the park.

If you go through Part 2 of the form, you will see question after question about impacts to land, air, water, transportation, public health, even the character of the community. Each legislator owes it to each resident of Broome County to carefully consider all these impacts, many of which fall into the "potential large impact" category, if drilling is to occur. You should not vote to allow this lease to go forward with so many questions about impacts to our environment and health and well-being

7/20/2010

unanswered.

You are supposed to be the lead agency on this project. You owe it to yourselves and to your constituents to be fully informed and to have oversight and input at all stages of the process. This should not be a rushed, one-time decision. Our health and environment are more important than money.

Joanne Corey
209 Lewis St.
Vestal NY

Marion, Christopher H.

From: robnackerman@aol.com
Sent: Monday, July 19, 2010 11:08 PM
To: Marion, Christopher H.
Subject: Broome lease

10 JUL 20 AM 8:59

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COUNTY LEGISLATURE
BROOME COUNTY NY

How is it possible that Broome County can even consider such a proposal when all that NYS is putting the rest of the public through regarding leases. This is just a another perfect example of what is good for the goose. I am just sick and tired of the politics in life. Why don't you just screw us right in fornt of our face!!

Shame on you again for telling and showing us how the rules are different for you versus us!!

Rob Ackerman
Vestal, NY

Marion, Christopher H.

From: George Haeseler [g.haeseler@verizon.net]
Sent: Monday, July 19, 2010 8:30 PM
To: Marion, Christopher H.
Subject: hydrofracking

10 JUL 20 AM 8:59

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OFFICE OF CLERK
COUNTY LEGISLATURE
BROOKS COUNTY, NY

Three of our children, who now live in California and Arizona, visit us here once or twice a year. They marvel of the beauty of where they grew up. They kid us about our lack of sunshine, but we brag about our abundance of water, which they lack. Clean, clear water is an asset which should never be put at risk. Hydrofracking presents a risk which can be minimalized but never eliminated, whether it come from human error, mechanical failure, ignoring of safeguards, or natural disasters. I hope the BC legislators will never take that risk. If they do, and we lose our clean water, as has happened in the Gulf, they will have to live with that decision for the rest of their lives...nothing I would want to do!

George Haeseler
Vestal, NY
g.haeseler@verizon.net

Marion, Christopher H.

From: David L. Olds [olds2@earthlink.net]
Sent: Tuesday, July 20, 2010 9:14 AM
To: Marion, Christopher H.
Subject: Gas Drilling in Broome Co.

10 JUL 20 AM 9:45

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OFFICE OF CLERK
COUNTY LEGISLATURE
BROOME COUNTY, NY

Dear Mr. Marion:

We are contacting you to express our adamant opposition to allowing gas drilling on Broome County property. We further oppose all drilling in Broome County and New York State. Any financial gain for the county will be vastly offset by damage to the property and the county roadways, let alone the damage to the surrounding personal properties.

We have witnessed firsthand the devastation to open land, natural resources, personal properties and roadways by the drilling companies in nearby Pennsylvania. We have friends that had their well ruined by the drilling and fracking that was $\frac{3}{4}$ mile from their home. They now have water trucked in to fill storage tanks in their garage that supply their home.

Despite the promises of the drilling company to drill responsibly, they ignored the regulators and monitors (some were allegedly bought off). The damage they caused to the land owners wells and property, required them to sue the companies at tremendous personal expense that continues today.

I would strongly suggest that everyone involved in this decision view the movie "*GasLand*" by Josh Fox. This movie may be a little controversial but we can attest to the facts expressed with the damage to our friend's property and their way of life.

We ask that the legislature oppose gas drilling and fracturing on Broome County land and in Broome County.

Sincerely,
David & Margaret Olds
3154 Webb Road
Binghamton, NY 13903

7/20/2010

Marion, Christopher H.

From: Frank Sommer - SearchStars [frank@searchstars.com]
Sent: Tuesday, July 20, 2010 10:25 AM
To: Marion, Christopher H.
Subject: Suggestion for gas drilling to protect rural property owners

10 JUL 20 AM 10:34

RECEIVED
OFFICE OF CLERK
COUNTY LEGISLATURE
SCHOENEFELT COUNTY, NY

Frank Sommer
46 Nelson Road
Vestal, NY 13850
607-748-5769
fsommer@stny.rr.com

Dear Mr. Marion,

I would like to offer a suggestion relative to the fracking process to extract natural gas from the Marcellus shale in New York State.

Despite carefully crafted regulations and hopefully thorough oversight, two things will happen:

- 1: Accidents.
- 2: Violations of the regulations, willful or otherwise.

When accidents or violations result in contaminating the ground water, a rural homeowner who is completely dependent on well water will be unable to either sell his property, or lead a normal life on it. The drillers' first reaction will be to deny any association with the contamination leading to potential legal struggles which the homeowner cannot afford.

New York needs to protect homeowners from this no-win scenario.

First, New York needs to require the drillers to agree to independent review of such cases, and accept the conclusion of this review, without a lengthy and expensive legal process.

Second, if the driller is found responsible for the contamination, the driller must be required to pay the homeowner several times the pre-drilling fair market value of his property. This will serve both as a punitive "fine" to the driller, and enable the homeowner to relocate if he so chooses. My suggestion is five times the value of the property. A \$200,000 property would be compensated with a \$1 million payment directly to the property owner.

Just fining the drillers for violations and accidents does nothing to help the homeowner who is stuck with a valueless property and undrinkable water.

Respectfully,

Frank Sommer

7/20/2010

Marion, Christopher H.

From: Lawrence Stein [lstein2@stny.rr.com]
Sent: Tuesday, July 20, 2010 11:02 AM
To: Marion, Christopher H.
Subject: Fwd: Inflection

Begin forwarded message:

From: Lawrence Stein <lstein2@stny.rr.com>
Date: July 20, 2010 10:50:50 AM EDT
To: bfiala@co.broome.ny.us
Subject: Inflection

Barb:

Your post-hearing comments in the Press this morning make it clear that the wrong person is at the helm of Broome County government. It's as if the public statements at last night's hearing made no dent in your irrational determination to plug your budget gap with whatever device is handy, regardless of the consequences.

I am looking forward to a post-Fiala era in Broome County, in the vain hope that grounded, competent leadership can be established to guide us out of our downward spiral. The Inflection debacle is a clear sign that the current county establishment lacks the political, social, and economic acumen to lead us forward. 195,000 lives and livelihoods are depending on the decisions and actions of a heterogeneous group of local amateurs. If the current crop of pretenders is the best that we can muster, it is only a matter of time before any pretense of real progress will succumb to the inexorable erosiveness of small town parochialism. You folks can barely see beyond your own noses.

Kudos to Tarik Abdelazim for speaking truth to hubris. He has taken a principled stand on an issue of critical importance to the community. That's my idea of real leadership.

Sincerely,

Larry Stein

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COUNTY LEGISLATURE
BROOME COUNTY, NY

10 JUL 20 PM 12:01

Marion, Christopher H.

From: Sweeney, Patricia [SweeneyP@cforks.org]
Sent: Tuesday, July 20, 2010 11:26 AM
To: cmarion@co.broome.ny.us.
Subject: Drilling Comments and Concerns

Dear Mr. Marion,

I just wanted to echo Broome County Legislator, Donald Moran's comments, that "it feels like we are being rushed into this too quickly". As someone whose family owns 60 acres in Broome County, I know that the natural gas that lies underneath us has been there for a long time and isn't going anywhere. It is important to get this right and insist that safe environmental practices and restrictions are in place to protect our land, water, community and health of our citizens. There is no amount of money I would trade for my health or the health of my family or friends. Our way of life in Broome County needs to be protected as we move forward. I do believe we can have both if we proceed with caution.

Broome County has an opportunity to model leadership and example for other communities facing similar prospects if we continue to do the research and lay the ground work carefully for natural gas drilling. Our area knows first-hand how companies can move in, have their "hay day" (ie. IBM & LINK) and leave behind environmental waste that destroys people's lives. Let us learn from our past and set a path for future natural gas development that will bring economic development to our area without environment waste and destruction.

Sincerely,
Patricia J. Sweeney

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COUNTY LEGISLATURE
BROOME COUNTY
NY

10 JUL 20 PM 12: 02

7/20/2010

Marion, Christopher H.

From: Sam James [samjames@stny.rr.com]
Sent: Tuesday, July 20, 2010 12:29 PM
To: Marion, Christopher H.
Subject: a sham and a shame...
Importance: High

That meeting yesterday was in violation of the LAW by not providing enough room and opportunity for all speakers.

barbara Fiala should be dumped. If the legislators want to balance the budget, they should save money by passing

laws to decrease their size, reduce pensions and lay off the fat.

The possibility of OUR county leasing so much property was sad enough, but WE should not be drilling at all !!!

If those 19 legislators would use a search engine to study fracking, they would understand. And if Mr. Nirchi is head of the environmental committee and has the education to understand it all, why are not the legislators listening. And I read the report by your lawyer, Sluzar or whatever. He is very obviously in Fiala's pocket and has misrepresented the majority of Broome County citizens. This entire process has been a sham, an Endwell resident

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COUNTY LEGISLATURE
BROOME COUNTY, NY

10 JUL 20 PM 12:33

Marion, Christopher H.

From: Gerri Wiley [gerriwiley@yahoo.com]
Sent: Tuesday, July 20, 2010 12:12 PM
To: Marion, Christopher H.
Subject: Comment regarding Resolution #46, Exhibit A - EAF

Mr. Marion,

Please add my comment to the public record:

To both attorneys who spoke at the July 19 2010 public hearing regarding the signing of a Natural Gas Drilling lease:

Of course there is no impact to Broome County's land, water, air and all that lives within its confines of putting a signature on a document. It is outrageous that you have attempted to bend the law in order to escape New York State's intent to protect the public!

This project demands an EAF that admits "Determination of Significance: C: The project may result in one or more large and important impacts that may have a significant impact on the environment, therefore a positive declaration will be prepared."

Thank you.

Gerri Wiley
607-342-3159(cell)
gerriwiley@yahoo.com

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BROOME COUNTY LEGISLATURE
BROOME COUNTY, NEW YORK

10 JUL 20 PM 12:39

Marion, Christopher H.

From: Binghamton Online Support [online@binghamton.edu]

Sent: Tuesday, July 20, 2010 12:05 PM

To: Marion, Christopher H.

Subject: Gas Drilling

I just saw the news about Gas Drilling and wanted to let you know that I also oppose any gas drilling in our area.

Please keep our community safe and vote NO!

Thank you!
Debbie O'Brien
Broome County Resident

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COUNTY LEGISLATURE
BROOME COUNTY, NY

10 JUL 20 PM 12:33

Marion, Christopher H.

From: Linda Clugstone [clugstone@gmail.com]
Sent: Tuesday, July 20, 2010 12:29 PM
To: Marion, Christopher H.
Subject: Gas Drilling - District 6

In reading the information provided by different area media, I find that my district has absolutely NO VOICE in this matter. This is considered fair? Whether I'm for or against drilling, I don't think District 6 (or the other district legislators barred from the vote) are being represented!

Linda Clugstone
Conklin, New York
607-760-0445

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ROCKWELL COUNTY, N.Y.

10 JUL 20 PM 12:33

Marion, Christopher H.

From: Cindi Girard [CGirard@davidsonfox.com]
Sent: Tuesday, July 20, 2010 10:35 AM
To: Marion, Christopher H.
Subject: Inflection Lease

As a citizen of Broome County living in Endwell & with parents living out by the Broome County airport & landfill for the past 40 years, I was shocked to read & listen to the public hearing that you are so ready to lease this land. I have viewed what is happening in Pa. & it is not a pretty scene & it is just the beginning. Please do NOT vote yes to this proposal. Once our fresh water supply is contaminated, there is no replacing it. This environmental impact will make IBM seem miniscule...Just because there are advanced & newer methods of fracking available, the majority of gas companies have no intentions of using them...they are very expensive & that means less money for their shareholders. BP is a giant in the oil industry & they've been cutting corners for years & we are seeing the result of that now. Don't think that the gas companies are any different. And I am very concerned about the amount of water needed for each time they frack-where is it going to come from?? Take a look at how low the Chenango & Susquehanna rivers are at the moment...are the towns & county planning on selling water from our aquifers to the gas companies?? The safety & health of this community must come first. The big land owners who are leasing will not be here to pick up the pieces, just us that live in towns will be forced to live with the environmental & health destruction...not to mention the extensive damage to our roads...

Sincerely,

Cindi Girard
Davidson, Fox & Company, LLP
Certified Public Accountants
53 Chenango Street
Binghamton, NY 13901
PHONE: (607) 722-5386
FAX: (607) 722-7682
WEB: www.davidsonfox.com

Visit our website www.davidsonfox.com

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7/20/2010

Marion, Christopher H.

From: Diane Krein [dianek@stny.rr.com]
Sent: Tuesday, July 20, 2010 1:33 PM
To: Marion, Christopher H.
Subject: comment on gas lease resolutions 46 & 47 of the legislature

Dear Mr. Marion:

I am sending the below letter on behalf of my parents who live in the Town of Fenton. They've tried calling their representative Wayne Howard about this issue but haven't reached him. They also have been led to understand that the legislature is only taking comments via e-mail (that's what I was told and it's what my Mom heard on a radio program). They are both in their 70s and do not have a computer. This is a problem in my opinion. There is such a short comment period on this issue and the fact that senior citizens who don't have e-mail may not have their voices heard is unfortunate. And there's no time for them to send a letter snail mail.

In a phone call this morning, this is what they asked me to write. If this avenue is a problem, I'm sure they wouldn't mind a phone call to verify this. (Though if you get my Mom, you might get an earful).

Thank you.

- Diane Krein, Endicott

Dear Broome County Legislature:

We are totally against the gas lease resolution up before the legislature.

We don't like threats from Barb Fiala about double digit tax increases. We don't like being threatened. That's blackmail as far as we can tell. And we don't appreciate this. If you had done the budget right in the first place, we wouldn't be in this mess.

Let's wait. There's no big rush or hurry. Vote NO!

Amelia Lacey & Daniel H. Lacey
 76 Depot Hill Road
 Port Crane, NY 13833
 724-4152
 Residents of Broome County for over 60 years

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 BROOME COUNTY LEGISLATURE
 BROOME COUNTY, NY

10 JUL 20 PM 1:46

Marion, Christopher H.

From: Suzanne Geoghegan [suzanneg@stny.rr.com]
Sent: Tuesday, July 20, 2010 2:06 PM
To: Marion, Christopher H.
Subject: gas lease proposal

Dear Mr. Marion,

I 'attended' the public hearing last night, watching the proceedings from the second floor. I am writing to urge the country legislature to vote against resolutions #46 and 47, the gas lease proposal. It is a very bad deal for the county.

I understand the financial bind we're in, having counted on gas revenue that hasn't materialized. If Broome County is determined to lease public land for gas drilling, then at least hold out for the best financial deal possible.

It's clear that Inflection Energy is counting on a cash-strapped county settling for \$3000 per acre out of desperation. Far better to bite the bullet and raise the necessary revenue through taxes than to agree to a bad deal with a shady company. What the county can't afford is a panicked, short-sighted decision on this critical issue.

Aside from cash revenue, our county needs jobs. Our county leadership needs to be forward-thinking and promote jobs in genuine green technology, energy conservation and sustainable energy - jobs that will outlast the finite supply of gas trapped in the rock beneath our homes, our parks and our water supply.

Sincerely,

Suzanne Geoghegan
4641 Vestal Pkwy. E.
Vestal

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COUNTY LEGISLATURE
BROOME COUNTY, NY

10 JUL 20 PM 2:06

Marion, Christopher H.

