

EARTH CONSERVANCY NEWS

VOLUME III

ISSUE 1

February 1997

Earth Conservancy (EC) is a non-profit organization whose mission is to reclaim land and water damaged by coal mining, and to develop environmentally related technologies that will improve the economic competitiveness and quality of life of our community.

With a grant from the U.S. Department of Defense's Advanced Research Projects Agency, Earth Conservancy in 1994 purchased the land previously owned by Blue Coal Corporation - more than 16,000 acres located in twenty Luzerne County municipalities. Since the land was purchased, Earth Conservancy has been involved in projects and activities aimed at returning land to the best use of the community, bringing new jobs to Luzerne County, and improving the quality of life for area residents by creating new recreational opportunities.

Officers of the corporation are Christopher N. Breiseth, Chairman; Mark Dingman, Vice Chairman; Susan W. Shoval, Secretary; Harold C. Snowden, Jr., Treasurer; and Michael A. Dziak, President and Chief Executive Officer.

Other members of the Board are Margaret Bakker, Stephen Barrouk, Robert Ciaruffoli, Joseph Hillan, A. Peter Kanjorski, Fr. James Lackenmier, C.S.C., James Manley, Robert Mericle, Edward Schechter, Rhea Simms, and Joseph Yudichak.

Earth Conservancy's accomplishments over the past two and a half years reflect the efforts of the staff, the Board of Directors, and many community participants. EC would like to thank everyone who has played a part in the development of this organization.

Here are some highlights of EC's achievements:

1996 Annual Report to the Community

1996 ACCOMPLISHMENTS

Planning

◆ Completed work on the Land Use Plan; consensus was achieved by the Land Use Planning Committee. The Board of Directors and Members approved adoption of the Land Use Plan at their November meeting.

◆ Received support on the Land Use Plan from municipalities, Luzerne County, the Chamber Transportation Committee, and the Chamber of Business and Industry. Conyngham, Hanover, and Newport Townships, the municipalities where 70 percent of EC's land is located, endorsed the Plan in writing.

◆ Met with local members of the state legislative delegation to acquaint them with the Land Use Plan.

◆ Initiated scheduling of Land Use Plan meetings with state and federal cabinet members.

◆ Applied to the Department of Conservation and Natural Resources for partial funding of an Open Space Implementation Plan. Luzerne County committed \$50,000 to the project.

◆ Completed initial plans for a 23 lot residential development in Hanover Township.

◆ Completed plans for the next reclamation project, located in Newport Township.

Environmental Projects

◆ Completed a 43-acre reclamation project in Nanticoke at Prospect Street and Middle Road.

◆ Ended a successful first year for the Yard and Leaf Waste Composting Facility in Newport Township. Received material from eight municipalities, six more than in 1995. A letter of intent was accepted for a \$300,000 grant from the state Department of Environmental Protection (DEP) for capital equipment to improve the facility's operation.

◆ Finished construction of Phase I of the Demonstration Wetlands project in Hanover Township, designed to ameliorate the acid mine drainage problem in Espy Run. Phase II of the project is in the design stage.



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1996 Annual Report to the Community

- ◆ A full-scale waterjet munitions cleaning system, developed in partnership with Wilkes University, King's College, and the University of Missouri at Rolla, was completed at UMR. The system was transported to and installed at Crane Army Ammunition Activity in Crane, Indiana, where performance testing is now underway.
- ◆ A letter of intent to the state Department of Commerce was accepted for funding of an environmental assessment of a flood debris site on the Cleveland parcel in Hanover Township. Luzerne County and the federal Economic Development Agency (EDA) have promise funding to support the assessment.
- ◆ Negotiated a contract on a reclamation project in Plymouth Township using co-generation ash byproducts but community acceptance was not received because of potential truck traffic. Implementation of the project was indefinitely postponed.
- ◆ Continued development of a large-scale Geographic Information System in partnership with Wilkes University and King's College. Conducted discussions with Luzerne County regarding potential business partnerships related to GIS service.
- ◆ Substitute topsoil experiments, developed with Wilkes University, reached the test plot stage.

