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Subject: MarcellusandHSBradfordCountyFacts.doc

Here is the material from Bradford-Sullivan Administrator on the impact of Marcellus Shale on Human Services that i referenced yesterday. This was done several months ago and his updates just reflect MORE of the same.

Bradford County Human Service Facts

Preface: I was asked at my last regional meeting to send some information to the group on the impacts of the gas exploration on human services. The following is a compilation of reports and information I have been keeping as a running log of the happenings in Bradford County. I have endeavored to keep this up to date but things are happening so quickly that even a daily update can be inaccurate by the time it is distributed.

I want to acknowledge the fact that not all is bad with the exploration. It is true that our hotels are full, stores are booming and unemployment has dropped. Unfortunately, most of the jobs created are not with the industry but rather in retail, fast food, etc and are minimum wage and part time. Many of those individuals who have taken gas jobs have found the 12-14 hours per day seven days a week too much to handle and have left the industry. It is very difficult work, demanding, and exhausting. Employees with families find it difficult to maintain a connection with the family when working this type of schedule. Another unfortunate factor is that after they have worked for a while, and then quit, no unemployment payments so they wind-up on assistance or uncovered.

I have had the opportunity to meet quite a few on the gas exploration workers and have found them to be hardworking, decent guys. While I am sure there are "gasholes" around I have to admit that I have not met any and I think to characterize the workers in this manner is using too broad of a brush.

Here goes, please forgive the rambling nature, bullet format and chaotic structure but it reflects the way thing are up here in gas land:

Our biggest impact is on housing. When thinking of homeless we used to think of people with no income, no health insurance, maybe some mental health issues living on the streets. Bradford County's homeless changed our vision in that many families work, have steady incomes, have health insurance, are members of the middle to lower class income population. Gas drillers make good incomes and will not show up in the DPW system for services. Homeless issues cannot be determined by observing increased numbers in County Assistance Programs. They are seen through increasing impact on social services

and education.

Early Intervention

1st story:

A family of four has been homeless since last Jan/Feb. Mom has an uncle who allows them to sleep at his home at night but they can't stay during the day. The family goes from one family member to another during the day. Dad works 2nd shift at Craft Master (a good factory job in this area) and Mom works different shifts at the Dandy Mini Mart. The kids float from place to place each day. Main issues include lack of stability, there is a lot of family conflict because of the stress and they are wearing out their welcome at different houses. The children are 3 and 2. They do not have a house in which they can have their own toys not to mention other belongings. The 2 year old is receiving EI services to address behavior. It is impossible for Mom to be consistent because they are never at the same house and everyone has their own set of rules. The family has not received EI services for about a month because they can't predict where they will be from one day to the next. We are trying to find a consistent place for them to meet me. They are also trying to secure housing before winter.

2nd story:

A family of four moved to a nice 4-bedroom house last October. They were paying \$650/month for rent. They had a beautiful setup with each child having their own room. They also had a yard where the kids could play on their swing set and ride bikes safely. Their landlord would only sign a month-by-month lease with them. In April their new lease stated rent would be \$1500.00. Dad and Mom both work at Cargill (a good paying factory job). They could not afford rent. They moved in June to a 2nd floor apartment in town paying \$750/month. It has one small bedroom. The youngest child sleeps in the parents' room. The second child's bedroom is a hallway that leads from the living room to the very small kitchen. The family had to sell many belongings because they didn't fit in the apartment. They no longer have a backyard and there is no place for the children to play safely outside. They hope to save enough money to purchase a home within the next year.

Current child count - 134 children (many families with multiple children)

Families Being Affected

Homeless Families - 3

Inadequate Housing (family of 4 or more living in 1-2 bedroom apartments) - 4

Left County due to lack/cost of housing - 2

Multiple jobs to cover costs - 2

Homeless, couch surfing at night with no place to go during the day - 2

Multiple families living together because of lack of housing - 10

Gas Drilling families with children in EI - 2 (One family has 2 children diagnosed with Autism with another one potentially diagnosed).

How is it affecting the children we see?

1. Development on the back burner - survival the main issue.
2. Social Emotional referrals on the rise.
3. Lack of toys to foster development
4. Lack of space to play
5. Lack of family structure - no stability
6. Seeing effects of family stress
7. Transient - we lose families frequently as they move to find housing
8. We predict schools will see an increase in children ill prepared to enter kindergarten due to overall lack of learning including social emotional development.
9. We need training and programs to help us address developmental needs of preschool children.
10. Government financed and community based resources are running out.

