

ROSEMARY'S MOUNTAIN QUARRY

Facilitated Community Dialogue

March 3, 2010

MEETING SUMMARY

This facilitated Community Dialogue between the Fallbrook Community and Granite Construction Company began with an overview by Sharp Resolutions (neutral facilitators) of the dialogue process since its inception in February of 2008. A detailed summary of this process can be viewed on the Granite website devoted to the quarry at www.rosemarysquarry.com. All dialogue minutes, public information meeting summaries and working group meeting minutes can be found on the site along with the EIR, air quality monitoring reports and other quarry information.

Next, Gary Nolan, Senior Project Manager for Granite Construction in charge of the site, gave a status report of the quarry. Because of the down economy, the quarry's business for aggregate (crushed rocks used to build roads) has been very slow – approximately 4 truckloads a day since September, 2009. There also has been no blasting since then because of Granite's inventory of large rocks collected by that time. Most of the loads have been for the building of the near-by power plant and local erosion control.

The facilitated dialogue then moved to the focus of the evening: air quality monitoring at the quarry. This segment began with a short summary by Sharp Resolutions about how the Dust Monitoring Working Group – made up of community members and Granite Construction representatives – was formed and the manner in which they have conducted their meetings since July, 2008. Details regarding this work can be found in the group’s meeting minutes on the quarry website.

Jim Oenning, one of the community members of the Working Group, and Mr. Nolan then outlined the purpose and goals of the group, including what is being monitored and why. Mr. Oenning began by reviewing some of the legal history, including the California Supreme Court’s ruling confirming the permitting of the quarry. He pointed out that in the ruling, the court left the door slightly open for a review of the Environmental Impact Report (EIR) if certain events occurred (such as significant new information regarding dangerous emissions etc.) Mr. Oenning went on to say that the primary concern of the community was the possible exposure to crystalline silica (microscopically small dust particulates) that is created by the crushing of rock to create aggregate and that can cause a fatal lung disease called silicosis. This concern led to the creation of the Working Group to work with Granite Construction to develop an air quality monitoring plan and system to test the air coming off of the quarry to assure that it is safe for the surrounding community. Mr. Nolan concurred with Mr. Oenning that the purpose of the Working Group is to monitor the dust particulates emitting from the quarry to assure the safety of the community.

It was noted by Mr. Oenning that his research has not identified any other quarry in North America that is conducting the level of air quality monitoring being conducted at Rosemary’s Mountain. Both he and Mr. Nolan explained that regulations require what is called opacity testing at the quarry site (a form of visual test performed by persons certified at the quarry to determine the extent to which one can see through dust created at the site) but none mandate more extensive monitoring of the type created by the Working Group.

During the last half of 2008, the Working Group held monthly meetings to discuss and determine what would be monitored, the frequency and by whom. Mr. Oenning and Mr. Nolan noted that after extensive discussions, the group decided to

have three phases of monitoring done at the quarry: the first phase monitoring for the larger particulates (PM 10 size – 10 microns and smaller) since the vast majority of dust created would be of this greater size from the construction of the quarry and the widening of SR 76; the second phase, after the full quarry operations begin in 2012 or 2013, will monitor primarily for crystalline silica (PM 4 size -4 microns and smaller) because of the greatly increased amount of rock crushing; and, the third phase, when the asphalt plant is built and operating, will include measurement of even smaller particulates (PM 2.5 size – 2.5 microns and smaller) from diesel emissions.

After extensive screening and interviewing, the Working Group selected the independent air quality monitoring company, SCS Tracer Environmental to conduct the monitoring of the quarry in 2009. It was also decided to conduct the monitoring for the PM 10 and below size particulates on the same 6 calendar day cycle done statewide by the Air Pollution Control Board (including the closest air quality testing sites in Oceanside and Escondido) so that the results of these regional sites could be readily compared to the quarry. Mr. Nolan noted that this staged monitoring plan has been approved by the County.

It was made clear by Mr. Oenning throughout the dialogue that it is his and his fellow community members of the Working Group's goal and objective to make sure that, throughout the life of the quarry, it is not emitting dust particulates that are harmful to the public (particularly crystalline silica). Mr. Nolan similarly maintained that it was his objective to demonstrate to the Fallbrook community that Granite's work at the quarry will cause no harm to the community from the additional particulates that may be created during its operations. Mr. Nolan stated that there are or will be several ways that Granite Construction will help keep any particulates created at the quarry from leaving the site including: frequent watering of roads and crushing equipment, etc. to keep dust down; coating the road with dust suppressant products; when full operations for aggregate begins, all rock crushing is enclosed in buildings equipped with bag houses for dust reduction; all quarry roads be paved, including those leading into and out of it; and spraying truck loads with water as they are loaded.