General Operations

- ◆ Opened Board and Member meetings to the general public.
- ◆ Elected new members of the Board of Directors.
- ◆ Repaid all pre-1995 unsecured obligations (Dechert, Price & Rhodes, King's College, Wilkes University).
- ◆ Paid pre-1995 real estate taxes.
- ◆ Completed asbestos removal, roof replacement, construction of handicapped access, painting of office area, carpet installation, and ceiling replacement at the EC offices in Ashley.

- ◆ Received approximately \$225,000 in leases for asset removal, e.g. culm and silt.
- ◆ Received approximately \$150,000 in timber sales.
- ◆ Utilized EC workforce on reclamation projects.
- ◆ Reached a tentative settlement on one of EC's asset-related litigations.
- ◆ Completed a scope of work for archiving the Blue Coal Corp. records and maps.
- ◆ Began using Global Positioning System (GPS) satellite capability in-house for land surveying, significantly reducing the time and costs required to complete a survey.

Land Disposition Activities

- ◆ Fifty-six land sales transactions to adjacent land owners, businesses, schools and community residents totaled approximately \$700,000.
- ◆ Initiated implementation of Land Use Plan land sales recommendations; several large parcels recommended for sale in Phase 1 have been advertised for sale.
- ◆ Donated land for recreation purposes to Ashley and Sugar Notch Boroughs. Discussion on additional donations to municipalities is underway.
- ◆ Donated land to Habitat for Humanity to help with their mission of building affordable housing for the community.
- ◆ The Board of Directors voted to assist land acquisition by nonprofit organizations by offering below market prices and releasing some deed restrictions.
- ◆ Received a request from the Greater Wilkes-Barre Chamber of Business and Industry (GWBCBI) for parcels of industrially developable land. The Chamber had been requested to expand their available industrial land bank by a real estate committee working on the future economic development of the region.

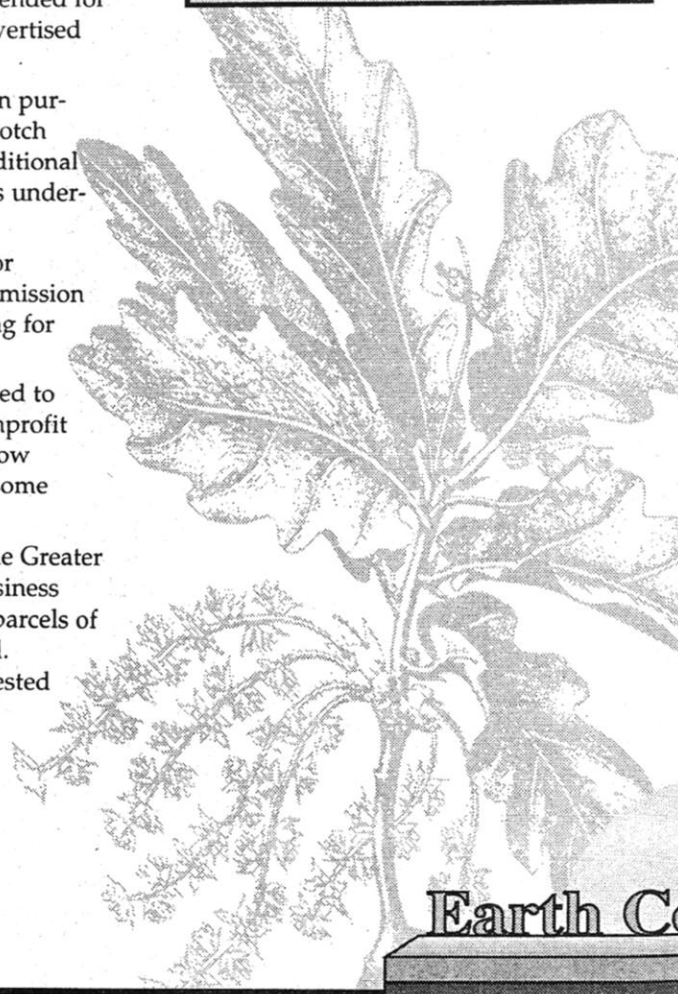
Earth Conservancy News

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Earth Conservancy
101 South Main Street
Ashley, PA 18706.

