



Preserving and protecting our precious freshwater

Address to MWCD Board 4-18-14
You Will Pay for This!

Two years ago when I first came to the MWCD Board meeting to witness and testify to our concerns about the new industry in Ohio, fracking, I was certain that by offering solid evidence that fracking is an abnormally dangerous industry, destroys property values and risks toxic contamination of reservoirs and even dam subsidence that the conservancy district would seriously reconsider its plans to frack another reservoir after Clendening. Since that time, everything I told you about the dangers of fracking has been proven true, and now there is even more information that fracking not only pollutes air and water, its unknown mixture of toxic chemicals brings even more toxicity with it back to the surface like radium and arsenic that were once buried safely deep underground. Fracking contributes to global climate change by releasing methane and spews benzene, toluene, xylene and other cancer-causing contaminants into the air. It even causes earthquakes. Everything I told you about fracking is true, and yet, you continue to lease more reservoirs for fracking and for your personal profit.

Now through personal experience I understand why the MWCD is so universally detested by the tax paying public. This is the biggest and worst example of public representation, environmental stewardship and corporate morality I have ever personally witnessed. The MWCD practices taxation without representation and knows that by hiding behind lawyers and your interpretation of ORC 6101 you believe you can do whatever you want. Your idea of public input is just that, a one-time chance to have input but without being heard. No wonder there aren't more people who attend board meetings to testify as we have. It's demoralizing, discouraging and downright maddening to watch you sit there with closed ears and hearts while people make their impassioned appeals to protect their property and way of life against your profiteering. You only listen to your buddies at Antero, the ODNR and others you favor who want a piece of your pie.

I have bitterly questioned why I have to be the one to carry this flag, but as my good friend, a law professor told me, "It's all fun and games until the MWCD messes with the wrong person, and you are that wrong person." I resent what I have had to go through to try to appeal to your intelligence and morality and any sense of duty to the public or stewardship of the land that you might have. We were even told that we could not testify at the annual meeting of the Conservancy Court after driving from the far corners of Ohio and waiting patiently with our prepared testimonies. The principles of democracy and public representation by publicly-paid political servants are non-existent in the MWCD. You believe that you can operate with impunity, and you have so far, but that is about to end. The truth is coming out about your dealings with Antero. Although you may believe you do not have to do competitive bidding and that you can provide favors for your friends without accountability, that is about to end. Fracking's terrible worker safety record, environmental damage and worker drug use as well as meth labs on frack pads cannot be hidden. We know what is going on in our neighborhoods, and we are documenting it for future damages. There will be lots of lawyers after the cash you are getting today when people come forward with their legitimate civil suits because of damages you caused.

The most awful aspect to me is how you are selling the water for your personal profit – destroying it forever – by the millions and billions of gallons – our precious freshwater that can never again be used for agriculture, recreation or drinking – totally removed forever from the hydrologic cycle. You think nothing of selling it for fracking's one time consumptive use, turning it into a toxic waste that has to be disposed of forever – all those precious molecules of life-giving water, once glistening



on the surface of the earth – banished off the face of it to hopefully never see the light of day again. How could you? Especially dealing with a water destroyer like Antero that brags about how they will be able to provide water for fracking – throughout the seasons – even in droughts – because they make money that way, too – no matter what the long term degradation of the watershed that is already forecasted by FracTracker as being of significant harm to the watershed.

People are not as stupid or unaware as you think they are. They are questioning things such as the fact that Warburg Pincus the private equity firm that controls Antero Resources makes money through IPO's and is Warburg Pincus has completed more initial public offerings with its companies than any other global private equity firm. Do you think they care if you are left holding the bag for the pollution from the company that used Ohio's resources then leaves town, revoking bonds, while underinsured for all the risk that it exposed us to, which is even stated in their 10K reports, and I quote:

We may incur substantial losses and be subject to substantial liability claims as a result of our operations. Additionally, we may not be insured for, or our insurance may be inadequate to protect us against, these risks.

Are you willing to be left holding the bag when drillers file bankruptcy and there is no way to recover costs to remediate the toxicity they have left? They leave town, and you are left with the damages – do not think for a moment you can pass it along to us, the taxpayer, on down the line.

The NASAA identifies private offerings as first in the list of top ten threats to investors, and the MWCD is investing in a company that makes money through private offerings. You are way out of your league to think that there will be any kind of cost sharing or restitution for future damages. Huge investors can take their money and run without liability for the most part. The MWCD will be left with the damages, and I am going on record today to say emphatically that you will not be able to tax us for the damages you have caused by serving the fracking industry rather than the people who live here. The NASAA also identifies risky oil and gas drilling programs as another one of the top ten threats to investors, and yet, the MWCD in its infinite wisdom chooses to allow the exploitation of valuable public resources without adequate insurance or bonding to cover the future risks that it exposes those who live here.

The little MWCD – sitting on fat cat resources – do you ever think, aren't you a bit worried, that maybe you are being played for a fool by the much fatter cat out of towners...the private equity investment firms – the big New York bankers – who only care about money. And see you sitting on a gold mine, and because you think you are one of them, they can play you like a fiddle, so that you think you are being respected and compensated for what you have. Don't you have an inkling in the back of your mind, however, to be at least intelligent enough to think – that perhaps these people will just fleece you for all you're worth, leave town, and then when the toxic and radioactive contamination takes place, knowing that they have no legal liability and you have no recourse – do you actually think you can fleece us in return because of your bad decisions? Well – let me be one of the first of many more to come and tell you today – you are not going to get away with it. If you lease yet another reservoir to the out of town exploiters who are nothing more than money makers for themselves and think that you are going to be able to spend the windfall money now and make us pay later – we are gathering proof and the truth will eventually come out so that when our property values are destroyed and our water is contaminated beyond the ability to remediate and when people are sick because of it, we will do everything possible to make sure you are held accountable. Frack our reservoirs – destroy our water – kill the golden goose, and YOU will pay for it – not us! Think very seriously of the consequences you incur before leasing yet another reservoir.