



Mary Beth Wood
Executive Director
Wayne Economic Development Corporation
(570) 253-2537
mbw@wedcorp.org

Honorable Committee Chairs and Distinguished Senators:

Wayne County partners understand that the Commonwealth has difficult decisions to make about the budget and is taking a hard look at cost saving measures that would help balance income and expenses. This includes the possible closing of several State Correctional facilities, including SCI Waymart in Canaan Township, Wayne County. The testimony you hear today, however, transcends economics and is intended to create an understanding of the places where people live and work in service to our Commonwealth and the Department of Corrections.

We strongly encourage a full economic impact study for all facilities. Every host community would feel an economic impact from closure of a State prison. The extent cannot be fully known unless a full economic impact analysis is done. The irony of the situation is not lost—if a private company announced it planned to close and relocate 700 jobs to another State, government officials at every level would rally to keep the company in the Commonwealth and find resources to get such an analysis done.

Without data, we can only present a fragmented picture of the effects of prison closure on a community. The loss of economic output would be substantial as shown by the following: A quick study of the economic outputs of payroll activity (only) shows that the 585 jobs held by Lackawanna and Wayne County residents would generate 89 indirect and 156 induced jobs, and the annual sales/output would be \$94,808,964.

Another analysis shared with WEDCO indicates that every correctional job lost creates nearly one-half of another job lost in another industry sector. “that equates to over \$15,000 in loss in labor income; \$28,000 in value added, and nearly \$49,000 reduction in output”.¹

There are other effects on communities other than lost of sales income. Waymart Sewer Authority recently completed a \$3 million upgrade at the request of SCI Waymart. Losing the correctional facility as a customer, which accounts for one-third of their wastewater treatment plant’s usage, would mean the debt service would have to be absorbed by the community.

All of this lost economic activity needs to be balanced against the projected budget deficit so a good decision can be made; there simply has to be more time for study and analysis.

SCI Waymart is a bright spot in a local economy that is slowly losing its sustainability. Wayne County is situated in the northern Pocono Mountains. From afar, we are envied for our quality of place and encouraged to build a tourism economy. But our economic reality is far from sustainable. Wayne

¹ The Economic and Tax Impact of Lost Corrections Jobs, Abstract, The Institute for Public Policy and Economic Development, Wilke-Barre, January 2017.

County has experienced a tremendous loss of our industrial base over the last twenty year, diminishing diversity of our employment, and an increasing concentration of low-wage jobs.

Economic indicators suggest that Wayne County could be the most affected of the five host counties facing the closing of a State Correctional Facility. Wayne County has the lowest per capita personal income (\$37,447) and the lowest average annual wages for all industries (\$37,026). Our wages are just 71% of the Commonwealth's average wage. These numbers make sense when we consider our industry makeup—little diversity and high employment in low-wage industries such as Retail Trade and Accommodations and Food Service.

Of the five host counties, Wayne County is the only county with State Government as the top-ranked employer. The average wage for a State employee in Wayne County is \$64,033, which is 73% higher than the average wage for all industries.

While a comprehensive economic impact study would provide a clearer picture of the loss of revenue that would occur from facility closure, simply looking at our wages and type of employment shows that losing 190+ State jobs would be devastating to Wayne County.

SCI Waymart is unique and using higher operational costs as a reason for closure is not valid.

By the DOC's own admission, SCI Waymart has a highly specialized mental health population. The facility's physical layout differs from other correctional facilities to manage, care for, and secure such a specialized population. An apple to apple comparison simply does not work in this situation.