From: Steve Michels [sjmichels@tds.net]
Sent: Tuesday, July 20, 2010 1:53 PM
To: Marion, Christopher H.
Subject: PETITION of approximately 1500 that oppose gas drilling in our area
Attachments: petitions86-111 7-20-10.doc; petitions 1-85.doc

Please distribute this to all the Broome County Legislators who will participate in the discussion and decision on the \$15.9 million deal with Inflection Energy. The majority of the people who signed the 86-111 portion of my petition are from Broome County.

Clearly, as those who signed my petition are against gas drilling altogether, they do not want your to agree to this contract.

We fear the destruction of our environment, our area and our way of life. Once it is destroyed there will be no fixing it and the cost of trying will be exhorbitant. Gas money is not the lottery. It will cost us all dearly in the end if we don't do the right thing, the only ethical thing, now, and say no. Once our water, our soil and our health is destroyed what are we going to do with all this money? How much will it cost to make even a pathetic attempt to fix it once the damage is done? What will be the point when no one will even want to live here anymore? Please don't sign this contract. It is your job to protect the health of your constituents and the environment of Broome County. Don't do the wrong thing and try to pass the blame or the responsibility onto the DEC. Two wrongs won't make a right.

This petition should have been given to you last night at the hearing but I wanted to be sure that all of you have it. I don't have an exact count but my guess is approximately 1500 names. As soon as I do a count I will e-mail you again.

Sincerely,

Kim Michels
 619 Sprague Rd.
 Afton, NY 13730
 607 639 1174
kemichels@tds.net

ps I sent this from my husbands e-mail as I am having trouble with my own.

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 COUNTY LEGISLATURE
 BROOME COUNTY, NY

10 JUL 20 PM 2:06

Marion, Christopher H.

From: tintconditionllc@gmail.com on behalf of Tint Condition [info@tintcondition.com]
Sent: Tuesday, July 20, 2010 2:25 PM
To: Marion, Christopher H.
Subject: Please vote NO to resolutions 46 and 47

My name is David Yacobelli, a local business owner. A few months ago I was invited to the Broome County Legislature to accept an award for the "Green Business Initiative." It is hard to understand how I could be standing in this same office to discuss a lease between Broome County and Inflections Energy, or any fossil fuel exploration company. After all, fossil fuels are neither green business or green initiative. I fear we are on the brink of trading one of Broome County's greatest assets - clean water, air, and land - for the equivalent of trinkets and beads. Please vote NO to resolutions 46 and 47. Thank you.

Sincerely,

David Yacobelli

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BROOME COUNTY, NEW YORK

10 JUL 20 PM 2:32

From: Pat Roberts [mailto:proberts@stny.rr.com]
Sent: Tuesday, July 20, 2010 3:32 PM
To: Royer, Jennifer K.
Subject: re gas lease for J. Hutchings

When taxpayers and voters read in a year or so that Inflection Energy has sold the rights to this lease to another company for **much more** than \$3000 an acre, they will not remember the 16 million. Nor will they remember the 16 million if the water at Cole Park is polluted. (Just consider who is taking the heat for the BP spill.) I urge you to vote against the lease on Thursday.

Pat Roberts

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COUNTY LEGISLATURE
SHERMAN COUNTY, NY

10 JUL 20 PM 3:57

Marion, Christopher H.

From: Gmacan@aol.com
Sent: Tuesday, July 20, 2010 4:52 PM
To: Marion, Christopher H.
Subject: Please Vote NO! on the Inflection Energy-Broome County Gas Drilling Lease

Dear Legislator Sanfilippo,

I request that you as my representative vote NO on the proposed gas leasing Resolution # 47. Obviously with over 200 people expressing their displeasure with this particular lease contract just yesterday at the public hearing, you needn't worry about many folks being offended by that vote but in case you need further convincing.

We only need look closely just south of our border to Dimock PA for many of the things that DO go wrong with Horizontal Drilling with Hydraulic Fracturing of the shale beneath. Local folks down there have their water supplies tainted with toxic pollutants and migration of methane gas into their water. Much of the landscape looks lunar around these drill pads with little or no vegetation around these sites. Local roads down there are taking a pounding from the heavy truck traffic.

Walter Hang of Ithaca using the DEC's own data, spoke of many NY State drilling accidents and spills that are considered normal to the NY State drilling environment. Yet these are horrendous disruptions to the lives of neighbors who live with this pollution and its aftermath constantly. These are NOT normal occurrences without the drilling of even vertical gas wells, where we can learn from others mistakes and misfortunes, we need to do so.

As we learn more about the safer alternative energies, we need to employ them increasingly and Broome County needs to be a leader in these 21st century technologies. There are many that can/need to be used by the County now, we have solar and wind renewable possibilities if only we can muster the "political will" to do so. It was very good to hear the representative of Binghamton Mayor Matt Ryan, weigh-in with several thoughtful considerations for the county to ponder, as well.

We can't be dragged back into the 19th Century with the Reagan-Bush-Cheney backward fossil-fuel agenda. We can't let charlatans and hucksters rule the day. There are many shills for the fossil fuel industry, with deep pockets and slick slogans, don't be fooled by them. They are the ghosts of the past and a failed national energy policy or really lack thereof?

We can't let this one energy company rule the day. Inflection Energy, which seems more and more to be just a shell with their main spokesperson having a very checkered past regarding catastrophic safety and environmental failures on his watch, must be disregarded as not serious. They are merely a front for big Oil/Gas interests, please don't entertain their mock development promises.

Broome County citizens deserve better than this charade and one shot deal, that we will live with forever. Please standup for your constituents and vote NO this Thursday. We need planning and discussion of our energy future, which the county can either lead, partner with us citizens or get out of the way.

Sincerely,

George McAnanama
 5 Avon Road
 Binghamton NY 13905

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 COUNTY LEGISLATURE
 BROOME COUNTY, NEW YORK

10 JUL 21 AM 9:48

Marion, Christopher H.

From: Gerri Wiley [gerriwiley@yahoo.com]
Sent: Tuesday, July 20, 2010 7:32 PM
To: Marion, Christopher H.
Subject: Appreciation

10 JUL 21 AM 9:40

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BROOME COUNTY NY

Thank you, Mr. Marion, for all that you have done to ensure timely communication!

Please extend my sincere appreciation to the Legislators who attended the public hearing on July 19th.

I commend those legislators who now realize the extent to which the public values long-term health and prosperity of our region and may have changed their minds on this gas lease with Inflection Energy LLC or gas leases in general.

I know it isn't easy to head in a new direction toward a sustainable community where green jobs abound, but we need to do it and we can do it.

Thank you!

Gerri Wiley
607-342-3159(cell)
gerriwiley@yahoo.com

Marion, Christopher H.

From: Joseph Daily [jdaily@dailyportraits.com]
Sent: Tuesday, July 20, 2010 10:10 PM
To: Marion, Christopher H.
Subject: Public hearing followup

Greetings,

I believe I heard at yesterday's gas lease public hearing that we could also submit statements by email - I hope I understood correctly and have the right address.

I would like to go on record as being opposed to the lease with Inflection Energy and to leasing Broome County's public lands for gas drilling in general. I believe the process of drilling for natural gas poses too great a threat to our environment.

Thank you,
Joseph Daily
Vestal resident

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BROOME COUNTY, NY

10 JUL 21 AM 9:48

Marion, Christopher H.

From: Abdelazim, Tarik [tabdelazim@cityofbinghamton.com]
Sent: Tuesday, July 20, 2010 10:42 PM
To: Denk, Eric S.; Marion, Christopher H.
Subject: Thank you to County Legislators

Eric/Chris – Can you please forward to all legislators? Thank you.

July 20, 2010

Dear County Legislators,

On behalf of the City administration, I write to thank you for your commitment to responsive and responsible governance. I was thoroughly impressed by the well-informed, articulate and impassioned presentations made by our fellow residents last night. Despite the diversity of constituencies, it was clear that a unified and overriding message was shared with County government about the proposed gas lease deal.

And although you all face a very challenging budget season just months before an election, many County legislators showed tremendous leadership by withdrawing support for this deal in response to what is clearly a highly engaged and well-informed citizenry. I applaud all of you who prioritized the long-term health and prosperity of our region above all else. From residents and colleagues, I have heard nothing but praise and appreciation for your actions. You affirmed the value of an open, participatory process, and restored some integrity in public service (not an easy job these days!). Thank you for your leadership.

As we go forward, the City administration is eager to work together with the County and all regional stakeholders to build on the success of last night, creating a space for more constructive and inclusive dialogue on one of the most important issues of our time.

Thanks again for your inspired leadership.

Sincerely,

Tarik Abdelazim
 Director of Planning, Housing and Community Development
 38 Hawley Street
 Binghamton, NY 13901
 O: (607) 772-7028
 F: (607) 772-7063
www.cityofbinghamton.com

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 COUNTY LEGISLATURE
 BINGHAMTON, NY

10 JUL 21 AM 9:48

Marion, Christopher H.

From: janet ievins [jievins@alum.syracuse.edu]
Sent: Wednesday, July 21, 2010 3:11 PM
To: Marion, Christopher H.
Subject: leasing of county lands

I would like to weigh in on the proposal of the county to lease all county lands for future gas drilling. While I understand the proposal has been withdrawn, it will not be the end of it. Next time such a proposal comes up, I would like the Legislature to look into it a great deal more carefully and completely than happened on the last go-'round.

These county lands include not only residential sites but our parks. We need these parks for our mental and physical health. We cannot have the monetary gain of the few supercede the human needs of the many. By now all these points have been made in full. I do want to be counted among the majority of Broome residents who are opposed to the kind of deal that was proposed.

Sincerely,
Janet Ievins
704 Powderhouse Rd
Vestal, NY 13850

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COUNTY LEGISLATURE
BROOME COUNTY, NY

10 JUL 21 PM 3:18

Marion, Christopher H.

From: paul ievins [pievins@stny.rr.com]
Sent: Wednesday, July 21, 2010 7:09 PM
To: Marion, Christopher H.
Subject: leasing of county lands

This is another vote in favor of the long term health of the people and the lands of Broome County. This vote is against any future deal, such as the one that was withdrawn yesterday. Such a deal may have looked beneficial only upon consideration of the up-front short-term benefits to the few but without the costs of the long-term adverse consequences to the many. The County should not, in good conscience, approve an action that would adversely affect the health of its residents for generations to come.

Sincerely,

Paul Ievins
704 Powderhouse Rd
Vestal, NY 13850

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COUNTY LEGISLATURE
BROOME COUNTY, NEW YORK

10 JUL 22 AM 11:54

10 JUL 22 AM 8:13

583 Fredericks Road
Johnson City, NY 13790
July 21, 2010

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COUNTY LEGISLATURE
BROOME COUNTY, NY

Dear Mr. Reynolds:

My wife, Janice, and I were at the meeting at the Broome County Office Building on Monday, July 19, 2010. My name was on the list to speak, but we ran out of time. My wife and I are in agreement concerning the legislature NOT signing any agreements for drilling. We heard on TV last night that you will not do this (at least, at this time). My comment is this: There should be **no drilling** on private, county, or state property before testing the current water, air, and land to establish a baseline or benchmark. If testing is not done BEFORE drilling, there is nothing to compare with AFTER the drilling takes place. Also, the "normal" noise levels have to be taken into consideration. In addition, I would like to suggest that all drilling companies in Broome county be required to pool their monies together in order to purchase insurance no less than a billion dollars to cover a catastrophe.

Following is a letter I sent to our state representatives in Albany. Please read it. Thank you. My wife and I also thank you and the legislature for not voting on the deal with Inflection Energy.

Sincerely yours,



Harry Judge
(607)785-8651

583 Fredericks Road
Johnson City, NY 13790
April 26, 2010

10 JUL 22 AM 8:13

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COUNTY LEGISLATURE
BROOME COUNTY NY

Dear Assemblywoman Lupardo:

My wife, Jan, and I are writing in hopes that you will introduce legislation to prevent the drilling for natural gas and oil within our state without some fundamental procedures being in place. We were not informed that there are plans to drill for gas in our immediate area until we happened to see an article in the Press and Sun Bulletin Newspaper.

I went to our Town of Maine town hall, where I was informed that they did not know that a "public" meeting had been held until one of the persons whose land they are planning to drill on mentioned that they had a "public" meeting that only the land owners were informed of. We contacted the DEC, and we were told that we needed to contact a woman in Syracuse. She informed us that New York State did not have any liability in the drilling; she also said that New York State did not require the drilling company to perform baseline testing of the air and water (well) by an independent laboratory to establish the quality before any drilling is done. Testing to establish a baseline would remove all questions about any pre-existing conditions. The woman told us if we wanted to have this type of testing done, we would have to pay for it ourselves. We were also told that there have not been any problems with drilling in New York State. However, when we attended a meeting on April 12, 2010 at the Vestal Public Library, a consultant in this area stated that New York State has had problems, but one must know how to ask the "correct" questions. Our question is based on the fact that the State is supposed to protect its citizens. The State will be collecting taxes and revenue from these drilling companies, directly and indirectly; so why is the State not using some of these taxes and revenue to establish a baseline so that there will not be any questions on either side (drilling company and resident) about the conditions of the environment before any drilling is started?

Since everyone in the Town of Maine gets water from wells (presumably from the same aquifer) and if this aquifer becomes contaminated, who pays? And bankruptcy of the drilling company and owner of the mineral rights is not one of the solutions! We do not know if you are familiar with the follow-up of the Exxon Valdez, but Exxon has literally ruined the lives of the people in an entire community and has been able to walk away without repairing the damage that they caused. We believe that regulations should be put in place that will eliminate this possibility—please, no more Exxon Valdez or Love Canal episodes!

Sincerely yours,

Harry Judge, Janice Judge

Marion, Christopher H.

From: Karl Sears [ksears@us.ibm.com]

10 JUL 20 AM 8:59

Sent: Tuesday, July 20, 2010 8:47 AM

To: Marion, Christopher H.

Subject: Comments on gas drilling, I support it for county revenue.

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COUNTY LEGISLATURE
MORONG TOWNSHIP, NY

Dear Christopher Marion, I would like to go on record with my support to gas drilling in NY. I only hope that the county is smart and able to take some of the work that the Vestal group has done, and build on it. Keep our water and natural resources safe. Our country needs energy and we are sitting on a lot of gas in this county. If the county can reduce our taxes by creating a continuous income stream, I would be overjoyed. The county needs to do its research and do a good job in getting the most for the county in a safe way.

Have a great day

From the Desk of Karl Sears, PMP® in Endicott, the birth place of IBM, Phone # 607-429-4761, internal tie line 8-620-4761

7/20/2010

Marion, Christopher H.

10 JUL 20 AM 8:59

From: richard Barnard [rabrefbarnard@gmail.com]
Sent: Monday, July 19, 2010 8:45 PM
To: Marion, Christopher H.
Subject: gas lease

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COUNTY LEGISLATURE
BROOME COUNTY NY

Dear Sirs,

I would just like to state that I totally agree with the Broome County Legislatures plan to sign a gas lease. We absolutely need to find alternative ways to generate money, other than taxes. My only concerns are that the lease would have wording to insure that the gas exploration is done in a manner to protect our natural resources, and that the per acre signing bonus is at a good market rate.

Rick Barnard

Marion, Christopher H.

From: Carol Stone [brookfarm1@stny.rr.com]
Sent: Tuesday, July 20, 2010 10:50 AM
To: Marion, Christopher H.
Subject: Natural Gas Lease For Broome County

I am a resident of Vestal Center, and a land owner. I support the safe development of the Marcellus Shale Gas. After reading and listening, I am not certain the present offer in front of the county for the leasing of the County Land is the best lease offer. I also am sensitive to a tax hike, as we have had our taxes in our area jump with doubling and tripling in some instances. We don't need more taxation.

Carol Stone

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COUNTY LEGISLATURE
BROOME COUNTY NY

10 JUL 20 AM 11:52

Marion, Christopher H.