Inquiries and comments may be addressed to Elizabeth Ortega, editor, at the preceding address, or by calling 717-823-3445.

Earth Conservancy is a private, non-profit, 501(c)(3) corporation.

A copy of the official registration and financial information of Earth Conservancy may be obtained from the Pennsylvania Department of State by calling toll-free, within Pennsylvania, 1-800-732-0999. Registration does not imply endorsement.



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Community Relations

- ◆ Improved relationships with local media, resulting in regular press coverage of meetings and supportive print editorials.
- ◆ Received community awards that recognized EC's work: Northeast Environmental Partners presented EC with a special achievement award for developing the Land Use Plan through a community-based process; and the Pocono Northeast Development Fund's PO-NE Community Award Program presented EC with second place in the environmental action category for the Yard and Leaf Waste Composting Facility.
- ◆ EC staff actively participated in the Greater Wilkes-Barre Chamber of Business and Industry's Project 2000 task force and committees.
- ◆ Published six issues of Earth Conservancy News to a mailing list of more than 650.
- ◆ Continued to stress illegal trash disposal problems in Luzerne County and encouraged action by County Commissioners and state legislators.

1997 GOALS

Planning

- ◆ Begin Open Space Implementation Plan: distribute Request for Proposal, select consultant, organize volunteer steering committee.
- ◆ Meet with state and federal cabinet members on Land Use Plan.

Environmental Projects

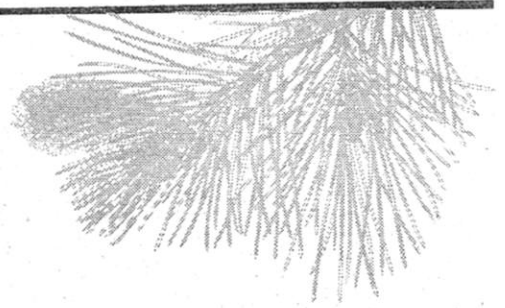
- ◆ Complete approximately \$500,000 in land reclamation projects in Newport and Hanover Townships.
- ◆ Complete long-range reclamation plan for all of EC's holdings and solicit support from appropriate state, federal, and private agencies.
- ◆ Secure appropriate permits for the Newport Township Ash Project which will be the first major EC reclamation project to utilize cogeneration fly ash.

- ◆ Work with DEP to set priorities for DEP-sponsored reclamation projects on EC land.
- ◆ Secure funding for and complete an environmental assessment of an estimated 40-acre flood debris dump site on an EC parcel in Hanover Township.
- ◆ Complete Phase II of EPA Wetland Grant project at the Askam Borehole/Dundee Outfall Site.
- ◆ Solicit support from the EPA and other agencies for additional Acid Mine Drainage Projects in the Nanticoke Creek Watershed.
- ◆ Investigate and discuss possible partnership arrangements with the National Institute of Environmental Renewal regarding improving the quality of the Susquehanna River.
- ◆ Purchase additional processing equipment for the composting facility through DEP grant programs.
- ◆ Expand participation of local communities in composting program.
- ◆ Solicit business for composting facility from local landscape contractors to increase revenue.
- ◆ Use completed compost on EC reclamation projects.

Natural Resources

- ◆ Finalize contract with Northampton Fuel for silt removal.
- ◆ Permit, contract, and complete silt removal at Nanticoke 1 site at Prospect Street and Middle Road.
- ◆ Complete contract with Panther Creek Partners for the Bliss Bank culm lease. Negotiate a contract for a second bank.
- ◆ Evaluate potential for remining coal on EC land.
- ◆ Pursue leases with Panther Creek Partners and others for silt removal.
- ◆ Pursue contract for rockfill to be used in the Wyoming Valley levee raising project.
- ◆ Determine location and customer for sand and gravel lease. Complete permitting.
- ◆ Complete permitting of a small top soil operation. Develop leasing/operation plan for topsoil.