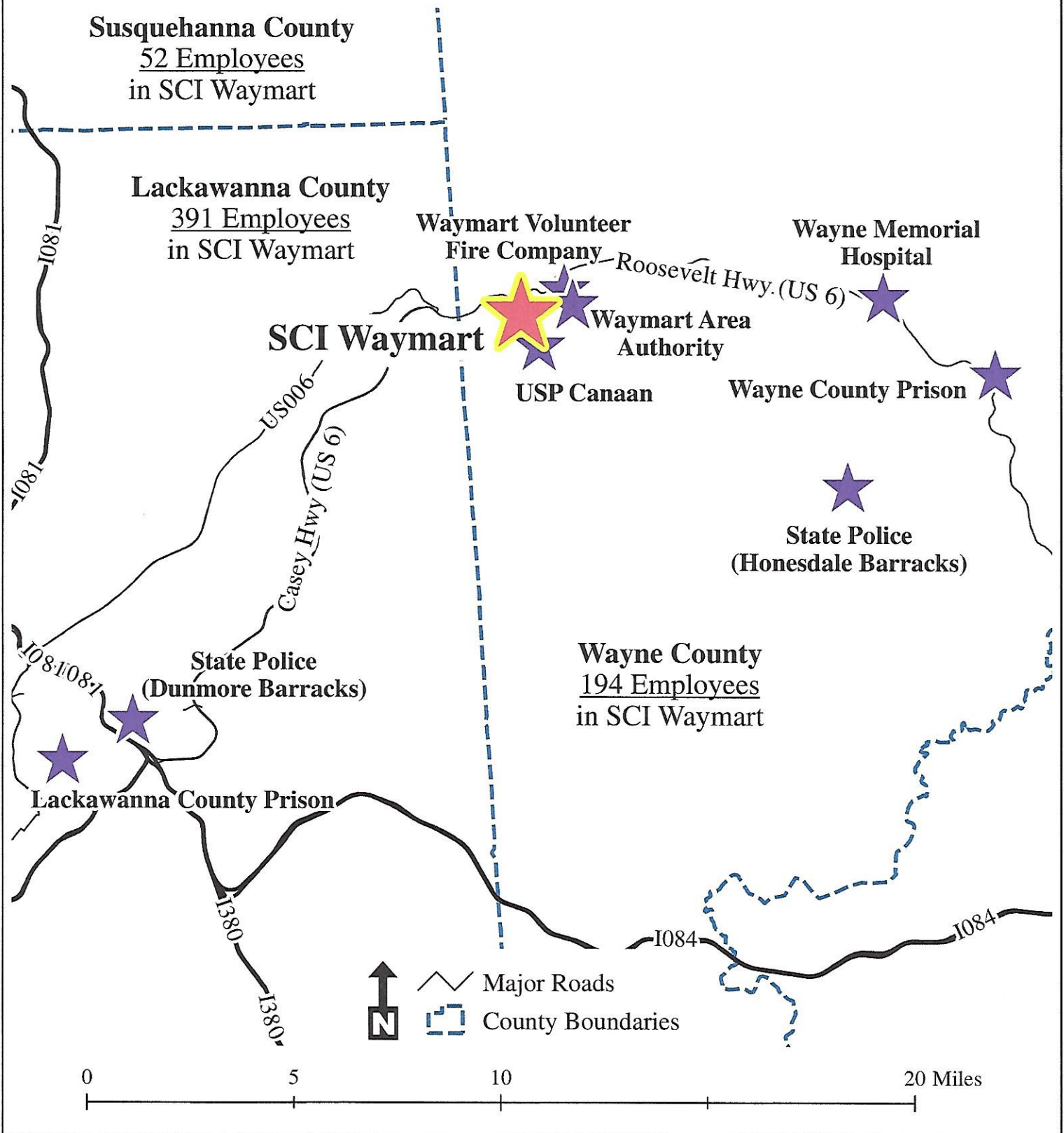
SCI Waymart contributes to the benefits of an Industry Cluster. With five correctional facilities and State Police barracks within 17 miles of each other, SCI Waymart is at the center of an industry cluster. Literature on the subject indicates that areas with strong clusters produce more economic growth, more jobs, and stronger wage growth than other areas. There are many examples of collaboration between USP Canaan, the Wayne County correctional facility and SCI Waymart. One example is in the development of career ladders. Wayne County lowered the hiring age at their facility so individuals could be employed directly out of high school, begin training at the local level, and move to SCI Waymart where they could earn a family sustaining wage within their own County.