In addition to the PM 10 monitoring in 2009, the Working Group also decided have some random analyses conducted of the samples to determine the

amount of crystalline silica that may be present at the site. In the last two quarters of 2009 six such analyses were performed by Tracer, the results of which are described below. The reason for gathering this data before the second stage of monitoring a few years from now, according to Mr. Oenning, is to establish some baseline measurements for future comparisons (specifically to those collected when full rock crushing operations begin).

The dialogue meeting then moved to SCS Tracer Environmental's presentation of the 2009 results by Jim Stirling of Tracer. Responding to a question posed by a Fallbrook resident in the audience regarding why the community should trust that the monitoring has been conducted independently and that the results are accurately reported (because Granite has contracted with and is paying them), Mr. Stirling responded that his company's reputation is too important to jeopardize by skewing the monitoring or the results; essentially, he stated that his company would be out of business soon if it did not independently, professionally and accurately perform its scientific work.

Mr. Stirling then presented the 2009 air quality monitoring report of the quarry; the full quarterly monitoring reports can be viewed in their entirety on the quarry website (www.rosemarysquarry.com). After describing the monitoring equipment used (that meets EPA requirements) and the four sampling locations (one upwind, one downwind and two located along the sides of the quarry), Mr. Stirling walked the audience through various charts and graphs depicting the results. Tracer's conclusion for the year was that the average and median monitoring results from all quarters were well below the California and federal EPA standards for health safety for PM 10 particulates.

It was further noted that during the first two quarters, the amount of PM 10 coming onto the site was greater than coming off the quarry; it was speculated that this was due to the widening construction on SR 76. During the third quarter, although still well below the regulated state and national standards, more PM 10 was recorded leaving the quarry than entering it; it was stated by Mr. Nolan that this was expected since the road construction was completed in late June and because of the usual late summer conditions when more dust is created because of hot and dry conditions.

Additionally, after applying an industry accepted conversion for the random crystalline silica analyses (because the EPA standard is set for PM 4 size silica, not PM 10 size captured by the monitors), Tracer also concluded that the silica levels were also well below the regulated levels. It was noted, however, that accurate measurement of crystalline silica at the smaller, regulated size (PM 4) would require Tracer to use samplers on its monitors designed specifically to capture this decreased size. For this reason, the Working Group will have Tracer gather samples in 2010 using PM 4 filters along side the PM 10 samplers for the upwind and downwind sites during the hottest, driest months of the year (July through August). This will provide precise PM 4 (and below) size crystalline silica baseline data for comparison purposes in later years when the quarry is in full operation. For the other quarters in 2010, the random crystalline silica analyses from the PM 10 size filters will continue to be done. Except for the 3rd quarter, when only the upwind and downwind sites will test for PM 10 and PM 4 (one of each size at these locations), the rest of the monitoring for 2010 will remain the same (i.e., for PM 10 particulates at all four locations on the same 6 day cycle as the statewide and regional government monitoring for air quality).

Mr. Oenning responded to a question posed by someone from the community regarding the effect of crystalline silica dust collecting on crops that, to his knowledge, while there has been some research regarding harm to bees, there has none that has shown harm to humans. Mr. Nolan added that Mr. Pankey, who has several acres of orchards next to the quarry, uses bees to pollinate his fruit trees and that Mr. Pankey has reported no problems relating to the bees there.

Mr. Nolan was then asked about safety violations over the past two years at the quarry that was reported by the North County Times. He responded that it is common for quarries to receive some safety citations after periodic inspections by government officials. All citations, he noted, were minor. The citations included: a contractor's truck whose back up alarm was not working (the contractor repaired it); failure to close access to a quarry bench (access was closed); a gap in a berm (the gap was filled); no labeling on an electric panel (labeling was provided); a missing guard on the bottom of a conveyor (the guard was replaced); and excess noise from a drill (the drill was removed).

Finally, for the next few years until full operations at the quarry begin, the Working Group recommends that the facilitated Community Dialogues be held on a semi-annual basis, likely in September and March to review the first half of the year and the full year monitoring results, respectively. Any other concerns regarding traffic or other issues will also be addressed during these meetings. The quarterly monitoring reports, the minutes from the Working Group meetings and any other ongoing activities of the quarry and those monitoring its work can be viewed throughout the year on the quarry website (www.rosemarysquarry.com).