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February 25, 2022

File: MV2021Q0022

Mark Cliffe-Phillips
Mackenzie Valley Review Board
200 Scotia Centre
Box 938, 5102-50th Avenue
Yellowknife NT X1A 2N7

Sent by email

Dear Mark Cliffe-Phillips,

Re: HR Racing & Mobile Mechanic LTD. – Notice of Preliminary Screening Determination – Application for Land Use Permit – Quarry Permit – NWT HWY 5, km 44.5

The Mackenzie Valley Land and Water Board (Board) met on February 24, 2022 and considered the Application from HR Racing & Mobile Mechanic LTD. (HR Racing) for Land Use Permit (Permit) MV2021Q0022 to quarry at NWT HWY 5, km 44.5 (Project)] in accordance with the *Mackenzie Valley Resource Management Act* (MVRMA).

The Board conducted a preliminary screening based on the public record for the proceeding. Based on the evidence provided, the Board is satisfied the screening has been completed according to section 125 of the MVRMA and has decided **not to refer** the Project to environmental assessment. The Board's Preliminary Screening Determination and Reasons for Decision, as required by section 121 of the MVRMA, is attached.

If the Board does not receive notice of referral to environmental assessment, it can proceed with issuance of Permit MV2021Q0022 on **Tuesday March 8, 2022**.

The Board and staff look forward to continued communications throughout the pause period. Please contact Shelagh Montgomery at (867) 766-7457 with any questions or concerns regarding this letter.

Yours sincerely,



Mavis Cli-Michaud

Chair, Mackenzie Valley Land and Water Board

BCC'd to: Akaitcho Distribution List
Tom Hynes, HR Racing

Attached: Preliminary Screening Determination and Reasons for Decision



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Preliminary Screening Determination and Reasons for Decision

Land Use Permit Application	
File Number	MV2021Q0022
Company	HR Racing & Mobile Mechanic LTD.
Project	Quarry Operation
Location	NWT HWY 5, km 44.5
Activity	Quarrying to remove stockpile
Date of Decision	February 24, 2022

1.0 Decision

In accordance with subsection 124(1) of the *Mackenzie Valley Resource Management Act* (MVRMA), the Mackenzie Valley Land and Water Board (MVLWB or Board) met on February 24, 2022 to make a preliminary screening determination on the Application from HR Racing & Mobile Mechanic LTD. (HR Racing) (Applicant) for Land Use Permit MV2021Q0022 (Permit)¹ to quarry at NWT HWY 5, km 44.5 (Project).²

The Board has decided not to refer the proposed Project to the Mackenzie Valley Environmental Impact Review Board (the Review Board) for Environmental Assessment because, based on the evidence, it is the Board's opinion that the proposed Project will not have a significant adverse impact on the environment or be a cause of public concern.

The Board's determination, including reasons for its decision, are detailed in sections [3.0](#) and [4.0](#).

¹ See MVLWB Online Registry www.mvlwb.com for [HR Racing & Mobile Mechanic LTD. – Permit Application – January 10, 2022](#).

² The Project is a quarry operation, which is the proposed development, where "development" is defined in Part 5 of the MVRMA as:

"any undertaking, or any part or extension of an undertaking, that is carried out on land or water and includes an acquisition of lands pursuant to the *Historic Sites and Monuments Act* and measures carried out by a department or agency of government leading to the establishment of a park subject to the *Canada National Parks Act* or the establishment of a park under a territorial law."

2.0 List of Defined Terms and Acronyms

Applicant	HR Racing & Mobile Mechanic LTD (HR Racing)
Application	The complete application package submitted by the Applicant for Land Use Permit MV2021Q0022.
Board	Mackenzie Valley Land and Water Board
GNWT	Government of the Northwest Territories
GNWT-ENR	Government of the Northwest Territories – Environment and Natural Resources
GNWT-Lands	Government of the Northwest Territories – Lands
MVLWB	Mackenzie Valley Land and Water Board
MVRMA	<i>Mackenzie Valley Resource Management Act</i>
Minister	Minister of the Government of the Northwest Territories – Environment and Natural Resources (GNWT-ENR)
ORS	Online Review System (www.new.onlinereviewssystem.ca)
Party	As per the MVLWB Rules of Procedures , an applicant, a person, or an organization participating in the regulatory proceeding for the Application.
Project	Quarry Operation, which is the proposed development (as defined in Part 5 of the MVRMA). ³
Review Board	Mackenzie Valley Environmental Impact Review Board
SCP	Spill Contingency Plan
Standard Permit Conditions	MVLWB Standard Land Use Permit Conditions Template

3.0 Background and Scope of Screening

Background:

- December 10, 2021 – Permit Application received from Applicant;
- December 16, 2021 – Incomplete letter issued to Applicant;
- January 10, 2022 – Additional information received;
- January 14, 2022 – Application deemed complete and review commenced;
- February 3, 2022 – Comments and recommendations due and received;
- February 9, 2022 – Responses due and received; and
- February 24, 2022 – Application presented to the Board for decision.

³ “development” is defined in Part 5 of the MVRMA as:

“any undertaking, or any part or extension of an undertaking, that is carried out on land or water and includes an acquisition of lands pursuant to the *Historic Sites and Monuments Act* and measures carried out by a department or agency of government leading to the establishment of a park subject to the *Canada National Parks Act* or the establishment of a park under a territorial law.”