SCI Waymart is prime for future investment. We share the belief of our County Commissioners that SCI Waymart has many attributes that position it well for future expansion, particularly relative to mental health and criminal activity. SCI Waymart is adjacent to USP Canaan and approximately 15 miles from the County correctional facility. There is additional land for expansion, the site is served by a new natural gas line, water and sewer infrastructure, three-phase power, high-speed telecommunications and is just off the Governor Casey highway. The culture of the facility is unique, but has long been accepted as a good neighbor within the local community.

We understand that the economic impact of facility closure on the local community is a factor in your decision. We have the upmost confidence in our colleagues at the Department of Community and Economic Development and the Department of Labor and Industry to provide you with a good overview of Wayne County's economy. We also stand ready to assist with local knowledge and information as needed.

SCI Waymart, Regional Geography

Prepared by the Wayne County Dept. of Planning/GIS
Derek F. Williams, January, 2017



State Correctional Institute (SCI) Waymart

11 Farview Dr, Waymart, PA
Canaan Township, Wayne County

Utility Access, Available or Neighboring

Phase 3 Power (*PPL*)
Natural Gas (*UGI*)
Fiber Optic Internet (*Laurel Highlands
Total Communications/
South Canaan Telephone Company*)
Renewable Energy (*Waymart Wind Farm*)
Central Sewer Service (*Waymart Area Authority*)
Central Water Service (*Aqua America*)

Facility/Resource Access, Proximity

Waymart Volunteer Fire Company: 1.4 mi.
Public Transit (*COLTS bus, Carbondale*): 4.6 mi.
Wayne Memorial Hospital: 10.4 mi.
State Police, Honesdale Barracks
(*Wayne Co*): 10.8 mi.
State Police, Dunmore Barracks
(*Lackawanna Co*): 16.8 mi.
Wayne County Correctional Facility: 15.0 mi.