Children and Youth Services

Homeless counts

Families living in campers - 2

Living with relatives/friends - 11

Needed help with rent/utilities - 10

Lost home due to rent increase - 1

Had to get a 2nd job to cover costs - 1

Evicted to house gas workers - 16

A 37-unit trailer park has started evictions many of the units are occupied by families.

Family Impact

1. 16 children have been placed due to lack of housing. It is estimated 40-50 more could be placed if we didn't ignore couch surfing.
2. We are finding families living in cars, camping, couch surfing, multiple families living together to afford rent or because they can't find other places to live.
3. We are afraid to see what will happen as cold weather sets in.

4. Teen pregnancies are on the rise.

5. We have seen some families move in with known perpetrators because there is no place else to go. These children are placed.

Mental Health:

1. General quality of life issues are deteriorating for MH consumers and they are experiencing more problems. Legal Delegate activity increased 50%.

2. Landlords are less willing to accept MH clients and have begun evictions using the slightest provocation when previously they would let it slide.

3. HUD housing being converted back to "regular at higher rental rates due to low HUD allowances i.e. a 4 bedroom house is allowed \$852.00 month from HUD but can easily rent for \$2000.00 to \$2500.00 per month now. Landlord are jumping rents upward and/or not doing repairs to get dropped from HUD.

4. Rents have tripled and quadrupled.

School Districts

1. Schools are impacted with new enrollments. Class sizes are jumped in one district by almost 40%. Wyalusing had 54 new enrollments last year and most of those required English as a second language. 23 required individualized education plans. They have 50 new enrollments this year. Some of our districts are already at max capacity. Sayre reports 40 new students gas related.

2. Athens elementary added 10 this year, Towanda 10,

Biggest human service impact to date is on housing:

1. Rents tripled and in some cases quadrupled in the last year and a half.

2. We used to put people up in local hotels until more permanent housing could not be found. Hotels, rooming houses, Bed and Breakfasts, are filled at least six months out with gas people.

3. There is no place to house families experiencing emergency issues such as fires, gas leaks, and weather disasters...

4. The point-in-time study in January 2010 revealed homelessness doubled from 2009. We expect 2010 to be worse unless people begin to migrate to other counties.

5. HUD fair market doesn't come close. Examples: 4-bedroom house is HUD listed at \$852.00/month, Landlords are leasing to gas workers for \$2000.00 to \$2500.00/month, a two-bedroom apartment in a not so desirable part of town rents for \$1500.00/month with an extra \$50.00/month for AC. One apartment renting for \$480.00/month increased to \$1800.00. The family was forced to move.

6. Basic living costs are increasing; adding to the inability of consumers to pay rent, utilities, food, clothing, etc.
7. There are families of drilling employees living on drill pads because there is no housing in the county.
8. The mental Health program hired a housing consultant to see what could be done to impact the issues. Their findings are that there are no immediate fixes because there is no housing.
9. Sullivan County had housing in the spring. Today their housing is full.
10. Less than 4% of the gas industry employees are from Bradford County.
11. Many/most of the gas industry folks are not becoming PA residents.

Impact on Staff:

1. 15% of my staff (MH-ICM, SCO, AE, CYS) moved out of county because they can't afford the rent. Those who moved to NY will most likely discover NY has better salaries and benefits. One case manager commutes 56 miles one way and another comes from Williamsport (1 1/2 hours one way).
2. We have trouble filling vacancies. 7 interviews in the last two weeks, 3 have declined due to housing issues 2 others are planning to commute from Williamsport
3. Case Management productivity is dropping due to increased travel time between appointments caused by a huge increase in traffic and destruction of roads from heavy equipment.
4. Car repair costs went up due to tire, brake, and suspension issues from destroyed roads. Windshield washer fluid consumption has doubled due to the amount of dirt and mud on the roads.
5. The county lost employees from the conservation district, planning, prison, nursing home, and human services. We can't compete with gas salaries.

