AGGREGATE ADVISORY BOARD (BOARD)

Wednesday, August 20, 2025 Hybrid Meeting (via Microsoft Teams)

VOTING MEMBERS OR ALTERNATES PRESENT:

Paul Detwiler, III (Member – New Enterprise Stone and Lime Co., Inc.)

Jonathan Kolbe (Member – Allegheny Mineral Corporation)

William Ruark (Member – Meshoppen Stone, Inc)

John St. Clair (Member – Rosebud Mining Co. / Citizens Advisory Council (CAC))

Thaddeus Stevens (Member – Sylvan Glen / CAC)

Peter Vlahos (Alternate – PA Aggregates and Concrete Association (PACA))

Rep. Kristin Marcell (Member – PA House of Representatives)

Glendon King (Alternate – PA House of Representatives)

Matthew Osenbach (Alternate – PA Senate)

Andrew Gutshall (Alternate – Heidelberg Materials Group)

D. Michael Hawbaker (Alternate – Glenn O. Hawbaker, Inc.)

Nathan Houtz (Alternate – DEP – Active and Abandoned Mine Operations (AAMO))

OTHER ATTENDEES:

Greg Greenfield (DEP – Bureau of Mining Programs (BMP))

Randy Shustack (DEP -- Bureau of District Mining Operations (BDMO))

Sharon Hill (DEP – BMP)

Laura Mensch (DEP – BMP)

Rachel Colyer (DEP – BMP)

Daniel E. Snowden, D.Ed. (DEP – BMP/Board Liaison)

William Hudak (DEP – Bureau of Mine Safety (BMS))

Kerry Speelman (DEP – BMS)

Christopher Catalano (DEP – BMP)

Christopher Stewart (DEP – BMP)

Alexandra Eberly (DEP – BMP)

Emily Fisher (DEP – BMP)

Marissa Kovach (DEP – BMP)

Bradley Rhodes (DEP – BMP)

Jennifer McLuckie (DEP - AAMO)

Jack Palumbo (DEP – Policy Office)

Lauren Campbell (DEP – Policy Office)

Richard Marcil (DEP – Regulatory Council)

Trent Machamer (Guest – PA Senate)

Jamie Stilley (Guest – Amerikohl Aggregates, Inc.)

Michael Clark (Guest – New Enterprise Stone and Lime Co., Inc.)

CALL TO ORDER

The meeting was called to order at 10:05 a.m. by Nathan Houtz, who was chairing the meeting as the designee on behalf of Secretary Shirley.

ROLL CALL/INTRODUCTIONS

Board members and Alternates answered to a roll call to determine a quorum, facilitated by Daniel E. Snowden. Other attendees and guests in the room then introduced themselves.

PACA ANTI-TRUST STATEMENT

The Board reaffirmed its adherence to PACA's anti-trust statement and confidentiality policies. This requirement extends to industry members and alternates on the Board.

APPROVAL OF MINUTES

It was determined that because there was not a quorum for the previous meeting on May 21, 2025, the minutes from the February 19, 2025 as well as the previous meeting were voted upon, and approved, with no opposition.

CORRESPONDENCE

Dr. Snowden reported that there has been no correspondence to come before the Board.

PUBLIC COMMENTS

The floor was opened for public comments; none were submitted to the board.

COMMITTEE REPORTS

There was nothing to report from the Board's Regulatory, Legislative and Technical (RLT) Committee.

DELIVERABLES

Greg Greenfield, BMP Director, stated that there were deliverables.

The first deliverable was a request from Megan Dennis of PACA at last meeting that information be provided on applications withdrawn, as part of the permitting/licensing portion of the BMP Update; Sharon Hill planned to cover this in the BMP Update portion, as well as going forward.

The next deliverable, requested by Peter Vlahos, also of PACA, was updated information on the Benching TGD. This request was made via email from Mr. Vlahos to Nathan Houtz on August 12, 2025. Mr. Greenfield indicated that Kerry Speelman from Bureau of Mine Safety (BMS) would be able to provide that update. Mr. Speelman noted that BMS was still working toward getting the TGD finalized and, is hoping the comment/response document will be available late September or early October.

BUREAU OF MINING PROGRAMS (BMP) UPDATES

The Board was provided with updates from Sharon Hill and Laura Mensch on the following topics:

• Noncoal Applications Breakdown

Ms. Hill provided the Board with information regarding the distribution of applications across the District Mining Offices (DMOs). Data encompasses the summary of January 1 to July 31, 2025. Tables on the handouts illustrate the data discussed, specifically, all noncoal applications in and out, as well as the "in process" numbers for each office, including those denied or withdrawn.

• Regulatory Agenda

Ms. Hill reported that there are no regulations in process, nor any in the immediate future.

• Non-Regulatory Agenda

Ms. Hill reported that there are upcoming revisions to four water supply replacement Technical Guidance Documents (TGDs). She noted that because the coal industry requires different regulations, BMP must consider the differences. Ms. Hill requested that the committee review the existing water supply replacement TGDs, especially the one on insurance and water loss bonds, and forward any suggestions for changes as soon as possible, while these are still in the drafting process.

The Board requested that Ms. Hill allow three to four weeks for feedback on the TGDs, and Ms. Hill responded that was not a problem. She would like to have the draft versions before the end of the year, though she is not certain that goal will be met.

Ms. Hill also noted that Jolie Mangan is now the new BMP Tech Chief hired to replace Greg Shuler. However, she is out on maternity leave at this time; this situation will affect the deadline for the TGD drafts.