From: michael.blachek@hitachigst.com
Sent: Tuesday, July 20, 2010 1:13 PM
To: Marion, Christopher H.
Subject: Broome County Natural Gas Lease

10 JUL 20 PM 1:26

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COUNTY LEGISLATURE
BROOME COUNTY, NY

To the Broome County Legislature:

We are residents of rural Vestal New York and just wish to voice our support for the current decision of the Broome County government to secure a natural gas lease agreement that will benefit and protect the residents of Broome County. I applaud our County leadership for taking the bold step to make a decision that may not, and will not satisfy everyone, but in reality will benefit everyone. Fear of change brings out the emotions of constituents and outside groups, but it is time to move forward, with the best reasonable safeguards, and utilize the resource beneath our feet.

You have our support.

Michael and Theresa Blachek
2490 Glenwood Rd Vestal NY 239-5636

Marion, Christopher H.

From: ggow@stny.rr.com
Sent: Tuesday, July 20, 2010 9:42 PM
To: Marion, Christopher H.

I really do think that enough study has been done about fracking but i also think that it needs to be monitored by someone. New York use to be a beautiful state to live in, now with a legislation that can,t get a budget in on time or even close and taxes going through the roof, I am not so sure. We need to keep our young talent here instead of some other state. N.Y. needs to get get out of debt but not by taxing everything in sight. I want to see N.Y. be the sucessful place to live that it used to be. I think that letting the state do responsible drilling might make a start. Thank You Carol Gow

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COUNTY LEGISLATURE
Schenectady County, NY

10 JUL 21 AM 9:48

Marion, Christopher H.

From: cgg350@aol.com
Sent: Wednesday, July 21, 2010 10:49 AM
To: Marion, Christopher H.
Subject: Re: Support County Gas Lease

Thanks Chris, I just read Press Connects. It makes me sad in a way, we are on fixed incomes and raising taxes is really hurting us. Depending on how much is raised again next year I can see that I'm going to have to sell my property. I'll no longer be able to afford it. Us retirees don't get raises. It being an election year, I know how politicians work....I retired from a part time position in my town last year, I saw wasted money every day. My career was in a business that ran by a strict budget every year and looked for ways to cut waste...even if it meant cutting jobs and salaries. Good luck if it's your year to run. Carol

----- Original Message -----

From: Marion, Christopher H. <CMarion@co.broome.ny.us>
To: cgg350@aol.com
Sent: Wed, Jul 21, 2010 9:44 am
Subject: RE: Support County Gas Lease

Thank you Mr. & Mrs. Gregson. I will include this in the public record. Also, the Natural Gas Leasing Maps are now available online. The County Executive as withdrawn the lease proposal resolutions so there will not be a vote on this by the Legislature.

Chris Marion

From: cgg350@aol.com [mailto:cgg350@aol.com]
Sent: Wednesday, July 21, 2010 6:37 AM
To: Marion, Christopher H.
Subject: Support County Gas Lease

Chris, I'm traveling in Canada, got the email regarding the County's offer. I have no idea what they are offering you folks. But, I support gas drilling. My property is leased and I truly believe the more we get leased it gives us more strength in pushing for drilling. Many of those in the coalition (which I am a member) want to wait until we get the right price for our property. Well who knows what the right price really is. The key is that we get a lease that protects the landowner. Mine does. (We were in the Friendsville group with our largest piece of property (49 acres). I believe that Barbara has done a very good job in trying to get the Gov. to move the DEC. So please count my vote and my husband's vote for you to go forward. We need drilling n our area. (You should see all the wind farms that Canada is putting in to help with their electric costs...businesses even have them on their property).

Carol & Paul Gregson, Vestal, NY

RECEIVED
OFFICE OF CLERK
COUNTY LEGISLATURE
BROOME COUNTY, NY

10 JUL 21 AM 11:14

Marion, Christopher H.

~~10 JUL 20 AM 8:59~~

From: Charlie Dando [chd38@verizon.net]
Sent: Tuesday, July 20, 2010 7:26 AM
To: Marion, Christopher H.
Subject: Broome County Gas Lease Comment

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COUNTY LEGISLATURE
BROOME COUNTY, NY

Mr. Marion,

I will keep this short and simple since I'm sure you are getting lots of comments.

- 1) I am 100% in favor of Broome County signing a good gas lease for as many of its acres possible.
- 2) I am against signing this particular gas lease with Inflections as I believe the signing bonus is less than 1/2 of what it should be and a large chunk of property signed in one deal like this should command greater than 20% royalty.

Inflections deadly of July 30 is a prime example of tactics used by irreputable high pressure land men and the county should be very cautious of any gas company using such tactics. I encourage Broome County to be patient and wait for multiple offers after the moratorium is lifted.

Thank you for you time.

Charles H. Dando III
Vestal Coalition Member
135 OConnell Road
Vestal, NY
13850

Marion, Christopher H.

From: David Fendick [dfendick@earthlink.net]
Sent: Tuesday, July 20, 2010 1:39 AM
To: Marion, Christopher H.
Subject: Inflection Gas lease Proposal

10 JUL 20 AM 8:59

RECEIVED
OFFICE OF CLERK
CENTRAL BROOME COUNTY LEGISLATURE
BROOME COUNTY, NY

I am writing this email on behalf of myself and the Central Broome County Landowners association. It is the belief of the steering committee members of the Central Broome County Landowners and its members that Broome County Gov't is improperly forcing 4 legislators to recuse themselves from natural gas matters within the county. I personally along with members of our steering committee have seen the work that these individuals have performed over the past 2 and 1/2 years on natural gas exploration, making them by far more knowledgeable on the subject than most members of the legislators. Stating that they must recuse themselves due to owning property in the county subject to lease is a ridiculous reason. If you look at all matters that our legislators have to deal with in one way or another their lives are touched by the decisions they make. The fact that legislators can vote themselves a raise is more biased then any other decision they make. If one of the legislators is an employee or currently negotiating personally with a specific energy company that the county is considering an offer from, then there may be a conflict of interest. Otherwise you are doing a dis-justice to the citizens of Broome County by failing to let them be represented by their chosen legislator. When I hear comments from legislators stating that they haven't had time to educate themselves on these matters they should recuse themselves as this has been going on for over two and half years. This is not new and they have failed their constituents by failing to educate themselves on such an important matter.

Secondly the county is considering a reduced price to lease county lands with a large percentage of the lands they intend to lease being located with in the boundries of our coalition. This has already initiated contact by inflection to members of our coalition in an attempt to sever them from the coalition. The values of the leases that inflection is offering is way below current market values for property containing the geology that this area has. This is creating a dilemma to these property owners. They have, like the rest of us, fallen on hard economic times and may be forced into signing leases that they really don't want to. For the county to proceed with this offer it is lowering the bar for lease values in the area and technically taking money out of the pockets of landowners in the area. Further the inflection lease requires the company to complete only two wells on the total property that the county is leasing, this is totally unacceptable for the amount of property that they are leasing.

In closing I would like to state that we are for safe gas drilling in Broome County and believe that the benefits that will be brought to this area are overwhelming. This is not the time to be penny smart and dollar foolish about our the peoples mineral rights. We strongly urge the county to reinstate the members of the board who have been forced to recuse themselves from this venture as they have the knowledge and resources to assist the county, and further refuse the offer from inflection.

thank You
Respectfully
David Fendick
Central Broome Landowners Association

Marion, Christopher H.

From: Charles Carpenter [charliec332@gmail.com]
Sent: Tuesday, July 20, 2010 9:48 AM
To: Marion, Christopher H.
Subject: comment - vote no on resolution 46 &47

10 JUL 20 AM 10:12

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OFFICE OF CLERK
COUNTY OF FRANKLIN
STATE OF NEW YORK

- 1) I am a land owner in Vestal. I love my land. It is beautiful and scenic. I am a Master Forest Owner. I am for responsible drilling for natural gas. I currently have a lease on my property that is about to expire. Before I signed five years ago, I did a lot of research. I visited wells being drilled and those in production. What I learned and saw seemed to be reasonable. However I am against this lease and resolution 46 &47. I would not sign this lease to replace my current lease and I feel neither should the county. If the county waits for the DEC to finish its report I feel a much better lease will be offered to the county with a much higher signing bonus with a better company.
- 2) I resent not personally being represented on this issue because of the conflict of interest issue. I understand not allowing the four legislators to vote (barely). But - why not allow discussion by the people who have studied the issue and have committed their land? If they think it is personally good for them, the entire legislature should be able to hear their thoughts. Drilling for gas is an emotional issue. The more information that is shared by all before the vote on resolutions 46 & 47, the more likely the correct outcome.
- 3) Vote NO on resolution 46 & 47.

Charles Carpenter MD
332 Bunn Hill Rd
Vestal, NY 13850
607-757-0156

Marion, Christopher H.

From: dicknp95@stny.rr.com
Sent: Tuesday, July 20, 2010 6:25 PM
To: Marion, Christopher H.
Subject: Inflection Energy's Offer to Lease County Land

10 JUL 21 AM 9:48

RECEIVED
OFFICE OF CLERK
COUNTY LEGISLATURE
BROOME COUNTY, NY

To myself, I am looking at this as a offer to buy. I'm a former county employee who worked in the Computer Department and worked closely with the finance department in installing the FAMIS accounting system many years ago. From this experience and working in the computer department I know that EVERYTHING went out to BID, whether it was to purchase items or to invest idle money in short term money markets from local banks. I can remember Mike McCue and Brian Lind, former Finance Commissioners getting the best interest rates for any idle money.

I would think that these drilling rights should carry to same process. Lets put these drilling rights OUT TO BID to get the best price the county can get.. Then the County Legislators can vote whether to accept any offers.

Richard Petrisko

Marion, Christopher H.

From: k d [kdupree@yahoo.com]
Sent: Tuesday, July 20, 2010 7:46 PM
To: Marion, Christopher H.
Subject: Broome Lease Deal

10 JUL 21 AM 9:48

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OFFICE OF CLERK
COUNTY LEGISLATURE
BROOME COUNTY NY

In regards to the proposed lease deal between Broome County and Inflection Energy, I would like to state for the record that while I am for natural gas drilling in the Marcellus Shale, I am against this deal because it does not reflect the true value of the resources underneath our county and is therefore not in the best interest of the residents of Broome County. This deal also undermines the efforts of other landowners in our county who have worked very hard to get the best possible lease for their properties. I am confident that if we stay the course we will certainly get a much better deal than this. In addition, when drilling does begin throughout our area, has anyone considered that the gas will be extracted from underneath town and county roads which could amount to hundreds of acres.

Thank you,

Gary Dupree
308 Underwood Rd.
Vestal, NY 13850

Denk, Eric S.

From: Pat [patinny2003@yahoo.com]
Sent: Saturday, July 17, 2010 8:24 PM
To: LegClerk
Subject: gas fracking

I want to voice my opinion on possible gas fracking in the Broome County area. I would like this message to go directly to Barb Fiala. It bothers me that you are for gas fracking in Broome County. It is well known that this procedure deteriorates the water in the area of the fracking. I know we are in an economic hard time, but it is sad that you are selling the residents of Broome County short of what the REAL pollutants are in store for Broome County. You know what happened to Endicott after the pollutants from IBM, you would think you would be more cautious. SHAME on you.

Pat Antal

7/18/2010

Denk, Eric S.

From: Jon & Pam [jburgman@stny.rr.com]

Sent: Thursday, July 15, 2010 10:26 PM

To: Merrill, Joe A.; Klipsch, Barry; Reynolds, Daniel D.; LaBare, Gene E.; Garnar, Jason T.; Marinich, Jerry F.; Hutchings, John F.; Sanfilippo, Joseph S.; Diffendorf, Marchie; Nirchi, Mario; Whalen, Mark R.; Pasquale, Matt; Materese, Richard A.; Keibel, Ronald J.; Herz, Stephen D.; Buchta, Suzann W.; Messina, Suzanne; Howard, Wayne L.; LegClerk

Cc: Fiala, Barbara J; Sluzar, Joseph J.; Fauci, Darcy M.; Kalka, Marie F.

Subject: Opposition to gas drilling

My wife and I want to lend our voices to those in opposition to the County leasing its land for Marcellus shale drilling. We are extremely concerned about protecting the quality of life we have in Broome County, and are confident that regardless of contractual assurances to protect the County - its pastoral areas, infrastructure, etc. - these will forever be negatively impacted by drilling here. The \$15.9M up front lease payment for rights to 5900 acres represents approximately 25% of one year's County budget. That is a small payment indeed. The 20% royalties typically come after all drilling expenses are paid, so may not be realized for years. More importantly, the quality of life here in Broome will deteriorate. While we desperately need economic growth, that growth should come in more traditional ways, mainly by making the area attractive for companies to move into. It should not come by making the area unattractive by construction of hundreds (or a thousand?) of drilling pads, water and gravel trucks tearing up the roads, noise and water pollution, and all the other unpleasant things that we know (and you know!) will come with drilling.

For us personally, we may see a slight reprieve in our County taxes, and a slight decrease in the local unemployment rate. We may see a road repaired after it has been torn up by hundreds of overweight trucks (and then it will be torn up again). But we will see those trucks, and hear those trucks, and hear the drilling and compressors for years to come. Land owners who have leased will see an immediate financial gain and then some may move out of Broome to get away from the very thing they have helped encourage. They are not leasing to "help America achieve energy independence". They are leasing for the money. And maybe a ticket out. Others of us will be stuck here to put up with all the downside of the drilling. (And on an even more personal note, if our well water (or property) is affected by drilling, trucking in water is not acceptable. We'll want the gas company, or the County, to buy our house and pay replacement costs, not just fair market value.)

Wellsboro PA is beginning to see the very visible impacts of the invasion of the gas industry. It still is a Norman Rockwell kind of town. But lately the water and gravel trucks are rumbling right down mainstreet on a regular and frequent basis. Roads and culverts are taking a beating. The tourist business (antique stores, etc) is taking a beating because tourists can't visit and stay over - every hotel and motel room is taken by a gas drilling related person. The lower income people cannot today afford housing that they could afford yesterday. And on it goes.

We are against the County leasing its land, and want you to vote against the lease offer.

Thank you,
Jon & Pam Burgman
Powers Road, Binghamton

7/16/2010

Eric Denk
Clerk of the Legislature
Broome County
Edwin L. Crawford County Office Building, 6th Floor
Binghamton, NY 13902-1766

July 19, 2010

Dear Mr. Denk,

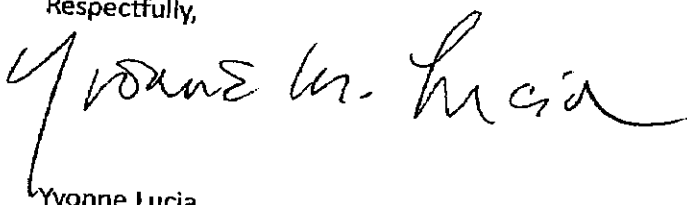
There has been a high level of interest in gas drilling by residents of Broome County, and the proposal to lease county land has been a recent focal point. Many Broome County residents were unable to attend the BC Public Health Environmental Committee Meeting on Wednesday, July 14 due to meeting room space constraints.

The Open Meeting Law reform bill (# A.5873/S.4284), signed by Governor Paterson on April 14, 2010, says that public meetings shall take place in facilities large enough to accommodate members of the public.

While it may sometimes be difficult for the legislature to accurately anticipate what meetings will generate a large turnout, in this case the Public Hearing on the legislature's proposed lease of county property for gas drilling needs to be moved to a larger venue to be in compliance with the Open Meetings Law. A large number of attendees for the Public Hearing on July 19 could have been anticipated on July 14 and was in fact anticipated according to a press report on July 17, 2010 which stated that seating would be limited to 60 to 70 people.

