



The Regional Municipality of Halton

Report To:	Chair and Members of the Planning and Public Works Committee
From:	Mitch Zamojc, P. Eng., Commissioner, Public Works Mark G. Meneray, Commissioner, Legislative and Planning Services and Corporate Counsel
Date:	October 22, 2009
Report No. - Re:	PW-09-09/LPS108-09 - Aggregate Operations Annual Monitoring Report (2008)

RECOMMENDATION

THAT Report No. PW-09-09/LPS108-09 re: “Aggregate Operations Annual Monitoring Report (2008)” be received for information.

REPORT

Purpose

The purpose of this report is to provide Regional Council with an overview of aggregate operations in Halton Region for the period from January 1 to December 31, 2008, as well as an update on Halton’s Adaptive Management Plan (AMP) agreements. This report also highlights proposed changes to Regional Official Plan policies through Regional Official Plan Amendment #38 (ROPA #38) that would strengthen the Region’s role in oversight of aggregate operations.

Regulation of Aggregate Operations

The Ministry of Natural Resources (MNR) is the agency responsible for regulation of aggregate operations in Ontario, including issuance of licences for extraction of aggregate in accordance with the *Aggregate Resource Act* (ARA) and the *Planning Act* and enforcement of license requirements and conditions.

As a condition of each licence, aggregate producers are required to submit an annual Compliance Assessment Report (CAR) to the MNR with a copy to the municipality. The CAR is essentially a check list of general compliance conditions, such as site access, site protection, operational details, disturbed area, and rehabilitated area. The aggregate producer is required to identify any issues of non-compliance and indicate how and when each issue will be resolved.

If a non-compliance issue is not addressed to the satisfaction of the MNR, then the licence may be suspended (for a minor violation) or revoked (for a major violation). Once the non-compliance issue is addressed, then the license may be reinstated. When an aggregate producer has completed extraction and rehabilitation, the licence is surrendered to the MNR and cannot be reinstated.

A Permit to Take Water (PTTW) from the Ministry of the Environment (MOE) is required if the water taking from an aggregate site exceeds 50,000 litres per day. Each PTTW requires the submission of an annual report to the MOE.

2008 Compliance Assessment Reports

Currently in Halton Region, there are twenty-five aggregate licences, as shown in Attachment #1 - Existing Aggregate Operations. The operational details of the twenty-five CARs for 2008 are outlined in Attachment #2 “Details of Aggregate Licensed Operations”.

The following four aggregate sites in Halton Region were previously licensed but the licence has been revoked or surrendered:

- #5477 Campbellville Pit #1244002 Ontario Ltd. (revoked for unspecified reasons – the licensee has requested a hearing with the OMB);
- #5496 Milton Limestone (surrendered – rehabilitation met the site plan requirements);
- # 5574 Woodlawn Guelph Campbellville Pit, Woodlawn Guelph Ltd. (revoked in April 2008 for non-payment of licence fees);
- #5687 J.C. Duff Ltd. (surrendered – October 2008-rehabilitation met the site plan requirements).

Adaptive Management Plans

Adaptive Management Plans (AMPs) are legal agreements between the aggregate producer and Halton Region established as part of the application process. The primary reason for an AMP is to provide a mechanism to ensure that surface and ground water resources (e.g. wells, streams, wetlands) are protected. AMP agreements allow for greater oversight by Halton Region of aggregate operations by requiring the aggregate producer to report on any adverse impacts to water resources. Halton Region currently has two AMP agreements:

- Dufferin Aggregates Milton Quarry Expansion AMP (refer to PPW49-03);
- Hanson Brick, Tansley Quarry AMP (refer to PPW02-07).

Dufferin Aggregates Milton Quarry Expansion AMP

The Dufferin Aggregates Milton Quarry Expansion AMP took effect following the MNR issuance of licence #608621 (refer to number 19 in Attachments #1 and #2). The main purpose of this AMP is to provide a process to implement mitigation measures for the protection of water resources and groundwater supported features and functions. This is achieved through a system of recharge and monitoring wells around the quarry extension perimeter that provide a warning and mitigation measures if groundwater levels drop below prescribed levels.

The three parties to the AMP (Dufferin Aggregates, Conservation Halton, and Halton Region) meet quarterly as a Working Committee to discuss issues related to the operation of the quarry. The minutes of the Working Committee meetings are provided for information to an

Implementation Review Committee including the Town of Milton and other government agencies. In 2008, there were no reportable events related to extraction at the Dufferin Aggregates Milton Quarry expansion areas.

