# COMMONWEALTH OF PENNSYLVA A DEI .RTMENT OF ENVIRONMENTAL PRO. LCTION

(For Ot	ficial Use (	Only)
1	1-00-	0/

#### APPLICATION FOR GOVERNMENT FINANCED CONSTRUCTION CONTRACT (GFCC)

PROPOSAL

Contractor Name, Address & Telephone Number	Location of Project Area Vintondale Barryh T
RNS Services, Inc.	Municipality Blacklick Township County Cambria
7 Riverside Plaza	U.S.G.S. Map Vintondale, PA
P.O. Box 38 Blossburg, PA 16912	Latitude 40°28'50"
Phone: (570) 638-0219	Longitude 78°54'35"
Coal Mine Operator's License Number	Receiving Streams Blacklick Creek
or Contractor Approval I.D. Number	(South Branch)
1-02694	(Door of the st)
(If the contractor does not have a valid number	
requested above, submit a completed form	Operation Name Vintondale Project
ER-MR-69; 8/91)	Proposal Date May 15, 2000
	Completion Date Geleber 31, 2000
Taxpayer I.D. Number 23-2482309	MAY 31, 2002 mms
Name, Address & Telephone Number of person	Name and Address where a copy of this
who will accept service of process.	application is on file for public inspection.
Richard R. Taylor, RNS Services	Cambria County Conservation Dis
as above .	401 Candlelight Drive
570-638-0219	Ebensburg, PA 15931
Coal Removal Incidental and Necessary to Reclamat     Excess Spoil Placement from Active Mine Site on A	at an experience of the second
Excess Spoil Placement from Active Mine Site on A *NOTE: Auger mining, coal processing, refuse disposal a under a GFCC.  Coal refuse ash from a co-generation facility may be used a beneficial use approval.	bandoned Mine Land and fly ash disposal are <u>not</u> approvable activities on the site consistent with a general permit and
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### EXTENT OF PROPOSAL

Ans	wer all that apply:						
1.	Total acres proposed for r	eclamation18-9	mation				
2.	Total acres of abandoned mine land to be reclaimed, i.e., pit acres, cubic yards of spoil, linear feet of highwall, etc						
3.	Total acres of abandoned underground mines to be reclaimed  Projected Cost of the Abandoned Mine Land Reclamation?						
4.							
5.	Coal Removal Acreage:		Coal Seam Nam	Coal Seam Name			
	Length	feet	Total Coal Tonr	nage			
	Width feet	Length         feet           Width         feet           Thickness         inches/feet		If Coal Refuse, list tonnage to be removed 40,000			
	Tillekiless	_ inches/reet	To What Facility	0 (			
	**	12		y? (AMBRIA 10-6EN 1 reage 15 9			
6.	Net value of the coal to be to secure written permissio the Department. The Depa ownership disputes.	Net value of the coal to be removed \$10,000 . It is the responsibility of the applicant to secure written permission of the owner of the coal prior to removing the coal and to provide proof to the Department. The Department bears no legal or financial responsibility regarding any coal ownership disputes.					
7.	Approximate costs associat	proximate costs associated with obtaining a Surface Mine Permit for this site \$ 15,000.00					
	that is corrently spread (see cover letter)	d across the sorte	e of the area wi	on refuse			
	owner Information			1			
Januc	owner information						
N .	The Consent of Landowner(s)	form is attached and it h	as been recorded with	the recorder of deeds.			
Vame	of Landowner	Municipality	County	Acres to Be Affected			
Vinter	dale Borough	Viostendale	CAMBRIA	_15.9			
ante-	in County Concervation	Vintondele	***				
5-1	Represtion Authority	Vintendole	Combria	1.5			
retir	N CORDET TUTOUS	YIMPRANCE	Chinbria				
pplic	ation Fees (Make checks paya	ble to the Comonwealth	of Pennsylvania).				
	\$100.00 - Small Projects App		reserved transmet of transmets				
s:	and depote the second second	0	S:II MA ES BUA 00	1			
	\$250.00 - NPDES						
		491	ERROLLE SIR SERVED	NAME OF THE PARTY			

### RNS Services, Inc./ AMD&ART, Inc. Vintondale Project GFCC Project Narrative

The area between the Ghost Town Rail Trail and the South Branch of Blacklick Creek, and just northeast of the Borough of Vintondale, was once home to Vinton Colliery. The area served as the staging area for Mine No. 6, supporting a deep mine operation—a 35 acre industrial complex of large and small buildings, rail lines, refuse piles, and machinery.

In the 1950s, mine operation ceased. Mine No. 6, including the structures and the refuse piles, was abandoned by the company. The area was left alone, quietly disintegrating and fading from sight behind the trees that grew on the town-side of the creek. The old mine site couldn't be ignored for long though—it soon became a hazardous hangout for local kids, and a breeding home for rats. In the early 1980s, the Rural Abandoned Mine Project demolished the buildings, removed the rail lines, and flattened everything—buildings and refuse piles—to a level, flat piece of scrub land.

Today, the area is called "The Flats" by Vintondale residents, and shows little evidence of what once existed there. Most obvious are the large patches of exposed refuse on the western end of the site, and the yellow boy channel that directed abandoned mine drainage from the opening of Mine No. 6 into the South Branch of Blacklick Creek. The drainage has been relocated, due to boreholes drilled in the North Branch of Blacklick Creek, but the mineral deposits remain. The rest of the site is strewn with rubble, and looks like an old pasture edged with small trees.

There is a new plan for this abandoned land—a community park, and a passive AMD treatment system. The system will cleanse the discharge from Mine No. 3 which currently flows into the South Branch of Blacklick Creek near the Black Bridge. The discharge will be piped across the bridge, into a series of settlement and SAPS ponds, then into marshes and a wetland.

A government financed construction contract (GFCC) is the key to the wetland and marsh construction. The 15.9 acre area designated specifically for the wetland and marshes contains about 40,000 tons of refuse. The refuse is of decent quality, and meets the standards and desires of a local cogeneration plant. RNS Services, Inc., has agreed to remove the refuse at no cost to AMD&ART. RNS has also agreed to excavate the site to fit AMD&ART's plans for wetland and marsh areas, including the excavating the hillside to widen access to the site.

A haul road will begin at the existing driveway, continue onto the Ghost Town Rail Trail, then split from the trail after the bottleneck area to follow the edge of the site along the creek. As work progresses, the haul road and proper E&S controls will extend to the proposed marsh area. Depending on the amount and desirability of the refuse where the haul road is to be located, RNS may excavate that refuse, then construct the haul road with the material excavated from the access point.

After the entry point is widened and the haul road is built, RNS will then excavate the wetland portion of the site, extending from the east end of the bottleneck area to the Yellow Boy Channel. The marsh will be excavated next, located on the east side of the Yellow Boy Channel in an existing low area. Essentially, RNS will excavate the refuse as if they were excavating a pond—the edges of the proposed wetland and marshes will be left as berms, while the interiors will be a "vacant" space, floored by the original ground surface (pre-Mine No. 6 industrial complex). Once RNS has removed the refuse, AMD&ART will spread compost and soil over the base of new wetlands and marshes, and plant appropriate vegetation. The entire AMD treatment system will then be complete and ready to accept the treated discharge from Mine No. 3.

This project will accomplish several things. First, it will complete the reclamation begun by the RAMP project two decades ago. Refuse that was just plowed over will be removed, vehicular access to the site will be restored, and this abandoned mine land will be used to clean an AMD discharge. Since the reclamation will be done at no cost to AMD&ART or the state, a considerable amount of in-kind match is raised. Not only will AMD&ART be able to use these matching funds on our grants, but we will set a precedent for other non-profit organizations struggling to finance reclamation projects while meeting high match requirements—meaning more completed reclamation projects.

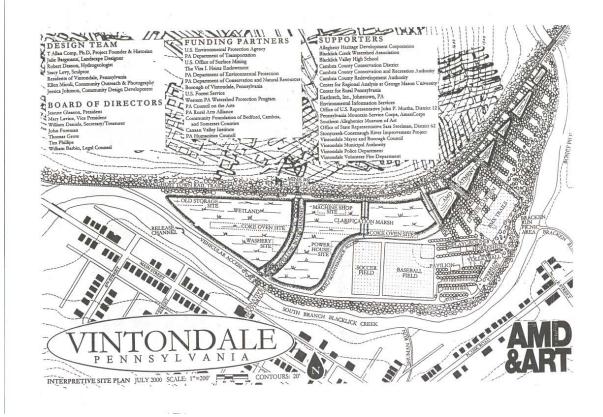




Exhibit 2.4 (A) Aerial photo of entire Vintondale site. The boney removal will occur on the right /western end of the site (notice the visible patches of boney), and the center of the site (to the left of the Yellow Boy Channel).