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Earth Conservancy Staff

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President and CEO

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Executive Administrator

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Engineering Projects Manager

Michael Korb
Material Assets Engineer

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Mark Taney
Site Construction Supervisor

Steve Draus, Jr.
Compost Site Foreman

Nicholas Kratz
Laborer

Keith Scortichini
Laborer

Michael Thomas
Laborer

Terrence Walton
Laborer

Anna May Hirko
Administrative Assistant

Pat Filopowich
Secretary-Courier

Carrie Bencoter
Secretary-Courier

UPCOMING MEETINGS

April 3, 1997

BOARD OF DIRECTORS
AND MEMBERS
AT EC OFFICES

8:00 AM

May 1, 1997

BOARD OF DIRECTORS
AND MEMBERS
AT EC OFFICES

8:00 AM

General Operations

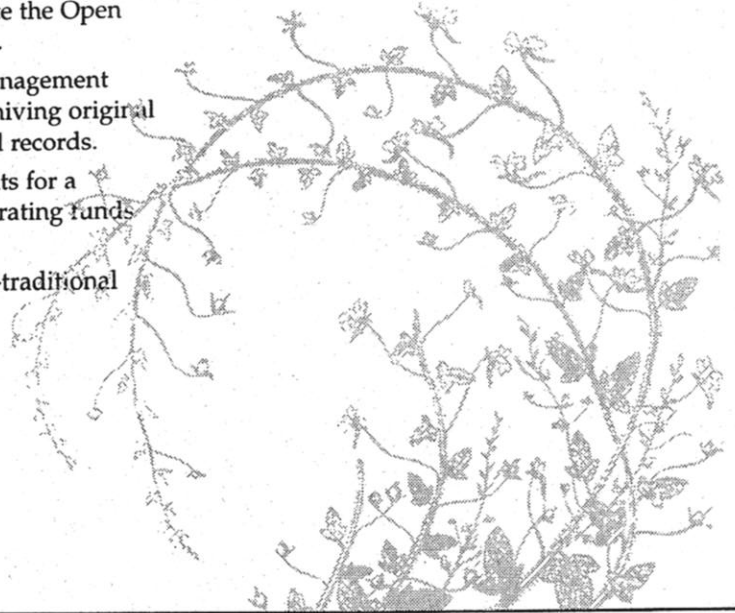
- ◆ Refinance existing debt obligations.
- ◆ Secure firm commitment for use of waterjet munitions washout system.
- ◆ Pursue grants to fund the first \$18 million of the Land Use Plan's reclamation recommendations from the U.S. Departments of Interior, Energy, and Defense, the Pennsylvania Departments of Environmental Protection (DEP) and Community and Economic Development (DCED), and from private foundations.
- ◆ Continue efforts to secure \$17 million for the segment of EC's transportation system that connects the Sans Souci Parkway to Middle Road at Luzerne County Community College. This project will solve major traffic problems along Middle Road and will create access to a prime 375 acre industrial parcel EC owns in Hanover Township.
- ◆ Identify and pursue grants for approximately \$125,000 to complete the Open Space Implementation Plan.
- ◆ Complete the records management project with the goal of archiving original mining maps and Blue Coal records.
- ◆ Identify and pursue grants for a minimum of \$10,000 in operating funds for the composting facility.
- ◆ Identify and pursue non-traditional financing opportunities.

Land Disposition Activities

- ◆ Sell major land parcels identified in Phase I of the Land Use Plan for residential and industrial development.
- ◆ Complete the infrastructure development for a nine-acre residential development in Hanover Township so that building can begin.
- ◆ Continue to sell small parcels to adjacent land owners and others.

Community Relations

- ◆ Update EC brochure.
- ◆ Prepare a "white paper" on EC's year-long community planning process that resulted in the Land Use Plan.
- ◆ Produce and mail six issues of Earth Conservancy News.
- ◆ Organize media events as required.
- ◆ Establish homepage for EC on World Wide Web.



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EARTH CONSERVANCY

1996 ANNUAL REPORT
TO THE COMMUNITY

Earth Conservancy (EC) is a non-profit organization whose mission is to reclaim land and water damaged by coal mining, and to develop environmentally related technologies that will improve the economic competitiveness and quality of life of our community.

