



January 31, 2024

Niagara Region
Planning and Development Services
1815 Sir Isaac Brock Way
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ATTN: Sean Norman, Senior Planner

RE: Law Quarry Extension – Response to JART Dec 2023 additional comments on Financial Impact Assessment

We have reviewed the JART comments dated December 21, 2023 on the revised Financial Impact Assessment, prepared by Colliers International Niagara Ltd, dated August 31, 2023. The JART reviewers note that some minor clarifications are required to ensure that all objectives of the study are satisfied.

The outstanding comments from the JART reviewers are outlined below **in red** followed by a response from Colliers **in blue**. In addition, a revised Financial Impact Study has been included with this correspondence that incorporates the additions outlined below.

Peer Review Comment #3:

Economic Activity - Page 14 of the report states that construction costs of the quarry expansion, including machinery & equipment and capital improvements, would generate ±\$3,000,000 in direct economic activity, however Page 23 states that ±\$3,000,000 is the total capital investment required for the quarry expansion.

It is important to differentiate between the initial capital investment and what the economic impacts of the capital investment are, such as the impact on gross domestic product (GDP). The report should be clear that \$3,000,000 is the capital investment for the quarry expansion. An economic impact analysis has not been prepared, and it is recommended that it is undertaken to understand the GDP impacts of the quarry expansion using Statistics Canada input-output multipliers. **It is recommended to state exactly which input-output multiplier has been used. Based on a review of the multipliers in StatsCan Table: 36-10-0113- 01, it is the mining, quarrying and oil extraction industry "Simple" multiplier for "Within Ontario". As defined by Statistics Canada, the simple multiplier measures the total value of production required from all industries across all stages of production to produce one unit of output for final use. This means 0.78 value of production input will produce one unit of output for final use, so the total GDP impact is \$3,846,150. The report states \$2,340,000.**

Comment #3 Response:

The GDP Impact Values and table information have been updated in the revised Report.

Peer Review Comment #4:

Employment Impacts - The Executive Summary of the report states the quarry expansion will result in temporary employment during the construction phase and on-going employment related to the operation. Temporary employment is identified for the site preparation stages and archaeological clearances of the quarry expansion. Permanent employment is identified related to the quarry operation, on-site dependant businesses and trucking.

Page 14 of the report identifies the temporary employment for the site-preparation stage, and Page 15 identifies the employment for on-site dependant businesses and their off-site employment yield. There are no references outside the Executive Summary to the temporary archaeological clearance employment, permanent employment related to the operation of the quarry, or trucking jobs. It is recommended that the report speaks to all the employment types identified in the executive summary for consistency, in addition to how the temporary construction employment was identified.

Further, since this expansion will be replacing the current quarry site operations, the report should clearly indicate that the expansion is needed to maintain current permanent employment levels.

Comment partially addressed. The report has been updated to clearly differentiate between temporary construction employment and on-going employment related to the operation, and that the expansion is needed to maintain current permanent employment levels. The method used to calculate temporary construction employment has not been identified. It is recommended this is added to the specific assumptions section of the report.

Comment #4 Response:

The following explanation has been elaborated within the report on Page 15:

- *An estimated 10 full-time equivalent jobs (person years of employment) would be supported, 5 person years directly related to the on-site work, and 5 person years related to the supporting industries that produce the materials, equipment, and services used during the site preparation stage (this estimate was based on above list of activities and associated costs, assuming approximately 50% of the \$3,000,000 would be attributed to labour, at an average labour burden cost of \$150,000 per person annually);*

Peer Review Comment #12:

Long-term Monitoring and Mitigation - As part of the Terms of Reference, objectives of the financial impact study were provided. One item included the potential cost of any long-term monitoring and mitigation. The following provides for the stated objective in the Terms of Reference:

- To identify the potential cost of any long-term monitoring and mitigation on the site and the responsibility for that monitoring and the liability to any public agency associated with that responsibility.



Generally, the ongoing monitoring and mitigation costs would be the responsibility of the landowner, however, the study should provide an estimate of this cost and discuss any potential liabilities to the municipalities (e.g. if the property owner does not keep up with the monitoring and mitigation responsibilities). This would, at a minimum, provide the municipalities with an order-of-magnitude cost, should they be required to assume responsibility. **Comment partially addressed.** Although the responsibility and liability portions were addressed the potential cost was not provided. An estimated cost is requested as per the Terms of Reference.

Comment #12 Response:

Please refer to Page 16 of the Report. The section titled Ongoing Monitoring and Mitigation states the following:

As provided by the client, the estimated cost of ongoing hydrogeological monitoring and ECA permits is \$25,000 per year for 38 years for a total of \$950,000, and an additional \$375,000 for species at risk permitting costs. Waterford Sand and Gravel will be responsible for paying these ongoing monitoring costs. There is no requirement of regulatory tool that would require the municipalities to undertake or assume monitoring responsibilities.

We trust that this additional response letter address the outstanding comments provided by the JART reviewers in December 2023. We would be happy to meet with you to discuss any outstanding comments. As demonstrated in the revised Report and in this Response Letter, the proposed Quarry Extension will result in an overall economic benefit to the Region of Niagara and Township of Wainfleet.

Yours Truly,

A handwritten signature in black ink that reads "Todd Crawford".

Todd Crawford, B.A. AACI, P.App. PLE
Consultant, Managing Director