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Hillsburgh Objection Response

Town of Erin 5684 Trafalgar Rd Hillsburgh, ON

April 9, 2015

Dear Mayor Alls

Following the Public Meeting held on March 25, 2015 concerning the Application for a Zoning Bylaw amendment and Amendments to the Town and County Official Plans the following response to questions raised is provided below. This response reflects the comments made at the meeting, but may not necessarily be in the order of delivery as there were several common themes that were grouped together for ease of review. If you have further questions or would like clarifications regarding the information provided below do not hesitate to contact me at the address below.

We would be pleased to share this response with participants at the meeting. Feel free to forward this letter as appropriate. CBM can also provide this response to individuals who left addresses at the meeting. We are also comfortable with this information being posted on the Town's web site.

Kind regards,

Stephen May

Lands Manager - Western Region CBM Aggregates

cc.

Mark Van Patter - County of Wellington

Dina Lundy - Town of Erin

Jeff Duncan – Councillor, Town of Erin

Matt Sammut - Councillor, Town of Erin

John Brennan - Councillor, Town of Erin

Rob Smith- Councillor, Town of Erin

Pierre Brianceau - Councillor, Town of Erin

Diane Schwier - Ministry of Natural Resources and Forestry

Traffic Concerns

CBM acknowledges that the concerns expressed regarding traffic through the community of Hillsburgh. Safety is of paramount important to CBM, and we are willing to do what we can to help address this concern of local residents. We are supportive of a Community Safety Zone being implemented in the town. We would be willing to assist the implementation of this tool to address traffic concerns in an appropriate manner. We would also support increased traffic enforcement through local law enforcement agencies.

In addition, CBM has a Trucker Policy that excludes truckers from our sites if they do not act responsibly while shipping materials from our operations. If there are identified problem truckers we follow up with those individuals. Warnings and bans from our sites are something we have done in the past with problem truck operators. CBM also has signs posted at all of its access points in Wellington County that reinforce to drivers that they are expected to drive safely and in consideration to local residents and school children.

It should also be noted that there several licenced gravel pit operations a short distance (within 25km) to the north of our site that use Trafalgar Road through Hillsburgh to deliver material to market. The traffic study completed for this application indicates that trucks associated with the CBM site represent a fraction of the gravel trucks travelling through Hillsburgh.

The traffic study prepared to support our application was completed by an experienced, expert traffic engineer, and peer reviewed by the County's Engineering Department. The traffic study indicated that the current and future volumes of traffic were well within the capacity of Trafalgar Road. As was mentioned at the Public Meeting, the County Engineering Department has recommended some improvements to the CBM pit entrance, including installation of a turning lane and widening the entrance. Our expectation is that these recommended improvements will be reflected in the conditions of approval for the pit expansion, and CBM would complete the works as directed by the County, at our expense.

Tonnage Increase

The tonnage increase is designed to provide business flexibility to allow CBM to bid on larger projects. Occasional projects like the Bruce to Milton Hydro corridor and various green energy wind power projects can require large amounts of material in a condensed period of time. The process of receiving a temporary tonnage increases to address this type of short term project through an amendment with MNRF and the Township usually take too long to secure to allow bidding on these projects. This can result in the material being shipped from a further distance increasing truck traffic on the provincial roads system. Having aggregates close to market is in the interest of all communities in Ontario. Sales at this operation have been relatively consistent over the past 8 years at approximately 300,000 to 400,000 tonnes.

It is anticipated that there will be very little increase in truck traffic through Hillsburgh associated with this application. The traffic study completed as part of this application indicated that the trucks associated with our operation was well within the safe capacity for the haul route. The allowable limit of material controls the maximum amount of truck traffic associated with our operations. With this application the increase in this amount is 25% to allow us the ability to bid on significant jobs if they

become available. The traffic studies completed indicate that even at maximum production and worst case scenario regarding time of year, the traffic levels are still a fraction of the capacity of Trafalgar Road. These studies were completed in June and August during the peak of shipping activity.

Fill and Rehabilitation

At this time importation of fill is not allowed at this site without prior MNRF approval. CBM does not plan to import fill at the site. Fill would only be allowed for final rehabilitation under specific and restrictive conditions that include the material meeting MOECC's Table 1 standards for inert fill and specific MNRF approval that would require a demonstrated need for the material for rehabilitation only and outline exactly where the material could be used. Our current calculations indict that there should be an adequate supply of suitable material on site to complete final rehabilitation of the operation and do not expect fill to be required.