This decision to limit attendance rather than move to a larger venue appears to be in violation of the Open Meeting Law and limits citizen input to and attendance at an important meeting in Broome County.

Respectfully,



Yvonne Lucia
Kris Pixton
Co-chairs, NYRAD

Hall, Carol L.

From: Paul Yaman [paul@pauyaman.com]

Sent: Monday, July 19, 2010 11:14 AM

To: Hall, Carol L.

Subject: note for the record for tonights meeting on drilling rights to county land

My name is Paul Yaman. I am no longer in Broome County, but the idea of leasing county land for drilling is lunacy. No amount of money will repay for possible damages and problems that could occur. Please correct your thinking and not be persuaded that you need to allow the drilling for natural gas on the citizens land.

Thank you and please enter this on the record.

Paul yaman

7/19/2010

Hall, Carol L.

From: Sheila Cohen [scohen3@twcny.rr.com]
Sent: Monday, July 19, 2010 1:48 PM
To: Hall, Carol L.
Subject: Comments on the Proposed Gas Leasing Enterprise

To Members of the County Legislature:

I attended last Thursday's meeting when the county's proposed lease agreement was revealed. At that time, I noted that some of the people voting on the proposal, had little or no idea about the details of the proposed deal beforehand. Very few details were revealed during the presentation.

After I heard the presentation and later looked at the details on the county website, I became concerned that many of the county parcels to be leased but, purportedly not to be drilled, would require adjacent land to be leased to enable drilling to occur. It would also require that land be taken via compulsory integration to make up a drilling unit.

It would seem to me that those county residents living in or around the property proposed for leasing should be informed before any deal is struck.

There is also the potential for property to be taken for pipe lines.

Will residents be informed before the deal is finalized that their property might also be taken via eminent domain when pipe lines need to be installed?

Will residents be informed that gas extraction may involve flaring and thus, there will be flaring near home, park lands and other property near drill sites?

The ethical approach to take would be to make VERY public exactly which properties might be in a parcel, what additional lands might have to be leased in order for drilling to occur, what additional properties might be taken via compulsory integration to make up a drilling unit, and what lands might have to be seized for pipelines.

Most importantly, be concerned first and foremost with the health and safety of the residents of the county and those outside the county who wish to visit the lovely county parks and/or attend the fine community college and university in the county.

The county is taking a very short term view of planning and business development. There are better and cleaner energy sources to be investing in than gas, which from all accounts is no cleaner than coal. There are pages of documented problems occurring in PA at this time. No amount of legal language in a lease and DEC regulations can prevent water, air and other contamination. Contamination from drilling is difficult to prevent and even more difficult if not impossible to remedy. Just ask the people living in places where drilling is occurring around the country especially multiple locations in Pennsylvania, not just Dimock.

Thank you for your attention to this critical matter.

S. G. Cohen

Marion, Christopher H.

From: jlacreevy@aol.com
Sent: Sunday, July 25, 2010 11:43 AM
To: Marion, Christopher H.
Cc: Hanlon.Edward@epamail.epa.gov
Subject: economic benefit of fracking in the marcellus

complaint # 90-2371

economic benefit of gas drilling in nys

the suspicion about gas drilling in nys may have developed, to quite an extent, from the fact that nys has had little discussion about the real pros and cons to us.

one glaring issue is economic benefit. nys has seen our share of self-interested use of taxpayer money by our governing bodies. we also hear that gas drilling must be allowed to capture the economic benefit.

a guest viewpoint in this AM's press & sun bulletin is headlined "Schools push taxpayers to fiscal ledge", in which the implication is that school admin and staff are, to too large an extent, in place for their own benefit. the fabulous benefits, salaries, and pensions support this possibility. and their refrain for ever-greater financing is "its for the children". the guest viewpoint says that payroll, insurance, benefits, and pension costs consume approximately 80% of school budgets. this is too much.

in the same press & sun bulletin we have an article that is headlined "Expense of Alternative Fuels is Enormous". the statistics do indeed reflect alot of money. however, this money isn't going to the wind to purchase the energy, or to the sun to purchase the rays. the money will create an industry in which everyday ny'ers would be able to procure a good paying job, creating a product that may well save our Earth. at the risk of sounding too environmental, i don't look forward to the possibility of a waterless and clean-cut nys. i also would enjoy the prospect of the great jobs that could be generated, if the quick buck mentality was replaced with a wiser and more sustainable nys governing attitude.

the DSgeis is fatally flawed, because it does not adequately address the environmental issues.

Cynically, while the DSgeis is forced on NY'ers as the reason that gas drilling is good for us, the refrain of economic benefit is touted with no real statistics.

my question to the legislature and admin of nys is, where are the actual numbers of the economic benefit, compared to the cost?

the so-called economic benefit is not an add-on to our current economy. gas drilling will provide an influx of money to a few, but surely to the harm of agriculture and tourism. this means, while our "leaders" will pat themselves on the back about the influx of money due to gas drilling, they will surely ignore the reduction in economic benefit that we now enjoy in agriculture and tourism dollars.

also, in the same manner of holding up gas drilling as an answer, our press & sun bulletin guest viewpoint that suggests the enormity of the cost of economic development of wind and solar energy, doesn't include the equally sustainable jobs that could be created if our legislators and admin of nys could rally their genius toward this new and surely lucrative industry. we would also place ourselves in a position of growth, rather than degradation and use of resources.

and no, this doesn't sound easy. however, during the election campaigns, we were informed that election of you, would ensure an intelligent, energetic, and vibrant advocate for the good of ny'ers.

this would be your chance to sparkle.

due to these reasons, please w/d the dSgeis as fatally flawed, and please open a discussion of the real cost of gas drilling.

and, bye the way, do not pollute or over-use our now abundant and clean water natural resources. it doesn't belong to you.

thanks.

Humankind often wants to take the easy way out more they want to be honest.

Truth often creates disagreements and is uncomfortable. We can no longer hide what is transparent. It is necessary to clean up the political arena and the influence of "big" money.

Innocence means one lacks sense. "In no sense are we advancing" when gas drilling is creating a degradation of shorelines, destroying plants and animals and polluting wells and the water supply. People will contract diseases which will be expensive and difficult to cure. Every time we drill the land, a void is created.

This void must be filled and movement begins within the earth. It will increase the amount of earthquakes around the planet. It will be in every state and nation, in your own back yard. There is nothing natural about the drilling procedure nor is there a responsible way to conduct it. If allowed to continue, problems will escalate and will cost lives.

There are alternative technologies that have been suppressed from the general public because they would not be funded by industry but by the hands of the people. Obviously we could not be used for financial gain. We are in a state of emergency not only from the chemicals that our agricultural industry uses but from petrochemicals and sewage pollution which is out of control. We must reckon with these facts and if I rattle the conscience of a few government officials then so be it. Pretending that things look fine will not sustain lives but a loss of lives will ensue. Instead of being blind sighted I choose to be held accountable and to be here for this meeting. No fracking cracking, no way.

Statement to Broome County Legislature

10 JUL 19 AM 9:50

July 19, 2010

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OFFICE OF CLERK
COUNTY LEGISLATURE
BROOME COUNTY, NY

Good afternoon. My name is Leo Cotnoir and I live in Johnson City. I am here as a concerned citizen, homeowner, and taxpayer. Let me state from the outset that I am not opposed to drilling or hydrofracking if they are done safely and cleanly by responsible companies after due diligence. My concern is that none of those criteria are met by this proposed deal. Many others have addressed the issues of safety and waste water management, so I will restrict my comment and questions to the matters of whether Inflection Energy is capable of the requisite responsibility and whether the County has, in fact, exercised due diligence. My research over the past few weeks has turned up facts about Inflection Energy and its principals that raise serious questions in my mind and that I think the County should look into before proceeding.

Let me begin by addressing the history of the principals of Inflection Energy. In his July 7 presentation to the County legislature Mr. Sexton touted his experience and that of his colleagues. However, he failed to mention how they left their previous companies and in what condition they left them. According to the Denver Business Journal, during Mr. Sexton's tenure as CEO of Evergreen Energy, the company's losses doubled and he was fired in June 2007. However, thanks to his ability to negotiate a deal, he walked away with nearly \$6M. Mr. Zimmerman's departure from Storm Cat Energy in early 2007 had more than a whiff of scandal to it. In March of that year he was suddenly placed on administrative leave by the company. A month later, after signing his remaining stock options over to his now ex-wife, he resigned as CEO and as a member of the board. His tenure at South Texas Oil also ended abruptly when he resigned as CEO and a member of the board after being in the job for six months. The terse nature of his letter of resignation suggests that it was not an amicable event. Mr. Coyne also left his last employer CCR Technologies Ltd. of Alberta, Canada, under a cloud. After two and a half years of increasing losses CCR announced in May 2008 that Mr. Coyne had, "resigned his position to pursue other business interests," a common euphemism for a CEO being fired. The County should inquire as to the circumstances of these gentlemen's sudden departures from the companies they led.

And what happened to those companies after Sexton, Zimmerman, and Coyne left? Evergreen has continued to lose money and is on the verge of bankruptcy; in October 2008, Storm Cat defaulted on its loan obligations and put its US operations into Chapter 11 bankruptcy; South Texas Oil was placed in involuntary Chapter 11 bankruptcy less than a year after Mr. Zimmerman left; CCR Technologies continued its death spiral as its stock dropped from a high of \$0.31 to \$0.02 when the government of Alberta issued a Cease Trading Order against them. Surely, Broome County should seek assurances that the County will not suffer if Inflection follows a similar course.

Mr. Sexton cites a number of awards he says were received by his previous company, Evergreen Energy. A search of Business Wire and the Denver Business Journal confirms only two: awards given Evergreen in 1996 and 2000 by the Colorado Gas and Oil Conservation Commission for community relations. What Mr. Sexton fails to mention is that in 1999 he was called before that Commission's Interim Committee

on Oil and Gas to explain how his company planned to compensate landowners for damages caused by oil and gas drilling and to address complaints of wells being contaminated by Evergreen Resource's activities. That company's successor, Pioneer Natural Resources, has been cited more than 400 times for environmental violations in San Animas County, Colorado. Mr. Sexton's new company, Evergreen Energy, was twice fined by the State of Wyoming for illegally dumping waste water. Broome County needs assurances that such things will not happen here. And I do not believe that Mr. Sexton's plan—that Inflection provide an independent environmental monitor—makes any sense. That would be the fox guarding the hen house.

A search of business records held by the Colorado Secretary of State shows that Mr. Sexton was cited for failing to file annual reports in 2005, 2006, 2007, and 2008 for his various companies. Those records also show that besides Inflection Energy LLC, Mr. Sexton has registered Inflection Energy Management LLC, Inflection Energy Operating LLC., and Inflection Energy Services, Inc., the last authorized to issue stock worth \$0.10. In January of this year, Mr. Sexton registered Inflection Energy LLC in New York listing as its address the law firm of Town of Dickinson Justice Gregory Gates. Now perhaps I am just ignorant of how things are done in the gas and oil business but I think the County needs to understand Inflection's corporate structure and the role of Justice Gates, if any, in the enterprise.

In his profile on business networking site LinkedIn, Mr. Coyne says that he is also associated with RIVA Resources. According to a corporate data base, Manta, RIVA Resources has the same address and phone number as Inflection Energy. The company is listed as having three employees and annual sales of \$175,000. Despite identifying itself as a Limited Liability Company, RIVA is not registered with the State of Colorado. I believe Mr. Coyne should be asked about the relationship, if any, between RIVA Resources and Inflection Energy.

One very worrisome item I turned up in my research was the blog of a former employee of Evergreen Energy which says, "Evergreen Energy (EEE), formerly KFX, together with it's [sic] founders and management have a long track record of failure, deception, SEC violations (including market manipulation, FD regulations and others), accounting irregularities, evidence of insider trading, paid promotion, relationships with known criminals and cozy relationships with corrupt public officials." Unfortunately, the blogger did not identify himself or herself, however it should not be too difficult to track down the author. These are serious charges that I believe the County should seek to have clarified either by Mr. Sexton or, if need be, by the blogger in question.

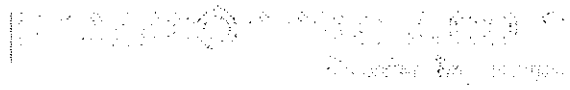
Another question that must be asked of Mr. Sexton is who will do the actual drilling and ancillary work. Even if all ten of the people Mr. Sexton lists actually work for Inflection, and my research suggests that they do not, they will not be doing the hard, dirty work. I urge the County not to accept a blithe assurance that they will be hired locally because I, for one, simply do not believe that. I assume that Inflection will subcontract the work. The County should know to whom. And before counting any new jobs, note that earlier this year Pioneer laid off 20% of their workforce in San Animas County due to market conditions. A Wild West boom and bust economy will not benefit Broome County.

Perhaps the most peculiar discovery I made was a direct correlation between trading in Storm Cat Energy stock and key events in the progress of the proposed deal between Inflection and Broome County. On an average day Storm Cat, located in the same Denver building as Inflection, trades in volumes in the 1000 to 3000-share range. On February 3 when Inflection signed a deal with in the Town of Maine, 368,378 shares changed hands. The day the County Attorney released the technical comments on the SGEIS, April 8, 217,100 changed hands followed by another 306,261 on April 12. On May 10, another Inflection lease in Maine was announced and on May 12 315,900 Storm Cat shares were traded. There was a spike of 150,000 shares on June 30, two days after County Attorney Sluzar declared horizontal drilling safe in an interview on WICZ. On July 8, the day after Mr. Sexton's presentation, the stock jumped 800% on 82,000 shares traded. And on July 16 when the deal passed its first hurdle 293,000 shares of Storm Cat stock were traded. In fact, the only trading spike between April and July that I could not correlate with Inflection occurred on June 30. Perhaps this is just extraordinary coincidence, or perhaps it is evidence of insider trading. I think the County needs to investigate.

Finally, and reluctantly, I feel the need to raise a question closer to home. As I dug into Inflection Energy I found County Attorney Sluzar sounding more like a salesman for the company than a representative of Broome County. Given the allegations that Mr. Sexton has been involved in political corruption in the past it seems to me that County officials should be especially circumspect in their dealings with him. While not making any accusations, I think the public needs to know who paid for Mr. Sluzar's trip to the Natural Gas Nation Conference in Texas where he again sounded more like a gas industry lobbyist than a County official. Has Mr. Sluzar filed a financial disclosure since this matter has surfaced? If so, it should be made public; if not, he should be asked to do so before a final vote on this issue.

My concerns—and I believe they should be the County's concerns as well—are that Broome County not be the victim of a scam and that we citizens of the County receive a truly fair price for the lease of our public land. There are very real questions about Inflection Energy, their ethics, and their capabilities. The gas under Broome County has been there for millions of years. It will not go anywhere while the County government exercises due diligence. I urge the Legislature to call Inflection's bluff and not be buffaloed into a deal without knowing enough about those with whom we are dealing.

Thank you.



November 1, 2009

Gas leasing: What we leave on the table

By Roy Lackner

Besides the fate of future generations - our health, safety, and the inalienable rights to clean air, water, nature's bounty of fish and game, as well as peace and quiet. Consider these numbers compiled by the United States General Accounting Office of what is called the "government take," i.e. a combination of royalties, bonuses, corporate taxes and special fees as collected by other states and other countries from the oil and gas corporations:

Wyoming, 52 percent; Texas, 53 percent; Oklahoma, 53 percent; Louisiana, 57 percent; Alaska, 63 percent; Australia, 61 percent; Vietnam, 68.5 percent; China, 72 percent; Russia, 74 percent; Norway, 74.7 percent; Libya, 78.7 percent; Syria, 84.5 percent; Iran, 93 percent; Venezuela, 95 percent. Our own government's take is among the lowest in the world: U.S.A., 37 to 50 percent.

