



## Staff Report

**To:** Mayor and Members of Council Meeting of October 7, 2019  
**From:** Michael Givens, CAO  
**Subject:** CAO 2019-006 Aggregate Resources Act-Proposed Changes

### RECOMMENDATION

**THAT** Council of the Township of Wellington North receive Report CAO 2019-006 being an update report on the Aggregate Resources Act-Proposed Changes;

**AND FURTHER THAT** Council directs the CAO to submit feedback to the Ministry consistent with the information provided in this report.

### PREVIOUS PERTINENT REPORTS

CAO 2017-022 Report to Council-Aggregate Fees and Royalties

### BACKGROUND

On September 20, 2019 the Ministry of Natural Resources and Forestry issued correspondence related to Proposed Changes to the Aggregate Resources Act.

It is evident that this government sees the Aggregate Industry as an economic driver in the province. It was noted at the most recent AMO conference that the two largest aggregate users in the province are the Provincial Government and Municipalities.

There are in excess of 3700 licences for pits and quarries on private land in Ontario. Currently there are 10 licensed pits and a licensed quarry in Wellington North. Assuming full extraction as per approved maximum annual tonnages, close to 2.0 million tonnes of aggregate could be extracted from Wellington North annually.

Based on the Township's past experiences, I would suggest that Council submit the below comments as feedback on the Environmental Registry.

- Aggregate extraction activities should not have a negative impact on municipal assets (i.e. roads, bridges). Each application should be accompanied by a comprehensive Road and Structure Impact Study completed by a licensed engineer, considering impact of increased heavy truck traffic on designated haul routes. Increased capital

requirements identified to ensure road and structure assets are at an appropriate standard to accommodate aggregate operations should be the applicant's responsibility;

- License applications should also require a traffic impact study and noise study at a minimum, with a goal of reducing impact on neighbouring residents and businesses;
- All applications should demonstrate true need;
- Aggregate haul route agreements between the applicant and the applicable road authority(s) should be a requirement of licenses;
- Licenses should be for a limited term to ensure that rehabilitation is completed, and the property returned to previous use (agricultural) as soon as possible. Aggregate activities are treated as a temporary use from a planning perspective. Strict timelines around extraction and rehabilitation activities would assure that;
- Costs of peer reviews associated with aggregate license consideration should be borne by the applicant;
- Ministry needs to implement and oversee a transparent and efficient complaint process related to aggregate operations. They issue the license; they need to be prepared to address complaints and ensure operations are consistent with approved licenses.

## FINANCIAL CONSIDERATIONS

There are no financial obligations associated with receiving this report.

Annual amounts received as aggregate fees by the Township-

2017 - \$7,584.52

2018 – \$7,664.29

2019 – \$18,618.28

FEE AND ROYALTY RATES		
	2018 Production	2019 Production
Class A > 20,000 tonnes annually	19.8 cents/tonne or \$689, whichever is greater	20.2 cents/tonne or \$704, whichever is greater
Class B < 20,000 tonnes annually	19.8 cents/tonne or \$344, whichever is greater	19.8 cents/tonne or \$351, whichever is greater

### Where do fees go?

Fees collected from licences, wayside permits and aggregate permits will be distributed approximately as follows:

- 3% to the Aggregate Resources Trust for rehabilitation and research
- 61% to the local municipality in which the site is located
- 15% to the upper-tier municipality in which the site is located
- 21% to the Crown (minimum)

### Annual adjustment

Fees and royalties will be adjusted annually to account for inflation, in accordance with Regulation 244/97. This adjustment will follow the Ontario Consumer Price Index. The ministry will post the adjusted fees and royalties before January 1st of every year.

**ATTACHMENTS**

September 20, 2019 correspondence from the Ministry of Natural Resources and Forestry-  
Proposed changes to the Aggregate Resources Act

**STRATEGIC PLAN 2019 – 2022**

Do the report's recommendations align with our Strategic Areas of Focus?

Yes                       No                       N/A

Which priority does this report support?

Modernization and Efficiency                       Partnerships  
 Municipal Infrastructure                       Alignment and Integration

**Prepared By:** Michael Givens, CAO

**Recommended By:** Michael Givens, Chief Administrative Officer *Michael Givens*



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## **Subject: Proposed changes to the Aggregate Resources Act**

Dear Head of Council and Clerk,

The Ministry of Natural Resources and Forestry recognizes the critical role Ontario's municipalities play in the lives of Ontarians. We value our strong collaborative partnership with municipalities and the associations that represent their interests.

We want to advise you that the Ministry of Natural Resources and Forestry is proceeding with changes to the way aggregates are managed in Ontario and would like to invite municipal input on the changes we are proposing.

We have released an aggregate proposal that aims to cut red tape, create jobs, and promote economic growth within Ontario's aggregate industry — an industry that generates \$1.6 billion in production revenue annually and supports more than 28,000 jobs in aggregate-related sectors.

The proposal draws on feedback from industry, municipalities, Indigenous communities and other stakeholders. It will create opportunities for growth while maintaining a steadfast commitment to protecting the environment and addressing impacts to communities.

A summary of the proposed legislative changes, and instructions for providing feedback, can be found on the Environmental Registry (ERO# 019-0556) at the following link:

<https://ero.ontario.ca/notice/019-0556>

My ministry is also considering some regulatory changes and would appreciate any initial feedback you have on these topics. As a next step, we expect to consult further on specific details related to regulatory proposals at a later date. I look forward to your input on these proposals and potential future changes.

If you have any questions about the proposed changes, please contact Andrew MacDonald, Resource Development Section, at 705-755-1222 or [aggregates@ontario.ca](mailto:aggregates@ontario.ca).

Kind regards,

*Original signed by Ala Boyd*

Ala Boyd

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