

CONFERENCE COMMITTEE ON HB 3013A

August 15, 2003 Hearing Room D
8:00 AM Tapes 4 - 5

MEMBERS PRESENT: **Rep. Bill Garrard, Chair**
 Rep. Susan Morgan
 Rep. Mike Schaufler
 Sen. Frank Morse
 Sen. Frank Shields

STAFF PRESENT: **Ray Kelly, Committee Administrator**
 Linda K. Gatto, Committee Assistant

MEASURE HEARD: **HB 3013A Informational Meeting**

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents, please refer to the tapes.

<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
TAPE 4, A		
002	Chair Garrard	Calls the meeting order at 8:08 a.m. and opens an informational meeting. Calls invited testimony, Art Schlack, Don Schellenberg, and Rich Angstrom.
<u>HB 3013 INFORMATIONAL MEETING</u>		
009	Chair Garrard	Asks each member of the panel to comment on what issues have been settled, where the differences are, and why an agreement has not been reached.
018	Art Schlack	Association of Oregon Counties. Reports there have been several meetings on three major points of discussion; the Beaver State case, the Eugene Sand and Gravel case and the establishment of an interim task force. States that progress was made on the Eugene Sand and Gravel case and the composition of the task force, however, Beaver State was a larger problem.
039	Schlack	Continues to discuss his recommendation that all Class 1 and Class 2 soils in the valley, over 35%, require a Goal 5 process for a mining permit. Explains that the conditional use permit would still be available.
075	Chair Garrard	Asks does he believe an agreement is possible if more time for discussion is allowed.
082	Schlack	Answers that there is a good working relationship among the panel and additional time would be beneficial.
083	Sen. Shields	Asks for clarification on the Eugene Sand and Gravel concept.
092	Chair Garrard	Notes that Brian Shipley will offer an update on this.
102	Sen. Shields	Asks should water quality issues be considered by the task force.
124	Schlack	Answers that the task force should consider the process and procedures for siting criteria and part of that would consider water.
126	Don Schellenberg	Submits (EXHIBIT A) . Expresses that it will take all interim and a lot of discussions to fully understand the issues. Acknowledges consensus, in regard to the Beaver State issue, to

		get the most rock mined without destroying the farmland. Outstanding with the Beaver State issue is what criteria are used to decide mining Class 1 and Class 2 lands.
160	Schellenberg	Continues, states that they have reduced the requirement from high value to Class 1 and Class 2 prime and unique lands. States there is disagreement with the dust issue; ORS 215.296 allows the parties to determine on a case by case basis the dust standard for that area. Notes there are 250 crops with different acceptable levels.
261	Schellenberg	Continues testimony encouraging the use of basalt where possible and reduce the need for the alluvial rocks.
218	Sen. Shields	Asks if quarry rock (basalt) more expensive to extract.
226	Schellenberg	Defers the answer to Mr. Angstrom.
229	Rep. Schaufler	Asks how much farm land in the Willamette valley is being mined. Notes that he has heard ranges from .65% of farm land up to below 2%.
235	Schellenberg	Responds there are many factors involved.
243	Rep. Schaufler	Clarifies the question asks of all the farm land and all the mining what percentage is mining. Notes that gravel is currently being imported from the State of Washington for road improvements on Sunnyside Road in Clackamas County. Notes this is expensive.
269	Schellenberg	Explains the Farm Bureau is concerned about this is because this is farm land, protected for farming. Notes that when the EFU zones were created, there were 7 conditional uses allowed, today there are 50.
290	Chair Garrard	Clarifies that the information came from the Oregon State University Extension Office.
298	Sen. Shields	States that he would like clarification on what percentage is in EFU Zones and what percentage are Class 1 and Class 2 soils.
302	Rich Angstrom	Oregon Concrete and Aggregate Producers Association, (OCAPA). States that the aggregate industry is a resource industry without a designated home. Summarizes that all natural resources are either grown or mined.
332	Angstrom	Agrees that disturbing the least amount of farm land to attain the greatest amount of aggregate is the goal. Notes that this is a fight over the flood plain and that the issue boils down to a consensus on the Eugene Sand and Gravel issue, modification of the policy statement that captures the "least disturbing" language. The Beaver State issue is not in agreement with the Farm Bureau. There is substantial agreement on the task force and the -7 amendments meet the Governor's criteria.
TAPE 5, A		
006	Angstrom	Explains that present law does not restrict how mining is done but there are depth limitations. Proposes moving the -7 amendments, (EXHIBIT B) and continuing these discussions into the interim.
040	Angstrom	Proposes an option to use only the Goal 5 process on Class 1 and Class 2 soils greater than 35%. Notes that that would result in no conventional use permit (CUP) process in the valley.
049	Chair Garrard	Asks is having an option what the industry prefers.
051	Angstrom	Responds if the industry agrees to this there would be no CUP process for two years. Explains the difference between the CUP and Goal 5 processes.

