

<p style="text-align: center;">YANKEE SPRINGS TOWNSHIP BOARD OF TRUSTEES Special Meeting April 11, 2013</p> <p style="text-align: center;"><u>Yankee Springs Township Town Hall Meeting</u> <u>Informational Meeting Regarding Fracking</u> Yankee Springs Township Hall 284 North Briggs Road, Middleville, Michigan 49333</p> <p style="text-align: center;">MINUTES</p>	<p>FINAL MINUTES Approved April 24, 2013 As corrected</p>
<p>Meeting called to order at 7:06 PM by Supervisor Mark Englerth.</p> <p>Pledge of Allegiance</p> <p>Roll Call: Jerkatis, J. Lippert, McCrumb, Englerth, M. Cook, Campbell. (All present).</p> <p>Englerth commented that M. Cook and J. Lippert had other commitments this evening and would be leaving early.</p> <p>Staff Present: F. Fiala, Jim Orr- Constable, Larry Knowles-Interim Zoning Administrator.</p> <p>Visitors: (42) not including staff present.</p>	<p>CALL TO ORDER</p> <p>PLEDGE</p> <p>ROLL CALL</p>
<p>Clerk Report Items transferred from 4/9/13 Board of Trustees Meeting :</p> <p>Due to previous computer/internet issues, the following items were to be approved for payment:</p> <p>Motion by Jerkatis with support from M. Cook to pay accounts payable check #s 911975-912002 for the amount of \$34,411.47.</p> <p>ROLL CALL: Jerkatis: yes, J. Lippert: yes, Englerth: yes, M. Cook: yes, Campbell: yes. All Yes (5). MOTION CARRIED.</p>	<p>Clerk Report Items transferred from 4/9/13 Board of Trustees Meeting</p> <p>Accounts Payable Approved</p>
<p>PURPOSE OF MEETING:</p> <p>Yankee Springs Township is hosting a "Town Hall" meeting. Various representatives from different entities will speak tonight regarding the "fracking issue".</p> <p>This will be a structured and informative meeting.</p> <p>Supervisor Mark Englerth will moderate the meeting.</p> <p>Englerth announced that there would be a time for questions after all</p>	<p>PURPOSE OF MEETING</p> <p>Page 1 of 7 YST Bd Trustees/Fracking 4-11-13</p>

of the presentations were finished.

Acknowledgement of Special Speakers/Presentations

Guest Speakers: Bill Mitchell, DEQ Representative
Mike Miller, Mich. Oil & Gas Assoc. Representative
Eric Pessel, Barry Eaton Environmental Health Dept.
Aaron Wissner, Teacher at Wayland Middle School,
and President of "Local Future".
Steve Losher, President of Michigan Land Air Water
Defense.

Brief Highlights from each presentation:

Mike Miller of Michigan Oil and Gas Association- commented that natural gas is one of the cleanest burning fossil fuels. It is abundant, clean, and affordable. He commented that there is a 100 year plus supply. He feels that it is good business for the State of Michigan. More than \$80 million goes to private landowners and \$1 billion to Michigan Natural Resources Trust Fund according to Miller. Miller mentioned that hydraulic fracking has been around for 60 years in the state. He feels it is safe and regulated. He explained the extraction process from shale as well as the different types of shale.

Aaron Wissner, President of Local Futures, lives just North of Barlow Lake near State land. A. Wissner mentioned that private land could be drilled on and the drill could go horizontally under the state game area. Wissner mentioned fracking issues that could affect a regular resident: more truck traffic resulting in expense to maintain roads, noise (day & night), and possible leaks of poisonous chemicals. Wissner feels that assets to protect at all cost are: state land (trees, parks, tourism, fresh water) and lakes/wells/swimming. A. Wissner feels that when the drilling is done, there will be permanent change to the township. It will also be the township's responsibility if bad wells come up. Wissner commented that the township can put ordinances into place to reduce township liability for expenses. Ordinances to consider: Amount of water withdrawn, weight limits, limits on truck traffic limits on hours of operation and limits on noise-(decibels). Wissner commented that Yankee Springs Township could take a leading role. He mentioned that Orangeville drafted a road ordinance. He commented that fracking was legal and mineral rights have been leased. Any time a pad is put down, a parcel could be re-designed to be a development parcel. It may need a road to be put in, trees would be cut down. The "rural look" would change. Wildlife characteristics would be changed. Wissner feels that the township board should look at their vision for the future of the township, considering: clean land, air and water.

*At 7:45 p.m., M. Cook and J. Lippert left the meeting for other

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Brief Highlights from each presentation

obligations.

Acknowledgement of Special Speakers/Presentations cont'd

Bill Mitchell, Geologist, DEQ, Resource Management Division Office of Oil, Gas, and Minerals- commented that his job is to enforce laws that are passed by the elected officials in Lansing.

The DEQ Mission Statement is basically to protect the environment.

B. Mitchell mentioned that there are 27 producing active wells in Barry County. Regulation began in 1927 in Michigan. Over 52,000 wells drilled since that time.