Noise Levels

There are a variety of controls in place to reduce the level of noise coming from a pit to ensure that the noise is well within acceptable limits. Mining is not a silent activity, but the noise produced is also not excessive. Use of quiet back up beepers and significant berming to control noise emissions are part of the plans for this operation. The use of a Maximum Disturbed Area as is required for this operation through the Greenbelt legislation also reduces the amount of potential noise generated from this site. The Noise report completed to support this operation confirms that the sounds coming from the pit are of a standard to allow this activity and not significantly affect the quiet enjoyment of local properties.

Dust Management

CBM operates all of its aggregate sites to standards that exceed the Provincial ARA Standards for dust control. CBM aggregates implemented an ISO 14000 based Environmental Management System in 1999. This system provides an organized approach for achieving CBMs' environmental objectives. The EMS relies on a number of procedures to reduce the operations environmental impact. These procedures are based on industry best management practices, Ministry of the Environment requirements and experience. One of the cornerstones of the EMS for aggregates is the Air Procedures which main purpose is to reduce the amount of fugitive dust generated from aggregate operations. This is achieved through on site observations of dust levels and the use of simple practices such as speed reduction and water application.

MPAC & TOARC Levy Amounts

MPAC assessments of our properties are done in accordance with MPAC guidelines. Areas of industrial use are taxed appropriately and areas that have not yet been disturbed or that have been rehabilitated are taxed at an appropriate rate based on the current land use. This encourages wise use of the site where a reduced disturbed area provides a variety of environmental and community benefits.

In terms of the TOARC levy and the amount received by the local municipality, the rate is currently being reviewed by the province as part of its review of the Aggregate Resources Act. CBM is supportive of increases to these rates. However, these rates need to be increased consistently for all aggregate producers to not provide a competitive advantage based on different rates for different operators.

CMB regularly supports local initiatives in the communities in which we operate. If there are projects

requiring support, please feel free to forward them to our Lands team for review and packaging through to our corporate leadership group for consideration. We would be proud to be involved with good community-based projects in the Hillsburgh area.

Negative Impact to Waters and Wetlands

Protection of groundwater and surface water is a significant concern of CBM. There are no wetlands within the area of influence of this operation. The groundwater conditions are continually monitored for levels and quality. This site has a monitoring program that includes six monitoring wells (increased from three) that are measured monthly and an annual report is completed that includes well level data and water quality data. This monitoring report is submitted to the Township and MNRF annually. Detailed records are also kept of the water use for the wash plant at the site that is included in the report and as part of the sites Permit to Take Water requirements. This information is included in the analysis of the Annual Groundwater Monitoring Report that is reviewed to ensure there are no adverse effects on the waters caused by CBM operations.

To support the expansion application and the Below Water Table amendment, hydrogeology studies have been completed to address these issues to the satisfaction of government agencies including MNRF, MOECC and the Credit Valley Conservation Authority. The studies have also been peer reviewed by experts (Blackport) that have indicated that there are no foreseen negative impacts associated with the proposed CBM Hillsburgh operation on water quality or quantity. The amendment for a below water table extraction for the existing operation has been approved by MNRF and MOECC that was based on expert analysis of these reports and the addition of three additional monitoring wells.

Will fish habitat affected – Per Federal Fisheries Act

The Ministry of Natural Resources and Forestry is responsible for screening projects concerning their impact on Fish and Wildlife. The Credit Valley Conservation Authority is responsible for administering the Fisheries Act in cooperation with the Department of Fisheries and Oceans. This project was screened by both of these organizations and no concerns regarding fish habitat were expressed. The site is over 1km from any surface water areas that could be classified as fish habitat. This screening included hydrological assessment addressing any potential impacts to water quantity or quality in fish habitat and wetland areas in the vicinity of the proposed expansion.

Negative affect health due to increased dust and diesel fumes

The operation will disturb different areas than what are currently being mined. However, there is a "Maximum Disturbed Area" requirement with this site that will result in an area no larger than the current site being opened up at any one time. It is expected that this will result in no increases in dust or diesel fumes. Areas will have to be rehabilitated and vegetated sufficiently prior to new areas being cleared to allow access for extracting material. The mining plan will see no change in the maximum disturbed area of the site and little change in the amount of production from the facility. The proposed expansion does propose an increase in the allowable annual tonnage limit. This will allow CBM the flexibility to increase production if market demand is there, but it is not anticipated that the site will operate at maximum production in the near future. If larger jobs become available there may be short term increase in the truck traffic and production, but this is limited by the allowable tonnage for this licence.

