

Town of Ancram
Comprehensive Plan Committee Meeting
March 24, 2008

Present: Art Bassin, Barry Chase, Jim Bryant, Gene Aleinikoff, Bonnie Hundt, Kyle Loughheed, Don MacLean, Chris Sommerhoff , Leah Wilcox

Ken Faroni (O&G Mine), Anthony Palumbo (Palumbo Sand and Gravel) , Tony Palumbo (Palumbo Sand and Gravel), Rick Simpson (Bryant Mine), Don Emery (Bryant Mine), Perry Miller (Ancram Construction), Fred Schneeberger (G&S Construction)

The Comp Plan Committee meeting was called to order by Chair Art Bassin at 7 PM.

The minutes for the 3/17 Committee meeting were approved as submitted.

Mr. Bassin and Mr. Aleinikoff briefly touched on their meeting with the APG. Notes from that meeting had been circulated previously for the Committee's review.

The next Committee meeting will be 3/31 at 7 PM and will focus on reviewing the vision, goals, and profile information, setting the agenda for the 4/26 public meeting and setting the schedule of meeting for April. Nan Stolzenburg will be joining us for the 3/31 meeting.

Mr. Bassin welcomed the representatives of the gravel mining industry and thanked them for agreeing to help the Committee better understand the issues and trends influencing gravel mining in Ancram. Mr. Bassin asked the gravel mining representatives to give a brief overview of gravel mining, and following the overview, said the committee members and then members of the audience would be asking questions. The two hour discussion about gravel mining that took place can be summarized as follows:

1. Benefit of Local Mining: Gravel mining is an important source of incremental income for farmers, provides jobs for local residents and permits lower cost supplies of sand and gravel for builders and towns.

2. Mine Regulation: DEC regulates the activities of gravel miners, and DEC regulations has become increasingly strict about how mining is done, and how land is restored. DEC requires that gravel miners post a \$5000 per acre bond before mining can start. This bond amount has recently doubled from \$2500 per acre. For a 100 acre gravel mine, this means the mine operator has to put up a bond for \$500,000, or post the cash. Bonds have become harder and harder to get, and are virtually impossible for first time mine operators. DEC inspects on a random basis quarterly, and reviews all aspects of mine operations. Mine operators also are regulated by OSHA and federal mine safety standards. The value of local Town regulation was not immediately obvious given the extensive DEC role and the need to hire or train a person to do mine regulation and oversight at the Town level. Towns do have the ability to influence mining operations either by prohibiting them totally in some or all parts of a town, or by working with mine operators to set mutually agreeable guidelines and rules for the operation of a mine. Mine

operators are increasingly working with Towns to create better communications and develop better understandings which make the Town-miner relationship more beneficial for both parties. And under DEC rules, Towns have five areas of mine operation it can influence: hours of operation, dust, access, setbacks and where mining can and cannot be done.

3. Costs and Consolidation of Mining: The costs of gravel mining and the cost of gravel have been rising sharply, driven by the cost of equipment and fuel. The farther away from the mine the product is delivered, the more it costs. As an example, gravel might cost \$8 per ton in Ancram (about double what it was 5 years ago), but if delivered to Armonk, that same gravel would cost \$32 a ton because of higher trucking and fuel costs. Increased costs in general, from the costs of obtaining a permit, to the costs of securing a bond, to the higher costs of extraction, processing and trucking, to higher equipment costs and higher health care costs, are causing strains on the small miners, and are giving a competitive advantage to the larger operators. This trend has led to a series of acquisitions of mine operators across the country, and many of the firms doing the acquisitions are foreign owned. As mining falls under the control of larger operators, small local miners and small local mines may face unacceptable competition and be forced out of business. If this happens, local access to lower cost gravel and sand for roads and development will disappear.

4. Trucking: Trucking is becoming a problem as truckers are faced with increasing costs, increased regulation from DOT and increasing scrutiny from local police. There is a concern that the truckers who now support the small gravel miner are not going to be financially able to stay in business much longer.

5. Mining Practices/Site Resortation: Mining practices have changed recently so in a 100 acre site the operators is likely to mine one 8-10 section at a time, restoring the section prior to moving to open another 8-10 acre section. This practice of “reclaiming as you go” has the effect of minimizing the negative impact on the environment and on neighbors. Mr. Miller invited the Committee visit the two mines he had operated which have been restored and put back into use to see what a restored site looks like.

6. Uses for Gravel: Once out of the ground, gravel and sand can be trucked to processing facilities and turned into things like concrete blocks and cement, or processed locally and used for local road maintenance and local construction projects. It was estimated that 70-80% of the gravel that could be mined in Ancram would be able to be processed locally and used for local projects. Mr. Miller commented he processed and sold locally from the two mines he had operated over the past 20 years, and had the processing equipment needed for this kind of operation. Local processing is also regulated by DEC.

7. Ancram Gravel Inventory: The location of gravel deposits in Ancram is well known based on USGS soil maps and on years of development, digging holes for perk tests etc. Mr. Faroni showed the Committee a map with areas of gravel marked, and said he would make a copy of the map and send it to the Committee for future reference. It was not known how many of Ancram’s 27,000 acres were gravel, or of the gravel acreage, how

much was accessible. Known gravel deposits are along Route 22 (in the Scenic Overlay Zone) and along Route 82. In addition, known gravel deposits are on the Sommerhoff Farm, along Four Corners and Simons Rd. The Committee should consider taking a “gravel inventory” as part of the Comp Plan process.

8. Permit Process: Mining permits can take about 1.5 years to secure, and are coordinated between the Town and DEC. Mines are supposed to dig no deeper than 10 feet above the water table. If a permit for mining (dredging) through and under the water table is desired, that is a separate permitting process.

10. Pace of Gravel Extraction: The length of time a mine will be active is a function of how much gravel is there, how much demand there is for the product and how fast the deposit is removed. There is no way to determine how long mining will be taking place at a specific location. The faster the product is removed, the quicker the mine will run out, but the more traffic there will be on a per day basis.

11. Challenges Facing Miners: One of the major issues facing mine operators has been public resistance. Anthony Palumbo commented there has been a “stigma” to mining. Mining has faced issues like too much truck traffic, noise, dust and poor communications, concerns for environmental and historic site protection, and by actual or rumored bad prior experiences related to restoration of mine sites and Dec violations. The mine operators indicated they were very aware of these problems and were doing everything they could to improve their relationships with communities and establish good working relationships with Towns. DEC has also apparently improved their capacity to oversee and regulate mines, which has been a cause for concern among mine operators and has raised mine operations costs. But improved DEC oversight could have a beneficial effect on the public’s perception of mining.

12. Demand: Demand for gravel is a function of the pace of development, the demand for longer driveways for new country houses, road maintenance and road building.

13. Mining in 2030: Jim Bryant asked where gravel mining in Ancram would be in 20 years. There was no easy answer. Perry Miller thought there would not be any gravel mining in 20 years, as the gravel would be gone. Others thought there still would be gravel mining, and hoped we would have the gravel for local purposes.

14. Summary: The Committee was impressed with what we heard about the DEC regulatory and enforcement process, which as described, was more strict and rigorous than we had been aware. In addition, the Committee was impressed by the commitment expressed by the gravel mining community to work with the Town to develop better a understanding of new mining practices and how the Town and the miners could both benefit from Town support for local mining activities.

The meeting adjourned at 9.20 PM.