With a grant from the U.S. Department of Defense's Advanced Research Projects Agency, Earth Conservancy in 1994 purchased the land previously owned by Blue Coal Corporation - more than 16,000 acres located in twenty Luzerne County municipalities. Since the land was purchased, Earth Conservancy has been involved in projects and activities aimed at returning land to the best use of the community, bringing new jobs to Luzerne County, and improving the quality of life for area residents by creating new recreational opportunities.

Officers of the corporation are Christopher N. Breiseth, Chairman; Mark Dingman, Vice Chairman; Susan W. Shoval, Secretary; Harold C. Snowdon, Jr., Treasurer; and Michael A. Dziak, President and Chief Executive Officer.

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Earth Conservancy's accomplishments over the past two and a half years reflect the efforts of the staff, the Board of Directors, and many community participants. EC would like to thank everyone who has played a part in the development of this organization.

Here are some highlights of EC's achievements:

PLANNING

In November, 1996 Earth Conservancy (EC) completed a year-long process to develop a long-range Land Use Plan. The Plan was developed by a 36-member volunteer committee with direction from EDAW, Inc., a professional consulting firm from Alexandria, Virginia. The community was encouraged to offer suggestions at public planning meetings. Serving on the volunteer committee were representatives of the municipalities where EC's land is located, county government, environmental groups, business people, educators, engineers and architects.

Resulting from the analysis of environmental constraints, current and future demographics, and market trends, the Land Use Plan recommends that of Earth Conservancy's 16,300 acres, approximately 2,200 be considered for industrial use; 2,800 acres for residential development; 1,000 acres for a resort/residential development; and 10,200 acres for open space, greenways, and recreation areas. The Land Use Plan also recommends the development of a new 19-mile, \$188 million four-lane transportation corridor that will connect Route 81 at Exit 44 to State Route 11 on the west side of the Susquehanna River in Shickshinny. Also included in the project is an arterial road that links the Sans Souci Parkway to Middle Road at LCCC. It is expected that it will take 25 to 30 years to implement all of the Land Use Plan's recommendations.

The Land Use Plan identified approximately 2,300 acres of EC's holdings as damaged by coal mining activity, and estimated the costs to reclaim this land at \$200 million. This figure does not include costs to remediate acid mine drainage problems or mine fires. EC will seek support from federal, state, and private partnerships for its reclamation efforts.

The Land Use Plan was supported by local municipalities; Conyngham, Hanover, and Newport Townships, the communities where 75 percent of EC's land is located, endorsed the Land Use Plan in writing. Also supporting the Land Use Plan were Luzerne County, and the Greater Wilkes-Barre Chamber of Business and Industry's Board of Directors and Transportation Committee. EC met with local members of the state legislative delegation to acquaint them with the Land Use Plan. EC will present the Plan to members of Governor Ridge's cabinet, as well as representatives of federal agencies in Washington.

In December, EC applied to the Pennsylvania

Department of Conservation and Natural Resources for partial funding of an Open Space Master Plan. This plan will determine the best uses for EC's 10,200 acres of open space, and will suggest which organizations should assume ownership of the open space and recreation areas in the future. Also to be included in the Open Space Plan are detailed designs and implementation recommendations for an eight-mile trail from Mocanaqua to Nanticoke along the northern reach of the Penobscot Mountain on the south side of the Susquehanna River. Luzerne County has indicated their interest in supporting EC's Open Space Master Plan.

In 1996 EC completed preliminary road, water, sewer, and electricity plans for a 9-acre, 23-lot residential development in Hanover Township.

ENVIRONMENTAL PROJECTS

Earth Conservancy completed its first reclamation project, 43-acres in Nanticoke at Prospect Street and Middle Road, at a cost of \$225,000. Land that previously was blighted by the remnants of mining activity is now attractive, free of safety hazards, and ready to be returned to the community. EC also completed plans for its next reclamation project, located along Alden Mountain Road in Newport Township.

EC's Yard and Leaf Waste Composting Facility in Newport Township completed its first year of operation in the fall of 1996. Material was received at no charge from eight municipalities, 6 more than in 1995. While targeted primarily to municipal users, many individuals also use the facility. To improve the composting facility's operation and enable it to serve more communities, EC and Ashley Borough have applied to the state Department of Environmental Protection for a \$300,000 Public-Private Partnership Grant for capital equipment. Composted yard and leaf waste from the facility is used in EC reclamation projects to facilitate the growth of new vegetation on reclaimed land.

EC finished construction of Phase I of a Demonstration Wetlands project along Espy Run Creek in Hanover Township, designed to illustrate that manmade wetlands can effectively treat acid mine water that pollutes the streams and rivers of anthracite coal areas. Phase II of the project, which will test other methods of acid mine water treatment, is in the design stage. Wilkes University and King's College assisted with these projects.



Earth Conservancy

A full-scale waterjet munitions cleaning system, developed in partnership with Wilkes University, King's College, and the University of Missouri at Rolla, was installed at Crane Army Ammunition Activity in Crane, Indiana. The system was designed with a grant from the U.S. Department of Defense to reduce the cost of demilitarizing munitions at military bases throughout the country. Once it is operational, potential income from commercializing the system may help fund Earth Conservancy's land reclamation efforts.

EC applied to the Pennsylvania Department of Commerce for funding to perform an environmental assessment of a flood debris dump site located on a 230-acre parcel in Hanover Township. EC's intention is to assess the site with the goal of remediating it so the land may be developed for industrial use. Luzerne County has agreed to assist financially with this project.

With the help of Wilkes University and King's College, EC developed a large-scale Geographic Information System, a multi-leveled database that can map various geographic and environmental land attributes. The database was instrumental in the development of the Land Use Plan.

GENERAL OPERATIONS

In 1996, EC opened all Board and Member meetings to the public, elected new members of the Board of Directors, and completed improvements to the Earth Conservancy building in Ashley, the former Blue Coal headquarters. EC earned approximately \$375,000 from the sale of such assets as culm, silt, and selective timber harvesting. EC realized cost savings by using its own work force, and equipment rented from the Regional Equipment Center, on reclamation projects, and by utilizing a Global Positioning System (GPS) for in-house land surveying.

LAND DISPOSITION ACTIVITIES

Fifty-six land sales transactions to adjacent land owners, businesses, schools, and community residents generated approximately \$700,000 in 1996. Income from land sales will be used to fund general operations and land reclamation projects. As a first step toward implementing a major recommendation of the Land Use Plan, EC has now advertised for sale several large parcels of land.

Earth Conservancy donated land for recreational purposes to Ashley and Sugar Notch

Boroughs. The donation of land in Newport Township is currently in process. EC is also donating land to Habitat for Humanity to help with their mission of building affordable housing for the community. The EC Board voted to assist nonprofit organizations in purchasing land by offering below market prices and releasing some deed restrictions.

EC continued to develop a partnership with the Greater Wilkes-Barre Chamber of Business and Industry for the purchase and marketing of EC's industrially developable land.

GOALS FOR 1997

This year brings an increased focus on land reclamation, the foundation of Earth Conservancy's mission. EC expects to complete \$500,000 in land reclamation projects, and complete a long-range reclamation plan for all of its holdings.

Also in 1997, EC will pursue innovative ways to reclaim land with environmentally beneficial materials, such as cogeneration fly ash. EC will work with the Department of Environmental Protection to set priorities for DEP-sponsored reclamation projects on EC land.

EC will complete Phase II of the Demonstration Wetlands project in Hanover Township. Funding will also be sought for additional acid mine drainage projects.

If the DEP-sponsored Public-Private Partnership grant is received, EC will purchase equipment for the Yard and Leaf Waste Composting Facility to improve and expand its operation. The facility will be able to serve more municipal and business customers this year.

Asset sales this year will emphasize culm and silt removal, and the sale of sand, gravel and rock material. The feasibility of a small topsoil operation will be studied this year.

EC will pursue funding this year for its proposed transportation corridor. One segment of this project will connect the Sans Souci Parkway to Middle Road at LCCC, solving major traffic problems along Middle Road, and providing access to a 375-acre parcel EC owns in Hanover Township. This segment of the \$188 million project is estimated at \$17 million.

Earth Conservancy welcomes your comments on its activities. Please contact the Director of Public Affairs at 101 South Main Street, Ashley, 18706, or call 823-3445.