Exhibit 2.4 (B) Cross-section view looking east at the Bottleneck area. To the left is a steep hill covered by trees; in center is the Ghost Town Rail Trail, which edges a severe drop-off to the South Branch of Blacklick Creek. Notice how the rip-rap peters out on the left/north side of the creek bank.

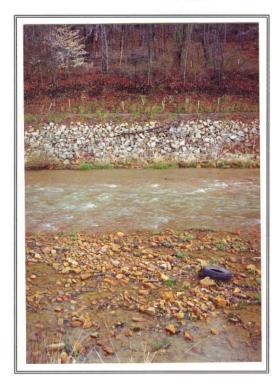


Exhibit 2.4 (C) Lateral view of the Bottleneck area, looking from the south side of Blacklick Creek to the north. The rip-rap on the Bottleneck side of the creek ends several hundred feet upstream.



 $Exhibit\ 2.4\ (D)\ From\ Main\ Street, looking\ east,\ an\ encompassing\ view\ of\ the\ stream\ bank\ conditions\ at\ the\ Bottleneck\ area,\ which is\ on\ the\ left.$ 



Exhibit 2.4 (E) Looking southwest from the Ghost Town Trail. This is the proposed wetlands area, currently supporting thin topsoil, field-type vegetation and a stand of young pioneer trees, which will be removed. Large patches of boney are visible along the trail.



Exhibit 2.4 (F) Looking southeast from the Yellow Boy Channel and the Ghost Town Trail (Yellow Boy is to the right). This is the proposed clarification marsh, which also has thin topsoil, field-type vegetation, and visible patches of boney.

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Exhibit 2.4 (G) Looking north from the Ghost Town Trail at the former entrance to mine Number Six. Historical remnants include a section of the railroad track, the caved-in entrance to the mine, and the pipe which no longer discharges due to the bore holes in the North Branch of the Blacklick Creek.



Exhibit 2.4 (H) Head of the Yellow Boy Channel at the Ghost Town Trail (under the platform and to the left). The old mine entrance is to the right. The platform is another historical remnant, which will stay as a reminder of the mining operation which was formerly the center of Vintondale.



Exhibit 2.4 (I) Looking south from the Ghost Town Trail, down the Yellow Boy Channel. The channel, as well as the aspens lining the channel will stay as another historical reminder.



Exhibit 2.4 (J) Looking southwest towards town from the Yellow Boy Channel. To the right will be the wetlands, to the left of the channel will be the clarification marsh. Notice the patches of boney and some rip rap.



Exhibit 2.4 (K) The Yellow Boy Channel ends (orange stained rocks on the right) at Blacklick Creek and is reinforced by some rip-rap. Looking west, downstream.

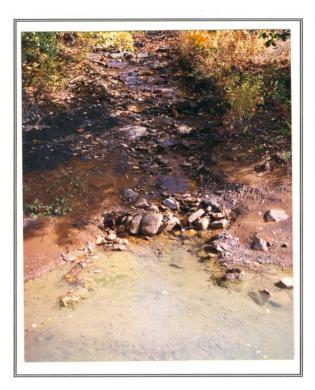


Exhibit 2.4 (L) Existing discharge (between Ghost Town Rail Trail bridge and boney pile at east end of site. The discharge is from Mine #3 at Plank Road, runs under the road, along an abandoned rail switch, against the northern edge of the boney pile, and into the east side of the South Branch of Blacklick Creek.



Exhibit 2.4 (M) Some rip-rap reinforces the project side of the South Branch of Blacklick Creek. This rip-rap begins at the Ghost Town Rail Trail bridge and ends before the Yellow Boy Channel downstream.

Project Name Vintondale Project Contract No. 11-00-01 Completion Date May 31, 2002 Termination Date May 31, 2003

## GOVERNMENT FINANCED CONSTRUCTION CONTRACT FOR THE RECLAMATION OF ABANDONED MINE LAND

(Incidental and Necessary Coal Removal)

This Contract is made this 26th day of \_\_\_\_\_\_\_, 2001 by and between the Commonwealth of Pennsylvania, Department of Environmental Protection (hereinafter called the "Department") and RNS Services, Inc. (hereinafter called the "Contractor").

#### WITNESSETH

WHEREAS, the Department is authorized to enter into contracts for the purposes of reclaiming abandoned mine lands and which contracts may involve the incidental removal of coal or the placement of excess spoil on adjacent abandoned mine lands or the treatment or abatement of mine drainage. Such contracts are in accordance with Pennsylvania's federally approved Abandoned Mine Reclamation Plan, as amended. This authority is granted in the following Pennsylvania Statutes: the Land and Water Conservation Act, Act of January 19, 1968, P.L. 996, No. 443, 32 P.S. §5101 et seq.; the Coal Mine Sealing Act of 1947, Act of June 30, 1947, P.L. 1177, 52 P.S. §§28.1 et seq.; the Act of April

3, 1968, P.L. 92, No. 42, 52 P.S. §§30.201 et seq.; the Act of July 7, 1955, P.L. 258, 52 P.S. §683; the Clean Streams Law, Act of June 22, 1937, P.L. 1987, 35 P.S. §§691.1 et seq.; the Act of July 19, 1965, P.L. 216, No. 117, 52 P.S. §30.101 et seq.; the Act of May 7, 1935, P.L. 141, 52 P.S. §§809 et seq.; the Surface Mining Conservation and Reclamation Act, Act of May 31, 1945, P.L. 1198, No. 418, 52 P.S. §§1396.1 et seq.; and the Administrative Code of 1929, Act of April 9, 1929, P.L. 177, §§1915-A and 1917-A, 71 P.S. §§510-15 and 510-17 and is also granted by Section 413(a) of the federal Surface Mining Control and Reclamation Act, 30 U.S.C. §1242(a).

WHEREAS, abandoned mine lands are a serious environmental problem in the Commonwealth of Pennsylvania, threatening the health, safety, and general welfare of the citizens of the Commonwealth of Pennsylvania with water pollution, reduced property values, and various other problems; and

WHEREAS, the Contractor has submitted an abandoned mine reclamation plan proposal to reclaim an entire abandoned mine land site, which proposal is dated May 15, 2000, was prepared by AMD & ART and approved by the Department (hereinafter called the "Proposal"), which abandoned mine land site is located on certain lands located in Vintondale Borough and Blacklick Township, Cambria County, Pennsylvania consisting of approximately 18.9 acres, as more particularly identified in the Proposal (these

lands are hereinafter called the "Project Area" and include the entire abandoned mine land site); and

WHEREAS, the Contractor has demonstrated to the Department's satisfaction that the "Project Area" is an abandoned mine land; and

WHEREAS, the Contractor has demonstrated to the Department's satisfaction that any coal removal is incidental and necessary to accomplish reclamation and that the coal would not otherwise be mined and the Project Area reclaimed under a permit issued under the Title V program; and

WHEREAS, abandoned coal mine land sites are listed on Pennsylvania's Abandoned Mine Land inventory for reclamation and the existence of these sites may be a serious environmental problem having the potential for threatening the environment with fugitive dust, erosion, sedimentation, acid mine drainage and for spontaneous combustion. The Surface Mining Conservation and Reclamation Act has declared conditions existing at abandoned mine land sites to be a nuisance under 52 P.S. §1396.4; and

WHEREAS, the Department does not have sufficient funds to reclaim the Project Area; and

WHEREAS, the Department has estimated the cost to reclaim the Project Area to be \$32,000.00; and

WHEREAS, the parties believe that substantial long-term environmental benefits will result if there is reclamation of the abandoned mine land within the Project Area, and the Project Area is reclaimed pursuant to this Contract. These benefits include a reduction of sediment loading to the South Branch of Blacklick Creek and a reduction of acidic leachate to the groundwater; and

WHEREAS, the Contractor is willing, at no cost to the Department, to reclaim the Project Area; and

WHEREAS, the Contractor has submitted, as part of the Proposal, a Reclamation Plan for the Project Area (hereinafter referred to as the "Plan") which has been approved by the Department; and