Pennsylvania SCI's Considered for Closure

Distance to Nearest SCI

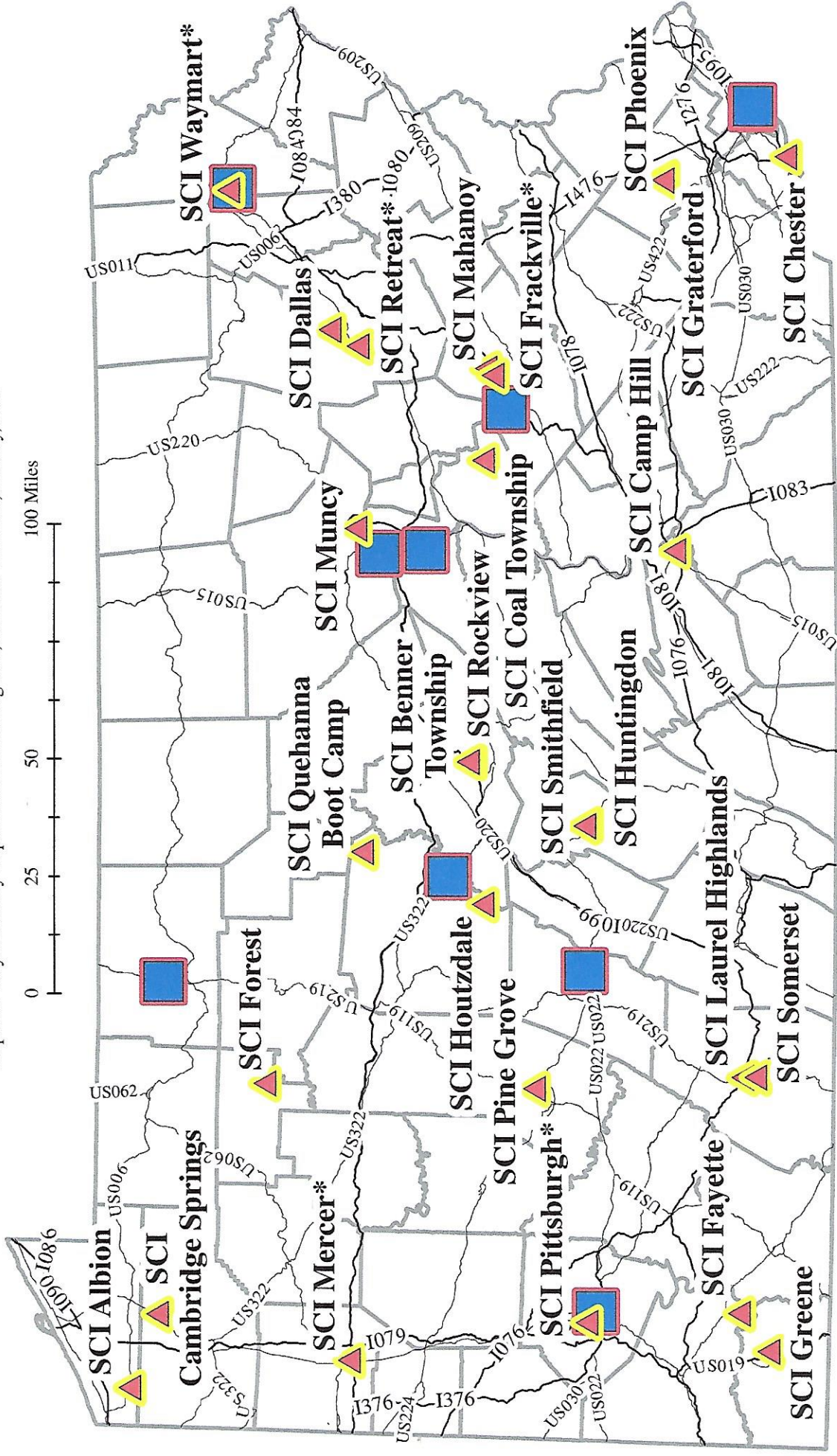
the Closest SCI to **SCI Frackville** (*Schuylkill Co*)
is *SCI Mahoney, Schuylkill County*: **2.1 mi.**
the Closest SCI to **SCI Retreat** (*Luzerne Co*)
is *SCI Dallas, Luzerne County*: **6.9 mi.**
the Closest SCI to **SCI Pittsburgh** (*Allegheny Co*)
is *SCI Fayette, Fayette County*: **32.6 mi.**
the Closest SCI to **SCI Waymart** (*Wayne Co*)
is *SCI Dallas, Luzerne County*: **36.7 mi.**
the Closest SCI to **SCI Mercer** (*Mercer Co*)
is *SCI Cambridge Springs, Crawford County*: **42.1 mi.**

Distance to Nearest Federal Facility

the Closest fed. facility to **SCI Waymart** (*Wayne Co*)
is *USP Canaan, in Wayne County*: **0.9 mi.**
the Closest fed. facility to **SCI Pittsburgh** (*Allegheny Co*)
is *RRM Pittsburgh, in Allegheny County*: **3.1 mi.**
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is *FCI Schuylkill, in Schuylkill County*: **7.6 mi.**
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is *FCI Schuylkill, in Schuylkill County*: **34.3 mi.**
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PA State and Federal Correctional Facilities

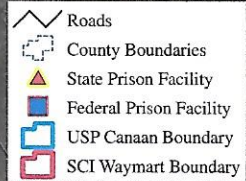
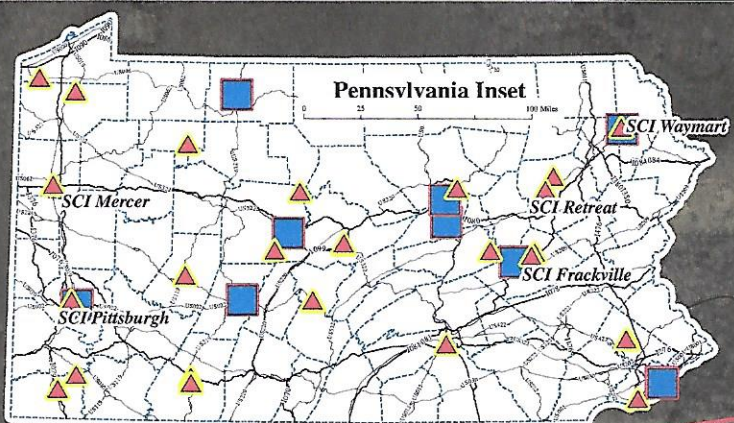
Prepared: Wayne County Department of Planning/GIS, Derek F. Williams, January, 2017



