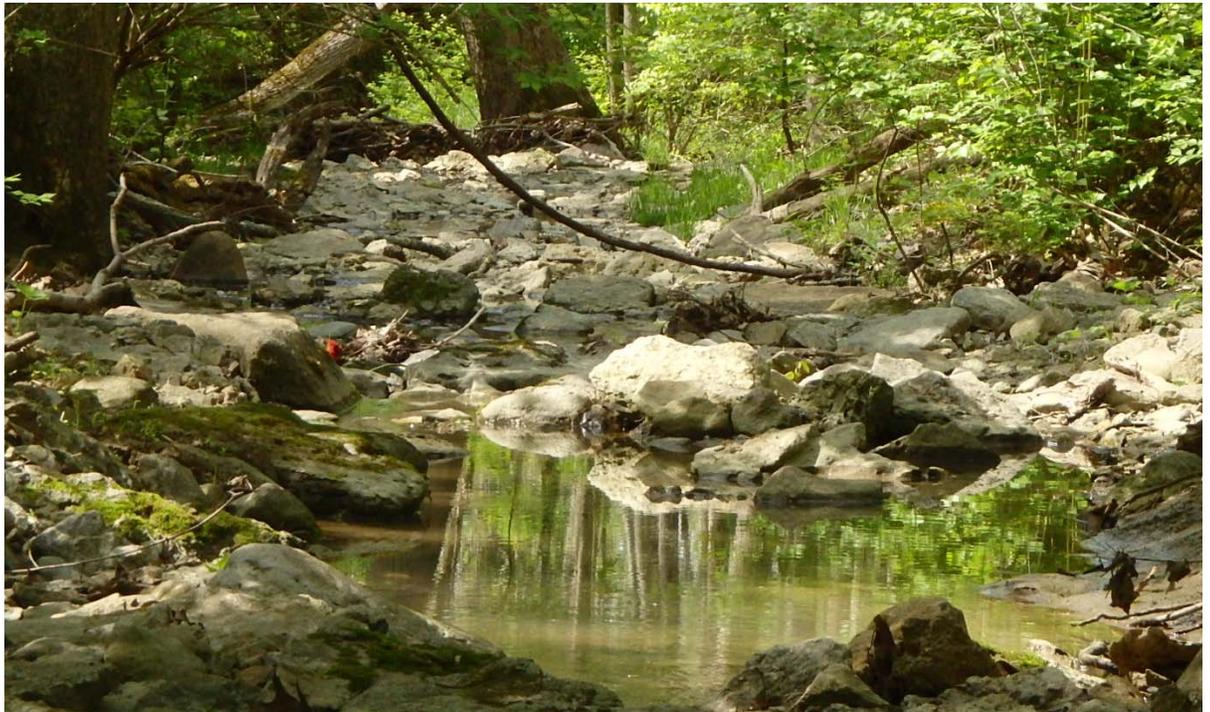




# Fernald Natural Resource Trustees 2014 Annual Report to the Public



Division of Environmental Response and Revitalization  
Federal Facilities Section  
December 2015



## EXECUTIVE SUMMARY

The Paddys Run Conservation Project (PRCP) provides funding to purchase development rights through agriculture and conservation easements from willing landowners to protect the Paddy's Run watershed and the Great Miami buried valley aquifer. The easements keep land in private hands while protecting working farms and the environment.

As we entered 2014, more than 2220 acres from willing landowners were protected with PRCP easements. By the close of the year, an additional 610 acres were permanently protected. The first fee simple purchases were made from two different land owners.

## BACKGROUND

From 1951 until 1989, production of high-purity uranium metal products as the first step in America's nuclear weapons, took place in a small rural area 18 miles northwest of Cincinnati. The U.S. Department of Energy's (DOE) uranium foundry and machinery site has changed names over the years to reflect its changing mission. These names include the Feed Materials Production Center, Fernald Environmental Management Project, Fernald Closure Project, and in 2007 the site became the Fernald Preserve. During production numerous contaminants were released affecting local air, soil, surface water and ground water. The environmental remediation and ecological restoration of the site was completed in 2006 at a cost of \$4.4 billion. This cleanup was one of the largest environmental cleanup operations ever undertaken in our nation's history.