WHEREAS, the Department is willing to have the Contractor conduct such reclamation activities as are set forth in the Proposal pursuant to the terms of this Contract; NOW THEREFORE, the parties to this Government Financed Construction Contract for the Reclamation of Abandoned Mine Land, intending to be legally bound, do mutually agree as follows:

- 1. Special Authorization. Contractor has demonstrated that it is eligible to secure, and the Department has granted Contractor the special authorization required by Section 4.8 of the Surface Mining Conservation and Reclamation Act, 52 P.S. §1396.4h. The special authorization is only valid for the work performed under this Contract and shall expire when the work is completed or this Contract is otherwise terminated.
- 2. Removal of Coal. Consistent with and pursuant to this Contract, and as part of its Proposal, Contractor demonstrated to the Department's satisfaction that any coal removal is incidental and necessary to accomplish reclamation and that the coal would not otherwise be mined and the Project Area reclaimed under a permit issued under the Title V program.
- 3. Reclamation. Contractor agrees to remove coal that is incidental and necessary to reclaim the Project Area, at no cost to the Department, as more fully identified in and in accordance with the Proposal submitted by Contractor. The Proposal is incorporated herein by reference and made a part of this Contract as if it were attached. Contractor will provide all labor,

materials, tools, equipment, and services, necessary to so reclaim the Project Area. Contractor shall only remove coal from the Project Area which is incidental and necessary to reclaim the area designated in the Proposal as the Project Area. The Project Area contains the entire abandoned mine land identified in the approved Proposal.

- 4. <u>Consideration</u>. The Department will pay no compensation to Contractor for the work performed under this Contract. In consideration for performing this work, the Contractor shall receive, and agrees to accept as full compensation, the incidental coal removed from the Project Area.
- 5. <u>Compliance with Plans.</u> Contractor agrees to complete the work in accordance with the plans submitted to and approved by the Department as part of the Proposal. These plans include, among other requirements, an Operations Plan, an Erosion and Sedimentation Control Plan, and photographs which accurately depict the Project Area.

Contractor must have a copy of the approved Erosion and Sedimentation Control Plan available upon request.

The Department's approval of this Erosion and Sedimentation Control Plan shall not relieve the Contractor of any responsibility for the adequacy and successful functioning of the erosion and sedimentation control measures. Any loss or damage to any part of either the permanent or temporary erosion and sedimentation control measures shall be the responsibility of the Contractor who shall replace or repair such measures, as required, to the satisfaction of the Department. Erosion and sedimentation control measures shall remain until the disturbed area has been stabilized, at which time the control measures shall be removed by the Contractor, unless otherwise approved by the Department.

6. Compliance with Law; Conditions. The Contractor agrees to complete the work in accordance with all applicable federal, state and local statutes, rules and regulations, including but not limited to, the Act of May 31, 1945 (P.L. 1198), as amended, known as the "Surface Mining Conservation and Reclamation Act", 52 P.S. §§1396.1 et seq.; the Act of June 22, 1937 (P.L. 1987), as amended, known as the "Clean Streams Law", 35 P.S. §§691.1 et seq.; the Act of January 8, 1960 (1959 P.L. 2119, No. 787), as amended, known as the "Air Pollution Control Air", 35 P.S. §§4001 et seq.; the Act of September 24, 1968 (P.L. 1040, No. 318), as amended, known as the "Coal Refuse Disposal Control Act", 52 P.S. §§30.51 et seq.; the Act of November 26, 1978 (P.L. 1375, No. 325), as amended, known as the "Dam Safety and Encroachments Act", 32 P.S. §§693.1 et seq.; and the Act of July 7, 1980 (P.L. 380, No. 97), as amended, known as the "Solid Waste Management Act", 35

P.S.  $\S 6018.101$  <u>et seq.</u> Contractor also agrees to comply with the conditions which are listed in Exhibit A which is attached to and made a part of this Contract.

- 7. Work Performance. All work shall be performed in a good and workmanlike manner and is subject to approval and acceptance by the Department.
- 8. Time to Complete Work. The Contractor agrees to begin work within thirty (30) days after receipt of notice to start work from the District Mining Manager, unless such time is extended in writing by the District Mining Manager. Time is of the essence and the Contractor further agrees to perform the work with speed and diligence so as to ensure the completion by the 31st day of May, 2002. Contractor shall, within 15 days after completing the work, notify the Department by certified mail that the work is completed.

If the Contractor is delayed at any time in the progress of the work by any act or neglect of the Department, by any separate Contractor employed by the Department, or by any causes beyond the control of the Contractor which are not foreseeable, then the Contractor may be entitled to an extension of time for completing the work sufficient to compensate for such delay. No extension of time shall be granted, however, unless the Contractor shall, within 10 days

from the initiation of the delay, notify the Department, in writing, of such delay and of the time of beginning and the cause of the delay, and unless he shall, within 10 days after the expiration of such delay notify the Department in writing, of the extension of time claimed on account thereof and then only to the extent, if any, allowed by the Department. The Department will grant or deny such request for extension of time no sooner than the end of a 10 day period. No extension of time shall operate to release the Surety or Contractor from any of their obligations. Should the Contractor be permitted to continue and finish the work, or any part thereof, after the time fixed by the Contract for completion, or as it may have been extended, such permission shall in no way operate as a waiver on the part of the Department of any of its rights under the Contract.

The Contractor declares that he has familiarized himself with the weather, local conditions, and other circumstances which may, or are likely to, affect the performance and completion of the work. He agrees that, taking these conditions and circumstances into account, he will provide adequate equipment and prosecute the work in such manner and with such diligence that the same will be completed within the time specified in the Contract, or as the Contract may be extended, even though the most adverse conditions which reasonably could be expected to occur during the period of construction do prevail during the performance of the work.

When the work of the Department is enjoined by legal proceedings which prevent the Contractor from prosecuting any of the work of the Contract, an extension of time shall be granted sufficient, in the opinion of the Department, to compensate for the time lost by such delay.

Apart from extension of time, Contractor agrees no payment or claim for damages shall be made to the Contractor as compensation for damages for and delays or hindrances from any cause whatsoever in the progress of the work, notwithstanding whether such delay be avoidable or unavoidable. The Department shall grant extension of time, if any, in writing by the District Mining Manager so long as the extension does not exceed the contract termination date. If the contract termination date will be exceeded by the time extension, the Department shall grant the extension of time by written amendment to the Contract.

- 9. <u>Inspection.</u> The Department, its agents, and employees may enter upon and inspect the Project Area for compliance with this Contract and with the laws of the Commonwealth.
- 10. <u>Sign.</u> Prior to starting work at the Project Area, Contractor shall erect the sign(s) in accordance with the specifications set forth in Exhibit A.

The sign shall be located so as to be readily visible at the entrance to the Project Area. Contractor shall remove the sign and its posts upon completion of the project.

- 11. <u>Coordination of Work.</u> Contractor shall coordinate all work at the Project Area with all utilities, government regulatory agencies, municipalities, and other persons or entities including surface and mineral owners as may be necessary and shall obtain any permits necessary to perform the work.
- 12. <u>Subcontractors</u>. If Contractor intends to use any subcontractors to perform any portion of this Contract, Contractor must affirmatively demonstrate to the Department that the subcontractor is eligible to secure the special authorization required by Section 4.8 of SMCRA, 52 P.S. §1396.4h, and must obtain the Department's written approval prior to use of the subcontractor.
- 13. Assignment. Contractor shall not assign this Contract without first obtaining the prior written consent of the Department and the Contract shall not be assigned to a person who does not meet the eligibility provisions of Section 4.8 of SMCRA, 52 P.S. §1396.4h.

14. <u>Insurance</u>; <u>Indemnification</u>. The Contractor shall not commence work under this Contract until Contractor has obtained all insurance required in this section and not until such insurance has been approved by the Department, nor shall the Contractor permit a subcontractor, if any, to commence work until all similar insurance has been obtained and approved. The Contractor shall either require each of its subcontractors to procure and maintain, for the life of its subcontract, subcontractors' insurance in the types and amounts specified or insure the activity of its subcontractor in its own policies. Each certificate or policy submitted as evidence of such coverage shall contain a rider that the insurer will notify the Department, in writing, 30 days prior to cancellation or modification of the policy. All policies shall be issued by insurance companies authorized to conduct such business under the law of the Commonwealth of Pennsylvania. The certificate of insurance shall be submitted to the District Mining Office.

