

COUNTY OF EL DORADO

330 Fair Lane
Placerville, CA 95667
(530) 621-5390
(530) 622-3645 Fax

JAMES S. MITRISIN
Clerk of the Board



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March 12, 2013

Mr. David Young
11845 W. Olympic Blvd. Suite 1110
Los Angeles, CA 90064

Re: Opposition to Ban on Suction Dredge

Dear Mr. Young:

On October 6, 2009 the Board of Supervisors for the County of El Dorado adopted Resolution #223-2009, expressing our opposition to the State of California's prohibition of suction dredge mining. Recognizing that this issue must ultimately be decided in a court of law, we wish to provide you with information about the impact to the County of El Dorado as a result of the lost economic opportunity.

A small remnant of the County's rich mining past, approximately 40 dredges regularly operated in El Dorado County in the six month mining season from May to October prior to the ban. Operators of suction dredges range from weekend hobbyists producing four to five ounces of gold in a season, to those who derive 100% of their income from mining producing 40 to 50 ounces or more per season. Some miners have reported seasons resulting in up to 100 ounces of gold. In consultation with experts from our mining community with over 100 years of combined experience, we conservatively estimate the value of lost gold production in El Dorado County to be over \$1.6 million annually.

The financial consequences of the suction dredge ban are not isolated to the mining community. Suction dredge miners typically employ two to three partners, and spend a considerable sum in goods and services within the community. Businesses that provide fuel, food, hardware, maintenance, and even office and financial services benefit from the practice of mining. Conservatively assuming a five day mining work week during the dredging season, combined with a minimal \$100 per day of expenses results in more than \$500,000 annually reinvested in the County economy. This analysis does not include the sizable initial investment in the suction dredging equipment itself.

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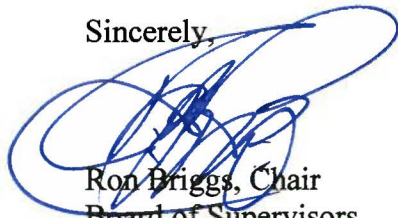
Additional costs to the community caused by the ban are incalculable. The largest mining supply store servicing El Dorado County was forced to close its doors shortly after the institution of the dredging ban thus affecting many jobs. Mining equipment worth thousands of dollars lie dormant, unused, and rendered worthless while miners are unable to perform their job.

In addition, many individuals in our community have invested in property adjoining rivers or streams and rely on mining for their livelihood with the expectation of dredge mining their land. Others have made the same investment hoping to supplement their income when they retire. The loss of business and property value as a result of the prohibition is immeasurable. Under the current ban, property owners who live adjacent to streams and have dredging equipment stored on their private property are considered criminal due the onerous stipulations of the dredge ban.

To date the three-year old dredging ban has directly cost the citizens of the County of El Dorado minimally 4.8 million in lost economic opportunity, not including indirect losses in business and property value. We trust that those working to resolve this complex issue will give priority consideration to the economic impact on California communities.

Please contact the Clerk of the Board of Supervisors at (530) 621-5390 if we can be of assistance to you in the future regarding this or any other matter of concern.

Sincerely,



Ron Briggs, Chair
Board of Supervisors
County of El Dorado