While Penn State's Terry Englander told international investors the size and extent of the Marcellus shale, the gas corporations sent out their private army of landmen and women to acquire the mineral rights to their new prize (or as they call it, "play"). The bamboozling had begun. First they took advantage of struggling farm families offering pennies on the dollars for their mineral rights. \$5, then \$10, then \$25 per acre was offered with the minimum royalty of 12.5 percent from an 1890s law. Soon hundreds of dollars per acre was offered and 15 percent royalty and the feeding frenzy was in full motion with attorneys even getting in on the act with their own percentages of the real landowner's royalties. Their ground work was well-laid in New York and Pennsylvania with both legislatures. This curtailed any ability for landowners or coalitions to negotiate for what was really at stake through the threats of forced pooling, compulsory integration and the changing of spacing unit sizes.

At the federal level, the complete hands-off for this industry's regulation, compliments of our then-vice president and his 2005 Energy Policy Act, exempted the oil and gas industry from compliance with the Clean Air Act, Clean Water Act, Safe Drinking Water Act, Community Right to Know Act, Property and Liability Act, etc.

Meanwhile in Texas and Louisiana, consider these numbers paid by Chesapeake, XTO and others. At the height of the Barnett Shale activity, bonuses reached \$32,000/acre and 25 percent royalty. XTO was still paying \$13,250/acre to \$22,500/acre bonuses in Tarrant County, Texas. Fort Worth offers to date are \$17,000 to \$20,000/acre with gas corporations admitting they were willing to pay up to \$27,000/acre and 25 percent royalties. The average Louisiana lease is approximately \$13,400/acre with a 25 percent royalty. At one point, Chesapeake paid \$39,000/acre in a Louisiana parish.

People began to realize they were being targeted by what they call "lease hounds," prospectors looking to buy up mineral leases for a quick flip and big profit when they turn them over to the actual drilling companies. The deceit with which the Marcellus play was perpetrated and portrayed by landmen, lawmakers and the media allowed landowners to be duped is outrageous and should be addressed as soon as possible by all states affected and the Congress of the United States.

There is no need to fear scaring the gas profiteers away. All the money in the world will never replace what we already have and must protect. The nation's headwaters cannot be bought; they must be protected at all cost. A 1 or 2 percent failure rate is unacceptable - a clear and present danger to the life and liberty of all. To quote a hunting guide from Wyoming, "We don't have to destroy all the other resources in order to get to one."

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**Unanswered Questions About
The Economic Impact of Gas Drilling
In the Marcellus Shale:**

Don't Jump to Conclusions

March 27, 2010

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1. Introduction

In light of the undisputed potential for environmental harm from gas drilling in the Marcellus Shale, the principal reason advanced for taking the environmental risks is the positive economic impact that such drilling could have for New York State and its counties. However, there has been so little actual, current, unbiased examination of the economic impact that it is fair to say that positive economic impact is more an assertion than a proven fact. It is possible that the net economic impact may be negative for New York State and its counties.

The studies used to support the claim that drilling will bring economic benefits to New York are either biased, dated, seriously flawed, or simply not applicable to the region that would be affected. Such studies are not a valid foundation on which to base legislative or regulatory actions.

The unsupported assumption of a net economic benefit from gas drilling in the Marcellus Shale is largely based on anecdotal experience and studies from other gas producing states. Decision-makers in New York should be warned that the economies of New York State and the affected counties are different enough from those of other regions with gas drilling that an independent and thorough analysis of the economic impact in New York should be undertaken before decisions with irreversible consequences are taken.

2. Brief Background on Economic Impact Studies of Gas Drilling and Multipliers

Many of the studies of the economic impact of gas drilling have been based on input-output analysis. Such analysis does not properly account for costs of environmental degradation, damage and general wear and tear to infrastructure, health effects, pollution's impact on other industries such as tourism and hunting and fishing, and the impact on property values.

Input-output analysis relies on tables of coefficients that link one industry to all other industries. In a region where gas drilling has not existed in the past, it is impossible to know what those inter-industry coefficients will be, and "borrowing" them from other regions or industries is likely to result in highly inaccurate impact conclusions.

In addition to input-output coefficients, economic multipliers are sometimes also "borrowed" from other industries and regions, and may not be accurate for gas drilling in upstate New York. It is difficult to compare multipliers as they vary widely by region and by industry, but some general comparisons do hold. In an area with great industrial diversity, multipliers are relatively high. An industry that uses materials and labor primarily from within the region will have a relatively higher multiplier than an industry that buys its services and supplies from outside the region. The region could be defined

as a state, county, multi- state area or sub-county area, and these differences in multipliers still apply. If an industry is in a large urban area, its multipliers are generally higher as greater amounts of industry spending remains in the area. Small and/or rural areas tend to have lower multipliers, since an industry must use services and supplies from firms outside the area. So, when applying a multiplier to estimate economic impact, much care should be taken to reflect the economic character and industry diversity of the region being analyzed.

If the anticipated growth in jobs and income in the oil and gas industry does not occur, then the desired indirect and induced economic impacts will not occur, and local and state tax revenues will not grow as hoped. If newly created jobs are filled by non-permanent and transient workers, then both income tax and retail tax revenue will be lower than anticipated. Likewise, as many of the established support firms for the oil and gas industry are not located in New York State, corporate tax revenue will be less than anticipated. The imposition of a substantial severance tax should be considered in New York State not only to ensure that the state will have some revenue to use for mitigation of environmental, health and infrastructure degradation, but also to ensure some revenue to the state in the likely event that the overall economic impact is not as substantial as is currently being assumed.

Decision makers may be on the verge of making bad choices for the health of the regional economy. The oil & gas industry is not a reliable industry on which to base an economic development plan. Alan B. Krueger, Chief Economist and Assistant Secretary for Economic Policy at the US Department of Treasury, stated, "The oil & gas industry is about ten times more capital intensive than the US economy as a whole." Krueger continues, saying that encouraging oil and gas production is not an effective strategy for creating jobs. (Remarks of Alan B. Krueger to the American Tax Policy Institute Conference, October 15, 2009).

The following sections provide a summary of unanswered questions and concerns regarding specific studies and anecdotal evidence of economic impact of gas drilling. The studies referenced have been cited by advocates of gas drilling in the Marcellus Shale. The purpose of this survey report is to encourage decision makers to be cautious and insist on credible economic analysis prior to committing to gas drilling and its potential negative effects.

3. New York State's Experience with Gas Drilling Does Not Support the Assumption of a Positive Economic Impact

According to the 2008 Annual Report of the Division of Mineral Resources of the New York State Department of Environmental Conservation, the top 10 gas counties in New York State are Steuben, Chemung, Chautauqua, Erie, Seneca, Cattaraugus, Schuyler, Tioga, Cayuga, and Genesee Counties. The following table, taken directly from the

Annual Report, shows gas production levels and number of wells in these counties in 2008.

Gas Activity in the Top Ten Gas Counties (2008)

	Gas (mcf)	Active Gas Wells
Steuben	17146368	69
Chemung	15626276	43
Chautauqua	6758069	3438
Erie	1961665	961
Seneca	1606948	214
Cattaraugus	1593604	528
Schuyler	1060947	18
Tioga	1038093	1
Cayuga	838287	291
Genesee	767032	519

In these ten counties, total non-farm employment in 2007 (the most recent year for which these employment data are available from County Business Patterns) was 607,037 and employment in the oil & gas extraction industry in the same counties totaled to 206, or only 0.03% of total non-farm employment. (Note that only three of these counties, Chautauqua, Erie and Cattaraugus, had large enough employment numbers in this industry to be reported.) When considering annual payroll in this industry, the story is similar with only 0.04% of total annual non-farm payroll in these counties attributed to the oil & gas extraction industry.

Even if it is assumed, despite evidence to the contrary from employment data, that these top ten gas counties are New York State's most "energy focused" counties, it is informative to do a quick review of the economic condition of these counties. A comparison of the economic health of these counties relative to nearby New York State counties shows that the so-called gas counties are not faring any better than the nearby non-gas counties. The following tables show Percent of Families Below Poverty Level, Median Household Income, Percent of the Labor Force Unemployed and Per Capita Income for each of these counties.

There does not appear to be a significant difference in these measures of economic condition between the "gas" counties and the non-gas counties.

Economic Health of New York's Top Ten Gas Counties (2006-2008)

	% of families below poverty	Median Household Income	% of Labor Force Unemployed	Per Capita Income
Steuben	8.8	43662	6.8	22901
Chemung	12.4	41611	6.6	22759
Chautauqua	12.7	39865	7.3	21041
Erie	9.9	46814	6.2	26347
Seneca	9.5	45018	5.4	21566
Cattaraugus	11	41942	7.2	20668
Schuyler	NA	NA	NA	NA
Tioga	7.4	51135	6.3	24905
Cayuga	8.4	48991	5.6	22849
Genesee	8.9	48509	6.7	22598
MEAN	9.9	45283	6.5	22848

Source: American Community Survey

Economic Health of Five Nearby Counties (2006-2008)

	% of families below poverty	Median Household Income	% of Labor Force Unemployed	Per Capita Income
Allegany	11.4	41000	8.6	19393
Chenango	8.5	44202	6.3	22925
Wyoming	9.1	50022	6.3	20619
Livingston	7.6	52049	3.8	22230
Yates	10.3	43428	4.6	22130
MEAN	9.4	46140	5.9	21459

Source: American Community Survey

4. New York State Has Not Studied the Potential Economic Impact Sufficiently to Assume That There Will be a Net Economic Benefit

Both the economic analysis relied upon by the Draft SGEIS and the economic impact study that was commissioned by Broome County are seriously flawed.

The Draft SGEIS

The recent Draft SGEIS does not include an updated economic analysis. The DEC appears to be relying on economic analysis that was done in January 1988. No decisions should be based on such outdated analysis. The economy, spending patterns, natural resource prices and volatility, available financing and a myriad of other factors relevant to calculating gas drilling's economic impact have changed dramatically in the last 22 years. And the oil and gas industry of the 1980s is very different from that of today. The analysis of 1988 seemed to focus predominantly on the oil industry. The economic impact assumptions made in the Draft SGEIS do not reflect the most recently available input/output tables, so the multipliers are likely outdated as well. Any economic impact analysis that is worthy of forming the basis for consideration of laws and regulations must be updated to reflect the current market and economy, and it should reflect accurately the actual industry and product being considered.

The outdated report states that the multiplier effect is 1.4, meaning that for every \$1.00 of well/drilling output, \$1.40 is contributed to the State's economy through both direct and indirect effects. The report states *"the reported earnings multiplier of 1.4 for the oil and gas industry in New York is lower than many manufacturing and service industries, partly because the industry as a whole is not labor intensive, and also because most of the companies which provide services to the industry in New York are headquartered in nearby Pennsylvania."* If an updated economic impact analysis were to find a similar multiplier, then it would appear to make more sense to encourage an alternative industry that would provide a greater economic impact in the Catskills and in New York State generally, such as the tourism industry which is labor intensive and has been growing in the Catskills. There is a serious question as to whether gas drilling and tourism can co-exist. It may well be an "either/or" choice. The greater multiplier effect of other industries may well render gas extraction a poor alternative for economic benefit.

Tourism is not the only alternative. The "Broome County, New York, Agricultural Economic Development Plan" of 2001 shows a multiplier of 2.28 for agricultural crops, and that study concludes that farming should be encouraged for economic development of the county. If an updated and more accurate analysis were to conclude that the multiplier effect of gas drilling is as great as or greater than that of other industries, then

there may be an economic reason to encourage gas drilling. The analysis done to date indicates that based on economic impact alone, gas drilling should not necessarily be encouraged, particularly if the adverse environmental effects of gas drilling could prejudice other industries, such as tourism, outdoor sporting, and organic farming, several of which might in fact have higher multipliers.

In addition, while the 1988 report mentions environmental issues, it makes no attempt to value them. The report states,

Unfortunately, it is difficult to assign precise monetary values to aesthetic benefits such as the beauty of an unspoiled wilderness. The monetary value for improvements in such areas as clear air, clean water, and clean soil are easier to estimate and assign by using parameters such as increased property value, decreased health care costs, increased recreational and tourist use, and improved production from forestry, fishery and agriculture.

One should question why no attempt was made to estimate some of these parameters. A thorough analysis should evaluate each of these. The report even states, *“Most experts in this field agree that in most cases it is much cheaper to prevent pollution than to restore the environment after it has occurred.”*

Clearly, the economic impact analysis performed in 1988 and reflected in the 1992 GEIS is incomplete and inaccurate for application in 2010 and beyond.

An additional worrisome economic impact issue is the fact that multiple times in the SGEIS, the New York State DEC calls for action by local governments. For example, the DEC expects municipalities to monitor the DEC website, to be pro-active in completing road system integrity studies, to attain road-user agreements, to have county health departments undertake drinking water well investigations, etc. The costs of such activities at the local level may be substantial, and they have not been included in any of the economic impact studies or estimates.

The Draft SGEIS itself, in Chapter 7, has suggested adding more than 150 new tasks to the workload of the DEC. The costs of such tasks should be considered in an economic analysis.

Several studies (in addition to the State’s outdated 1988 study) are referenced in the SGEIS, and each has serious deficiencies, some of which are summarized in the following pages.

The Broome County Study

A study commissioned by Broome County, "Potential Economic and Fiscal Impacts from Natural Gas Production in Broome County, New York", fails to adequately address a number of factors that must be carefully considered in order to make informed decisions regarding gas drilling in Broome County.

The analysis does not appear to take account of the economic cost of building and repairing infrastructure due to the wear and tear on the roads, public buildings and other structures. This can be a significant expense for rural towns. The "River Reporter" indicated that as a result of the Millennium Pipeline, the small Sullivan County town of Cochection suffered road damage in excess of \$1million, a large sum for such a small town, with population of only 1328 (as of the 2010 Census). While the Millennium Pipeline followed a single path, multiple well sites spread throughout a town could have an even more devastating impact on infrastructure.

The analysis does not address the cost of mitigation as a result of environmental damage, including but not limited to drinking water contamination and fish kill. The Community Science Institute of Ithaca, New York, estimated that anywhere from 1 to 5% of water wells that are in the vicinity of gas wells will become contaminated. The Penn State Cooperative Extension put the figure at 8%.

While the study touts the use of input-output models, and such models are typically used to estimate economic impacts (including direct, indirect and induced impacts), these models do not capture economic impacts that result from environmental damage or natural resource use, so the positive economic impacts estimated in this analysis of Broome County are, at the very least, exaggerated. The actual net economic impact may, in reality, be negative.

Full economic costs to the region, such as the potential for a decline in property values and an increase in health costs, are not reflected. In fact, the assumption in this report seems to be that property values will increase. It is quite possible that the reverse would occur as many well workers are transient and non-permanent, and existing residents may be driven out due to an increasingly industrial landscape. Far fewer retirees will choose to settle and second home- owners would certainly be vastly reduced in number. Another negative impact on property values is the recently publicized fact that mortgages may not be available for leased land or even for land that is nearby leased land. A thorough study would also try to identify how many of the drillers are multinationals who do not pay full income tax rates in the States.

Declines in other industries are not reflected in the net economic impact. The tourism industry would be negatively affected, as well as the sport hunting and sport- fishing industries, due to both the declining natural beauty of the area, increased environmental damage, and the potential declines in fisheries and wild game.

The analysis focuses on a 10-year horizon that seems to be the expectation for gas extraction in the Marcellus Shale, and it ignores the longer term. This is a myopic view. What happens to the regional economy when the gas is gone in 10 years and the land and streams, etc. are polluted?

The analysis uses the IMPLAN input-output model, which by its construct assumes that all of the population (new and old, and low income and high income) would have identical patterns of spending. Such an assumption overestimates the multipliers and the resulting economic impact if the new employees are part-time residents or have their families staying in other areas, which is not uncommon for gas drilling workers.

