



United States Department of the Interior

FISH AND WILDLIFE SERVICE

Suite 322

315 South Allen Street

State College, Pennsylvania 16801

February 2, 1989

Mr. James Butch
Environmental Protection Agency
841 Chestnut Building
Philadelphia, PA 19107

Dear Mr. Butch:

Enclosed is my preliminary analysis of records submitted by Mr. Brace regarding agricultural drainage. The enclosed table summarizes the work by year. A total of \$28,985.27 could be substantiated by the receipts. A number of duplicate receipts were included, as well as multiple receipts referencing the same work.

No receipts were submitted to document work contracted in 1983, 1984, or 1985. The sketch map provided by Mr. Brace to EPA also lists no work during those years. However, ASCS documents and a bill apparently submitted by Mr. Brace to ASCS and statements made by Mr. Brace refer to ditch work on the property in October 1984.

Bob Sheldon Trenching Company, Inc., R.D.#1, Girard, PA 16417 and Briggs Construction, R.D.#2, Waterford, PA 16441 are the only contractors that are identified in the receipts as having worked for Mr. Brace after 1984. Briggs was paid \$1,040.00 for ditch work with a backhoe on May 13, 1987. Sheldon received \$11,483.95 for two receipts that were paid on May 8, 1987, and September 26, 1986, the three pertinent receipts and several summaries of these records are enclosed.

A financial statement prepared dated April 4, 1978, was also enclosed. The statement was submitted to U.S.D.A. Farmers Home Administration (FmHA) as an application for FHA Services. The application states that Mr. and Mrs. Brace owned 403 acres of land at that time and that the purchase price was \$320,500. The total of all property owned was listed as \$1,052,211.00 Totals debts were listed at \$319,404.00.

Three property loans account for most of the total debt. They totaled \$301,543.00. One of the loans in the amount of \$122,543 is to Charles Brace, presumably for the property in Waterford Township that he purchased from his father.

There are several documents that show payments by U.S.D.A. Agricultural Conservation and Stabilization Service to Mr. Brace or Contractors for drainage or ditch work. One thousand three-hundred eighty-four dollars was approved by the ASCS for underground drainage work in 1977 and probably was applied to work done by Bob Sheldon. One thousand dollars was paid to Bob Sheldon in 1978 for drainage work. Nine hundred forty dollars was received in 1979 for sod waterways and possibly tile. The word tile was written in on the

EXHIBIT

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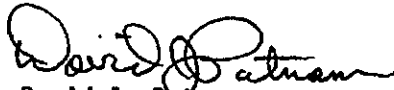
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receipt. It appears to me that underground drainage was not an approved practice under ASCS's Agricultural Conservation Program (ACP) in 1979.

In 1984, ASCS approved a payment of \$1,008.00 for work to open ditches and grade, relevel and seed crop areas following flood damage to Mr. Braces property. The ditches are most likely the headwaters of Elk Creek. Mr. Brace pointed out at several on-site meetings that U.S.D.A. paid him for some of the work in Elk Creek. The dates of the work are not specifically referenced in the bills and supporting documents, but one note from an inspector with the initials J.B. Dated October 24, 1984, stated that some spoil from the ditches was not yet spread and that Mr. Brace would complete the spreading of it at his own expense. Mr. Brace submitted a bill on his own letterhead for 5 days of backhoe work. Work after October 4, 1984 would not be eligible for Nationwide Permit #26.

If you have any questions regarding this analysis, please call me.

Sincerely,



David J. Putnam
Fish and Wildlife Biologist

Enclosures