The required insurances shall be of the Contractual Liability type and the named insured parties shall include the Commonwealth of Pennsylvania.

a. WORKERS COMPENSATION INSURANCE - The Contractor shall take out and maintain during the life of this Contract Worker's Compensation Insurance for all of its employees employed on the project and, in case any of the

work is sublet, the Contractor shall require the subcontractor similarly to provide Worker's Compensation Insurance unless the latter's employees are covered by the protection afforded by the Contractor.

b. PUBLIC LIABILITY, BODILY INJURY AND PROPERY DAMAGE INSURANCE - The Contractor shall take out and maintain for the life of this Contract such occurrence based Public Liability, Bodily Injury and Property Damage Insurance as shall protect the Commonwealth, the political subdivision(s) where the work is performed, the Contractor, and subcontractor(s), if any, performing work covered by this Contract, from claims for damages or personal injury, including accidental death, as well as from claims for property damage which may arise in execution of this Contract, whether such be by the Contractor or by the subcontractor(s) or by anyone directly or indirectly employed by either. The minimum amount of Public Liability and Bodily Injury Insurance shall not be less than \$500,000.00, per person, \$1,000,000.00 per occurrence. The minimum amount of Property Damage Insurance shall not be less than \$500,000.00 per occurrence and \$1,000,000.00 aggregate. If the policy is issued for Bodily Injury and Property Damage combined, the amount shall not be less than \$2,000,000.00 per occurrence. Coverage shall include underground, explosion and collapse hazards.

- c. SPECIAL HAZARD Special hazards, if there is a possibility of such hazards existing in the work contemplated, shall be covered by separate insurance or by rider(s) to other required policy(ies). Possible hazards, such as blasting, explosion, and fire on insurable items shall be so covered.
- d. MAINTENANCE OF INSURANCE Whenever the estimated aggregate of losses covered by the Insurance described in this paragraph equals or exceeds one-half (1/2) of the aggregate policy limits as determined by the Department, the said policy shall, within 15 days of such occurrence be endorsed to restore the initial policy limits or replaced by another policy having the same limits.
- e. ACCIDENTS AND CLAIMS The Contractor shall indemnify and save harmless the Commonwealth, and officers, agents, and employees of the Commonwealth from all suits, actions, or claims of any character, name, and description brought for or on account of any claims of any injury or damage received or sustained by any person(s) or property on account of any actions of the Contractor, his agents, employees, or subcontractors in the execution of this Contract, whether caused by negligence or not, or from any improper or inferior workmanship or inferior materials used, and the Contractor will be required to pay any judgment, with costs, which may be obtained against the Commonwealth, growing out of such injury or damage.

### 15. Performance and Warranty Guarantees.

- a. Contractor shall provide a performance guarantee in the form of surety bond, irrevocable letter of credit or other security acceptable to the Department, conditioned upon Contractor's faithful performance of the requirements of this Contract, upon a form prepared and provided by the Department in the amount of \$32,000.00 which is the Department's engineering estimate for it to reclaim the Project Area.
- b. Contractor shall provide a warranty guarantee in the form of a surety bond, irrevocable letter of credit or other security acceptable to the Department conditioned upon Contractor's remedying, without cost to the Department, any defects which may develop or become apparent during the period of one year (365 days) from the date of completion and acceptance of the work performed under this contract, whether the defects are due to defective or inferior materials or workmanship. This warranty guarantee shall be in the amount of ten percent (10%) of the amount of the performance guarantee and shall be upon a form prepared and provided by the Department.
- c. Upon satisfactory completion of the work required by this Contract including the regrading, seeding and mulching of the Project Area, the Department will issue an "Acceptance Notice" which will serve as notification of

the Department's acceptance of the work and a release of the performance guarantee. After the issuance of the Acceptance Notice, the Department will forthwith return the performance guarantee. The date of the Acceptance Notice will serve as the date the coverage provided by the warranty guarantee begins.

- 16. Responsibility of Contractor. Contractor shall be solely responsible for the performance of all contracts or subcontracts entered into by Contractor as a result of this Contract, the payment of all subcontractors for work performed as a result of this Contract, and the settlement of any disputes between Contractor and any subcontractors arising from contracts entered into as a result of this Contract. The Contractor shall hold harmless and indemnify the Commonwealth from and against all damages and expenses, including counsel fees and costs, related to work performed by subcontractors as a result of this contract.
- 17. Annual Update of Ownership and Control. On each anniversary date of this contract, Contractor shall submit to the Department a written update of all ownership and control changes for the Contractor and all subcontractors. If there are no changes in the Contractor's or subcontractor's ownership and control, then Contractor must submit a written statement to that effect. However, if the

Contractor is also a licensed operator, the annual update of ownership and control information the Contractor provides to the Department with the annual license renewal shall satisfy the requirement of this paragraph.

#### 18. Contractor Liability.

- a. Nothing in this Contract shall be construed to relieve Contractor for liability for any acts which are beyond the scope of Contractor's incidental and necessary removal of coal from the Project Area, reclamation of the Project Area, erosion and sedimentation control during incidental and necessary coal removal and Project Area reclamation, or the abatement, treatment or diversion of water on the Project Area, as provided by this Contract. Furthermore, nothing in this Contract shall authorize the Contractor to create a nuisance and nothing in this Contract shall be construed to prevent the Department from enforcing the laws and regulations of the Commonwealth and abating any public nuisance which may arise as a result of activities which are beyond the scope of this Contract or limit the remedies available to the Department under such circumstances.
- b. Should the Contractor violate any provision of this Contract or any environmental statute or regulation while working at the Project Area the

Department may require Contractor to immediately suspend all work or any part thereof being performed under this Contract until the violation is cured, as determined by the Department.

- 19. Termination. The Department may terminate this Contract after providing at least 30 days prior written notice of such intent to Contractor, due to Contractor non-performance, inadequate performance, default, or violation of any term of this Contract or violation of any environmental statute or regulation. Prior to issuing a termination notice the Department will give the Contractor a deficiency notice and a reasonable opportunity to remedy the Contractor's non-performance, inadequate performance, default, or violation of any term of this Contract and to correct any violation of an environmental statute or regulation. If the Contractor begins to remedy the Contractor's non-performance, inadequate performance, default or violation of any term of this Contract and to correct any violation of any environmental statue or regulation within seven days of receipt of the deficiency report, this Contract will not be terminated provided the remedy is timely completed.
- 20. <u>Coal Refuse Limitations</u>. Contractor may not return any coal refuse material or coal to the Project Area and may not reprocess any coal refuse or process

any coal on the Project Area. For the purpose of this Contract, screening of the coal or coal refuse is permitted, but washing, processing or reprocessing of the coal or coal refuse by any other method is prohibited from occurring on the Project Area. Coal refuse ash is not coal refuse or coal refuse material and coal refuse ash may be used on the Project Area for reclamation if provided for in the site specific conditions (see Exhibit A) of this contract and in accordance with a General Permit issued by the Department's Bureau of Waste Management.

- 21. <u>Department Oversight.</u> The Department will oversee Contractor's performance of work under this Contract and verify the Contractor's compliance with this Contract. The Department will promptly review and comment upon any material submitted for approval pursuant to this Contract, and such approval shall not be unreasonably withheld.
- 22. Access by Department. The Department and its authorized representatives shall at all times have access to the Project Area and the work being performed at the Project Area by Contractor or its subcontractors pursuant to this Contract.

23. Exhibits. Contractor shall comply with the conditions applicable to "Contractor" under the following exhibits, attached hereto and made a part hereof:

EXHIBIT A - Contract Conditions

EXHIBIT B - Nondiscrimination Clause

EXHIBIT C - Contractor Integrity Provisions

EXHIBIT D - Offset Provision

EXHIBIT E – Contractor Responsibility Provisions

EXHIBIT F - Provisions Concerning the Americans with Disabilities Act

- 24. Amendment. This Contract may only be amended by mutual written consent of the parties and must be fully executed and approved as an amendment to this Contract. However, the Department's District Mining Manager has the authority to approve changes to the Proposal which are submitted by the Contractor to address unanticipated field conditions so long as such changes do not exceed the scope of work contemplated herein or extend the contract termination date. All such approvals must be in writing.
- 25. Notice. Any written notice required or permitted under this Contract shall be deemed to have been duly given on the date of receipt, and shall be

either served personally on the party to whom notice is given, or mailed to the party to whom notice is to be given, by first class, registered or certified mail, return receipt required, postage prepaid, and addressed to the addressee at the address listed below, or at the most recent address specified by written notice given to the other party.