• Bonding and Bond Forfeitures

Laura Mensch reported on the forfeitures for January 1 to June 30, 2025, as illustrated on the handout provided to the Board. There were three additional small noncoal forfeitures since last quarter; two of those were in Susquehanna County and one in Bradford County. Additionally, there was one large noncoal forfeiture in Somerset County. She then shared the current noncoal Surface Mining Control and Reclamation Act (SMCRA) fund obligations. The first number showed the cash collateral bond that the Department is holding, with those bonds returned to the operator following reclamation. The second number is the total amount of bonds underwritten in the Payment in Lieu of Bond (PILB) Program. The third number shows the amount of reclamation liability for forfeited noncoal mines (this number is static).

Ms. Mensch moved on to review the fund from the fiscal report. The current amount in the general operations fund was shown as the first number. The second number shows another view of the cash collateral bonds being held by the department. She noted the restricted bond amount as well, the amount of bonds collected to be used for noncoal reclamation.

Ms. Mensch then reviewed the amount contributed into the Clean Water Fund (CWF) from mining fee revenues, including both coal and noncoal and, comprised of amounts from the National Pollutant Discharge Elimination System (NPDES) program, Chapter 105 and wetland encroachment fees. These reflect the amounts as of June 30, 2025.

Ms. Mensch then shared the General Operations Fund, which covers the past fiscal year running July 1, 2024 to June 30, 2025. Expenditures versus Revenue were shown. In pointing out the lower expenditures, Ms. Mensch reminded the Board of the move made to charge personnel in mid-2024 to the General Fund rather than General Operations, to allow the latter fund to build back up.

The Board requested feedback regarding the Commonwealth Budget Impasse, and how it is affecting DEP Mining Program currently. Mr. Greenfield responded with information as to how it is being dealt with, including borrowing against special funds on the coal side, due to the fact that normally, Federal Grant money is balanced with General Fund money, a 50/50 split. However, the DEP Mining Program currently does not have authorization to access the General Fund money in the impasse situation. Other avenues of borrowing are being explored, the longer this goes on. But ultimately, there have been cutbacks in travel, training and expenditures on supplies, all of which have been able to reduce impacts on staffing at this time. Mr. Greenfield explained further, that the expiration of federal Office of Surface Mining (OSM) monies had been affected by overall Federal funding cutbacks and, that the DEP Mining Program is now focused on "Mission Critical" expenditures, with staffing being first and foremost on the list, for the time the Impasse is occurring.

NONCOAL CIVIL PENALTY TGD

Mr. Greenfield explained context of the Noncoal Civil Penalty TGD being revised to meet the level of the Coal Civil Penalty TGD which had been revised and finalized back in 2021, when the United States Environmental Protection Agency (US EPA) felt the water quality penalties were too low.

Mr. Greenfield does not expect much of an impact on the noncoal industry, due to the limited number and type of water quality violations which occur on the noncoal permits. The version of the TGD shared has not been published for draft comment; the goal here is to get feedback and discuss further in a committee meeting before the end of the year, when the goal is to then publish for comment.

The Board agrees that a discussion of the TGD should be made at an RLT Committee meeting; after this, the RLT Committee will report back to the full Board at the next Aggregate Advisory Board Meeting.

PROPOSED NONCOAL FEES FOR 2026

Mr. Greenfield provided the background information for this topic: beginning in fiscal years 2009 and 2010, the General Appropriation Funds which supported the Department's Regulatory and Permitting programs was significantly reduced.

The Program was asked to identify programs that could be paid for by Industry Fees, and the Noncoal Program was chosen for the Mining Program, currently at a cost of approximately \$2.5 million per year to implement.

In 2012, the Department underwent rulemaking to increase the Permit Fees (based on average time for a reviewer to process a noncoal authorization) and implemented an annual Administration Fee (fees calculated based on the average time for an Inspector to inspect a mining operation) assessed during the license renewal process each year. The fees became effective on January 1, 2013, with no expiration date on those fees, as the Department recognized that the cost to administer the Program would continue to increase and were interested in implementing a system to account for those changes.

In 2019, additional rulemaking to establish the increases every two years was undertaken, going into effect January 1, 2020. Automatic increases were thus established in the regulations for January 1, 2022 and January 1, 2024.

Beginning with the January 1, 2026 increase, the Department will utilize the U.S. Bureau of Labor Statistics Employment Cost Index for State and Local Government Compensation, or an equivalent index recognized by the U.S. Department of Labor. The adjustment will be based on the cost difference for the most recent two-year period prior to the calculation, with the fee schedule adjusted in increments of \$25.

The Department provides the proposed fee schedule to the Aggregate Advisory Board for review prior to publication, and the final adjusted fee schedule becomes effective upon publication in the PA Bulletin, which will be January 1, 2026.

Mr. Greenfield then shared the fee schedule with the Board and invited comments or questions. The suggestion was made to also include this item on the agenda for the RLT Committee meeting.

<u>UPDATE FROM BUREAU DISTRICT MINING OPERATIONS (BDMO)</u>

Randy Shustack, BDMO Director, shared staffing updates for the Board. He noted that Cory Seese, in the Cambria office is now the District Mining Manager. In the California Office, Troy Williams is the new District Mining Manager

The Board asked if there were any current vacancies, and Mr. Shustack indicated that there were, but they are on hold due to the budget impasse.

NEW BUSINESS

There was no new business to come before the Board at this time.

ADJOURNMENT/NEXT MEETING

A motion to adjourn was unanimously accepted by the Board. The meeting concluded at 10:32 a.m. The next scheduled meeting is to be held on November 5, 2025, at 10:00 a.m., in Conference Room 105 of the Rachel Carson State Office Building in Harrisburg.