

# Azusa seeks financial safety net for mining proposal

**Daniel Tedford, Los Angeles Newspaper Group, 4-5-10**

AZUSA - Officials are working on cementing a deal to ensure a mining company keeps its agreement with the city.

Vulcan Materials Co. offered to buy an \$80 million performance bond regarding a proposal to move its Azusa Rock Quarry mining operation to 80 acres near the western part of Fish Canyon.

The bond allows Azusa to get money from Vulcan if the mining company fails to follow processes spelled out in a contract with the city, City Manager Fran Delach said.

Delach hopes the bond will help quell concerns that Vulcan won't abide by promises to do advanced mining techniques the company claims would leave less scarring on the mountain.

"That issue... came forth from an (Azusa) council member on one of his questions to Vulcan: 'How can we guarantee they pull this off?'" Delach said.

Moving the mining would put the operation on a site near the Duarte border, and officials there have long been pushing for a way to ensure that Vulcan would have a financial penalty if the company failed to live up to promises.

Duarte officials hailed the performance bond, but they were curious to see the details.

"Fantastic. We have been saying that from the beginning of the project," Duarte City Manager Darrell George said. "The devil is in the details, but the \$80 million sounds about right."

The \$80 million is based on the cost of the technique used to perform hillside reclamation, as well as additional work to prepare the hillside for that work, Vulcan officials said.

The deal is still in negotiations Delach said. The mining proposal, as well as any development agreement, would go before the City Council on April 19.

Critics have been skeptical of Vulcan's new mining proposal, which would swap a permit to mine 80 acres on the eastern end of its property for a permit to mine 80 acres on the west.

After mining, Vulcan officials promise to reshape the mountainside with one-to-two-foot "microbenches," which would easily be covered by plants.

The permit for the east side calls for large 30-to-50-foot benches.

"In addition to the reclamation technique being proposed at Azusa Rock already having been proved successful, the mandated financial bonding guarantees this work to be completed successfully," Vulcan spokesman Todd Priest said.

Critics point out that the venture would be the first time ever for Vulcan to use the "microbenching" technique.

Azusa resident Richard Deem, a member of the anti-mining group Save Our Canyon, said he likes the bond idea.

"At least if they reneged, we would get enough money to do something with it," Deem said.

However, if Vulcan failed to use the technique, Deem doubted Azusa would be able to find anyone to repair the hillsides.

"I don't think it helps in performance being done," Deem said. "They would get \$80 million and a really ugly mountain."

Duarte officials, openly critical of the proposal that moves mining closer to the city, have previously asked for \$20 million in performance assurance for their city.

Delach said the bond does not involve Duarte.

Whether or not Duarte will still pursue a bond of their own remains to be seen, George said.

"I am not willing to give up \$20 million in assurances, but they have made a lot of progress," George said.

Delach maintained that getting Vulcan to create a better-looking project is Azusa's top priority.

"That is where we have put our focus on this whole thing," Delach said.

Vulcan's performance would be judged by the city, Delach said. In their bi-annual review, the Planning Commission can assess Vulcan's work, and the City Council could take action as well, he said.

In addition, if the proposal is approved, the state mining board could also step in if the reclamation isn't performed to the levels outlined in the proposal, Delach said.