To the Contractor:

To the Department:

RNS Services, Inc. 7 Riverside Plaza P. O. Box 38 Blossburg, PA 16912

DEP District Mining Operations 286 Industrial Park Road Ebensburg, PA 15931

- 26. <u>Breach.</u> In the event Contractor breaches or defaults on this Contract, the Department may exercise any or all remedies available to it under applicable law.
- 27. Applicable Law. All disputes or questions of law or fact arising out of this Contract shall be determined in accordance with Pennsylvania law.
- 28. No Risk to the Department. Contractor agrees and understands that the Department assumes no risk or responsibility for damage of any nature arising from the construction and maintenance of any activities as authorized under this Contract.

- 29. <u>Headings</u>. The paragraph headings of this Contract are only for ease of reference and are not intended to modify or affect the terms of this Contract.
- 30. <u>Conflicts.</u> If there are conflicts between either the Proposal or the Plan and the terms of this Contract or the terms of Exhibits A, B, C, D, E and F the Contract and Exhibits A through F control.
- 31. <u>Binding Effect.</u> This Contract shall be binding on the parties hereto, and their heirs, legal representatives, successors and assigns.

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# AFFIDAVIT

# ACCEPTING PROVISIONS OF THE WORKMEN'S COMPENSATION ACT

State of Pennsylvania	
County of Tioga	
Neil W. Hedrick	President
(Name of officer, if corporation)	(Title of officer, if corporation)
Neil_W. Hedrick	_, being duly sworn according to law,
and says they have accepted the Compensation Act it	provisions of the Workmen's
of 1915 of the Commonwealth of Pen	insylvania, with its supplements and
amendments, and ha_ve insured the	nis their Hability hereunder in accordance with
terms of said Act with Reckwood Cas	ts under Insurance. Company.
	PNS Services, Inc.
	By: North A
Sworn to and subscribed before	me this <u>26</u> day of
March , A.D., 2001.	0
	alishe M. Fitch
Notarial Seal Alisha M. Fitch, Notary Public Blossburg Boro, Tioga County My Commission Expires Nov. 13, 2004	
Member, Pennsylvania Association of Notaries	

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

ATTEST:

INSTRUCTIONS:

COMMONWEALTH OF PENNSYLVANIA, DEPARTMENT OF ENVIRONMENTAL PROTECTION

	DEFINITION ENVIRONMENTAL PROTECTION
Molania Wigfield	District Mining Manager
ATTEST:  Reheaf R. Tay by  (CORPORATE SEAL)  Secretary/Treasurer (cross out one)	CONTRACTOR RNS Services, Inc.  BY:  President/Vice President (cross out one)
Richard R. Taylor Typed/Printed Name	Neil W. Hedrick Typed/Printed Name
23-2482309 Federal Tax	No. or Soc. Sec. No.
Approved as to legality and form  Office of Attorney General  Michael D. Bedin  Chief/Assistant Chief Department of Environmental Protect	**************************************

(CORPORATION)

Please sign where indicated. Sign by President or Vice President and attest by Secretary or Treasurer.

### EXHIBIT A

### CONTRACT CONDITIONS

# A. General Conditions

- Contractor shall install the sedimentation and erosion control plan and such installation must be approved by the Department prior to the initiation of coal refuse removal and reclamation activities. (Title 25 Pa. Code §§87.70, 88.50 and 90.37).
- a. Contractor agrees that no silt, coal mine solids, rock debris, dirt
  and clay shall be washed, conveyed or otherwise deposited into the
  waters of the Commonwealth. (Title 25 Pa. Code Chapter 102).
  - b. Contractor agrees that any water gravity drained, pumped or mechanically transported from impoundments within the Project Area is subject to 25 Pa. Code §§87.102, 88.92, 88.187 and 90.102 water quality limits.
- Whenever a discharge not allowed by the contract occurs, the Contractor shall immediately telephone the Department to report such incident and shall promptly take such steps as are necessary to halt the unauthorized discharge.
- 4. Contractor agrees that all topsoil and, if necessary, suitable subsoil where available and any material capable of supporting vegetation shall be separately removed, segregated, conserved and redistributed on all areas affected by the reclamation activities. (Title 25 Pa. Code §§87.96, 88.86, 88.183 and 90.97).
- 5. Should field inspection show, after operation has started, that conditions are such as to require a change in the Contractor's Plan in order to prevent pollution or a public nuisance, or to achieve final reclamation, the Contractor shall change the Plan as agreed to by the Contractor and the Department.

"EXHIBIT A - Page 1 of 4"

#### EXHIBIT A

### CONTRACT CONDITIONS

- 6. For Project Areas which include an abandoned coal refuse disposal site that is to be reclaimed, the Contractor shall take immediate steps to extinguish any fires or hot spots encountered in accordance with a plan approved by the Department. (Title 25 Pa. Code §§88.314 and 90.126).
- 7. The Contractor shall notify the Department immediately when any deep mine openings are encountered within the Project Area during excavation and removal of coal from the Project Area. Unless otherwise directed by the Department, these openings shall be sealed with impervious material to a depth of three times the greater diameter of the opening. Any seal so constructed shall be inspected and approved by the Department prior to completion of reclamation.
- Contractor shall not deposit waste materials with low ignition points including but not limited to wood, cloth, waste paper, oil, grease, and garbage on the Project Area. (Title 25 Pa. Code §§87.136, 88.321 and 90.133).
- For Project Areas which include an abandoned coal refuse disposal site that is to be reclaimed, any coal refuse material disturbed by Contractor and remaining within the Project Area shall be spread and compacted in horizontal layers no more than 24" in thickness. (Title 25 Pa. Code §§88.310 and 90.125).
- 10. For Project Areas which include an abandoned coal refuse disposal site that is to be reclaimed, Contractor agrees that outslopes of the reclaimed coal refuse disposal portion of the Project Area shall not exceed a final overall grade of 3h:1V (33%) unless approved by the Department. (Title 25 Pa. Code §§88.206, 88.310 and 90.122).
- 11. Contractor shall perform reclamation concurrently with removal of coal from the Project Area. As each portion of the Project Area is completed and reaches final contour and elevation, that portion of the Project Area will be covered with a final layer of soil or other material as approved by

"EXHIBIT A - Page 2 of 4"

#### EXHIBIT A

# CONTRACT CONDITIONS

the Department in the Proposal. (Title 25  $Pa.\ Code\ \S\S87.141$  and 88.115).

- a. Contractor shall conduct seeding and planting of disturbed area no later than the first normal period for favorable planting after achieving final grade. (Title 25 Pa. Code §§87.148 and 88.122).
  - All rills and gullies exceeding 9" in depth must be regraded and permanently revegetated by Contractor.
- The standard for successful revegetation shall be a minimum of 70% ground cover of permanent plant species or a minimum 400 woody species/acre.
- 14. Contractor shall identify the operation for the duration of the reclamation activity by posting and maintaining a sign which will be clearly visible at the junction of each haul road and public road. The sign shall show the name, business address and telephone number of the person who conducts the reclamation activities and the identification number of the current no-cost government financed reclamation contract. The sign shall meet the following construction requirements:

Use 4' x 8' x 3/4" exterior board on two (2) 4" x 4" posts. Exterior board and posts to be painted with two (2) coats of green exterior oil base paint.

Yellow plain letters.

4" High large letters.

2" High small letters.

1" Spacing between lines, minimum.

,2" Border on top and bottom of sign

# EXHIBIT A

# CONTRACT CONDITIONS

# B. Site Specific Conditions

- Water monitoring for this site will be conducted quarterly and reported to the Cambria Office within 30 days of the end of each quarter. Monitoring will be discontinued as directed by the Department.
- 2. RNS Services, Inc.'s obligation under GFCC 11-00-01 is to remove the refuse and prepare the site for AMD & ART's wetland and marsh installation. This includes widening the existing access driveway, excavating and removing the refuse and preparing the site so that AMD & ART may immediately move in and construct the wetlands and marshes that will be the last phase of the Vintondale acid mine drainage treatment system.