Several important and potentially negative economic impacts are not directly quantifiable, but this makes it even more important to be sure that they have been considered as carefully as possible.

It is important to postpone any decision-making regarding gas drilling in Broome County until all of the potential environmental AND economic impacts are considered.

It is interesting to note that The Broome County Legislature adopted an Agricultural Economic Development Plan in December, 2001. It was prepared by Cornell Cooperative Extension of Broome County and the Broome County Department of Planning and Economic Development with the help of Shepstone Management Company. Three sections (Sections 1.3, 1.6. and 1.10) taken directly from the Agricultural Economic Development Plan for Broome County are provided below to show the inconsistencies between encouraging gas drilling for economic development and the economic development plan that Broome County had already adopted in order to preserve the pristine environment while at the same time enhance economic development.

1.3 Income from agriculture goes further than other sectors in helping the economy. Agriculture produces much higher economic multipliers than any other sector of the Broome County economy. A report entitled "Economic Multipliers and the New York State Economy," (Policy Issues in Rural Land Use, Cornell Cooperative Extension, December 1996) indicates dairy production, for example, enjoys a 2.29 income multiplier compared to 1.66 for construction, 1.48 for services, 1.41 for manufacturing and 1.40 for retail and wholesale trade. Crops produce a multiplier of 2.28 and nursery and wood products yield 1.78 times sales. Applying these multipliers indicates agriculture represents a total contribution to the economy of approximately \$55,000,000, not including forestry enterprises, many of which take place on farms and all of which are part of agriculture.

1.6 Farms create rural character and attract tourism.

Farms contribute to Broome County's rural character and protect open spaces essential to the quality of life for both permanent and seasonal residents. Any number of surveys of rural residents and second-home dwellers indicate the primary reasons people live in such areas have to do with their appreciation of the natural resources and open spaces offered,

but the anecdotal evidence is perhaps even stronger and local tourism brochures provide examples. They include references not only to the County's recreational opportunities but also its "scenic beauty." They also speak of the "quiet valleys," "enchanted villages" and "quiet country settings" throughout the County as attractive features for visitors. These facets are directly created by working farm landscapes in many instances. They help support some 217 bed and breakfast rooms offered throughout the County. There is, indeed, a direct relationship between farming and the attractiveness of Broome County as a place to both live and visit.

1.10 Farmland is an invaluable resource for future generations.

Farmland is a valuable future resource for the County in providing for a healthy and plentiful local supply of food products and generating new sources of farm income.

Urban

residents of the County, as well as visitors, are seeking locally grown fresh fruits, vegetables and flowers, both organic and non-organic. A local organic pork producer also markets products over the Internet. The presence of five operating farmers markets (Binghamton, Deposit, Endicott, Johnson City and Vestal) in the County demonstrates just how important this activity is.

It is clear that gas drilling would have a devastating effect on the agricultural, sporting and tourism industries in Broome County. If Broome County legislators encourage gas drilling, then they will be working counter to their economic development plan.

5. The Experience of Gas Drilling in Pennsylvania Does Not Support the Assumption of a Positive Economic Impact for New York State

There has been mention of extensive economic activity created in Pennsylvania due to the gas drilling industry. Publicly available data do not appear to support this claim.

In Pennsylvania, employment (or number of jobs) has not increased dramatically in the oil & gas extraction industry from 2001 through 2007. In fact, there was a gradual increase in oil & gas extraction industry employment from 2001 to 2004, a drop in 2005 and then a gradual increase in 2006 and 2007, but by 2007, employment in this industry in Pennsylvania did not reach the prior high of 2004.

Also, as a percentage of total state employment, employment in the oil & gas extraction industry has not changed very much. It was a lower percentage of total employment in 2007 than it was in 2003 and 2004. The following data that show these findings are from the US Census Bureau's County Business Patterns database.

Pennsylvania Oil and Gas Extraction Industry Employees as a percentage of total number of employees in the State.

2001 0.03%
2002 0.03%
2003 0.07%
2004 0.07%
2005 0.04%
2006 0.04%
2007 0.05%

Pennsylvania Oil and Gas Extraction Industry Annual Payroll as a percentage of State-wide annual payroll:

2001: 0.04%
2002: 0.05%
2003: 0.1%
2004: 0.1%
2005: 0.06%
2006: 0.07%
2007: 0.07%

Employment in Oil and Gas Extraction Industry in Pennsylvania:

2001: 1567
2002: 1754
2003: 3566
2004: 3667
2005: 1809
2006: 2093
2007: 2695

To put these numbers in perspective, as of January 2010, the total number of Walmart employees in Pennsylvania was 48,777, and the tourism industry has approximately 400,000 jobs in the state.

In order to identify energy intensive counties in the state, data for the following counties were reviewed:

Lycoming, Fayette, Washington, Susquehanna, Greene, Clearfield, Indiana, Wayne, Wyoming and Columbia. As of 2007, Indiana County had the greatest number of employees in the oil & gas extraction industry and that county had only 316 employees, out of 28,613 employees county-wide. This does not indicate an "oil & gas intensive" county.

The Penn State Study

There have been many references to the Penn State Study. The title of this study is "An Emerging Giant: Prospects and Economic Impacts of Developing the Marcellus Shale Natural Gas Play". It was prepared for the Marcellus Gas Committee, made up of corporations in the gas industry, and therefore, a highly biased group. The member companies provided the underlying data for the study. The report is an exercise commissioned by the natural gas industry to try to prevent the State of Pennsylvania from imposing a severance tax on natural gas. An intelligent lawmaker should not take this study seriously. It dismisses very real concerns regarding environmental damages and ignores significant economic costs, all to make an argument against a severance tax, which could help to mitigate some negative effects.

6. The Experience of Gas Drilling in Texas Does Not Support the Assumption of a Positive Economic Impact for New York State

In addition to Pennsylvania, Texas is often referenced as an example of positive economic benefits resulting from gas drilling. The Barnett Shale in Texas is said to be geologically similar to the Marcellus Shale and the same technology, horizontal hydraulic fracturing, is used there.

One study, done by the Perryman Group, boasts of tremendous positive economic impact resulting from gas drilling in the Barnett Shale. The source of funding for the study and the source of the underlying data for the study are both unclear. Unlike serious, professional studies, data sources are not identified. The charts in the report simply state "Source: The Perryman Group". Surely, at a minimum, New York State decision makers should uncover the data and funding sources for this study prior to assuming that such an estimated impact is realistic. The econometric model used in this study was developed by the Perryman Group, but there is not a clear discussion of the track record of this model. Economists who develop models used for forecasting are expected to provide some evidence of the accuracy of the model for forecasting. This is often done by generating "backcasts" to compare actual to forecast values. No such verifications are provided or referred to.

Mayor Calvin Tillman of Dish, Texas has recently come to upstate New York to share his experience and make sure that New York is aware of the devastating environmental and health impacts that Dish has experienced as a result of gas drilling in the Barnett Shale.

Regarding economic impacts, he states a job creation number that is similar to that reported by the Perryman Group. In preparation for his visit to New York, Mayor Tillman stated "Just a couple of years ago the Barnett Shale added 10 billion dollars and

100,000 jobs to the economy for the State of Texas.”

It is not obvious that publicly available employment data from the Bureau of Labor Statistics support such a claim. According to the Bureau of Labor Statistics, the 2009 number of employees nationwide in Oil and Gas Extraction is 161,600. It's unlikely that 100,000 of those jobs were just recently added to the state of Texas as a result of the natural gas industry alone.

Perhaps Mayor Tillman's impressive estimate of job creation in Texas is coming from the combination of related industries and from jobs created as a multiplier effect, or perhaps they are taken from another economic impact study conducted by the gas drilling industry. The publicly available, unbiased employment data do not support them. The Perryman study breaks down the jobs numbers as follows: 31,803 in pipeline development, 19,015 in Royalty and Lease Payments, and 60,314 in Exploration and Drilling, for a total of 111,131 jobs in 2008. Where do these numbers come from? They do not appear to be confirmed by publicly available jobs data and the Perryman study does not cite data sources. Is it possible that these numbers were simply provided by the gas industry?

Even if there is a large positive economic impact in Texas, comparing Texas to New York is comparing apples to oranges for the purposes of estimating economic impacts from gas drilling. Texas has a labor force with the requisite skill sets. The rural counties in upstate New York would have to import the labor, who in many cases will be temporary and transient, and most of their income will be spent in their home states (probably not in New York), greatly reducing the multiplier effect in New York State relative to Texas. In addition, Texas has a very large support industry network for oil and gas activities with all requisite machinery, equipment, etc, many of which are probably manufactured there or at least distributed and contracted for there. Note also that the major gas companies are not headquartered in New York (for example, Chesapeake Energy is in Oklahoma City and XTO is in Fort Worth). New York would have to import most gas industry services, machinery, equipment, and management, and much of this would probably come from established businesses in other states such as Texas, so it is even possible that Texas would derive greater economic benefit from drilling in New York State than would New York.

In addition, the economy in the Barnett Shale area is more vibrant than the economies of upstate New York, as it is all in part of the Dallas-Fort Worth Metroplex. In fact, the Perryman Study states that “prior to the emergence of the Barnett Shale, Fort Worth had established itself as one of the largest cities in the state and a major contributor to overall business prosperity. It is also a central part of a dynamic urban region that recently exceeded six million in population. The Barnett Shale is like ‘icing on the cake’ for an area already performing quite well.” The counties in upstate New York where gas drilling may take place cannot be described in this way. As noted above, multiplier effects of any industry are greater in more developed areas, such as the Dallas-Fort Worth Metroplex, having greater industrial diversity.

Finally, Texas has a much warmer climate that retirees enjoy. This may mean that if local landowners "get rich" from natural gas in the Barnett Shale, they are more likely to stay put in their vibrant area, where they can simply buy or build a bigger house. On the other hand, in the Marcellus Shale region in New York, it is possible that many of the local landowners who "get rich" from natural gas will move to Florida or other points south, taking their new-found wealth and spending with them, thus reducing not only property values in the Marcellus Shale region, but also local spending, possibly resulting in a negative economic impact.

It is very likely that the economic impact resulting from more gas drilling in New York State would be less than the economic impact resulting from more gas drilling in Texas.

7. The Experience of the Western States Does Not Support the Assumption of a Positive Economic Impact for New York State

An independent study of the experience in Western states is "Fossil Fuel Extraction as a County Economic Development Strategy: Are Energy-focusing Counties Benefiting?" prepared by the firm, Headwater Economics. It was released in September 2008. Note that Headwater Economics is an independent non-profit firm, not supported by the gas industry or by advocates of stopping gas drilling. This study analyzed the economic health of counties in Western states in order to compare the economies of counties that focused on fossil fuel extraction as a strategy of economic development to the economies of counties that did not focus on such industries. The conclusions are that "while energy-focused counties race forward and then falter, the non-energy peer counties continue to grow steadily...Counties that have focused on broader development choices are better off, with higher rates of growth, more diverse economies, better-educated populations, a smaller gap between high and low income households, and more retirement and investment income."

8. Conclusion

The entire Marcellus Shale region in New York may be at risk both economically and environmentally. While the environmental risks have been a focus of concern, many stakeholders have assumed that a positive economic impact would result. In reality, the economic impact may very well be negative. And the likelihood is that gas drilling would adversely affect other economic activities such as tourism and sport fishing and hunting. To some extent gas drilling and these other industries are likely to be mutually exclusive. The net effect is what must be considered.

It is important for decision makers in New York State to act responsibly and insist on thorough, relevant and unbiased analyses prior to making the bold and possibly inaccurate assumption that gas drilling in the Marcellus Shale will result in positive net economic benefits to New York State and its counties.

As decisions regarding gas drilling in the Marcellus Shale have potentially severe and in some cases irreversible consequences in the form of health, environmental and infrastructure degradation, it is imperative that all of the possible economic impact outcomes be fully understood.

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How Marcellus Shale Gas Drilling Will DEPRESS Your Property Values

Imagine this: You lease your land to a gas drilling company, then, before or after drilling, you decide that you want to sell your land. You find plenty of prospective buyers—the problem is that none of them can find a bank to finance a mortgage, because most banks and insurance companies consider gas-leased land to be an unacceptable risk.

Where does this leave you? Most likely stuck. And what does it do to the value of your property? Most likely depreciate it, and the value of neighboring properties, too.

Or, imagine this: You have not leased your property, but your neighbors have, and—because your property is within 300 feet of theirs—banks also balk at financing your property—because of volatile property values and environmental hazards.

Or, imagine this: You own a farm or a lake cottage in an area where gas drilling is taking place and the value of your home and land has become so depreciated by the number of unmortgageable properties around you that your investment is no longer worth what you owe on it.

These are not just hypothetical examples. Ask your local bank or credit union.

FHA, HUD, GMAC and most major banks and credit unions hold exactly these policies on gas-leased property and the properties near them.

Reportedly, Wells Fargo, First Place, Fidelity, First Liberty and Bank of America all consider financing such mortgages excessively risky.

HUD, for instance (in its Handbook, 4150.2, page 2.7) puts it this way:

- Operating and abandoned oil and gas wells pose potential hazards to housing, including potential fire, explosion, spray and other pollution.
- No existing dwelling may be located closer than 300 feet from an active or planned drilling site. Note that this applies to the site boundary, not to the actual well site.
- The appraiser must examine the site for the existence of or any readily observable evidence of a well.

As Yates County Attorney George Mathewson points out:

“An upstate Federal Credit Union now states its policy regarding refinancing on properties on which there are gas leases (as opposed to active gas wells), as:

‘i. If there is an oil and gas lease on your property, Visions will not give you a mortgage loan secured by your property. . . . If you presently have a mortgage with Visions Federal Credit Union and you subsequently enter into an oil or gas lease after September 14, 2009, then

Visions Federal Credit Union may require you to pay the balance of the loan in full pursuant to the terms of the existing note and mortgage. Please note that Visions Federal Credit Union will not sign a Subordination Agreement or other consent to lease with an oil or gas company.'

"For anyone trying to sell property in leased or drilled areas, if the buyers cannot obtain mortgage financing, this will eliminate 90% of the potential purchasers. And if the demand for the property drops drastically as a result of the unavailability of mortgages, then the price will also drop accordingly."

Two other factors further complicate this risk to landowners, "Horizontal Drilling" and "Compulsory Integration."

Horizontal Drilling — While gas companies claim that they will only need one drilling pad per square mile, many landowners do not realize that that may include as many as 12 horizontal gas wells emanating from each single pad, or that those horizontal wells extend as far as a mile in all directions to make sure that the entire square mile will be exploited.

Each of these square mile coverages is called a "unit."

Compulsory Integration — Within each "unit," if 60% of the land is leased, then the remaining 40% of land can be taken and drilled—under the legal concept of "Compulsory Integration" —even if that 40% who have not signed are opposed to drilling.

It's true that victims of compulsory integration can only have gas sucked out from under their land, but cannot be trespassed upon on the surface without their permission. And it's also true that such non-lesers still have to be duly compensated for any gas taken. However, what is not mentioned in cases of compulsory integration is that the non-leased land is also devalued—still considered damaged goods by banks and insurance companies when those unwilling parties seek financing or insurance.

In addition, long past any temporary uptick in housing values to accommodate incoming workers, that surplus housing meant to meet the temporary need will be added to the mortgage slowdown—even further glutting the housing market and depressing property values as soon as the majority of those transient workers hits the road.

Bottom Line — Without a doubt, massive gas-leasing will inevitably lead to serious property devaluation and property tax decreases throughout our region.

Time is running out. The gas companies like to say they're bringing us a windfall, but if you look at where they've been, it looks more like a tornado has blown through.

The banks and insurance companies know this perfectly well, and that's why they often consider gas-leased land too risky to finance.

We need to wake up. Fight to protect our values (both property and otherwise)—before it's too late.

