

FreshWater Accountability Project

Dedicated to preserving
and protecting our *freshwater*,
a basic human need, belonging to us all.

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To all Ohio Legislators:

We are asking for your attention and involvement in a very serious matter confronting Ohioans at this time. As you may know, the unconventional shale drilling industry has unduly influenced our political processes, democratic values and environmental protections at the expense of the citizenry, potentially causing catastrophic loss of public health, property values and precious freshwater supplies. We are respectfully requesting you to direct particular attention to the Muskingum Watershed Conservancy District (MWCD) as a willful participant and proponent of the industry and its destructive influences, at serious risk and public expense.

As you may or may not know, the MWCD operates basically without checks and balances in a case of lack of separation of power and accountability through its self-serving interpretation and application of Ohio's Revised Code Chapter 6101. This loosely-written code interpreted and applied by MWCD retained attorneys has been manipulated to realize the Conservancy District's goal to build a powerful and influential state within the State of Ohio, basically accountable to no one - not even the property owners within the district who pay property taxes without due process or public vote, according to assessments made by the MWCD that can be raised without justification or audit.

Conservation and environmental agencies within the State government must appeal before this separate State of the MWCD for needed monies for their programs, thereby, ingratiating mass numbers of individuals, businesses and organizations to allow the MWCD to operate without question or challenge. The MWCD collects approximately \$10 million per year from property owners in property tax assessments, and is now reaping hundreds of millions of dollars in windfall profits by supporting the unconventional shale drilling industry by leasing reservoirs and selling public water for its sole profit.

The MWCD also ingratiates and incurs favor while intimidating those who oppose and question it, through its ability to award public money without competitive bidding requirements and reap profits without fiscal responsibility and fiduciary accountability. By recklessly engaging in the unconventional shale drilling industry, aided covertly and overtly by the MWCD's "partners" such as US Army Corps and with publicly-paid consultants, the MWCD is setting itself up for massive liability costs because of the detrimental impacts to public health, freshwater supplies and property values caused by fracking. This, along with any destruction caused by subsidence, earthquakes and droughts exacerbated by the leasing for drilling and sale of enormous amounts of public water supplies, is certain to result in millions if not billions of dollars' worth of settlements and attorney fees, which will be the taxpayers' burden to bear. The short-term bonds posted by the drillers and the insurance policy limits will insure that the taxpayer is left on the hook for damages with little benefit from the huge profits being reaped at this time.

Long after the unconventional shale drillers have left, their bond postings revoked and their straw corporations dismantled, the remaining deep pockets will be those of the Muskingum Watershed Conservancy District. Under existing law, major damages liabilities can simply

be passed on to the District property owners by the MWCD in a manner that it deems appropriate. There are no legal means of avoidance or stopping it. The taxpayers are the ultimate insurer of MWCD misdeeds, with no legal recourse. This truly is taxation without representation. The deliberate positioning of the MWCD to engage in this reckless and destructive profiteering activity without accountability and with the ability to tax to pay for the externalized costs of the single industry the MWCD has chosen to support at the expense of all others, as well as the future detriment to property values and future economic viability and growth in the area, is an abomination of American values and fundamental principles of democracy.

We're asking the General Assembly act now to avoid environmental and economic disaster. We want to provide you with the information and research we have gathered about the inner workings of the MWCD, including claims of leasing irregularities and close ties with other agencies such as the ODNR, along with other activities such as the divestment of Atwood Lodge. Combined, these events tell a story about the absence of transparency and accountability, collusion, coercion and possibly even criminal activity. We have a team assembled to testify, and would like to organize a committee of Ohio Legislators willing to consider changes to Ohio law to either dismantle the MWCD or make it directly accountable to the public, with sound government practices including competitive bidding and democratic procedure. The MWCD should have to put their taxes on the ballot the same as the local library.

We estimate that the MWCD is poised to collect over a billion dollars in windfall profits, as well as continue to collect millions in property taxes, which will continue to be spent to incur favor and reward friends, all the while exposing the public to grave risks. Something must be done, and it must be done quickly in order to halt this betrayal of public trust, indifferent stewardship of valuable public assets, and self-serving empire-building of the rogue Muskingum Watershed "Conservancy" District.

Thank you for your serious consideration of this important matter. Our members are ready to testify to a committee we hope will be assembled to investigate the MWCD and alternatives to its structure and management.

Best regards,

Members of FreshWater Accountability Project Ohio
www.FWAPOH.com