

## **Market Study Finds Local Quarry Can Cut Aggregate Costs in Half**

EnviroMINE has provided an analysis of conditions that affect the supply of construction aggregates in Southern California. The study was commissioned to examine whether the Liberty Quarry target market area needs additional production sites to meet current and projected demand. The study echoes the statements of other regional studies, such as those by the Department of Conservation and CalTrans, which have determined that Southern California is experiencing a construction aggregate shortage. Additionally, the recent study finds that Liberty Quarry's target market area is particularly deficient in aggregate supplies.

The proposed Liberty Quarry is located within the Temescal Valley-Orange County aggregate study area. At this time Orange County has exhausted all of its aggregate resources. Demand within this county must be met by neighboring sources such as the Temescal Valley which is also responsible for supplying aggregate to Los Angeles and San Diego Counties.

It has been found that even with the most conservative estimates for aggregate demand; Southern California only has approximately 20 years worth of permitted aggregate reserves remaining. The report concludes that the most viable solution for mitigating the shortage of aggregate is to permit new reserves such as the proposed Liberty Quarry.

### **Key findings of the report include:**

1. Southern California's population is expected to increase by 60% between 2000 and 2050. Riverside County is currently the second fastest growing county in the state with its population expected to grow by over 200% by 2050.
2. A California Department of Conservation study found that 80% of all Southern California aggregate study areas have less than half of the aggregate resources needed to meet projected 50-year demand without relying on imports. Importing aggregate requires long distance hauling and comes at a significant environmental cost.
3. Population growth in areas surrounding Liberty Quarry's target market has led to increasing demand as a result, permitted reserves are expected to be depleted at a faster rate than initially reported.
4. If the Liberty Quarry is permitted, the target market area would still experience, on average, 7.3 million tons of annual unmet demand from 2005 – 2050.
5. Many haul trucks are traveling over 100 miles on congested roads as aggregate is being shipped into San Diego County from Imperial, Riverside, Los Angeles and San Bernardino Counties, as well as from Mexico. Rising transportation costs and increased congestion on local roads has led to drastic increases in delivered costs for aggregate, delaying vital transportation projects.
6. Existing quarries in San Diego County cannot contribute adequate supplies to be considered as an alternate source for aggregate in Liberty Quarry's target market area due to the high level of demand and increasing reliance on imported aggregate in San Diego County.
7. The analysis reveals that by 2050 the region will need an additional 48 to 90 million tons of aggregate to satisfy demand; this translates to an additional 10 to 18 quarries the size of the proposed Liberty Quarry.
8. Alternative sources of aggregate being transported by rail or truck have been determined to be infeasible due to high handling costs and logistical barriers. Examples of logistical difficulties include strict security regulations for trucks carrying imported goods from Mexico and freight movement restrictions for trains into the San Diego market.
9. Reducing the number of trip-miles by using locally produced aggregate will result in a decrease in fuel consumption, air pollution, traffic congestion, and road maintenance costs.