Article by Steve Coffman, Dundee, NY

To: Broome County Legislature

By signing this petition, we indicate that we oppose the adoption of Broome County Resolution #47 which is scheduled to come before the Broome County Legislature on July 22, 2010. This resolution if adopted, would authorize a leasing agreement between Broome County, located in the state of New York, and Inflection Energy, LLC to develop natural gas and/or oil drilling and production on Broome County property. We feel this is a complex issue that requires further study and public comment before any legislative action is taken.

Sincerely,

Mary Ann & Allen Williams mgfwilliams@embargoil.com
Warren Marr warren@warrenmarr.com

Isabella Ho HOFNY@gmail.com

Ward W. J. Macinead. @ aol. com.

Jane L. Tuller 607-723-2351

Shirley Ly mort@pronetisp.net

THE BOARD OF COUNTY COMMISSIONERS
OF SANTA FE COUNTY

ORDINANCE NO. 2008 - ____

AN EMERGENCY INTERIM DEVELOPMENT ORDINANCE FOR A TWELVE MONTH PERIOD PROHIBITING DEVELOPMENT APPROVALS OR ISSUANCE OF PERMITS FOR ZONING AND SUBDIVISION MAPS, NON-CONFORMING USES, SPECIAL AND CONDITIONAL USES AND EXCEPTIONS, USE AND AREA VARIANCES FOR OIL, GAS, AND GEOTHERMAL DRILLING AND EXTRACTION WITHIN THE GALISTEO BASIN COMMENCING ON FEBRUARY 28, 2008, AND TERMINATING ON FEBRUARY 27, 2009, AND PROVIDING FOR AN EXTENSION TO AUGUST 27, 2009 IF REQUIRED IN THE LEGISLATIVE DISCRETION OF THE BOARD OF COUNTY COMMISSIONERS, UNTIL THE ADOPTION OF A GENERAL PLAN AMENDMENT, A GALISTEO BASIN AREA PLAN, A CAPITAL IMPROVEMENT AND PUBLIC SERVICES PROGRAM, CREATION OF A SPECIAL IMPROVEMENT DISTRICT FOR THE GALISTEO BASIN, AND AMENDMENTS TO THE LAND DEVELOPMENT CODE, ADDRESSING AND RESOLVING CONSIDERATIONS OF PUBLIC HEALTH, SAFETY, CULTURAL-HISTORICAL, ARCHAEOLOGICAL, FISCAL, ECONOMIC, PLANNING, INFRASTRUCTURE AND SERVICES, GROUNDWATER AQUIFERS, ENVIRONMENTAL AND THE PUBLIC NUISANCE IMPACTS OF SUCH GRADING DRILLING AND EXTRACTION.

WHEREAS, the State of New Mexico, Office of the Governor, Bill Richardson, has issued an Executive Order 2008-004, dated the 24th day of January, 2008, imposing a five month moratorium on the processing and approval of applications for permits for oil and gas drilling in Santa Fe County and the Galisteo Basin within the County until a fair and thorough evaluation and assessment by all state executive agencies with relevant knowledge and expertise ("Executive Agencies") of state laws, regulations, policies and planning documents is conducted concerning the water, environmental, economic, historic-cultural and archaeological impact of drilling and extraction of oil and gas that would be contrary to the interests of the State of New Mexico and its citizens;

WHEREAS, Executive Order 2008-004 directs that the Executive Agencies work collaboratively with other governmental agencies, including affected tribal governments and Santa Fe County ("County"), and to provide an opportunity for government entities, including Santa Fe County, to receive and evaluate input from the public in order to formulate public policy and government planning and report back to the Governor by June 24, 2008;

WHEREAS, Santa Fe County has previously adopted Ordinance No. 2007-14, dated November 27, 2007, placing a moratorium on the acceptance and processing of applications to drill an oil or gas well for a period of three months or until the 28th day of February, 2008;

WHEREAS, Ordinance No. 2007-14 declared an emergency affecting the public health, safety and welfare by reason of applications for drilling new oil and gas wells within the Galisteo Basin without adequate planning, health and safety standards for the location, operation and mitigation of the effects of oil and gas drilling and without appropriate provisions in the County's General Plan and Land Development Code to assure that significant irreparable damage to the human and natural environment does not occur;

WHEREAS, the County's General Plan and Article III, Section 5 of the Land Development Code, have inadequate provisions and standards relating to oil, gas, and geo-thermal drilling and/or extraction necessary to prevent a catastrophic impact upon the public health, safety, fiscal and economic, environmental, historic-cultural and archaeological, infrastructure and public service provision and protection of property rights emanating from such grading, drilling and extraction activity;

WHEREAS, the County is proposing to prepare and adopt amendments to the General Plan: a new Galisteo Basin Area Plan; a Capital Improvement and Public Services Program (CIP); creation of a special improvement district for the Galisteo Basin; and amendments to the County's Land Development Code necessary to implement such General Plan Amendment, Area Plan, Special District and CIP to guide the location and availability of adequate fire, emergency, police and health services, roads, water and storm water management, water pressure and storm water infrastructure and services, and to establish appropriate sustainable design, location, use, and construction conditions and standards to protect the public from environmental, water aquifer pollution, fiscal, economic, health, safety, historic-cultural and archaeological damage from oil, gas, geo-thermal, rock and mineral grading, drilling and extraction activities;

WHEREAS, the Executive Agencies' reports will not be available until June 24, 2008, and the findings, standards and remedial measure promulgated by such reports will require an additional five months of analysis by the County staff consultants and officials, including preparation and adoption of appropriate provisions into the County's General Plan, Land Development Code and new Galisteo Basin Area Plan, and to establish a new Special Improvement District, Capital Improvement and Public Service Program collectively to implement State and County recommendations;

WHEREAS, the County will require the engagement of planning, fiscal, economic, water, environmental and engineering consultants and attorneys, to analyze and recommend appropriate planning, fiscal, economic, capital infrastructure and public service availability, environmental, water, health and safety goals, objectives, policies, strategies, standards and conditions related to the adoption and implementation of the

General Plan amendments, a new Galisteo Basin Area Plan, Special Improvement District and Capital Improvement and Public Services Program;

WHEREAS, the County will require extensive hearings and workshops to solicit public input, evaluation and recommendations after the County staff consultants and the Executive Agency recommendations are received on or after June 24, 2008, and the adoption of this Interim Development Ordinance is necessary to ensure the benefits of permitting complete discussion and participation by citizens, concerned groups, developers, operators and property owners who will be affected by consideration of amendments to the General Plan and Land Development Code, adoption of a new Galisteo Basin Area Plan, Special Improvement District and Capital Improvements and Public Services Program, without having a race of diligence with owners filing and submitting applications to grade drill and extract oil, gas, and geo-thermal energy during the formulation and public discussion of the new plans, CIP, Special District and Land Development Code regulations;

WHEREAS, the County requires additional time to identify and/or secure additional dedicated funding for administrative, planning, departmental and special district expenses, attorney's fees, consultant studies, extension of capital improvements and public services, including obtaining financial commitments from the State and other sources;

WHEREAS, given the scope of the issues and areas to be addressed by amendments to the general plan, a new area plan, a capital improvement and public service program creating a special improvement district and implementing amendments to the Land Development Code, twelve additional months, in addition to the initial three month moratorium period, is necessary, essential and reasonable in order to complete a fair and comprehensive planning and public participation process that results in legally and scientifically sound plans, policies and regulations;

WHEREAS, the County may extend the period of time of this Ordinance for a further six months from February 27, 2009, if required to complete and adopt the plans and regulations, after public workshops and hearings;

WHEREAS, County preparation of amendments to the General Plan, the creation of a Galisteo Basin Area Plan, a Capital Improvement and Public Service Program, creation of a special improvement district and amendments to the Land Development Regulations, together with the recommended changes in state statutes, programs and regulations guiding the Executive Agencies pursuant to the Governor's Executive Order, require special protection to eliminate the need for hasty adoption of permanent controls in order to avoid the establishment of non conforming uses or to respond in an ad hoc fashion to specific problems. Instead this Ordinance assures that the planning and implementation process may be permitted to run its full and natural course with widespread citizen input and involvement, public debate and full consideration of all issues and points of view;

WHEREAS, the County has committed necessary staff and outside consultant and legal resources to the development of permanent goals, objectives, policies, strategies and regulations to plan for and protect the Galisteo Basin in order to facilitate its diligent and good faith effort to establish: (1) permanent General Plan Amendments; (2) a Galisteo Area Plan; (3) a Capital Improvement and Public Service Program; (4) creation of a special improvement district and (5) Land Development Code amendments to implement this Ordinance within a reasonable period of time;

WHEREAS, this Interim Development Ordinance constitutes a valid exercise of the County's Zoning and/or police power, consistent with NMSA 1978, § 3-21-1 ("Zoning; Authority of County") and NMSA 1978, § 4-37-1 *et seq.* ("County Ordinances"), and the Smart Growth Environmental and Natural Resource Policies of the General Plan, so that the County may regulate and restrict within its jurisdiction the location and use of buildings, structures and land for trade, industry, residence or other purposes and may prohibit the use of property for purposes declared to be injurious to the health and safety of the community; and

WHEREAS, the Board of County Commissioners has reviewed the Smart Growth, Planning, Water, Environmental, Land Use, Fiscal, Economic, Cultural, Historical, Archaeological and Natural Resource goals, objectives, policies of the existing General Plan and the Land Development Code regulations; the Governor's Executive Order and the findings delineated in this Interim Development Ordinance and further finds that the adoption of this Ordinance will serve compelling county, regional, tribal, state, and federal governmental interests to further protect the health, safety, water aquifers, environment, infrastructure and public services, economic, fiscal, historic, cultural and archaeological resources of the County and the Galisteo Basin and constitutes a comprehensive, rational and appropriate exercise of the County's emergency powers and authority.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF SANTA FE COUNTY, NEW MEXICO:

Section 1. The area of regulation being enforced by this Ordinance constitutes the area within the red and blue lines shown on the Map of the Galisteo Basin, attached hereto and made a part of this Ordinance as Exhibit "A".

Section 2. During the effective period of this Interim Development Ordinance, the boundaries of the Galisteo Basin Map (Exhibit "A") may be amended by the County by ordinance of the Board of County Commissioners to extend the effective territorial boundaries beyond the Galisteo Basin up to and including the County's full territorial jurisdiction, through the adoption of a new Map replacing Exhibit "A".

Section 3. During the effective period of this Ordinance no new application, nor processing of any existing and filed application, nor issuance of any applicable permit, for zoning and subdivision approval, special use permit, development permit, exploration permit, extraction permit, conditional use permit, special exception, non-conforming use,

area or use variance, grading, or building permit related to drilling or extraction of oil, natural gas, or geo-thermal energy, within the boundaries of the Exhibit "A" Map shall be accepted or processed by the County, its staff, departments, commissions, and/or the Board of County Commissioners until the adoption of permanent plans, a capital improvement and public services program, creation of a special improvement district and amendments to the Land Development Code regulations.

Section 4. The County Manager and County Attorney are directed to have the County's Growth Management Department begin immediately to engage county staff and expert consultants and attorneys to develop and focus the Growth Management Department's efforts to develop studies, reports and recommendations relating to the following matters:

- A. Consideration of the creation of a legislative overlay zoning district for the territorial area contained within the boundaries of Exhibit "A" for oil, gas, geo-thermal grading, drilling, and/or extraction taking into account comprehensive planning, performance and sustainable environmental standards required to apply the overlay zoning district to a property within the territorial boundaries of Exhibit "A";
- B. Amendment of the General Plan and preparation of a Galisteo Basin Area Plan to incorporate goals, objectives, policies and strategies relating to consideration of the location, timing and sequencing of oil, natural gas, or geo-thermal drilling or extraction use, including but not limited to, consideration of potential impacts to water aquifers, environment, health, safety, fiscal, economic, historical-cultural-archaeological resources, and the adequate provision of public facilities and services necessary to support the operation of any such oil, gas, geo-thermal energy grading, drilling and excavation use;
- C. Adoption of a Capital Improvement and Services Program implementing the long term goals, objectives, policies and strategies of the General Plan Amendment and Galisteo Basin Area Plan with respect to provision of adequate public facilities and public services over the life of the Plans necessary to service any oil, gas, or geo-thermal, grading, extraction or drilling use;
- D. Adoption of amendments to the Land Development Code with respect to establishing sustainable environmental standards and conditions for building, construction, grading, excavation and drilling of oil, gas, or geo-thermal uses; including implementation of the goals, objectives, policies and strategies of the General Plan amendment, the Galisteo Basin Area Plan, the state Executive Agency and Governor's recommendations and the findings and purposes of this Ordinance relating to health, safety, protection of private property, water aquifers environmental, historical-cultural and archaeological resources; and to assure the adequate provision of public facilities and public services to support the needs generated by oil, gas, or geo-thermal grading, excavation and drilling use.

E. Creation of a special improvement district within the territorial limits of Exhibit "A" for the assessment to oil, gas, or geo-thermal grading, excavation and drilling uses, the cost of providing for the reasonable and proportionate legal, administrative expenses and expert studies; and for the costs of public facilities and services the need for which is generated by such uses; and

F. Any other and further actions necessary to carry out the purposes of this Ordinance.

Section 5. If any section, subsection, sentence, clause, item, change or provision of this Ordinance is held invalid, the remainder shall not be affected by such invalidity.

Section 6. All ordinances or parts of any ordinances in conflict with this Ordinance are hereby repealed to the extent of said conflict.

Section 7. An emergency is hereby declared because of the imminent danger to adjoining property owners, water aquifers, environmental, health, safety, fiscal, economic, cultural-historic-archaeological resources; to remedy deficient public facility and services of the County within the Galisteo Basin by virtue of applications to grade, drill and excavate for oil, gas, or geo-thermal uses within the Galisteo Basin.

Section 8. It is necessary for the protection of the public health and safety of the County that this Ordinance take effect immediately upon recordation.

Section 9. This Ordinance will cease to be of effect by February 27, 2009, or for any period of extension for six months thereafter no later than August 27, 2009.

PASSED AND ENACTED THIS 26th Day of February, 2008.

**THE BOARD OF COUNTY COMMISSIONERS
OF SANTA FE COUNTY, NEW MEXICO**

By: _____
Jack Sullivan, Chair

ATTEST:

Valerie Espinoza, County Clerk

SEAL

Notes from interview regarding Gas Development Ordinances created by the County of Sante Fe

Kim Sorvig,
Author: Sustainable Landscape Construction
work 505-474-8531
work ksorvig@unm.edu
work Sante Fe New Mexico

Sante Fe County Attorney: Robert Freilich,
Also an author of books on Land Use Planning & Sustainable Development

Notes taken when interviewing Kim Sorvig who worked with the County of Santa Fe to create ordinances, which were well designed to mitigate some of the impact this industry brings to a region. Their goal was to protect the public health safety, and welfare, which includes visual impact related to real estate, tourism, or the arts. If the gas wells are everywhere, it destroys the visual impact, affecting tourism and real estate values. He says the public has a right to sue counties if these basic rights are not protected.

LAND USE PLANNING:

Met w/County Commissioners one-on-one, not in a group

People involved:

- * Land Use Lawyer
- * former industry employee
- * landscape architect & land use planner (Kim Sorvig)
- business negotiator

They were cognizant to present a plan use that was not vulnerable to threats of lawsuits by the gas industry under the "Takings" provision. See link:
(<http://www.abanet.org/adminlaw/news/vol22no4/supctnew.html>)

A/C to the Supreme Court, unless 90% of the potential use of the land is "taken" and unless no other options are offered, then it is not considered a "Takings"

In their county plan, they provided planning use options that protected critical habitat, recreational areas, and the public's health, safety, and welfare, which includes the scenic and historical value of certain areas.