Hanson Brick Tansley Quarry AMP

The main purpose of the Hanson Brick Tansley Quarry AMP is to set out a program by which the potential effects of the quarry can be monitored and to guarantee that affected properties have an uninterrupted water supply. Through the AMP, Hanson Brick has agreed to construct and operate a private communal water system to supply water to neighbouring properties (refer to Report LPS66-09, Hanson Brick Ltd., Tansley Quarry, Private Communal Water System). Hanson Brick is also required to submit an annual report to Halton Region on their groundwater monitoring program, as well as a report on any unusual water levels or water quality data within thirty days of detection. Furthermore, the AMP contains secondary agreements, including:

- Transportation Servicing Agreement for the construction of a left hand turn lane into the site for increased truck traffic;
- Access Agreement related to the private communal water system;
- Framework Agreement (refer to PPW62-06).

Extraction of overburden began in 2007 and to date no issues have been reported. Currently, material is stockpiled and blended with material from Hanson's Burlington quarry for processing off-site.

Aggregate Royalties

Halton Region receives royalties through The Ontario Aggregate Resources Corporation (TOARC) at a rate of 1.5 cents per tonne of aggregate extracted within its borders. TOARC collects and disperses the aggregate royalties after setting aside a portion for the Aggregate Resources Trust. The money from the trust is used to rehabilitate pits and quarries that have been abandoned by a producer.

In 2007, Halton Region received \$142,847 in aggregate royalties. Royalties for aggregate extracted in 2008 will be sent to the Region in the Fall of 2009. The royalties are deposited into a Transportation operating account for roads, and any monies remaining are transferred to the tax capital reserve as a part of the year end transaction report.

Halton Region also collects money from the Dufferin Aggregates Milton Quarry through two separate easement agreements in a section of the Regional Forest referred to as the Cox Tract. The money collected is deposited into a Long Range Planning account for maintenance of Regional Forests. Through both agreements, a total of \$162,425 revenue was generated in 2008.

Halton Region's Role in Aggregate Monitoring

As discussed above, the MNR is the agency responsible for regulation of aggregate operations in Ontario. Currently, Halton Region has a very limited ability to monitor aggregate operations.

Halton Region receives copies of the annual Compliance Assessment Reports; however, the information contained in these reports is very limited. The following information is currently not available to Halton Region but would be useful for assessing the state of aggregate operations in Halton Region:

- Total quantities extracted in tonnes;
- Type of material extracted;
- Quantity of aggregate remaining in tonnes;
- Quantity of aggregate processed at the site from other pits/quarries;
- Market location for aggregate extracted/processed;
- Progression of rehabilitation in greater detail;
- Truck volume and destinations on a daily basis;
- Total water pumped;
- Groundwater level and quality data;
- Complaints due to traffic, dust, or blasting.

Halton Region has been moving towards a more active monitoring role through the implementation of AMP agreements. However, staff are of the opinion that municipalities require access to additional information in order to provide effective oversight of aggregate operations.

Through ROPA #38, planning staff are proposing several changes to the policies of the Official Plan. Many of these changes are intended to strengthen the role the Region plays once the MNR issues a licence under the ARA. Some of the changes being considered are as follows:

- Require mandatory review of site plans and conditions of licence under the *Aggregate Resources Act* no less than every five years;
- Permit delegation to upper tier or single tier municipalities and conservation authorities the review and enforcement of site plans and conditions of licences under the ARA;
- Establish a fund to safeguard defaults in the implementation of rehabilitative plans and AMP and other obligations of external operators;
- Implement an Aggregate Resource Reference Manual to allow Halton Region to collect information for future planning decisions;
- Discourage the use of AMP agreements or similar measures that require continuous or perpetual active on-site management during and after extraction.

Through these proposed changes, Halton Region would be in a better position to monitor aggregate operations, understand the impacts of extraction, and play a critical role in ensuring that long-term impacts from aggregate extraction are minimized.

FINANCIAL/PROGRAM IMPLICATIONS

Under the terms of the Adaptive Groundwater Management Plans (AMPs) agreements the cost of administering the AMPs by Halton Region is recovered from each aggregate producer subject to an AMP agreement.

RELATIONSHIP TO THE STRATEGIC PLAN

This is an operational matter not directly related to the strategic plan.

Respectfully submitted,



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