



# MINERAL RESOURCE Economic Services

SPECIALIZING IN THE CONSTRUCTION  
AGGREGATES INDUSTRY

■ **EnviroMINE, Inc.** has over 30 years of experience in the construction aggregates industry. Our staff has a detailed knowledge of the industry and its regulatory environment; this allows us to provide comprehensive and accurate analysis.

EnviroMINE offers the following economic services:

- Target Market Studies
- Mineral Resource Valuation
- Economic Benefits Analysis
- Market Royalty Rate Valuation
- Expert Witness Services

*Enviro***MINE**, Inc.



## ■ TARGET MARKET STUDIES

Target Market Studies include an evaluation of construction aggregate supply and demand within a market area. This includes identifying specific supply locations that service a market, estimating the demand for construction aggregate in that market, projecting supply and demand in the same market, and providing a detailed discussion of market conditions.

HOW HAVE CLIENTS USED THE MARKET STUDIES?

### - **Environmental Impact Reports - CEQA**

Justifying project need - A market study can show an imbalance in existing construction aggregate supplies to illustrate the need for new quarries or quarry expansions.

### - **Market Research**

Market studies can provide the necessary information to evaluate possible market area expansion, evaluation of highest and best use for a land area, and other business opportunities related to the industry.

### - **Appraiser Support**

Certified appraisals of mineral resource lands should be accompanied by market data to justify the certified appraisal value.

## ■ MINERAL RESOURCE VALUATIONS

Mineral Resource Valuations include estimates of value for the property's mineral reserves and associated products (i.e., recycled materials, ready-mix concrete and asphalt). EnviroMINE provides discounted cash flow analysis to estimate the net present value of these resources.

HOW HAVE CLIENTS USED THE MINERAL RESOURCE VALUATIONS?

### - **Appraiser Support**

Often certified appraisers do not have expertise in the construction aggregates industry. EnviroMINE provides market and valuation information to support mineral resource appraisals.

### - **Expert Witness for Eminent Domain/Inverse Condemnation**

When land containing mineral resources is included in takings litigation, EnviroMINE supports its clients with expert evaluation of lost value.

### - **CEQA Alternatives Analysis**

When an alternative is rejected due to "economically infeasible," EnviroMINE provides the necessary economic analysis to support this conclusion.

## ■ ECONOMIC BENEFITS ANALYSIS

An Economic Benefit Analysis measures the economic impact on a region from a proposal for a new or expanded project, or loss of a project. The analysis is commonly known as an Economic Impact Report. It measures the total economic impact from new revenue, earnings and jobs. The report uses published multipliers to estimate the project's direct benefits (i.e., new jobs at the quarry) and indirect benefits (i.e., jobs created in related industries). EnviroMINE's analysis includes the estimated tax revenue benefit generated from the project.

### HOW HAVE CLIENTS USED ECONOMIC BENEFIT SERVICES?

#### - **Public Relations**

It is essential in the permitting process to show decision makers the benefits a project will have on a region (e.g., new revenue, wages, jobs and taxes). Alternatively, the report may be used to illustrate the economic impact on a region if a quarry were to close.

Construction aggregate operations provide well-paying jobs and taxes for local communities. Therefore, decision makers must understand the economic benefit these operations have on a region. An Economic Impact Report is a valuable tool in a project's public relations endeavor.

## ■ MARKET ROYALTY RATE VALUATION

Market Royalty Rate Valuation is developed from our extensive database on mineral resource royalty rates. We conduct periodic royalty rate surveys to acquire this data.

### HOW HAVE CLIENTS USED ROYALTY INFORMATION?

#### - **Royalty Rate Negotiations**

Market royalty rates are often basis for lease agreements. New agreements or renewals require consideration of updated market royalty data.

#### - **Appraiser Support**

Mineral resource appraisers benefit from access to current market royalty rates.

## ■ EXPERT WITNESS SERVICES

EnviroMINE, Inc. is often called upon as an Expert Witness to provide mineral resource economics expertise in cases involving the construction aggregates industry or other mining related concerns.

In SAN DIEGO GAS & ELECTRIC vs SCHMIDT CA4/1, San Diego Gas & Electric Company (SDG&E) initiated an eminent domain proceeding to condemn an easement for electric transmission lines across private property offering \$700,000 as fair compensation. The court agreed with the landowners' experts (EnviroMINE) that an open-pit mining operation was the "highest and best use" for the land and the compensation should reflect the mineral resource value. The jury awarded the respondent \$8,030,000.



### CONTACT OUR STAFF TODAY!

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