Public Health and safety due to potential fuel spills affecting water and soil

The site plans have a fuel handling procedure and a spill contingency plan associated with this operation. CBM staff are trained and practice responsible use of fuels and chemicals as part of their responsibilities. This is level of care is standard practice in all CBM operations and we have not had an issue with site contamination in the past due to the high priority we place on handling fuel and other potentially dangerous materials in a responsible manner according to legislation and best management practices. Mining below the water table has also been deemed an acceptable use that does not pose a significant threat to drinking water, and this is reflected by the MOECC Guidance documents for Source Water Protection Planning in the Clean Water Act.

Destruction of 12 acres of mature forest resulting in loss of habitat and protected species.

The woodlot in question has been deemed a "Significant Woodlot" by the County of Wellington based on it being over 10ha in size, "Significant Wildlife Habitat" due to the up listing of eastern wood peewee and wood thrush as Species at Risk (Special Concern) by the MNRF and "Sub Watershed Protection Area 1" by CVC. The impacts of removing the woodlot are still being reviewed by MNR and CVC and the County and we are awaiting further information which may result in some changes to our proposed mining plan.

Loss of Prime Agricultural Lands

The rehabilitation of the site will restore about 50ha to prime agricultural use. The balance of the site will be restored to natural environment features to improve the ecological function and biodiversity on the site through providing forest cover on the side slopes and a wetland/pond complex. The quality of agricultural land is expected to be of similar or improved quality in time as it will be flatter and closer to the water table.

Negative impact on lifestyle resulting in a loss of enjoyment

The expansion proposed will increase the amount of area affected by mining at the Hillsburgh Pit. But, there will not be an increase in the area being mined at any one time. For this reason there is little anticipated change associated with the operation in a variety of ways. Dust, fumes and road traffic are not expected to change significantly from the current operations that have been underway for over 25 years at this site. Increased rehabilitation will be a result of these works that will improve the site more in the future from a visual, biodiversity and forest cover perspective.

Little rehabilitation of existing pit

In 2012 and 2013 rehabilitation began on some of the side slopes in the pit on the western boundary. This work will be ongoing and it is our intention to have more significant progressive rehabilitation completed over the next few seasons.

The Greenbelt Maximum Disturbed Area requirement demands that areas are rehabilitated prior to new areas being opened up for mining. One of the constraints to completing final rehabilitation at this site is the requirements for significant berming for visual, acoustic screening and dust control. These berms contain overburden and topsoil that will be used for future rehabilitation and are required to remain in place for the active operations currently underway. These berms are also located at the edge of the pit area. Rehabilitation will be more progressive when the mining of Phase 1 of the proposal is completed. Topsoil and overburden from this area will be put directly into rehabilitation of side slopes and pit floor areas where mining is complete. When Phases 3 & 4 are mined the final rehabilitation to agriculture will be progressive. As the face moves northeast a modest working area will be maintained. Rehabilitation

will take place behind the working area sequentially as the mining face moves forward and in the pit floor area of the existing licenced area. Details of this rehabilitation sequence can be found on the "Progressive and Final Rehabilitation" page of the site plans.

References

The information supporting this response is included in the package submitted to the Town of Erin, Wellington County and the Ministry of Natural Resources and Forestry through the licensing process. Two copies were provided to the Town of Erin and the Ministry of Natural Resources and Forestry. If you would like further clarification of these items or additional copies of the documents below please contact Stephen May.

These reports include:

- Planning Report & Aggregate Resource Act Summary (MHBC, December, 2011)
- Traffic Impact and Site Access (Grant A. Bacchus Ltd. September, 2011)
- Level 2 Natural Environment Technical Report (Stantec December, 2011)
- Noise Report (Aercoustics Engineering Ltd. November, 2011)
- Archeological Assessment Stages 1 & 2 (Archaeologix Inc. June, 2007)
- Hydrogeological Assessment (Cambium Environmental November, 2011)
- Site Plans for Class A Pit License (MHBC Planning October, 2013)(4 sheets)