"EXHIBIT A - Page 4 of 4"

#### EXHIBIT B

### NONDISCRIMINATION/SEXUAL HARASSMENT CLAUSE

During the term of the Contract, the Contractor agrees as follows:

- a. In the hiring of any employees for the manufacture of supplies, performance of work, or any other activity required under the Contract or any subcontract, the Contractor, subcontractor or any person acting on behalf of the Contractor or subcontractor shall not by reason of gender, race, creed, or color discriminate against any citizen of this Commonwealth who is qualified and available to perform the work to which the employment relates.
- b. Neither the Contractor nor any subcontractor nor any person on their behalf shall in any manner discriminate against or intimidate any employee involved in the manufacture of supplies, the performance of work or any other activity required under the Contract on account of gender, race, creed, or color.
- c. The Contractor and any subcontractors shall establish and maintain a written sexual harassment policy and shall inform their employees of the policy. The policy must contain a notice that sexual harassment will not be tolerated and employees who practice it will be disciplined.
- d. The Contractor shall not discriminate by reason of gender, race, creed, or color against any subcontractor or supplier who is qualified to perform the work to which the Contract relates.
- e. The Contractor and each subcontractor shall furnish all necessary employment documents and records to and permit access to its books, records, and accounts by the contracting officer and the Department of General Services' Bureau of Contract Administration and Business Development for purposes of investigation to ascertain compliance with the provisions of this Nondiscrimination/Sexual Harassment Clause. If the Contractor or any subcontractor does not possess documents or records reflecting the necessary information requested, it shall furnish such information on reporting forms supplied by the contracting officer or the Bureau of Contract Administration and Business Development.

"EXHIBIT B - Page 1 of 2"

# EXHIBIT B

- f. The Contractor shall include the provisions of this Nondiscrimination/Sexual Harassment Clause in every subcontract so that such provisions will be binding upon each subcontractor.
- g. The Commonwealth may cancel or terminate the Contract, and all money due or to become due under the Contract may be forfeited for a violation of the terms and conditions of this Nondiscrimination/Sexual Harassment Clause. In addition, the agency may proceed with debarment or suspension and may place the Contractor in the Contractor Responsibility File.

"EXHIBIT B - Page 2 of 2"

#### EXHIBIT C

#### CONTRACTOR INTEGRITY PROVISIONS

- a. For purposes of this clause only, the words "confidential information," consent," "contractor," "financial interest," and "gratuity" shall have the following definitions.
- 1) **Confidential information** means information that is not public knowledge, or available to the public on request, disclosure of which would give an unfair, unethical, or illegal advantage to another desiring to contract with the Commonwealth.
- 2) Consent means written permission signed by a duly authorized officer or employee of the Commonwealth, provided that where the material facts have been disclosed, in writing, by prequalification, bid, proposal, or contractual terms, the Commonwealth shall be deemed to have consented by virtue of execution of this agreement.
- 3) **Contractor** means the individual or entity that has entered into the Contract with the Commonwealth, including directors, officers, partners, managers, key employees and owners of more than a five percent interest.

#### 4) Financial interest means:

- a) Ownership of more than a five percent interest in any business; or
- b) Holding a position as an officer, director, trustee, partner, employee, or the like, or holding any position of management  ${\bf m}$
- 5) **Gratuity** means any payment of more than nominal monetary value in the form of cash, travel, entertainment, gifts, meals, lodging, loans, subscriptions, advances, deposits of money, services, employment, or contracts of any kind.
- b. The Contractor shall maintain the highest standards of integrity in the performance of the Contract and shall take no action in violation of state or federal laws, regulations, or other requirements that govern contracting with the Commonwealth.
- c. The Contractor shall not disclose to others any confidential information gained by virtue of the Contract.
- d. The Contractor shall not, in connection with this or any other agreement with the Commonwealth, directly, or indirectly, offer, confer, or agree to confer any pecuniary benefit on anyone as consideration for the decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty by any officer or employee of the Commonwealth.
- e. The Contractor shall not, in connection with this or any other agreement with the Commonwealth, directly or indirectly, offer, give, or agree or promise to give to anyone any gratuity for the benefit of or at the direction or request of any officer or employee of the Commonwealth.

Enclosure 1 to Management Directive 215.8 Amended

"EXHIBIT C - Page 1 of 2"

#### EXHIBIT C

- f. Except with the consent of the Commonwealth, neither the Contractor nor anyone in privity with him or her shall accept or agree to accept from, or give or agree to give to, any person, any gratuity from any person in connection with the performance of work under the Contract except as provided therein.
- g. Except with the consent of the Commonwealth, the Contractor shall not have a financial interest in any other contractor, subcontractor, or supplier providing services, labor, or material on this project.
- h. The Contractor, upon being informed that any violation of these provisions has occurred or may occur, shall immediately notify the Commonwealth in writing.
- i. The Contractor, by execution of the Contract and by the submission of any bills or invoices for payment pursuant thereto, certifies, and represents that he or she has not violated any of these provisions.
- j. The Contractor, upon the inquiry or request of the Inspector General of the Commonwealth or any of that official's agents or representatives, shall provide, or if appropriate, make promptly available for inspection or copying, any information of any type or form deemed relevant by the Inspector General to the Contractor's integrity or responsibility, as those terms are defined by the Commonwealth's statutes, regulations, or management directives. Such information may include, but shall not be limited to, the Contractor's business or financial records, documents or files of any type or form which refer to or concern the Contract. Such information shall be retained by the Contractor for a period of three years beyond the termination of the Contract unless otherwise provided by law.
- k. For violation of any of the above provisions, the Commonwealth may terminate this and any other agreement with the Contractor, claim liquidated damages in an amount equal to the value of anything received in breach of these provisions, claim damages for all expenses incurred in obtaining another Contractor to complete performance hereunder, and debar and suspend the Contractor from doing business with the Commonwealth. These rights and remedies are cumulative, and the use or nonuse of any one shall not preclude the use of all or any other. These rights and remedies are in addition to those the Commonwealth may have under law, statute, regulation, or otherwise.

Enclosure 1 to Management Directive 215.8 Amended

"EXHIBIT C - Page 2 of 2"

# EXHIBIT D

# OFFSET PROVISION

The Contractor agrees that the Commonwealth may set off the amount of any state tax liability or other obligation of the Contractor or its subsidiaries to the Commonwealth against any payments due the Contractor under any contract with the Commonwealth.

"EXHIBIT D - Page 1 of 1"

#### EXHIBIT E

#### CONTRACTOR RESPONSIBILITY PROVISIONS

For the purpose of these provisions, the term Contractor is defined as any person, including, but not limited to, a bidder, offer or, loan recipient, grantee, or subgrantee, who has furnished or seeks to furnish goods, supplies, services, or leased space, or who has performed or seeks to perform construction activity under contract, subcontract, grant, or subgrant with the Commonwealth, or with a person under contract, subcontract, grant, or subgrant with the Commonwealth or its state-affiliated entities, and state-related institutions. The term Contractor may include a permittee, licensee, or any agency, political subdivision, instrumentality, public authority, or other entity of the Commonwealth.

- a. The Contractor must certify, in writing, for itself and all its subcontractors, as of the date of its execution of any Commonwealth contract, that neither the Contractor, nor any subcontractors, nor any suppliers are under suspension or debarment by the Commonwealth or any governmental entity, instrumentality, or authority and, if the Contractor cannot so certify, then it agrees to submit, along with the bid/proposal, a written explanation of why such certification cannot be made.
- b. The Contractor must also certify, in writing, that as of the date of its execution, of any Commonwealth contract it has no tax liabilities or other Commonwealth obligations.
- c. The Contractor's obligations pursuant to these provisions are ongoing from and after the effective date of the contract through the termination date thereof. Accordingly, the Contractor shall have an obligation to inform the contracting agency if, at any time during the term of the contract, it becomes delinquent in the payment of taxes, or other Commonwealth obligations, or if it or any of its subcontractors are suspended or debarred by the Commonwealth, the federal government, or any other state or governmental entity. Such notification shall be made within 15 days of the date of suspension or debarment.
- d. The failure of the Contractor to notify the contracting agency of its suspension or debarment by the Commonwealth, any other state, or the federal government shall constitute an event of default of the contract with the Commonwealth.