*Streamside salamanders were found along Paddys Run in the Focus Area on one of the PRCP protected properties.*

Ohio included a \$206 million claim for natural resource damages in its 1986 lawsuit against DOE. The state's natural resources were injured during the production years at Fernald. In 1988, Ohio and DOE agreed to put this claim on hold until the signing of the site's record of decisions. In 1993, DOE initiated discussions with the Trustees to determine the feasibility of integrating the Trustees' concerns with future remedial design and restoration activities. In 1998 DOE initiated restoration activities at the site based on the Draft Natural Resource Restoration Plan.

In 2008 the State of Ohio and DOE settled the natural resource damages claim at Fernald and documented it in a consent decree. In addition to the \$14 million DOE had already spent restoring the site, the consent decree required (1) implementation of the natural resource restoration plan; (2) payment of \$13,750,000 to Ohio by the United States, on behalf of DOE, for various habitat enhancements and land protection on or near Fernald in order to protect and improve water quality in Paddys Run and the Great Miami Aquifer; (3) execution of environmental covenants for the entirety of the site, recorded with Hamilton and Butler counties; and (4) payment of past and future costs to the State of Ohio. This consent decree, together with the 1988 consent decree as previously amended, constitutes a final judgment between Ohio and DOE in this case. The consent decree also required finalizing Fernald's Natural Resource Restoration Plan. Pursuant to Section 1.5 of the

Natural Resource Restoration Plan, the Trustees must issue an Annual Report to show funds and expenditures, project status, and maps of project locations. This document fulfills that directive.

Ohio EPA is the designated Natural Resource Trustee for the State of Ohio. The other Trustees for Fernald are DOE and the Department of Interior represented by the U.S. Fish and Wildlife Service. The Trustees act as guardians for public natural resources impacted by the years of production at Fernald.

## PROJECTS

The following NRD projects were worked on during calendar year 2013:

1. Paddys Run Conservation Project (PRCP) – By using conservation easements to preserve current land use, the Paddys Run Conservation Project is protecting water quality in local streams and ground water. The PRCP officially launched in December 2010. In summer of both 2011 and 2012 two application periods were held. These resulted in 23 applications totaling more than 2200 acres in addition to the pilot project. By the end of 2012 more than 3000 acres



*Some easement transactions involve four generations of a family.*

was under consideration or had received a conservation easement through the PRCP using Fernald settlement funds. Natural Resource Trustees along with Three Valley Conservation Trust (TVCT) made site visits to those properties under consideration. Extensive documentation preparation by Ohio EPA and partner TVCT allowed for these real estate transactions to transpire. Matching funds from the United States Department of Agriculture (USDA) Farm and Ranch Lands Protection Program (FRPP) allowed TVCT to leverage additional funds, thus allowing the Fernald settlement funds to go further.

By the close of 2012 more than 900 acres was permanently protected on five properties. In 2013, an additional 1309.7 acres was placed in conservation or agricultural easements on 12 properties. In 2014, ten additional properties, totaling 610 acres were protected. This brought the project total to 2830 acres protected on 27 properties by the end of 2014.

Each conservation easement requires considerable documentation, ranging from environmental and habitat assessments to the preparation of Farm Plans and Forest Management Plans. Nearly twenty separate components are needed prior to a successful easement closing. The closed easements range from an 18 acre retreat for a young family to a 125 acre farm which will transition to a park. A map of the Paddys Run Conservation Project focus area and updated easement properties is provided on Page 4 of this report.