Scope:

On December 10, 2021, HR Racing submitted a Land Use Permit application for a quarry operation. The small-scale project is to remove an existing stockpile of granular material left from a previous permittee.⁴ The project is expected to be completed in a single phase with complete removal of the existing stockpile. No additional restoration will be required.

The proposed project does not involve the establishment of a camp due to its proximity to the Town of Hay River, NT. No garbage and sewage are expected to be generated. No land clearing or removal of trees/brush or overburden was proposed in the Application. No fuel will be stored on site except when vehicles and equipment are present. Refuelling will take place off site, if possible, using a pump attached to tidy tank in a truck.

Engagement:

According to information provided with the Application, the Applicant engaged the following parties prior to submission of the Application:

- West Point First Nation;
- Kát'odeeche First Nation; and
- Hay River Métis Council.

In accordance with paragraph 125(1)(a) of the MVRMA, the Board must conduct a preliminary screening of the proposed Project to determine and report to the Review Board whether, in its opinion, the proposed Project might have a significant adverse impact on the environment or might be a cause of public concern. The details of the Board's analysis are set out in section 3 below.

3.1 Scope of Screening:

Scope of activities screened are as follows:

- Removal of stockpile of granular material on site; and
- Use of equipment, vehicles, and machines.

3.2 Public Record and Regulatory Proceeding

To assist the Board in its preliminary screening determination for the Project, the Board distributed the Application and a draft Permit for public review on January 14, 2022, inviting reviewers to provide comments and recommendations on the Applications and the preliminary screening (e.g., on impacts and mitigation measures) using the Online Review System (ORS). Comments were due February 3, 2022, with responses from the Applicant due February 10, 2022. The Board received comments and recommendations from Environment and Climate Change Canada (ECCC), GNWT-Lands – Hay River

⁴ Land Use Permit [MV2012Q0016](#).

Region, GNWT-Lands - North Slave Region. GNWT-ENR – EAM (Environmental Assessment and Monitoring), and Board staff. (attached).⁵

Since there were no requests to extend the reviewer comment deadline, the Board is satisfied that a reasonable period of notice was given to affected communities and First Nations, as required by subsection 63(2) of the MVRMA.

Pursuant to subsection 1.6, paragraphs (a) and (b) of the Akaitcho Territory Dene First Nations (ATDFN) Interim Measures Agreement and section 27, paragraphs (a) and (b) of the Dehcho First Nations (DCFN) Interim Measures Agreement, the Board determined that written notice was given to the ATDFN and DCFN, and that a reasonable period of time was allowed for ATDFN and DCFN to make representations with respect to the Application.

4.0 Potential Impacts and Proposed Mitigations

A draft Permit was circulated for review during the regulatory proceeding, and all Parties were given the opportunity to provide comments and recommendations on the draft conditions. In finalizing the conditions, the Board considered all the evidence provided through the regulatory proceeding.

Table 1 below summarizes:

- the potential impacts of the proposed Project;
- the concerns that were identified during the regulatory proceeding and how the Applicant addressed those concerns;
- the proposed and potential mitigations for the potential impacts; and
- the Board’s analysis of the potential impacts and proposed mitigations.

⁵ See MVLWB [Online Review System for HR Racing & Mobile Mechanic LTD - Jan 16 22](#).

Table 1: Potential Impacts and Proposed Mitigations for the Proposed Project

Potential Impact	Activity	Proposed Mitigations <i>Description of measures to reduce potential impacts, including consideration of cumulative impacts and climate change.</i>	Board Analysis and Determination
Soil Contamination	Refueling on site	<ul style="list-style-type: none"> • The Applicant proposed the following mitigations in the Application: <ul style="list-style-type: none"> ○ Refueling to be done at surface level; and ○ Auto shut off pumps used for refueling. 	<p>Based on the described mitigations, it is the Board’s opinion that the proposed activities will not have a significant adverse impact on the environment and will not be a cause of public concern.</p> <p>The Board suggests using drip trays while refueling on site.</p>

4.1 Consideration of Potential Impacts

Based on the potential impacts and proposed mitigations identified above in Table 1, the Board considered whether the Project might have a significant adverse impact on the environment. In general, impacts of the Project on the environment can be mitigated through the use of standard permit conditions and/or project-specific conditions established by the Board as per the MVLWB [Standard Process for Creating New Conditions](#).

These conditions may include requirements for management and monitoring plans that provide detailed information regarding the implementation of mitigation measures and the evaluation of their effectiveness.

A draft Permit was circulated for review during the regulatory proceeding, and all Parties were given the opportunity to provide comments and recommendations on the draft conditions. In finalizing the conditions, the Board considered all of the evidence provided through the regulatory proceeding.

4.2 Consideration of Public Concern

In addition to considering the potential impacts of the Project, the Board considered whether the Project might be a cause of public concern.

Based on the evidence provided during the regulatory proceeding, the Board did not identify any comments or issues that indicate that the Project is a cause of public concern.

5.0 Conclusion

The Board has reviewed all the evidence received during the regulatory process with respect to the Preliminary Screening of the proposed Project. Based on the evidence, it is the Board's opinion that the proposed Project will not have a significant adverse impact on the environment or be a cause of public concern, as set out in paragraph 125(1)(a) of the MVRMA. The Board has therefore decided not to refer the proposed Project to Environmental Assessment. If the Board does not receive a notice of referral to environmental assessment by March 7, 2022, the Board can issue the Permit on March 8, 2022.

SIGNATURE



Mavis Cli-Michaud, Chair
Mackenzie Valley Land and Water Board

February 25, 2022

Date