"EXHIBIT E - Page 1 of 2"

#### EXHIBIT E

- e. The Contractor agrees to reimburse the Commonwealth for the reasonable costs of investigation incurred by the Office of Inspector General for investigations of the Contractor's compliance with the terms of this or any other agreement between the Contractor and the Commonwealth, which results in the suspension or debarment of the Contractor. Such costs shall include, but shall not be limited to, salaries of investigators, including overtime; travel and lodging expenses; and expert witness and documentary fees. The Contractor shall not be responsible for investigative costs for investigations which do not result in the Contractor's suspension or debarment.
- f. The Contractor may obtain the current list of suspended and debarred Commonwealth contractors by either searching the internet at <a href="http://www.dgs.state.pa.us/debarment.htm">http://www.dgs.state.pa.us/debarment.htm</a> or contacting the:

Department of General Services Office of Chief Counsel 603 North Office Building Harrisburg, PA 17125 Telephone Number: (717) 783-6472 FAX Number: (717) 787-9138

#### EXHIBIT F

# AMERICANS WITH DISABILITIES ACT

- a. Pursuant to federal regulations promulgated under the authority of The Americans With Disabilities Act, 28 C.F.R. § 35.101 et seq., the Contractor understands and agrees that it shall not cause any individual with a disability to be excluded from participation in this Contract or from activities provided for under this Contract on the basis of the disability. As a condition of accepting this contract, the Contractor agrees to comply with the "General Prohibitions Against Discrimination", 28 C.F.R. § 35.130, and all other regulations promulgated under Title II of The Americans With Disabilities Act which are applicable to all benefits, services, programs, and activities provided by the Commonwealth of Pennsylvania through contracts with outside contractors.
- b. The Contractor shall be responsible for and agrees to indemnify and hold harmless the Commonwealth of Pennsylvania from all losses, damages, expenses, claims, demands, suits, and actions brought by any party against the Commonwealth of Pennsylvania as a result of the Contractor's failure to comply with the provisions of subparagraph a above.

GOVERNMENT FINANCED CONSTRUCTION CONTRACT #11 00 01

CONTRACTOR NAME: RNS Services, Inc.

ADDRESS: 7 Riverside Plaza

P. O. Box 38

Blossburg, PA 16912

**PHONE #:** (570) 638 - 3322

THIS RECLAMATION PROJECT IS BEING COMPLETED AT NO COST TO THE COMMONWEALTH UNDER A SPECIAL PROGRAM DEVELOPED BY THE DEPARTMENT OF ENVIRONMENTAL PROTECTION FOR RECLAMATION OF ABANDONED MINE LANDS.

TOM RIDGE, GOVERNOR MARK SCHWEIKER, LT. GOVERNOR

# CONTRACT BONDS

Bond No. CSB0201342

KNOW ALL MEN BY THESE PRESENTS, That we, the undersigned,

RNS Services, Inc., 7 Riverside Plaza, P. O. Box 38, Blossburg, PA 16912 (Name and Address of Contractor)

As Principal, and Lyndon Property Insurance Company c/o Cumberland Surety (Name and Address of Surety Company)

In<u>surance, 367 West Short Street, Lexington, KY 40507</u> 1-800-767-8622 (Address & Telephone Number)

A corporation organized and existing under the laws of the State of

Missouri

As Surety are held and firmly bound unto the Commonwealth of Pennsylvania

hereinafter set forth, in the full and just sums of

- (a) Thirty-Two Thousand Dollars (\$32,000.00) for faithful performance of the contract as designated in Paragraph "A"; and
- (b) Thirty-Two Hundred Dollars (\$3,200.00) for maintenance upon completion of the contract as designated in Paragraph "B", lawful money of the United States of America, to be paid to the said Commonwealth of Pennsylvania, or its assigns to which payment well and truly to be made and done, we bind ourselves, our heirs, executors, administrators and successors, jointly and severally, firmly by these presents.

Sealed with our respective seals and dated this 26th day of March , 2001.

01-636

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WHEREAS, the above bounden Principal has entered into a contract with the said Commonwealth of Pennsylvania, by and through the Department of Environmental Protection dated <a href="March 26th">26th</a> day of <a href="March 2001">March 2001</a>, for <a href="Mo Cost Government Financed Reclamation Contract">No Cost Government Financed Reclamation Contract</a>, Blacklick Township, Cambria <a href="County">County</a>.

#### CONTRACT NO. 11-00-01.

Upon certain terms and conditions in said contract more particularly mentioned; and

WHEREAS, it is one of the conditions of the award of the Department of Environmental Protection, acting for and on behalf of the Commonwealth of Pennsylvania, pursuant to which said contract is about to be entered into, that these presents be executed.

NOW THEREFORE, the joint and several conditions of these Contract Bonds are such:

- A. That if the above bounden Principal as Contractor shall well and faithfully do and perform the things agreed by him to be done and performed according to the terms of said contract, including the plans and specifications and other contract documents therein referred to and made part thereof, and such alterations as may be made in said plans and specifications as therein provided, and which are hereby made part of this bond the same as though they were set forth herein, and shall indemnify and save harmless the said Commonwealth and all of its officers, agents and employees from any expenses incurred through the failure of said Contractor to complete the work as specified and for any damages growing out of the manner of performance of said contract by said Contractor or his subcontractors or this or their agents or servants, including patent, trademark and copyright infringements, then this part of this obligation shall be void; otherwise it shall be and remain in full force and effect.
- B. That if the above bounden Principal shall remedy without cost to the Commonwealth any defects which may develop during the period of one year (365 days) from the date of completion and acceptance of the work performed under said contract; provided in the judgment of the Commonwealth or its successors having jurisdiction in the premises, such defects are caused by defective or inferior materials or workmanship, then this part of this obligation shall be void; otherwise it shall be and remain in full force and effect.

It is further agreed that any alternations which may be made in the terms of the contract or in the work to be done or materials to be furnished or labor to be supplied or performed, or equipment to be rented, or public utility services to be rendered under it, or the giving by the Commonwealth of any

extension of time of the performance of the contract or any other forbearance on the part of either the Commonwealth or the Principal to the other, shall not in any way release the Principal and the Surety or Sureties or either or any of them, their heirs, executors, administrators, successors or assigns, from their liability hereunder, notice to the surety or Sureties of any such alterations, extensions, or forbearances being hereby waived.

IN WITNESS WHE OF, the said Principal and Surc have duly executed these bonds under seal the day and year above written.

	RNS Services, Inc.			
ATTEST/WITNESS:  Tay by (SEAL	By:  No A A			
Richard R.Taylor, Sec/Treasurer	Neil W. Hedrick, President			
	Lyndon Property Insurance Company			
ATTEST/WITNESS:	Surety Company By:			
Lori Jo Perrine	Attorney-in-Fact			
Typed/Printed Name	David M. Champe Typed/Printed Name			
Address of Bonding Company's representati Evergreen Insurance Assoc., Inc.				
to be used for contract correspondence purp Insurance Dept.	poses: Registration No., PA			
P.O. Box 505	Attorney-in-Fact Certification			
I I	The undersigned attorney-in-fact by executing these Contract Bonds certifies that he/she is licensed with the company named as surety for this bond by the Pennsylvania nsurance Department and that to the best of his/her throwledge the said surety is licensed with the Pennsylvania nsurance Department.			
INSTRUCTIONS: Please sign where indicated ( ). If Corporation, s Treasurer. Affix seal. If Partnership, sign by each partner and wit proprietor and witness. Indicate surety company, sign by attorney signature, affix surety company's seal. Attach Power of Attorney, w	organizate of each partitler. If individual eigh hy			
Michael D. Bedin.	Jan Hall			
Chief/Assistant Counsel Department of Environmental Protection	of the Attorney General			



LYNDON PR SRTY INSURANCE COMPANY 520 MARYVILLE CENTRE DRIVE, SUITE 500 ST. LOUIS, MISSOURI 63141-5814

#### POWER OF ATTORNEY

37-102

KNOWN ALL MEN BY THESE PRESENTS, that LYNDON PROPERTY INSURANCE COMPANY, a Missouri Corporation, having its principal office in St. Louis, Missouri pursuant to the following resolution, adopted by the Board of Directors of the Corporation on the 27 th day of January, 1983.