2. The first of two fee simple purchases was made early in 2014. The former Probst farm is a 125 acre parcel with open fields and woods at the headwaters of Paddys Run. Ohio EPA worked with TVCT and other



contractors to remove old farm debris from the land. One metal barn structure was left to support restoration and education operations at the property. Some of the large timbers from the collapsed barn were salvaged and moved for benches in the remaining metal barn. Morgan Township Fire Department used the condemned farm house and barn for a training burn. In May the MetroParks of Butler County board voted to assume ownership of the parcel from Three Valley Conservation Trust following restoration. The site has come to be known as Salamander Run Preserve, or SRP. Extensive restoration work and invasive species control at SRP was planned and initiated in 2014 through Envirotech of Summerset Ohio. A restoration budget was approved by the controlling board and provided to TVCT to act as general contractor. Initial attacks on 93 acres of invasive honeysuckle began in the fall.

3. The end of 2014 brought changes to the USDA Farm Bill which resulted in less funding for agricultural easements in the PRCP area. A smaller budget and higher match requirement (from 17% to 25% local match) meant this program was not as effective for the PRCP as it was in 2013. While a few large farms chose not to participate in the PRCP because of the lack of USDA funds, several agricultural easements were purchased leveraging more than \$700,000 in USDA funds.
4. During 2014 extensive efforts were made with the Butler and Hamilton County park districts to purchase and conserve more than 1000 acres of farm and forest just west of the Fernald Preserve. By the end of the year no sales or easements on the acreage had been made.

## RESOLUTIONS

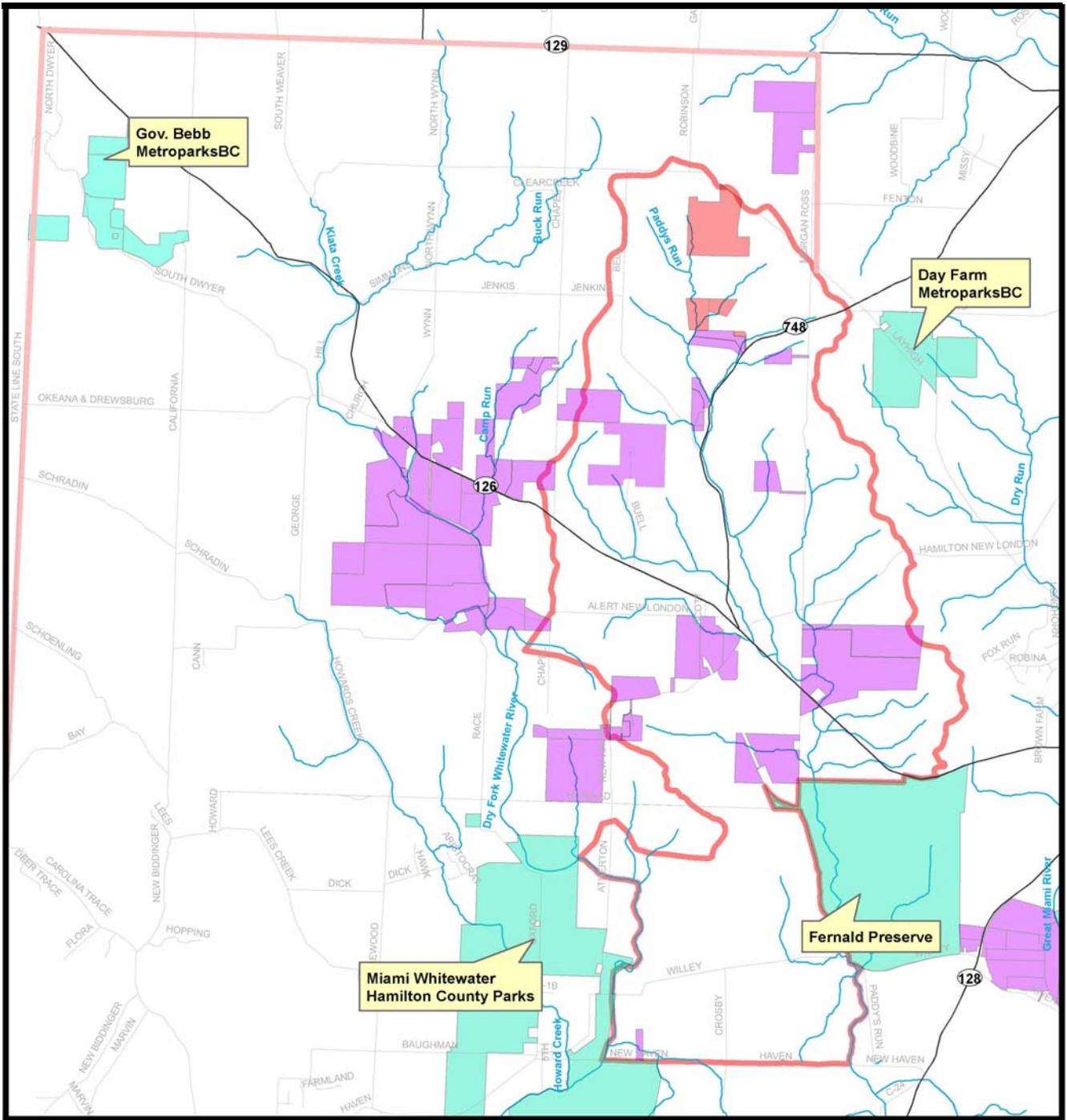
The Trustees have passed 31 resolutions. Council resolutions 29 through 31 were finalized during calendar year 2014. Detailed Resolutions can be found in the Trustees section of our web page: [epa.ohio.gov/derr/ACRE/FFS/swdo\\_ffs/ferald.aspx](http://epa.ohio.gov/derr/ACRE/FFS/swdo_ffs/ferald.aspx)

