

Special Edition Stepping Stones



THE DUNTROON QUARRY EXPANSION NEWSLETTER

May 14, 2010

Message from Walker Aggregates' Vice-President

The hearing by the Consolidated Hearings Board got underway May 3, 2010, to review Walker Aggregates' application for an expanded Duntroon Quarry. As part of our ongoing efforts to keep our neighbours and interested parties informed about the proceedings of the hearing, Walker will be producing special editions of Stepping Stones every two weeks. We hope you find these newsletters informative.

As always, please feel free to contact me if you have any questions or concerns about our existing quarry operations or our proposed expanded quarry.

You can reach me at 705-445-2300, extension 224, or in Niagara at 905-227-4142, or visit our website at <http://www.walkerind.com/walker-aggregates/duntroon-expansion.html>.

A handwritten signature in black ink, appearing to read "Ken Lucyshyn".

Ken Lucyshyn

Hearing Begins on Proposed Duntroon Quarry Expansion

Lawyers for Walker Aggregates and the Niagara Escarpment Commission (NEC) each presented opening statements on the proposed Duntroon Quarry expansion on the first day of the hearing before the Consolidated Hearings Board.

Walker lawyer Wayne Fairbrother told the board the quarry expansion should proceed because the application addresses four important cornerstones: it represents a continuation of an existing land use; it meets all applicable provincial policies, standards and guidelines; the expanded quarry is to be located in an area of the escarpment where aggregate extraction is permitted, subject to proper approvals; and that the approval of the quarry expansion will result in environmental enhancements and economic benefits to the area.

Fairbrother noted that provincial policy states that as much of the aggregate as is realistically possible shall be made available as close to the market as possible, because of the financial and environmental costs of shipping aggregate great distances. He argued that the high quality amabel dolostone from the quarry would be used for local construction projects. Fairbrother also referenced the meetings Walker has held with

neighbours to hear their concerns and address them, and he spoke of the company's track record of environmental stewardship – stating the company is the only Ontario aggregate producer to have twice won the Niagara Escarpment Achievement Award.

Among other points, Fairbrother noted that it's "somewhat remarkable" that so many affected agencies have expressed no significant concerns with Walker's application including the Ontario Ministries of the Environment, Natural Resources, Northern Development and Mines, Culture and Agriculture and Food; as well as both Simcoe County and Clearview Township.

Speaking for the Niagara Escarpment Commission, lawyer Demetrius Kappos argued that the selection of proposed quarry property is problematic for a number of reasons. "The subject property is in the middle of a complex, sensitive and significant natural heritage system," he said. He spoke of groundwater and surface water concerns, and the existence of endangered butternut trees and rare American Hart's Tongue Ferns near the quarry extraction area. Kappos also said the NEC was concerned that the quarry operations would last at least 28 years and another 33 years for the lake to be developed from the mined out quarry to be

Continued on page 2

completely filled with water. He outlined the witnesses the NEC intended to call during the hearing to speak against Walker's quarry expansion application.

Toward the end of the day's proceedings, Walker's planner Brent Clarkson summarized the steps Walker has taken in moving the quarry expansion forward since the company acquired the property in 2003. He presented a series of maps indicating the proposed extraction area, land use designations in the area, significant environmental features, neighbouring

properties and the proposed haul route, among other details of the proposal. He also outlined the concessions Walker agreed to from its original proposal in an effort to gain support from Clearview Township, Simcoe County and neighbouring homeowners.

Some 60 spectators were in attendance for a large part of the first day's hearing, the vast majority of them Walker employees, suppliers and neighbours in support of the project.

Walker's Experts Present Hydrogeology Results

On subsequent days of the hearing, Walker Aggregates' expert hydrogeologists began a comprehensive presentation about ground and surface water flows.

Andy Hims told the Consolidated Hearings Board that no adverse water issues or impacts are anticipated at an expanded Duntroon Quarry.

"The proposed design and operation of the Duntroon Quarry expansion is considered acceptable from a water resources perspective," he said. "Suitable mitigation measures are available that will ensure protection of local groundwater, surface water and associated wetland resources through all phases of the operation."

Mr. Hims presented detailed information about surface water volumes and flow in and around Walker's existing quarry, including results obtained monthly from some 42 monitoring stations dating back to 2003. He explained that the physical setting of the existing quarry before it began operating is very similar to the setting of the proposed expanded quarry and that the operations of the existing quarry "provide a good interpretation of what we expect to see at the expanded quarry."

Mr. Hims spoke to an impact assessment his firm undertook for the proposed new quarry, including on and off-site investigations, scientific analysis, computer modeling and ongoing monitoring programs – for both the expanded quarry and the addition of a nearby quarry being proposed by M.A.Q. Aggregates. He explained that his firm had undertaken detailed computer modeling of groundwater flow, with and without mitigation measures.