 State Prison Facility
 Federal Prison Facility
 Major Roads
 County Boundaries

Data: Federal Bureau of Prisons, US Dept. of Justice, 2017. Pennsylvania Dept of Corrections, 2017. Pennsylvania Dept. of Transportation, 2011. US Census Bureau, US Dept. of Commerce, 2009. Wayne County Assessment and Planning/GIS, 2017.

Note: SCI's with an asterisk denote their consideration for closure.



State Correctional Institute (SCI) Waymart
 11 Farview Dr, Waymart, PA
 Canaan Township, Wayne County

Utility Access, Available or Neighboring
 Phase 3 Power (PPL)
 Natural Gas (UGI)
 Fiber Optic Internet (Laurel Highlands Total Communications/
 South Canaan Telephone Company)
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Distance to Nearest SCI

the Closest SCI to SCI Frackville (Schuylkill Co) is SCI Mahoney, Schuylkill County: **2.1 mi.**
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 the Closest SCI to SCI Pittsburgh (Allegheny Co) is SCI Fayette, Fayette County: **32.6 mi.**
 the Closest SCI to SCI Waymart (Wayne Co) is SCI Dallas, Luzerne County: **26.7 mi.**
 the Closest SCI to SCI Mercer (Mercer Co) is SCI Cambridge Springs, Crawford County: **42.1 mi.**

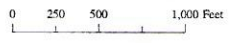
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 the Closest fed. facility to SCI Mercer (Mercer Co) is RRM Pittsburgh, in Allegheny County: **53.7 mi.**

SCI Waymart
 Total Deeded Acreage: 438.7 acres

USP Canaan
 Total Deeded Acreage: 447.9 acres

State Correctional Institute Waymart Geographic Analysis



Prepared: Derek F. Williams, January, 2017
 Wayne County Department of Planning/GIS

Data: Federal Bureau of Prisons, US Dept. of Justice, 2017; Pennsylvania Dept. of Corrections, 2017; Pennsylvania Dept. of Transportation, 2011; US Census Bureau, US Dept. of Commerce, 2009; Wayne County Assessment and Planning/GIS, 2017.



WAYMART AREA AUTHORITY
P.O. BOX 3300
WAYMART, PA 18472
Phone/Fax: 570-488-5350

January 18, 2017

To Whom It May Concern,

Waymart Area Authority was formed in 2001 to better serve the Waymart Borough and Canaan Township residents. This enterprise would also provide wastewater service to a new Federal prison that was built in Canaan and service to take over the antiquated SCI Waymart Treatment facility.

The Waymart Area Authority, Canaan Federal prison and SCI Waymart prison made a coordinated commitment to build this new treatment facility keeping the area environmentally safe and share the costs, making it affordable for all partners and providing lower rates to all users.

In 2016, Waymart Area Authority undertook an upgrade that required a DEP mandatory capacity increase to better serve its users. Monies were appropriated and borrowed with costs to be shared by all entities. A closing of SCI Waymart would reduce the current revenue by one third and severely decrease working capital needed for operations and to repay the 3 million dollar debt incurred for a capacity increase that would not have been needed. In conclusion; If SCI Waymart closes, Waymart Area Authority users and the Canaan Federal prison will be burdened with SCI Waymart's share of debt.

SCI Waymart has been a part of our community for many years and has provided a livelihood that allowed our town and surrounding areas to flourish. Over the years SCI Waymart has aided in the town of Waymart's infrastructure by supporting growth and development within our locality. Our economic framework is supported by the foundation of SCI Waymart and its closing would be an unfortunate loss to our society and economy.