1. Field Evaluation
2. Representative Change and MOU Update
3. Field Walkdowns Punchlist
4. Funds Use Plan
5. Funds Transfer
6. Past Costs
7. Contract with TVCT
8. Representative Change and MOU Update
9. Eligibility Criteria and Application
10. TVCT Contract Renewal
11. Trustee Representative Change
12. Pilot Project Land Appraisal
13. Paddys Run Tributary and Triangle
14. TVCT Approved for Appraisals
15. Approve Two Offers
16. 3VCT Grant Agreement for Property Purchases
17. Approve Four Offers
18. Former Silos Area Enhancement
19. Approve 14 Offers
20. TVCT Approved for Round 2 Appraisals
21. Approve Five Offers
22. Change MOU Representatives
23. Approve Four Offers
24. 3VCT Approved for Round 3 Appraisals
25. Approve Fee Simple Offer
26. Approve Two Offers
27. Approve Fee Simple Offer
28. Change MOU Representative
29. Restoration Projects
30. Expansion of Project Area
31. Approve Four Offers



*Resolution 29 allocated NRD settlement funds for use in restoration work at Salamander Run Preserve, including the construction of vernal pools.*

# PROJECT FOCUS AREA



November 24, 2014  
T.Schneider

## Paddys Run Conservation Project



### LEGEND/KEY

- PRCP Focus Area
- PRCP Expanded Boundary
- In Process Properties
- Completed Easements (2660 acres)
- Park Properties
- Fee Simple Purchases (170 acres)

## FUNDING

In addition to the \$14 million DOE has already spent restoring the site, the consent decree requires (1) implementation of the natural resource restoration plan; (2) payment of \$13,750,000 to Ohio by the United States, on behalf of DOE, for various habitat enhancements and land protection on or near Fernald in order to protect and improve water quality in Paddys Run and the Great Miami Aquifer; (3) execution of environmental covenants for the entirety of the site, recorded with Hamilton and Butler counties; and (4) payment of past and future costs to the State of Ohio.

The Department of the Treasury on behalf of DOE deposited \$13,750,000 into an escrow account of the US District Court on February 17, 2009. The funds were designated to restore, replace or acquire the equivalent of injured natural resources at and in the vicinity of the Fernald Preserve and to reimburse Ohio's natural resources damages assessment costs. A Funds Use Plan was developed to explain expenditure of funds.