Mr. Hims summarized for the board the off-site features, including residential wells, that were considered in the assessment of the potential future impacts associated with the expansion of the quarry into Phase 3 of its operations. Mr. Hims said mitigation measures would be available to ensure these off-site features would be protected.

Another of Walker's expert hydrogeologists told the board that if the proposed expanded Duntroon Quarry goes ahead, no significant draw downs of water levels in wells are expected on private properties bordering the quarry.

Dave Ruttan shared results of computer modeling undertaken in 2005 and 2007. He simulated a variety of possible future scenarios, including scenarios at various phases of the expanded Duntroon Quarry, and scenarios that took into account the expanded Duntroon Quarry and the proposed adjacent M.A.Q. Aggregates Quarry operating simultaneously.

In each instance he demonstrated that – except for the immediate boundaries of the expanded Duntroon Quarry or the combined proposed quarries, and except for the area between the two proposed quarries – there would be no significant draw downs of water levels in wells on adjacent private properties. This was the case whether or not mitigation measures were put in place to pump water into the nearby aquifer.

Quarry Lake to Supply Enough Water to Wetlands

Mr. Ruttan said that sophisticated computer modeling shows that once an expanded Duntroon Quarry is mined out and becomes a lake, the final lake level "will provide sufficient water to maintain seasonal discharge to adjacent wetlands, and flows to groups of springs and streams on the escarpment."

Mr. Hims then explained what seemed to be a conflict between evidence presented at the hearing and the agreed statement of facts by Walker experts and those of the commenting agencies, which stated the model should not be relied upon to predict potential impacts on individual surface water features. Hims said the

model can predict water flows to groups of springs but not individual ones, and stated that the model would not be the only tool relied upon to ensure there were no negative impacts as a result of the quarry expansion. He explained that as extra levels of assurance the model would need to be continually reviewed and updated, and an Adaptive Management Plan put in place to monitor hydrogeology on an ongoing basis and to mitigate any unforeseen negative effects.

Mr. Hims went on to explain that to ensure that wetland moisture levels and amphibian ponds were maintained, water would be discharged from the expanded quarry – where it will accumulate and need to be pumped out – on an as needed basis to the wetlands. This is what is occurring now at the existing Duntroon Quarry, he said.

He also spoke of other mitigation measures that were not expected to be necessary but would be put in place in the event that water levels in streams, springs and

wells were found to be lower than anticipated. These included injecting water into the local aquifer, deepening nearby wells and even halting quarry operations until conditions returned to an acceptable level.

“The cumulative impacts associated with both proposed (expanded Duntroon and M.A.Q. Highland) quarry operations can be managed and mitigated such that the aggregate resource can be extracted while protecting the natural environment,” Hims said.

He also referred the board to the hydrogeology peer review, conducted by Chris Neville at the request of the Ministry of the Environment, which states “Our review of the model predictions suggest that the proposed extension quarry will not have extensive negative effects on local water resources...In our opinion, the potential impacts of the proposed extension can be managed effectively.”

NEC Lawyer Questions Walkers' Water Studies

The lawyer for the Niagara Escarpment Commission (NEC), Demetrius Kappos, began his cross examination of Walker Aggregates' expert hydrogeologists by questioning the accuracy of modeling they used to predict ground and surface water flows with an expanded Duntroon Quarry. He also questioned their conclusions about the levels of draw downs of nearby wells, the final lake levels in the existing and proposed expanded quarries once they are mined out, and the mitigation measures Walker plans to undertake to ensure wetlands surrounding the expanded quarry will be preserved.

Mr. Kappos' cross examination followed the final portion of Mr. Hims' testimony, during which he indicated that while he and the hydrogeologists who peer reviewed his work agreed on several of Hims' conclusions, they did not agree on the final predicted lake levels or the time it would take to fill the lakes.

Mr. Hims also spoke to concerns that had been expressed by Emelia Franks, a Duntroon Quarry neighbour who is a party to the hearing. He told the

board there would be no anticipated impacts on the quantity or quality of water flowing to her property as a result of an expanded quarry nearby. Hims also told the board that Walker would put in place financial assurances to cover the cost of mitigating any unforeseen impacts of the quarry expansion, once the quarry itself was no longer operational.

Mr. Kappos' cross examination on behalf of the NEC will continue when the hearing resumes. It will be followed by cross examination of the Walker hydrogeologists by Emelia Franks. The other opposing party represented at the hearing, the Clearview Community Coalition, has indicated that it will not cross examine Walker's hydrogeologists.

The Walker hydrogeology testimony came at the start of a hearing that is expected to last until the end of October, with a break for the month of July and the first three weeks of August. Walker's evidence alone – which is being presented first at the hearing – spans 10,873 pages of documentation. It will be followed by evidence presented by the opposing parties.