Impact on the Court System:

1. Five illegal aliens were deported recently. Another 13 awaiting deportation
2. Crime is creeping up and one town recently added a police officer (most of the county is covered by the State Police).
3. The county jail housed 60 inmates from the gas industry since February 2009. 7% of the population is gas people. Most jailing time is due to DUI's.
4. D&A referrals have more than doubled and the Treatment Court is at capacity

While we at the county are not seeing a lot of gas workers coming in for help, one who did is making \$12,000.00 per month placing them well above our thresholds. What we are

seeing:

1. Providers are reporting an increase in cash payments. This is taking doctor time away from the MA and county funded individuals.
2. Due to the low managed care rates, we consistently have limited and very weak provider systems, which at the moment are becoming even more limited.
3. Mental Health, Pediatric, and dental services are historically limited. We are predicting with the increase in population, we will not have enough medical care to support the need.
4. DMV is finding hundreds of safety violations on trucks serving the industry and took 60+ off the roads on one day.

Hotel tax not being collected

Most not residents

What the Gas industry is telling us

1. We are about 5% to 10% into the gas development.
2. It is predicted Bradford County's population will increase to 100,000 in the next year.
3. Under the gas there is a bed of oil that is predicted to be as big or bigger than Alaska's North Slope
4. The expected length of play in the region is 100 years.
5. Yields far exceeds expectations
6. Employment claims to be hiring 3.6% of work force local JM reports that Career link states many are hired and then let go. Another report is that when a new well is started, they count the locals as another hire even though they were working on another well. The results are that the count does not rule out duplication.

Environmental issues:

1. Destruction of drinking water wells Dimock TWP, Terry Twp cows won't drink the water, recent wells destroyed in Alba TWP 1 to 1&1/2 miles from the wells, Signing confidentiality statements to get help from gas companies
2. Susquehanna River, water pulls for drilling and fracturing the well are into the millions of gallons per day.
3. River bubbles in Sugar Run from a well over a mile away.
4. Paradise road homes evacuated.
5. Methane sensors being placed in homes, venting required in basements, attics, and

water wells (most of the drinking water for the homes and towns in Bradford County comes from wells and from the same aquifer that is being damaged).

6. DEP has reported thousands on environmental violations

NEW Since 10/21/10

1. County has had to extradite 3 individuals back to the county for trials

2. Finding it difficult to get vehicles repaired because gas companies have hired the mechanics.

3. One property owner complaining that the agreement to site a well on her property is not being followed. The well pad has cut off her access to a significant piece of property. A road was supposed to be maintained so that a local farmer could get equipment in to cut hay.

4. Talisman energy is sponsoring a health fair 11/6 in Troy.

5. 10/29/10 a major bar fight last week spilled on to the street and required three police forces to break-up. 15 people arrested appear to be a gas vs gas slugfest. Sheriff reports this has become a weekly event.

6. University of Buffalo reports that fracking in the Marcellus Shale causes uranium (which is found in higher concentrations than elsewhere) causes the uranium to become soluble in the fracking water. This water is then either treated and dumped, or dumped into ponds for reuse. Although not radioactive enough to cause concern, it is a highly toxic, deadly, heavy metal. This could result in "polluting streams and other ecosystems and generating hazardous waste".

11/19/10

1. Head start reports serving 26 homeless kids

2. Family advocacy group reports the following stats:

a. 5 families couch surfing

b. 16 families indigent (no place to live)

c. 18 families sharing with other families

d. 29 families reported facing eviction due to rent increases

e. 10 families in landlord disputes/issues

Families were identified as four or more individuals = 78 families x 4 = 312 individuals

3. Local LHOT agrees these numbers are just the tip of the iceberg

4. CYS reports 13 kids remain in care due to gas evictions although the individuals have changed number remain flat.

5. Chesapeake Energy opened the "man camp" for 276 drillers, which opened hotel rooms. Sources report other operations are taking the rooms.

6. Safety inspections continue to cite and ground trucks

7. Energy companies priding themselves on road repairs. True-they are fixing the roads

but it is cheaper than bonding, repairing as they go, and continuing to pay permitting fees for all of the trucks traveling on the posted roads.

Web sites of interest:

<http://www.bradfordcountypa.org> county web site check the “natural gas information”

<http://extension.psu.edu/naturalgas>

<http://www.srbc.net/wrp/Map.aspx> watch the water withdrawal sites populate the map

<http://www.fracktracker.org> lots on interesting stuff

<http://www.dep.state.pa.us> check out oil and gas section

<http://www.MarcellusMoney.org> check out political contributions from the gas industry