2014 Fiscal Summary	Expenditures	Income	Balance
<b>1/1/2014 – Remaining funds from 2013</b>			\$9,488,588.84
<b>Contractual Costs (TVCT)</b>	(\$123,625.84)		\$9,364,963.00
<b>Restoration Work (USDOE)</b>	---		\$9,364,963.00
<b>Easement Purchases &amp; Mgmt (TVCT)</b>	(\$2,282,896.00)		\$7,082,067.00
<b>12/31/2014 – Interest Earned in NRD Account</b>		\$29,257.58	\$7,111,324.58
<b>12/31/2014 - BALANCE</b>			<b><u>\$7,111,324.58</u></b>

In 2014, more money was spent on easement purchases than in the previous year. Less parcels were purchased in 2014 than in 2013, and half the acreage were placed under permanent protection than the previous year. Four parcels totaling 377 acres were purchased through matching funds from the U.S. Department of Agriculture (USDA) Farm and Ranch Lands Protection Program (FRPP) in 2014. This was significantly less than FRPP funded projects in 2013 which totaled 1244 acres. The first two fee simple purchases were made in 2014. Rather than only purchasing development rights through conservation easements, fee simple purchases involve the entire parcel. In the case of these two purchases, Three Valley Conservation Trust will retain ownership until transfer to MetroParks of Butler County. Three Valley Conservation Trust continued to be instrumental in leveraging these additional funds so that the Fernald settlement money will go further. Contractual costs primarily consisted of payment to TVCT for support provided in work on easement purchases. The Trust spent considerable time working with landowners to develop applications and address their concerns with regard to participating in the project. Additionally, each property that applied for the project was visited to evaluate and record the current conditions.

## PUBLIC OUTREACH

Prior to finalizing settlement of the NRD claims, several public meetings were held to gather community input on how the damages should be settled. In summer 2008, a 30 day public comment period was held on the partial consent decree. In July 2008, a public meeting was held in Crosby Township to provide citizens an opportunity to learn more about the consent decree and restoration plan and to submit formal comments. In summer 2009, a 30 day public comment period was held on the Draft Natural Resource Funds Use Plan, with a public meeting to discuss the plan. In November 2010, a Paddys Run Conservation Project brochure was developed to explain the Trustees land conservation efforts. The project would target easements within the Paddys Run drainage basin and over the Great Miami Buried Valley Aquifer upgradient of Fernald. In December 2010, a public meeting was held to introduce the Paddys Run Conservation Project and its partners, the Fernald Trustees and Three Valley Conservation Trust. In April 2011 a public meeting was held at the Fernald Preserve to tell more than 50 local landowners how to apply for a conservation easement. Round one easement applications were received from interested landowners in August 2011. In February 2012 Ohio EPA presented the project status at the Forum for Natural Lands Management and Conservation to 100 Green Umbrella team members. In 2012 the Trustees used a letter campaign to notify landowners within the focus area of a second application period. Nine applicants proposed approximately 1000 acres for easement protection during the round two application period.

In June 2014 representatives from Ohio EPA and TVCT provided a project update at the Morgan Township Trustees public meeting. They announced that the NRTs had signed a resolution to expand the focus area. The expansion beyond the focus area allowed for more parcels to be eligible for compensation at 25% of easement value. The expansion allowed for parcels west to the state line, adjacent to or south of State Route 129, and adjacent to or west of Morgan Ross Road. In July a letter went out to 90 landowners in the expansion zone explaining their eligibility and the application process.

The Cincinnati Enquirer and Cincinnati.com ran an article on June 29<sup>th</sup> "Nature preserve, park coming to Butler Co." The article described restoration work at Salamander Run Preserve, or the former Probst farm. Representatives from TVCT and MetroParks of Butler County were interviewed to explain how the partnership came together.

Fernald Natural Resource Trustee Contacts:

Tom Schneider  
Ohio Environmental Protection Agency  
937-285-6466  
[thomas.schneider@epa.ohio.gov](mailto:thomas.schneider@epa.ohio.gov)

Gwen Hooten  
U.S. Department of Energy  
720-880-4349  
[Gwen.Hooten@lm.doe.gov](mailto:Gwen.Hooten@lm.doe.gov)

Jennifer Finfera  
U.S. Fish and Wildlife Service  
614-416-8993 ext. 13  
[jennifer\\_finfera@fws.gov](mailto:jennifer_finfera@fws.gov)