Sincerely,



Waymart Area Authority Board
Chairman, Kenneth Williams

Total Wastewater Forecasted

The forecasted wastewater generation for the Waymart Area Authority over the next 20-years was determined using the wastewater projections gathered from SCI and FBOP. As mentioned above, a substantial portion of the Waymart Area Authority service area (not including SCI and FBOP) has already been developed and remains an almost exclusive residential community; with a few lots remaining for development. Therefore, the allocated capacity of 250,000 gpd is sufficient to meet the needs of Waymart Borough and Canaan Township that are located in the sewer service area. The following capacities are projected at the WWTP:

SCI:	265,000 gpd
FBOP:	300,000 gpd
<u>Waymart & Canaan:</u>	<u>250,000 gpd</u>
Total WWTP Capacity:	815,000 gpd



June 27, 2011

Entech Engineering, Inc.
Attn: Edward J. Pietroski, PE
685 S. Mountain Blvd.
Mountaintop, PA 18707

Re: Waymart Area Authority
Act 537 Sewage facilities Plan Update
Agreement for Sewer Services
AGR-04-212

Dear Mr. Pietroski:

In the letter from Entech Engineering, Inc. (Entech) sent March 18, 2011, you requested projected future capacity flows at SCI-Waymart from the Department of Corrections (DOC) for a ten year or possibly a twenty year planning horizon. Included with this information, you requested seasonal variations, changes of wastewater character, and future steps to reduce flows at the facility. The DOC offers the following response.

The DOC has reviewed documented total monthly wastewater usages in gallons and daily averages in gallons per day from December 2003 through March 2011, recorded at SCI-Waymart. In addition, we evaluated monthly population reports for the SCI-Waymart facility and a projected Population vs. Bed Space chart through 2015 for the total prison population. Population projections by facility are not performed at the DOC, so we chose a conservative planning horizon through the year 2020.

Attachment 1 includes a compilation of the actual results from fiscal year 2005-2006 to present. A projection has been estimated for the fiscal year 2011-2012 through 2019-2020 (highlighted in red). Averaging the total sewage flows in gallons per day at SCI-Waymart from 2009-2010 through 2010-2020, I obtained an average daily sewage flow of 242,655gpd. Adjusting this number by approximately 10 percent, I projected an average daily sewage flow capacity at 265,000gpd. This estimate reflects any flow spikes occurring during the year from potential inflow and infiltration, discussed in detail below.

In answer to your question concerning wastewater changes, flow will vary seasonally in conjunction with the existing seasonal flow patterns, without significant changes. The wastewater quality and character of the wastewater should remain relatively stable.

Future steps to mitigate the problems with high wastewater flows at SCI-Waymart are imperative. There has been a history of monthly average daily wastewater flows above 250,000gpd, as shown on the SCI Wastewater Flow chart submitted with the Entech letter of request. As you have noted in the past, included in the Entech Proposal P-5250 and dated March 12, 2007, "the consistently high daily flows coincide with wet weather events. A

concerted effort to focus on inflow was suggested by manhole inspections, inspection of sump pump connections, roof leaders and floor drains that were possibly tied to the collection system and storm drain connections. Identifying sources of infiltration was recommended by a system-wide cleaning and televising program to accurately map and document the condition of the sewer lines.”

In June 2009, “an extensive sanitary sewer and stormwater collection system inventory and field investigation was performed at SCI-Waymart to develop a plan to effectively reduce the amount of extraneous flow entering the sanitary sewer system. A report of sewer survey was generated with recommendations to further separate the sanitary and storm sewers by constructing a horizontal partition above the sanitary sewer at specific manholes. Specific sewer pipes were identified to be repaired closing up a hole inside an identified manhole. Slip-lining was recommended in specific sanitary sewer line to prevent extraneous flow and also to prevent sewage from flowing in to the storm sewer and discharging at grade. Finally, slip-lining was suggested for sanitary and storm sewers that are adjacent to each other in specific areas along the fence.”

