February 26, 2013

To: House Land Use Committee

Re: Impacts of Aggregate Mining on Agricultural Activities

TESTIMONY

Michael S. Calef Madjic Farms, Inc. 7095 Halls Ferry Rd. Independence, Oregon 97351 503-838-4972 My name is Mike Calef. My wife Susan and I operate a 350 acre farm in the river bottom just north of Independence. Our following testimony is given in support of the passage of HB 2201 and HB2202.

We have a problem that we're hoping the Oregon legislature can help us to resolve. A neighboring property owner has applied to site an aggregate strip mine immediately adjacent to our property. His first attempt was in the early 1990's. Subsequent attempts with alterations have continued up to the present time. The current plan calls for a 124 acre site consisting of 84 acres of mining area and 40 acres of processing area. The processing area would include stockpiles, a crushing plant, a concrete plant, possibly an asphalt plant and an office and shop complex. Our property has over 4,000 feet of common border with this proposed industrial site.

Our problem is that this site creates a great deal of uncertainty for us. We have incurred tens of thousands of dollars of costs in opposing this application over the years. We have also spent countless hours researching and educating ourselves on the issues involved. It is difficult to budget for these kinds of costs and also results in the diversion of our time and financial resources from our primary business of farming.

In addition, we have been considering a major expansion of our blueberry acreage. Because they are a perennial crop with a long life expectancy it adds to the importance of making the right decision because of the long term implications to the viability of our farm. If we proceed to the completion of our plan we will have invested approximately \$2,500,000 to get the plants and needed irrigation system in the ground.

What are the potential negative impacts of this proposed industrial site on our crops? The uncertainty is paralyzing. Is the quantity or quality of our water supply for irrigation threatened? The application calls for a visual barrier of trees to be planted between our properties. These trees would provide roosting and staging areas for the birds that feed on blueberries. How much will this additional bird habitat increase our losses of fruit? Are the fumes from an asphalt plant going to impact the growth of our plants? The regulations dealing with emissions are written to protect human health. Are these regulations sufficient to protect plants as well as people? We don't know and have found nobody who can tell us. Asphalt plants can't be sited within two miles of an existing vineyard. This is concerning to us. Agricultural operations create dust during the dry times of the year as do aggregate strip mines. As agricultural operations move from field to

1

field the source of the dust moves with them. The dust created by aggregate operations comes from a fixed site. Will this dust so close to our berries impact plant growth and fruit quality? The regulations dealing with allowable dust deposition levels are written to protect human health. Are plants more or less susceptible to dust impacts than people? Research in this area is sketchy at best and provides no good answer. We do know that one aggregate mine application in the Willamette Valley was turned down at least partially because of dust deposition issues on agricultural crops. This leads us to believe that dust created by the strip mine will be a problem for us. All of our property is in the Willamette River flood plain and does flood periodically, sometimes several times a year. Will terrain alterations and operations at the aggregate mine increase the erosion on our property? Will the property line and waterway setbacks required around the mining site become weed seed reservoirs that will continually re-contaminate our property and increase our weed control costs?

The results of this proposed location of an industrial site in an Exclusive Farm Use zone have substantially impacted our operation. As mentioned earlier it has resulted in us diverting financial and time resources from our farm to an area that provides no return to us. We are questioning our crop choices based on adjacent non-agricultural activities, not on market conditions and the salability of our crops. We are losing opportunities by delaying our business decisions. For over 20 years we have had to deal with this extra layer of uncertainty in managing our business and the final decision on approval still has not been made. There have been no physical changes to the property proposed for mining and yet we can still look forward to more years of an extra level of uncertainty added to our decision making process.

Aggregate producers will tell you they need to mine alluvial soils for sand and gravel for the production of concrete. They don't tell you that only 12% of Oregon's aggregate is used for concrete. They don't tell you that aggregate from hard rock quarries packs better and makes stronger roads and base fills because it is flat on all sides. Round alluvial rock always has a round side no matter how small it is crushed. They don't tell you that the cost of aggregate is usually only 12% of the total cost of a road project. As a result potentially longer hauls from quarry sites would minimally increase the overall costs of a project. They don't tell you that there are abundant rock resources within and on the outskirts of the Willamette Valley under poor soils that could meet the majority of our aggregate needs. The list of misinformation and half-truths goes on and on because mining in the river bottom is easier, more convenient and likely more profitable.

The soils being destroyed are special. Soils that are this productive are rare. Abundant irrigation water is rare. A climate conducive to the production of a large variety of high-value crops is rare. To have all of these resources together in the same location is even more rare.

The farmers of the river bottom soils in the Willamette Valley have cancer. That growing cancer is aggregate production. The good news is that this cancer is treatable. The treatment consists of moving the majority of aggregate production to areas with poor soils. A small amount of alluvial rock mining to satisfy the aggregate needs for concrete would not be terribly disruptive to agriculture but even that amount is not necessary. Even if the cost of aggregate caused by this move is slightly higher, and I doubt this is truly the case, that cost would be more than offset in the community by protecting our most productive soils and the jobs and crop proceeds that go with them. Mining creates a short-term gain over a few years. The results will be a hole in the ground that will still be a hole in the ground 100 years from now. Our soils will be producing crops 100 years from now if we let them.

We need help from the Oregon legislature in addressing this problem. You don't need to believe the aggregate producers or the agriculture producers that are at odds over this issue. Direct the state agencies overseeing aggregate production and usage to provide you with the information you need to judge for yourselves whether this issue is truly important to the people of Oregon and the Willamette Valley. This battle between two industries is wasting valuable resources that would be better spent on improving our businesses. We need a resolution to this issue that best serves all of the people in the Willamette Valley community.

Best of all, resolution of this aggregate vs. farm dispute would give farmers like my wife and me certainty, the certainty to go on conducting our business without the prospect of having to co-exist with an industrial development and its impacts in an area zoned Exclusive Farm Use.

Thank you for the opportunity to provide testimony on this matter.

Michael S. Calef