RESOLVED, Pursuant to Section 3.1 and 4.12 of the By-laws, the following Rules shall govern the execution of the Corporation of bonds, undertakings, recognizances, contracts and other writings in the nature thereof:

- (1) That the President or any Vice President or Assistant Vice President, the Secretary or Assistant Secretary, the Treasurer or Assistant Treasurer or any Attorney-in-Fact may execute for and in behalf of the Corporation any and all bonds, undertakings, recognizances, contracts and other writings in the nature thereof, the same to be attested when necessary by the Secretary or Assistance Secretary, and the seal of the Corporation affixed thereto; and that the President, any Vice President or the Secretary or Assistant Secretary may appoint and authorize Attorneys-in-Fact to execute or to the execution of all such writings on behalf of the Corporation and to affix the seal of the Corporation thereto. The Secretary or Assistant Secretary may not both execute and attest the same bonds, undertakings, recognizances, contracts and other writings of the Corporation.
- (2) Any such writing executed in accordance with these Rules shall be as binding upon the Corporation in any case as though signed by the President and attested by the Secretary.
- (3) The signature of the President, or any Vice President or Assistant Vice President, the Secretary or Assistant Secretary, or the Treasurer or Assistant Treasurer and the seal of the Corporation may be affixed by facsimile on any power of attorney granted pursuant to this Resolution, and the certificate bearing such facsimile signature and seal shall be valid and binding on the Corporation.
- (4) Such Attorneys-in-Fact shall have authority to certify or verify copies of this Resolution, the By-laws of the Corporation, and any affidavit of record of the Corporation necessary to the discharge of their duties.

This Power of Attorney is signed and sealed in facsimile under and by the authority of the above Resolution.

DOES HEREBY MAKE, CONSTITUTE AND APPOINT: <u>David M. Champe, Joseph R. Imler, David W. Champe, Charles I. Francis, Jr.,</u>
Dale R. Snyder

its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred in its name, place and stead to sign, execute, acknowledge and deliver in its behalf, and as its act and deed, without power of redelegation as follows:

Bonds guaranteeing the fidelity of persons holding places of public or private trust, guaranteeing the performance of contracts other than insurance policies; and executing or guaranteeing bonds and undertakings required or permitted in all actions or proceedings or by law allowed, provided the amount of no one bond exceeds Two Million Five Hundred Thousand and 00/100 Dollars (52,500,000.00): and to bind LYNDON PROPERTY INSURANCE COMPANY thereby as fully and to the same extent as if such bond or undertaking was signed by the duly authorized officers of LYNDON PROPERTY INSURANCE COMPANY, and all the acts of said Attorney(s)-in-Fact pursuant to the authority herein given are hereby ratified and confirmed.

In Witness Whereof, LYNDON PROPERTY INSURANCE COMPANY of St. Louis, Missouri, has caused this Power of Attorney to be signed by its President and its Corporate seal to be affixed this  $12^{\text{th}}$  day of  $12^{\text{th}}$  day of  $12^{\text{th}}$ .

LYNDON PROPERTY INSURANCE COMPANY

State of Missouri County of St. Louis ss:



On this the 12th day of March, 19.99, before the subscriber, a Notary Public of the State of Missouri in and for the County of St. Louis, duly commissioned and qualified, came ROLAND G. ANDERSON of Lyndon Property Insurance Company to me personally known to be the individual and officer described herein, and who executed the preceding instrument, and acknowledged the execution of the same, and being by me duly sworn, deposed and said, that he is the officer of the Company aforesaid, and that the seal fixed to the preceding instrument is the Corporate Seal and subscribed to the said instrument by the authority and direction of the Company, and the Corporate Seal and subscribed to the said instrument by the authority and direction of the Corporation, and that the resolution of the Company, referred to in the preceding

In Testimony Whereof, I have hereunto set my hand, and fixed my official seal at St. Louis, Missouri, the day and year above written

MARIE E. DUFF Notary Public - State of Missouri County of Jefferson My Commission Expires 01/08/2002

I, Richard C. Hackett, Secretary of the Lyndon Property Insurance Company, do hereby certify that the foregoing is a true and accurate copy of a Power of Attorney, executed by said Lyndon Property Insurance Company which is still in full force and effect.

In Witness Whereof, I have hereunder set my hand and affixed the seal of said Corporation at St. Louis, Missouri, this 26th/jay of March , xxx 2001

State of Missouri County of St. Louis ss:



LYNDON PROPERTY INSURANCE COMPANY

SECRETARY

PRODULER EVARGATION CERTIFICAT OF LIAB  PRODULER EVARGATION INSURANCE ASSOCIATES, Inc. P.O. Box 505 Ebensburg PA 15931-0505 Phone: 814-472-7961 Fax: 814-472-7020			ONLY AND HOLDER. T	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.  INSURERS AFFORDING COVERAGE				
PRONE: 814-472-7981		INSURER A:	INSURER A: Rockwood Casualty Insurance Co					
			INSURER B:					
	RNS Services In Cambria Contrac P. O. Box 38	c. &	INSURER C:					
	P. O. Box 38	cing	INSURER D:					
Blossburg PA 16912			INSURER E:					
0	/ERAGES							
A	HE POLICIES OF INSURANCE LISTED MY REQUIREMENT, TERM OR CONDIT MY PERTAIN, THE INSURANCE AFFOR DLICIES, AGGREGATE LIMITS SHOW!	TION OF ANY CONTRACT OR OTHER RDED BY THE POLICIES DESCRIBED	R DOCUMENT WITH RES HEREIN IS SUBJECT TO	PECT TO WHICH T	HIS CERTIFICATE MAY BE	ISSUED OR		
SR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE	POLICY EXPIRATION DATE (MM/DD/YY)	LIMIT	's		
-	GENERAL LIABILITY		DATE (MINUSULT)		EACH OCCURRENCE	\$ 1000000		
	X COMMERCIAL GENERAL LIABILITY	CGL38642	01/01/01	01/01/02	FIRE DAMAGE (Any one fire)	\$ 50000		
	CLAIMS MADE X OCCUR				MED EXP (Any one person)	\$ 5000		
					PERSONAL & ADV INJURY	\$ 1000000		
					GENERAL AGGREGATE	s 2000000		
	GEN'L AGGREGATE LIMIT APPLIES PER:				PRODUCTS - COMP/OP AGG	s 1000000		
	POLICY PRO- JECT LOC							
	ANY AUTO	BAP103934	01/01/01	01/01/02	COMBINED SINGLE LIMIT (Ea accident)	\$ 500000		
	X SCHEDULED AUTOS				BODILY INJURY (Per person)	\$		
	X HIRED AUTOS X NON-OWNED AUTOS				BODILY INJURY (Per accident)	\$		
					PROPERTY DAMAGE (Per accident)	\$		
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	S		
	ANY AUTO				OTHER THAN EA ACC	\$		
					AGG	\$		
	EXCESS LIABILITY	AIMS MADE CXL8328	01/01/01	01/01/02	EACH OCCURRENCE	s 5000000		
	X OCCUR CLAIMS MADE		01/01/01		AGGREGATE	\$ 5000000		
					-	s		
	DEDUCTIBLE RETENTION \$					s		
	WORKERS COMPENSATION AND				X WC STATU- TORY LIMITS OTH- ER	5		
	EMPLOYERS' LIABILITY	WC602193	01/01/01	01/01/02	X TORY LIMITS ER	s 100000		
	WC602193	01/01/01	01/01/02	E.L. DISEASE - EA EMPLOYEE				
					E.L. DISEASE - POLICY LIMIT			
	OTHER				The state of the s	- 50000		
	RIPTION OF OPERATIONS/LOCATIONS/VE							
	ditional Insureds as							
	ntondale Project - Co	mmonwealth of Pennsy	lvania and Vir	ntondale Bo	rough and			
3	lacklick Township,							
						10		
F	TIFICATE HOLDER N ADD	ITIONAL INSURED; INSURER LETTER:	CANCELLATIO	NC				
		DEPI	71-1		BED POLICIES BE CANCELLED			
			DATE THEREOF,	DATE THEREOF, THE ISSUING INSURER WILL XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX				
			NOTICE TO THE					
	DEP District Mining	Operations	IMPOSE NO OBL					
		Obergriois						
			Transference and the second					
	286 Industrial Ebensburg PA 15	Park Road	AUTHORIZED RES		711			

# **IMPORTANT**

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

### DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

Report Printed: 04/25/2001 10:11 am Enforcements with Relations Report
Report Parameters: Page 1 of Program Code - All
Client Id - 607

Current Client Client Id: 607

Client Name: RNS SVC INC

Section A Enforcements

Enforcements

Enf Id: 69082 Client Id: 607 Client AKA: 1641

Tracking#: Enf Type: Notice of Violation

Prog Specific Id: 56900201 ICS Org: 4840 Date Initiated: 03/22/2001 Progress Date:

Appeal Status: Date Final: Final Status: