

MINING AND RECLAMATION ADVISORY BOARD (BOARD)

**Thursday, October 28, 2010
Rachel Carson State Office Building
Harrisburg, PA
10:00 AM**

Voting Members/Alternates: Jack Chamberlin (Member), Allison Dutrey (Alternate), Richard Fox (Alternate), Josie Gaskey (Alternate), Ed Helfrick (Member), Mark Killar (Alternate), Curtis Kratz (Alternate), Darryl Lewis (Alternate), David Strong (Member), Sue Wilson (Alternate),

Other Attendees: William Allen (DEP), Dana Aunkst (DEP), Robert Burns (Alternate), Bruce Carl (DEP), Eric Cavazza (DEP), James Charowsky (DEP), Michael Dimatteo (Game Commission), Duane Feagley (Alternate), Richard Joyce (DEP), Daniel Lapato (DEP), Geoffrey Lincoln (DEP), Jeff McNelly (ARIPPA), Richard Morrison (DEP), Paul Pocavich (DEP), George Rieger (OSM), Michael Terretti (DEP)

Meeting Called to Order

Mr. Strong served as chair for this meeting and called the meeting to order at approximately 10:00 AM. He welcomed everyone and asked that they introduce themselves.

Adoption of Minutes

Minutes for both the regular Board meeting held on July 15, 2010 and the special meeting held on September 7, 2010 were voted on and approved unanimously without comment.

Correspondence

The Board was made aware of correspondence between the Office of Surface Mining (OSM) and the Department pertaining to OSM terminating its Abandoned Mine Land Emergency Program. The Board had concerns about funding future incidents.

Committee Reports

Policy

No Report

Reclamation

Mr. Strong made a suggestion that a list be made of watershed groups and facilities being contacted by gas companies to use their water. The gas companies are inquiring about using mine water in their operations, which Mr. Strong suggested may prove beneficial to the treatment of currently untreated mine drainage sites.

Upon questioning by Mr. Strong, the Department gave an update on EPA's conductivity report. There has been a series of objection letters to NPDES permits due to conductivity. The Bureau of Mining and Reclamation plans to work within its existing framework for aquatic life standards policies.

Regulation, Legislation and Technical

The Reclamation Fee Package was approved by Environmental Quality Board (EQB) at the October 12, meeting. The Remining Financial Guarantee Package is on the agenda for the November EQB meeting.

Total Dissolved Solids Update

The Department briefed the Board on the new regulations in Chapter 95 regarding total dissolved solids which became effective on October 21. The Department is currently working on technical guidance documents for these regulations.

2010 Draft Reclamation Fee 2010 Fiscal-year Report

Regulations require the Department to prepare a fiscal-year report containing a financial analysis of revenue and expenditures of the Reclamation Fee O & M Trust Account. Sources of revenue include reclamation fees, interest, and civil penalties. Based on existing balance in the Reclamation Fee O & M Account, the Department has determined that the reclamation fee amount can remain at \$0 for the calendar year 2011. This will maintain the balance in the account at \$3 million as required under Pa. Code 86.17(e)(3).

The Department requested funds again be transferred from the Reclamation Fee O & M Account into ABS Legacy Trust Account. A motion was made to make a transfer of funds in the amount of \$300,000. The motion was seconded and passed.

Alternate Bonding System Update

As of October the total number of trust agreements was 107 out of the 132 required. The breakdown for these 107 agreements are as follows; Bonds - 64, Fully Funded Trusts – 30, Partially Funded Trusts – 10, with three being ABS sites. Finances for these sites total to \$258.5 million. Penalty revenue received from fiscal year to date was \$112,409. Total conversion assistance revenue received fiscal year to date was \$72,647.

2011 Bond Rate Guideline Update

There were 13 abandoned mine reclamation contracts awarded for 2010 for which reclamation tasks under the bond rate guidelines have been evaluated. A grading cost of \$0.89 per cubic yard was estimated for over 4.5 million cubic yards for these contracts. The current projection for the 2011 bond rates are a drop in costs for grading, revegetation, and stage 3 maintenance bonds while other costs remain at or near 2010 amounts. There are several abandoned mine

reclamation contracts that will most likely be awarded before the end of the 2010 that need to be included before the 2011 guidelines are final.

BAMR Projects/Status Report

BAMR updated the Board on the status of their projects. In calendar year 2009 BAMR completed 133 projects at a cost of \$23,206,273. As of year to date in 2010, 13 projects have been completed at a cost of \$5,573,965. There are 34 active projects with future completion dates with a total cost of \$62,091,108. There are 165 projects under design with future contracts at a total cost of \$92,717,261.

New Business

The Board was presented proposed dates for the 2011 Board meetings. The dates proposed were approved as presented except the July meeting date was changed from the 7th to the 14th. In conjunction with the July meeting, it was proposed that the annual fieldtrip and meeting be held at the Knox District Mining Office.

The Board requested that at the next meeting there will be a presentation regarding the Act 54 five year report as well as the Title IV spending plan.

Open Time

Mr. Kratz asked for an update on the paper mill sludge and chicken manure research project. Mr. Strong stated that the project showed early positive results but the study is ongoing.

Adjourn

With no further questions or comments, Mr. Strong called for the meeting to be adjourned. The motion was seconded and the meeting was concluded.