The DEQ is involved in oversight of a well from permitting to the plugging of a well. The standard drilling unit in Michigan is 40 acres.

B. Mitchell went on to explain the process of fracking (hydraulic fracturing).

Five Common issues are involved:

1. Migration of gas or fracture fluids.
2. Identification of chemical additives.
3. Management of "flow-back" water.
4. Surface spills
5. Water use.

Mitchell said the wells still have to be installed to code but do not need a permit from the county. Fresh water is stored on site from the county. Water with chemical additives has to be stored in steel tanks. It was also mentioned that 6.7 million gallons of water equals the equivalent of 10 Olympic-sized swimming pools.

Mitchell also mentioned the following website resources (along with Google, Yahoo, and Bing, etc.) www.michigan.gov, geology.com, www.epa.gov/hydraulic fracture, and frackfocus.org, Mitchell advised to search for Michigan State University Extension's oil and gas portal.

Steve Loshier, President of Michigan Land Air Water Defense, commented that there could be 1,500 to 2,000 trucks per well. He commented that A. Wissner had covered many things that he would cover in his presentation. S. Loshier commented that you can't put fracking into a vacuum. You have to look at the ancillary items. Loshier told township trustees that they can regulate nuisance issues such as noise, dust, and water usage. Loshier commented that five million gallons takes a family of five over 100 years to go through. He commented that 31.5 million gallons were used for wells in Kalkaska. Loshier asked the township to take fracking seriously

Acknowledgement of Special Speakers/Presentations cont'd

because it isn't going away.

PUBLIC COMMENTS AND QUESTIONS:

**PUBLIC COMMENTS
AND QUESTIONS**

Mike Cunningham, of the Planning Commission, asked B. Mitchell of the DEQ how many permits had been filed in Barry County. The answer: None.

Deb Masselink, of Shelbyville, asked B. Mitchell about the shale not "propping" well, possibly because it is too porous. Answer: They (oil companies) are not interested in the shale in this area. Masselink also asked about propane fracking. B. Mitchell answered that no propane fracking has been tried in Michigan that he is aware of.

Richard Beukema, of the Planning Commission, commented about NYC water being re-usable. Beukema asked about the water in the wells associated with the fracking process. Bill Mitchell commented the water is injected into deep disposal wells. Beukema asked about the damage to the community and how would the community be made "whole". Steve Loshier of the Michigan Land Air Water Defense commented that there was not federal oversight. At this point the HalliBurton loophole was discussed.

An unidentified gentleman asked what the general timeline was for a rig to be set up. Mike Miller of the Michigan Oil and Gas Association noted that a rig could set up for less than a week but couldn't see a rig being set up for more than three weeks.

Elaine Radcliffe asked what would happen if her well goes dry because of the people around her. Answer: The water supply has to be monitored and stopped if necessary.

Corinne Turner, of Delton, mentioned a 2001 Report that listed many incidents of contamination. Bill Mitchell replied that data on any contaminated site is available for anybody to obtain upon request. Turner wanted to know if an individual had to pay for a FOIA request.

Jackie Schmit, of Bowens Mill Rd., asked if 40,000 gallons of flowback water would be spread on roads for dust control. Schmidt had heard of this occurring. B. Mitchell was aware of the incident. He commented that the incident should not have happened, but it did. He mentioned that "brines" can be used for dust control. Brines are produced from oil and gas wells.

Karen Fifelski, of Hopkins, commented that a certain portion of water that was already present comes back in fluids after the pressure of the fracking process is released. It was clarified that brines were natural fluids produced in oil and gas production. Mitchell commented that once it goes into a disposal well, it can't come back out. He mentioned that the incident referred to by J. Schmidt was a

one time occasion, and it was wrong.

PUBLIC COMMENTS AND QUESTIONS continued

Bill Baughman, of S. Patterson Rd., asked why fracking fluid could not be re-used. Discussion took place regarding technology being available to re-use fracking fluid.

Pat H. of Grand Rapids, asked if the rigs move on so quickly, how are there “permanent” jobs (created from fracking)? Mike Miller said that the jobs are created because they move from town to town. The water assessment tool was discussed. Eric Pessel of the Barry-Eaton Health Department commented that the assessment tool has to go through the ground water then it tells whether or not the local area will be adversely affected. Pessel commented that if it is determined that the area will be affected (adversely), it won’t allow the use to take place. The tool has to be used prior to drilling a water well.

Discussion then took place regard the possibility of radioactive material and methane gas leaking into the atmosphere or being captured and used. Steve Losher mentioned fugitive emissions and that it is technically feasible to tighten these things up. Pat H. also spoke of the possibility of leasing land and the fracking company having to chop down 150 year old trees. Pat H. asked how these trees would be replaced. Bill Mitchell of the DEQ, commented that it was required by law to generally replace vegetation grasses. He commented that the laws are written this way as an erosion control. Eric Pessel of the Barry-Eaton Health Department commented that the MSU Extension is a great resource. Curtis Talley tells people about clauses in leases. Pessel feels that Talley is biased to the landowner. Mike Miller of the Mich. Oil & Gas Association commented that every clause in a lease is negotiable. He commented that if you want to have trees replaced, you can put that in the deal. Aaron Wissner of Local Future, commented that Curtis Talley’s presentation can be found on the internet or Local Future’s website will have it as well.