Based on the previous proposal, follow-up recommendations and possible future inconsistencies in the sewage flows at SCI-Waymart, the DOC will address the inflow and infiltration problems with measures consistent with the findings. A plan outlining how the flows will be reduced and a time schedule for implementation will be determined.

I have covered the areas you requested as part of the Act 537 Sewage Planning process. I trust this information will be helpful in your review of future needs, specifically the evaluation to increase capacity at the existing wastewater treatment facility (WWTF) and the development of future costs for a contract renewal. If you require additional information, please feel free to contact me.

Sincerely,



Carol A. Piontkowski, PE
Environmental Engineer Consultant

Attachment

CC: SCI-Waymart
Robert Bruce, Water Utility Engineer, PSFEI
Waymart Area Authority
File

ATTACHMENT 1

SCI-Waymart Future Capacity Flows:

Available Sewage Flow Data: Fiscal Year (July 1 – June 30)

<u>Years</u>	<u>No.of Residents % of Total Pop.</u>	<u>Bed Capacity</u>	<u>Sewage (mgal)</u>	<u>Sewage/Resident(gpd) (SewageTotal(gpd))</u>
2005-2006	1337(3.2%)	1339	74457	153 (203,992)
2006-2007	1378(3.2%)	1339	80041	159 (219,290)
2007-2008	1361(3.06%)	1339	95051	191 (260,414)
2008-2009	1458(3.07%)	1440	92946	175 (254,647)
2009-2010	1567(3.24%)	1440*	88261	154 (241,811)
2010-2011	1465(3.13%)	1470	88479	151 (242,408)**

* Bed capacity increased to 1470 in December 2009.

** Estimates for May and June sewage flows.

Estimated Sewage Flow Data: Fiscal Year (July 1-June 30)

<u>Years</u>	<u>No.of Residents</u>	<u>Bed Capacity</u>	<u>Sewage (mgal)</u>	<u>Sewage/Resident(gpd)</u>
2011-2012	1466 (50585) ^a	1470	86539 ^b	162 (237,093)
2012-2013	1508 (52010)	1470	88553	161 (242,611)
2013-2014	1550 (53472)	1510 ^c	89971	159 (246,496)
2014-2015	1470 (54472) ^d	1510	89125	166 (244,178)
2015-2016	1485 (55017) ^e	1510	88488	163 (242,433)
2016-2017	1500 (55567)	1510	88526	162 (242,537)
2017-2018	1515 (56123)	1510	88534	160 (242,559)
2018-2019	1530 (56684)	1525 ^f	88866	159 (243,468)
2019-2020	1546 (57251)	1525	88918	158 (243,611)

The average sewage flow per day for the SCI-Waymart facility using the last two year actual flows (2009-2011) and 9 years of projected flows (2011-2020) is 242,655 gpd. Using a factor of 0.10 and adding that number (2427gpd) to the average sewage flow of 242,655 gpd, the estimated daily sewage flow from SCI-Waymart is approximately 266,920gpd. We estimate for future sewage flows a purchase capacity at **265,000gpd**.

^a Facility estimate based on 2.9% of total projected inmate population at SCI-Waymart based on past trends for SCI-Waymart's actual population vs. SCI- Total Population. Total projected population is taken from the Guyer Chart- Population vs. Bed Space (April 30, 2011). An average of three projected population values for the year were used to determine total population.

^b Sewage Flow based on average sewage flow from 2005-2011. Each year thereafter was calculated based on the preceding six (6) year averages.

^c Bed capacity increased at SCI-Waymart due to a projected increase in the total population. In addition, 5086 beds are planned at other facilities assuming construction projects from August 2011 through July 2016 will occur. These beds will accommodate a 4405 increase in the total inmate population that is projected between June 2011 and June 2015 with a surplus of 681 beds.

^d Facility population estimate based on 2.7% of total projected inmate population because of additional bed space at other facilities. This is the last year that total population is based on Guyer Chart estimate. See Below.

^e Total estimated population growth based on an increase of 1.0% each year from 2015-2020.

^f Increased bed space for population demands.