They did this by using a computerized system GIS overlay mapping in process planning including:

- Base Map
- Physical Map

Road Map
Aquifers and water way Maps
Soil structure Map
Land use Maps:
 Critical Habitat
 Recreational
 Industrial
 Agricultural
 Residential

Then they mapped out areas, which absolutely needed protection:

 Aquifers/bodies of water
 Homes
 Recreational/scenic areas

Then they worked together to design better places for the development to occur. They established regulations for clustering so that fewer roads needed to be developed or used and there were fewer pads. With clustering, the amount of water used could be reduced significantly through recycling, as could the fracking fluids.

This also reduced the surface disruption. In the last 10 years studies have shown that the amount of CO₂ released by clearing vegetation and killing topsoil is equal to the CO₂ released by burning fossil fuels.

Also with clustering 10 wells on a 5 acre pad, it reduces the amount of surface area disrupted to ½ acre per well.

The Sante Fe County Ordinance sets an upper limit of a maximum of ½ acre per well and no more than 7 acres per square mile (640 acres) at a given time in operation. They required directional drilling. When a well becomes dry, they must abandon that well before drilling another. So they drill 10 wells on a pad, and when they are done, they can close them up and drill 10 more, with a total of 20-30 wells on a pad.

Although this is not ideal, the community felt that it was better than a well in every yard.

They also used "TDR's" Transfer of Development Right to transfer the right to develop from a protected area to a less sensitive area. They have a "Transfer Bank" within the county.

DEVELOPER FEES FOR ADEQUATE PUBLIC FACILITIES

Often costs in gas drilling fall upon taxpayers because the bonds requested by municipalities historically do not cover the actual costs. Therefore the County Ordinance requires Energy Companies to pay up-front fees for their share of all infra-structure before any development could proceed. This included:

- Upgrade of roads for use by energy industry heavy equipment to the Federal Highway standard of 12 feet paved to avoid dust, mud, run-off, impassable roads, and the risk of death and injury
- Emergency Preparedness including paying for the creation of non-volunteer fire departments trained and equipped for fighting gas well fires and forest fires.
- Police Preparedness because of the history of increase in crime associated with energy industry development, including drug trafficking and use of cocaine & meth/amphetamine by workers on the 24/7 drilling sites and the associated domestic abuse issues and violent crime

COUNTY ENVIRONMENTAL REGULATIONS

Regulations were passed in Feb 2009 to address:

- Light Pollution
- Noise Abatement
- Water contamination
- Soil and ground water protection
- Air Pollution

Kim Sorvig suggests talking with a good land use attorney to understand the structure of existing legislation in NY State. Often they will do it Pro-bono for a cup of coffee. This will save time and aggravation. Just ask, "Can you explain how this works now?"

Kim Sorvig is available to give a talk on how to do this and to recommend people who could do this for Broome County and Delaware County. He could give a demonstration on how to use overlay maps for planning

Kim Sorvig,
Author: Sustainable Landscape Construction
work 505-474-8531
work ksorvig@unm.edu
work Sante Fe New Mexico

A copy of the Santa Fe Ordinance is available at:

<http://www.santafecounty.org/oilandgas/oilandgasordinanceREV.pdf>

SANTA FE COUNTY RESOLUTION NO. 2009- 35

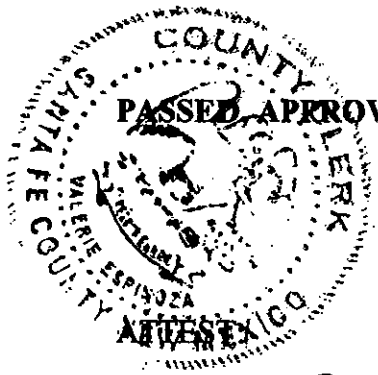
A RESOLUTION

IN SUPPORT OF AN ACT THAT RECOGNIZES THE INHERENT AUTHORITY OF MUNICIPALITIES AND COUNTIES TO REGULATE OIL AND GAS OPERATIONS WITHIN THEIR JURISDICTIONS AT THE STATE LEGISLATURE.

WHEREAS, the New Mexico legislature has an opportunity to adopt legislation confirming the County's authority to protect the health, safety and welfare of its citizens through adoption of ordinances that regulate oil and gas development and operations; and

WHEREAS, Santa Fe County has already exercised such authority in adopting an ordinance which regulates oil and gas development and operations.

NOW, THEREFORE, BE IT RESOLVED that the Board of County Commissioners of Santa Fe County hereby strongly encourages the New Mexico Legislature to pass legislation recognizing the County's authority to regulate oil and gas development and operations.



PASSED, APPROVED, and ADOPTED this 10 day of February 2009.

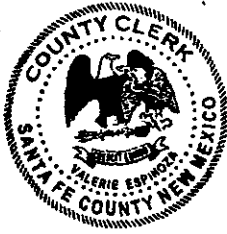
Michael D. Anaya
MICHAEL D. ANAYA, CHAIR



Valerie Espinoza
VALERIE ESPINOZA, SANTA FE COUNTY CLERK

APPROVED AS TO FORM:

Stephen C. Ross
STEPHEN C. ROSS, SANTA FE COUNTY ATTORNEY



COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss

BCC RESOLUTIONS
PAGES: 2

I Hereby Certify That This Instrument Was Filed for
Record On The 24TH Day Of February, 2009 at 01:05:15 PM
And Was Duly Recorded as Instrument # 1553438
Of The Records Of Santa Fe County

Deputy  Witness My Hand And Seal Of Office
Valerie Espinoza
County Clerk, Santa Fe, NM



Resolution of the Cherry Valley Town Board

Resolution # 2008-8

December 11, 2008

A RESOLUTION OF THE TOWN OF CHERRY VALLEY ENTITLED "COMMENTS TO NYSDEC ON THE ON THE DRAFT SCOPE FOR DRAFT SUPPLEMENTAL GENERIC ENVIRONMENTAL IMPACT STATEMENT ON THE OIL, GAS AND SOLUTION MINING REGULATORY PROGRAM FOR WELL PERMIT ISSUANCE FOR HORIZONTAL DRILLING AND HIGH-VOLUME HYDRAULIC FRACTURING FOCUSING ON THE DEVELOPMENT OF THE MARCELLUS SHALE AND OTHER LOW-PERMEABILITY GAS RESERVOIRS."

WHEREAS, the Town of Cherry Valley recognizes the need to develop domestic sources of energy and their potential for economic development in upstate New York; and

WHEREAS, the Town of Cherry Valley is located in the Marcellus shale field and other gas bearing formations; and

WHEREAS, the Town of Cherry Valley is located at the shallow, northern edge of the Marcellus Shale Field where it outcrops along U.S. Rte 20 in northern Otsego County; and

WHEREAS, there are numerous natural gas leases signed between private land owners and gas exploration companies within the Town on file with the Otsego County Clerk; and

WHEREAS, aspects of hydraulic fracturing include the potential impacts of (1) water withdrawals, (2) transportation of water to the site via town roads, (3) the use of additives in the water to enhance the hydraulic fracturing process, (4) space and facilities required at the well site to ensure proper handling of water and additives, and (5) removal of spent fracturing fluid from the well site and its ultimate disposition.

WHEREAS, due to the technological advances of horizontal drilling and hydraulic fracturing, the Marcellus shale and others gas bearing formations in the Town of Cherry Valley, these gas bearing formations have become economically feasible to exploit; and

WHEREAS, the Town of Cherry Valley has identified the pollution of groundwater as a major concern in its comprehensive plan, adopted by the Cherry Valley Town Board in 2007; and

WHEREAS, the karst topography, limestone bedrock and shallow depth to the Marcellus shale which underlie the Village and the Town of Cherry Valley make our water bearing formations especially vulnerable to pollution; and

WHEREAS, groundwater is the sole source of all public and private water use in the Town and Village of Cherry Valley; and

WHEREAS, the Department of Environmental Conservation is solely responsible for regulating the exploration, development and production of oil and gas resources in New York; and mineral rights owners and exploration companies are interested in developing a potentially significant gas resource in the Town of Cherry Valley through the use of horizontal drilling and hydraulic fracturing; and

WHEREAS, the New York State Department of Environmental Conservation is accepting written comments from ALL interested parties on the Draft Scope for Draft Supplemental Generic Environmental Impact Statement on the Oil, Gas and Solution Mining Regulatory Program for Well Permit Issuance for Horizontal Drilling and High-Volume Hydraulic Fracturing focusing on the Development of the Marcellus Shale and Other Low-Permeability Gas Reservoirs; and

WHEREAS, the Town of Cherry Valley is a local unit of government that has afforded the citizens an opportunity to comment and provide input in the Draft Scope and the actions therein; and

WHEREAS, the oil and natural gas industries are exempt from Federal Clean Water Act, Federal Clean Air Act, Safe Drinking Water Act, and are exempt from local planning review under the New York State Environmental Conservation Law (ECL Section 23-0303); and

WHEREAS, the New York State Environmental Conservation Law (ECL Section 23-0303) preempts towns from regulating land use by the Oil and Natural gas industries except over roads or the rights of local governments under the real property tax law; and

WHEREAS, drilling and hydraulic fracturing involves the use of heavy equipment, millions of gallons of water, all delivered to the well site by heavy trucks, the potential for the degrading of Town roads is possible; and

WHEREAS, the Town of Cherry Valley has reviewed the Draft Scope and affirms that the Draft Scope and the Supplement to the Generic Environmental Impact Statement must include measures to afford adequate protection for the Town's citizens, water resources, public health, environment and roads.

NOW, BE IT RESOLVED THAT THE TOWN BOARD OF CHERRY VALLEY APPROVES THAT THE NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION (NYSDEC) TAKE ACTION TO ADDRESS IMPACTS TO THE HEALTH, SAFETY AND WELFARE OF THE CITIZENS OF THE TOWN REGARDING THE OIL, GAS AND SOLUTION MINING REGULATORY PROGRAM FOR WELL PERMIT ISSUANCE FOR HORIZONTAL DRILLING AND HIGH-VOLUME HYDRAULIC FRACTURING BY INCLUDING THE FOLLOWING IN THE DRAFT SCOPE AND SGEIS:

(1) Notify the Town of Cherry Valley upon receipt of an application to drill within the Town and notify the Town of issued permits and permit conditions enacted by the NYSDEC for each well, and

(2) Require representatives (company) of the oil and natural gas industry operating in the Town of Cherry Valley to provide the Town a comprehensive list of all substances and their concentrations (chemical and inert) used in drilling, hydraulic fracturing and recovery processes a minimum of six months prior to the start of drilling or hydraulic fracturing so an adequate water quality baseline for our water supplies can be established prior to drilling/hydraulic fracturing; and

(3) Prohibit the use of all hydraulic fracturing fluid constituents that are known to pose a significant risk to human health, and

(4) Require all oil and natural gas exploration in the Town of Cherry Valley use closed loop systems to avoid open pits and potential of contamination of surface and ground water by hydraulic fracturing fluid due to the sensitive nature of the karst topography and shallow depth to the water bearing formations within the Town, to safeguard our drinking water, public health and the environment; and

(5) Notify the Supervisor of the Town of Cherry Valley of violations to permit conditions that occur at any drilling/hydraulic fracturing site within the Town within 24 hours of the violation; and

(6) Require representatives (company) of the oil and natural gas industry operating in the Town of Cherry Valley to fund completely, water tests for residues of drilling/hydraulic fracturing fluids before and after drilling/hydraulic fracturing for any public or private potable water source (well or surface) within 10,000 feet of the water source to be repeated annually at the expense of the representatives of the oil and natural gas industry for 3 years post drilling/hydraulic fracturing; and

(7) Require representatives (company) of the oil and natural gas industry operating in the Town of Cherry Valley to fund completely, radon tests for any home within 10,000 feet of the proposed well to be repeated annually at the expense of the representatives of the oil and natural gas industry for 3 years post drilling/hydraulic fracturing; and

(8) Make the results of the aforementioned tests available to the Cherry Valley Town Board and every owner of the water source or home within that area, and

(9) Require each representative (company) of the oil and natural gas industry operating in the Town of Cherry Valley to post an Environmental Quality Bond to the Town of Cherry Valley while operating in the Town, the amount of this bond to be determined in consultation with NYSDEC, and

(10) Require representatives (company) of the oil and natural gas industry operating in the Town of Cherry Valley to provide the Town a comprehensive list of all substances used in hydraulic fracturing and their concentrations (chemical and inert) moved off site, including a final destination for these substances to insure proper disposal, and

(11) File a transportation plan with the Town Supervisor and Highway Supervisor to insure Town roads and bridges will accommodate this industrial use, and

(12) Require each representative (company) of the oil and natural gas industry operating in the Town of Cherry Valley to post a Performance Bond to the Town of Cherry Valley for potential damages to Town roads, the amount of this bond to be determined in consultation with NYSDOT and Otsego County DPW, and

BE IT FURTHER RESOLVED that this industry should result in NO additional tax burden whatsoever on the citizens of the Town of Cherry Valley; and

BE IT FURTHER RESOLVED that the certified copy of this resolution be filed with the New York State Department of State, Office of the Assembly, Office of the NYS Senate, and the Governor's Office to convey that necessary action is needed to update New York Environmental Conservation Law (ECL) Section 23-0303 to allow for more local influence in protecting the health and welfare of residents.

CONTAMINANTS AND THEIR SOURCES

BTEX	Benzene, toluene, ethylbenzene and xylenes.	Benzene is a known carcinogen. Toluene may affect the reproductive and central nervous systems; while ethylbenzene and xylenes may have respiratory and neurological effects.	Venting of natural gas Pits Produced water Dehydration
CH₄	Methane	Main concern is the explosive nature of this gas.	Venting of natural gas Dehydration
Diesel fuel	A complex mixture of hydrocarbons.	Both fuel and exhaust contains carcinogenic substances like benzene and PAHs.	Stimulation fluids Oil-based drilling muds Engines/heavy equipment
H₂S	Hydrogen Sulfide	Aggravates respiratory conditions, and affects neurological system, cardiovascular system and can cause central nervous system problems.	Venting and flaring of natural gas (if present in the oil and gas formations) Migration from soils
Metals	Examples: arsenic, barium, cadmium, chromium, lead, mercury, selenium, zinc and others.	There are different potential health effects associated with each metal. Possible toxic effects include skin problems, hair loss, kidney damage, high blood pressure, increased cancer, neurological damage risk and others.	Drilling muds Stimulation fluids Pits Produced water Venting and flaring Diesel exhaust
NO_x	Nitrogen oxides	React with VOCs to form ground-level ozone and smog, which can trigger respiratory problems. React with other chemicals to form particulate pollution, which can damage lungs and cause respiratory illness, heart conditions and premature death. Reacts with common organic chemicals to form toxics that may cause biological mutations.	Compressor engines Flaring Diesel and natural gas engine exhaust
PAHs	Polycyclic Aromatic Hydrocarbons	Several agencies have classified some PAHs as probable or possible carcinogens. Animal studies show reproductive effects.	Diesel exhaust Flaring Pits
Partic-ulate matter	Small particles suspended in air.	Can be inhaled and cause health effects like respiratory ailments, aggravation of asthma and allergies, painful breathing, shortness of breath, chronic bronchitis and premature death. May combine with other air pollutants to aggravate health problems. Some particulates, such as diesel exhaust are carcinogenic.	Diesel exhaust Pits (dust from) Venting and flaring
SO₂	Sulfur dioxide	Reacts with other chemicals to form particulate pollution, which can damage lungs and cause respiratory illness, heart conditions and premature death.	Diesel and natural gas engine exhaust Flaring
VOCs	Volatile Organic Compounds, include BTEX formaldehyde and others.	React with NO _x to form ground-level ozone and smog, which can trigger respiratory problems. Can cause health problems such as cancer.	Venting and flaring of natural gas Pits Oily wastes Diesel and natural gas engine exhaust Compressors