069	Angstrom	Reiterates that this is a two-year suspension on the process issue. This is not a popular issue for either side but it will move the issue forward.
087	Angstrom	Discusses the variable costs of production noting that the most significant is transportation. Explains that on basalt formations there is drilling, blasting, and crushing. On alluvial sites there is dredging, digging with a track hoe, or dredging with a clam shell dredge.
130	Angstrom	Continues to discuss the costs according to the size of the site. Notes that the issue for the committee is transportation. Answers Rep. Schaufler's earlier question regarding farmland consumption, and explains that when compared to farmland the percentage is small as formerly stated.
176	Chair Garrard	Asks if given more time will there be an agreement on the Beaver State issue.
197	Schellenberg	Answers yes but a timeframe is uncertain. Explains that the question is who uses the Class 1 and Class 2 farmland in EFU Zones the most. The aggregate industry is a major user and is a concern.
214	Chair Garrard	Clarifies that the issue regarding transportation is the cost to the people of Oregon having to go outside the state for the aggregate.
236	Schellenberg	Responds that for some reason the aggregate is being purchased cheaper from that source than from an in-state source. States for the record that ODOT has indicated support for working within the Farm Bureau's proposal.
233 249	Sen. Shields Angstrom	Asks Mr. Angstrom what is needed to fix the Goal 5 process. Explains that there are a lot of technical issues. Comments that the biggest failure of Goal 5 is that it has the mining industry engaged in an adversarial farm dispute/resolution situation. This is what the interim committee would need to address.
311 325	Sen. Shields Schlack	Asks Mr. Schlack how he would fix Goal 5. Responds that the Goal 5 process identifies and evaluates the social-economic consequences. Suggests streamlining and identifying issues early. Notes that another issue is whether the permit authority is the purview of the state or the local governments.
390 391	Chair Garrard Brian Shipley	Thanks the panel and calls Mr. Shipley Mediator. Reports there is general agreement on the language for a bill but balancing aggregate and farmland is still in discussion. Submits (EXHIBIT C) .
TAPE 4, B		
012	Shipley	Discusses the need for focus on the Beaver State issue. Notes there is agreement that sites permitted before today, regardless of the permit or type of soil, should continue to operate.
044	Sen. Shields	Reviews (EXHIBIT C) . Comments that legislative time is running out and the solution needs to be resolved in conference committee. Request more time for a solution.
068 078	Chair Garrard Shipley	Asks if extra time is allowed, is an agreement probable. Answers an agreement is probable. Comments that the workgroup is committed and focused.
086	Sen. Shields	Notes that mention was made that the Governor's Office is in agreement with the -7 amendments. Requests that Mr. Van't Hof from the Governor's office be allowed to comment on the task

101	David Van't Hof	force. Governor's Natural Resource Policy Advisor. Answers that the Governor's Office supports an interim task force. Notes that in regard to the membership of the task force he would like to see balance.
143	Sen. Shields	Asks if the Governor's Office is interested in participating in the current discussions. Notes that the question remains whether the aggregate bill is necessary or not.
153	Van't Hof	Responds that he will participate. Acknowledges that the main issue is how to handle Class 1 and Class 2 soils.
183	Chair Garrard	Expresses he is disappointed that there is not agreement today but asks if the committee agrees to extend this process. Acknowledges that Farm Bureau is in a difficult position as there is nothing to win and expresses appreciation for Mr. Schellenberg's participation.
190	Chair Garrard	Hearing no objection, states that Mr. Shipley will continue the discussions and Mr. Van't Hof will join in the discussions.
200	Chair Garrard	Announces the next meeting for August 20, at 9:00 a.m. and adjourns the meeting at 9:20 a.m.

EXHIBIT SUMMARY

- A. HB 3013A, written testimony and the -A6 amendments dated 8/6/03, Don Schellenberg, 3 pp**
- B. HB 3013, -A7 amendments dated 8/7/03, Rich Angstrom, 7 pp**
- C. HB 3013A, Status of Discussions, Brian Shipley, 2 pp**