

Danby Gas Drilling Task Force  
Minutes  
13-Apr-2011

- Meeting brought to order at 7:05pm
- Crane offered to take minutes.
- Discussion of 3/23 minutes. K.Halton suggested somewhat less detailed minutes. J.Tiffany likes detail.
- B.Wohl asked for review of activities of group.
- Debrief Berman talk. Lack of financial return. Need to drill intensively to make best use of large amounts of borrowed money. Sweet spots among the massive number of wells. Appreciation of Berman's candid views. Possibility of selling gas to foreign companies at prices that provide return.
- Debrief Law School conference. Lots of speakers. Most provided examples of how drilling negatively affects their areas of specialization. Was attended by mostly anti-drilling people, but there were pro-drilling attendees. Generally well appreciated.
- Anti-fracking lobbying in Albany on 4/11. 450 registered to lobby. Albany is not a democracy, it is controlled by three-men-in-a-room, legislation may not get out of Senate committees until it are supported by Republican votes. However, since small fry don't have a big voice, it will depend on the Republican leadership of the Senate. Nozzolio working to control/prevent dumping of drilling waste in NY; therefore, he may be a good candidate for persuasion. Some heartache that, "We still don't have the numbers."
- Rapid Waters hearing tomorrow, 4/14. Many of those present expect to attend the meeting. Danby State Forest is "split estate", mineral rights are owned by Federal Gov't, so separate public hearings will be required to lease for gas drilling. Question about whether Town can, "Just say, 'No, we won't improve the road for you.'" Anecdotal evidence that when gas companies "improve roads", there are negative consequences (they build well, but not in keeping with existing infrastructure). Written comments are due May 14. Town Board will try to write something, after listening to what's said at hearing. Addresses written comments given.
- Watkins Glen meeting tomorrow, 4/14. Inergy has purchased lots of land, for use as a railroad hub, storage pond(s) and wells, warehousing center. Farmers and grape growers are having this issue thrust at them for the first time.
- Real Estate values and gas leasing. T.Serviente described his recent experience with an attempt to sell a house and property. Realtor told him that banks are refusing mortgages on properties that have or are surrounded by leases. Some may even be taking action to end existing mortgages. Info confirmed by officer of Trust Company. TCC is granting mortgages when lease is adjacent, but not when on actual property. This means that buyers have to have cash, or can only look at a limited number of properties. Talked to Cathy DeSantos, TC Assessment office, who was not sure what's the future in Tompkins County, but in Pennsylvania, property values went up because

of the shortage of housing. The revenue value of the property increases its value. However, what happens when workers/renters go away? Especially if, as in PA, municipal water supplies are endangered or are already contaminated. Susan Christopherson's research indicates that local people are squeezed out of the housing market (GDTF expects presentation on this in the near future). Land speculation may also drive up land prices. The TCCOG Gas Drilling committee has been studying this issue. It met with local financing people, learned that drilling may lessen the availability of money for mortgages in the County, because mortgages are "packaged" and leases lower the value of the package. Also, setbacks required by big lenders are larger than those required by DEC dSGEIS, creating situation where mortgages simply can't be issued. In Texas, once banks became accustomed to drilling, the flow of money to mortgages improved. Similar issues may arise in the insurance industry.

- Educational Events. R.Horowitz attended talk by Mike Lundgren (district mgr of Bradford County Conservation District), sponsored by NY Soil Water Conservation District. Unlike other technical or scientific presentations, talk was in plain english, describing the personal impact of gas drilling. Industry adjusts to meet local conditions; what happens there may not happen here. Bradford County is much more heavily leased than Tompkins, gives the appearance of "an occupation." Sheriff was hired away by gas companies to do private security. New housing is very thick, all populated by workers (30,000 workers vs 30,000 residents), creating a shadow community that exists in parallel with long-term residents. At least 25 companies with at least one permit for drilling. Tourism (hunting, fishing, etc) has gone flat because there are no rooms available. In NYS, pipelines regulated by PSC, not DEC. Number of pipelines in Bradford County is amazing. Clean water stored by cutting off top of hill and building pond; 7-10 acre reservoirs on hilltops; 6 new reservoirs per month. Above-ground pipelines run up to 5 miles to service wells, with clearcut pipeline access. Alternative is trucks running directly to site.
- To Survey Or Not. Town Board passed a resolution — but may repeal it — allowing a survey to be developed. There may be limitations because the GDTF is a Town entity. Would it be better done by a private, non-Town group? GDTF cannot do a /petition/, as was done in other locations. Town Board may want info about Danby residents feelings, to know whether laws are justified, given that if Town passes laws to mitigate or control drilling, it may have large costs to defend them in court. Updated zoning may be needed to protect the local "lifestyle" from any form of industrial activity, not just drilling. Eric Banford is organizing — outside of the GDTF — a petition and/or survey.
- Meeting adjourned at 9:10pm.