Amanda Jenkins, of Barry Conservation District, asked questions regarding surface properties and bodies of water not being drained by the fracking process. A. Jenkins also asked if any monitoring was required after a well has been plugged. Bill Mitchell’s answer: No, once the plugging process has been completed. Jenkins also asked if there were any NEPA documents available for view. Mitchell commented that the documents were all available for anybody. A. Jenkins asked if the DEQ was expecting that they’ll (fracking companies) would be looking for antrim only. Mitchell commented that there’s never been antrim shale in this state. Miller commented that all is taken on speculation and he considered the Yankee Springs area a high risk area for his company.

**PUBLIC COMMENTS
AND QUESTIONS
continued**

PUBLIC COMMENTS AND QUESTIONS continued

Cindy Vigneron, of Delton, inquired as to how many inspectors the state has to monitor the 12,000 wells. Bill Mitchell (DEQ) commented that there were 25.

Bonnie Slayton, of Hideaway Ct., mentioned large amounts of sour gas can be powerful and deadly. B. Slayton cited an incident in 2011 where a leak near Petoskey was reported. She wondered what kind of contingency plan was in place for Yankee Springs Township. It was commented that counties have plans in place through Emergency Response Systems (not health departments). Mike Miller from Michigan Oil and Gas commented that in 20 years, his company has had one fatality and that was due to human error. He commented that his company has safety meetings every day. Discussion continued regarding hydrogen sulfide gas. Slayton asked if there had been any long term studies regarding hydrogen sulfide. Mitchell of the DEQ commented that they are required to go through training every year to keep themselves safe. He suggested googling toxicity reports.

Jack Kineman, of Hastings, asked whose responsibility would it be if a truck caused a toxic spill. Bill Mitchell (DEQ) commented that the DEQ follows up and the responsible party is the one who caused the accident. Mike Miller of the Mich. Oil & Gas Assoc. commented that the State of Michigan requires them to be bonded in case someone skips town.

Cynthia Dill, asked Mike Miller what is his position on the Board of Directors. C. Dill asked what future generations will do for their electricity if we use it all up. M. Miller spoke of how our reliance on foreign oil has been reduced. He also mentioned that wind energy is currently priced at \$12.00 per gallon. Miller commented, "If you wanna ride that horse you better be able to pony up the money". Aaron Wissner of Local Future commented that he bought solar panels at \$800 per panel and now they are \$100 a piece, so the costs are going down.

Scott Havens, of the ZBA, asked Bill Mitchell of the DEQ what would happen if they drill for a well for fresh water and it doesn't provide, where will the water come from. Mitchell replied that the water will have to be contracted out and paid for by the fracking company.

Doug Nagle of Bender Rd., commented that it seems like a lot of people are making money on fracking. Nagle asked if there have been studies on the local impact. Mike Miller suggested talking to those from other counties and township boards. Also it was suggested to go

to the website: "energy in depth" and the name, "Deborah Rogers" was mentioned in connection with that website. Discussion occurred regarding how many people would be hired if things take off in this area. Mike Miller of the Mich. Oil & Gas Association commented that he didn't have people working in the area but recommended talking to people in Gaylord. Aaron Wissner spoke of property values and trying to sell real estate. Wissner feels that since fracking has such a negative connotation it could influence people into not buying. Wissner also mentioned that it may be more difficult getting a mortgage if banks are aware of fracking in the local area, or mortgage rates may be higher. Steve Loshier commented that the Bank of America and Wells Fargo are defaulting people because of it. Fracking is classified as "hazardous activity".

Mark Schroeder, of Lynn Dr., asked if gas was being sent to China. Mike Miller commented that Congress is talking about exporting to China. Miller remarked that Michigan gas is in Michigan. Schroeder commented that the Governor of Michigan said the DEQ had 50 people for 12,000 wells. At this rate the wells would be inspected every 142 days. Schroeder also commented that the Ohio governor has stopped injection wells. Seismic activity has occurred near a Ohio well.

Discussion occurred regarding how long injection wells are expected to last and if wells (water) could be tested. Mike Miller mentioned that testing of wells could be negotiable in a lease. His company does base line testing. Miller also commented that this area (Yankee Springs) is a long way from being an active area. Regarding water testing, Mike Cunningham of the PC asked what should residents test for. It was commented that certain hydrocarbons such as benzene would be good to test for.

At 10:00 p.m., John Jerkatis, Treasurer, thanked all of the presenters and participants in the evening's discussion for their time and interest. At this point, the meeting was adjourned and approved by all.

Respectfully submitted:

D. Mousseau
Recording Secretary 4-17-13

Approved: 4-23-13
Janice C. Lippert, Township Clerk
Final Approval of Minutes: April 24, 2013

**PUBLIC COMMENTS
AND QUESTIONS**

continued

ADJOURNMENT

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