

Proposal Date:

Received Friday, February 19, 2016

Funding Source:

Ft. Indiantown Gap (FTIG) Army Compatibility Use Buffer (ACUB) Funds

Landowner/Grantor:

Capital Region Water (CRW)

Partners:

Ward Burton Wildlife Foundation (WBWF), The Nature Conservancy (TNC), FTIG

Project:

WBWF and TNC propose to team with CRW in placing a conservation easement on the DeHart Property in Dauphin County utilizing FTIG ACUB funding. WBWF manages the ACUB program for FTIG. This conservation project will cover the entire CRW DeHart Property in Clarks Valley, Dauphin County, PA and encompasses the reservoir, lands below and around the reservoir, and watershed lands totaling 8,239.4 acres as listed in tax assessment records. The DeHart Reservoir is the drinking water reservoir for the City of Harrisburg and surrounding communities. This project will help conserve the DeHart Property in an environmental and fiscally sustainable manner. This property is critical to CRW's mission of providing a high quality water supply to its customers, important to the FTIG aerial training mission, significant to the Commonwealth of Pennsylvania for the natural and scenic resources it provides, and vital to wildlife for its unique ecosystem. The conservation and environmental measures in this proposal will provide immediate funding to CRW to perpetually conserve the DeHart Property under CRW ownership.

WBWF and TNC are uniquely positioned to support CRW in meeting all of its goals for the DeHart Property in an environmentally and fiscally sustainable approach. The WBWF will manage the establishment of the easement through the FTIG ACUB program. The WBWF will compensate CRW for its conservation easement with ACUB funding. TNC will be the holder of the conservation easement while CRW will retain ownership and normal use of the property.



The conservation measures in this proposal will protect and enhance CRW's high quality drinking water by preserving the capacity of the system to produce the resource. Watershed security will be maintained insuring the safety of the supply. Critical riparian buffer zones will be maintained and established through the easement. Water resources will be protected, including springs, tributaries, and wetlands. In addition, this proposal will complement existing drinking water operations and source water protection efforts conducted by CRW. This proposed conservation easement will support CRW in maintaining and enhancing long-term ecosystem health and viability. WBWF and TNC will work with CRW to ensure the implementation of the proposed conservation measures will meet and/or exceed any federal, state and local requirements and best management practices. After an easement is recorded, the easement "Holder" monitors the conservation easement annually, documents performance standards, and works with CRW on maintaining their easement.

Partners:

The Ward Burton Wildlife Foundation - The WBWF is a non-profit that specializes in conservation projects to include military compatible use buffers. The WBWF is highly experienced in conservation easements and deed restrictions, having worked with corporations, public entities, and individual landowners on many easements. The WBWF is the primary partner for the FTIG ACUB program and hence will be managing the ACUB funds and actions. WBWF is also the primary partner for Fort Pickett, Virginia ACUB program which has been recognized as one of the leading ACUB programs in the nation. WBWF has conserved thousands of acres that benefit landowners, the community, and military.

The Nature Conservancy - TNC is an international environmental non-profit with experience in large projects that accomplish conservation, sustainability, economic benefits and will be the "Holder" of the conservation easement. TNC is currently working with a number of water authorities and other public/private entities on similar projects as this proposed Dehart project. To date, TNC has completed two projects with water authorities. The 23,000 acre Bethlehem Authority and 5,200 acre Lock Haven City Authority have placed conservation easements on their watersheds and both are under sustainable Forest Stewardship Council (FSC) forest management plans. TNC is also working with the 4,000 acre Evitts Creek Water Company to establish a FSC Certified forest management plan over the next 24 months.

Fort Indiantown Gap - FTIG and the Army will be secondary partners with CRW in the conservation easement portion of this proposal. FTIG is an active Army National Guard base bordering Dauphin and Lebanon Counties and trains many different military services as well as federal and state agencies. FTIG is the second busiest heliport in the Army, and this aerial training at FTIG is critical to our national defense. FTIG utilizes flight patterns over the DeHart Property. The Army will be a 3rd



party on the conservation easement document, meaning that it will be involved only if the easement holder does not uphold its easement monitoring and stewardship duties.

Conservation Easement:

The proposed easement will limit subdivision and development on the CRW's Dauphin County properties with the following exception: as CRW's mission is to provide quality drinking water to the City of Harrisburg and other residential and commercial water users, any and all structures necessary to provide water to said users will be expressly permitted, plus two existing residential houses can be used by CRW for occupancy/rental. The water operations include but are not be limited to: pump stations, water pipelines, and improvements and/or replacements to water impoundment and diversion structures. CRW will retain and control the right of public access to the property. CRW will manage its timber through a Forest Management Plan as part of the easement. The partners will work with CRW to further customize the conservation easement and can add more explicit exemptions for any necessary drinking water production activities and associated infrastructure.



Net Financial Gain to CRW

Offered Easement Payment:*	\$9,269,325 (8,239.4 acres @ \$1,125/acre)
Project Expenses: (Forest Stewardship Plan, Consulting Engineer’s Report, Legal Fees, Boundary Survey)	\$226,500
Conservation Contribution:**	(+/-) \$556,159
Net Financial Gain to CRW:	\$9,042,825

* The offered easement payment is based on the amount of acreage eased and will fluctuate accordingly. A boundary survey would influence this payment offer. It is also critical to note that the project may progress based on funding availability. WBWF currently has \$4.6 in ACUB funding available. This first round of funding would conserve approximately 3,780 acres and cover a portion of related acquisition costs; this funding must be obligated by September 30, 2016. The current proposal stands for three years; the end of project deadline for full easement recordation utilizing ACUB funding is September 30, 2019.

** The conservation contribution is used to cover the costs incurred by the Ward Burton Wildlife Foundation and The Nature Conservancy costs on ACUB projects. It’s provided to CRW over and above the easement offer price, but CRW is expected to donate these funds to WBWF and TNC at the time of deed recordation. This is also characterized as a transaction cost.

Total Project Value

Total ACUB Funds:	
Easement Offer	\$9,269,325
Conservation Contribution	\$556,159
Approved Acquisition Costs	\$175,001
Total ACUB Funds:	(\$10,000,485)
25% match requirement:	\$2,500,121
Total Project Value:	\$12,500,606