



CITY OF YELLOWKNIFE

November 26, 2013

Honourable Michael Miltenberger
Minister of Environment and Natural Resources
Government of the Northwest Territories
P.O. Box 1320
Yellowknife NT X1A 2L8

Honourable Bernard Valcourt
Minister of Aboriginal Affairs and Northern Development
10 Wellington Street
Gatineau QC K1A 0H4

Honourable Gail Shea
Minister of Fisheries and Oceans Canada
200 Kent Street
Ottawa ON K1A 0E6

Honourable Leona Aglukkaq
Minister of the Environment
10, rue Wellington
Gatineau QC K1A 0H3

RE: Giant Mine Remediation Project Environmental Assessment Proponent Submission – Response from the Municipal Corporation of the City of Yellowknife (the “City”)

We are writing to you at this time with respect to the proponent’s submission, posted on the Mackenzie Valley Review Board Public Registry on November 1, 2013, regarding its analysis of recommended Measures contained in the Report of Environmental Assessment (the “Report”) for the Giant Mine Remediation Project.

As an active participant in the Giant Mine Working Group, the City would like to express its disappointment that the Project Team did not discuss their interpretation of the potential impacts of the Recommended Measures with the City of Yellowknife or the Working Group prior to formal communication with the Ministers Responsible. Had the Project Team respected the Working Group’s request to discuss the Report recommendations prior to formally responding to the Report, there would have been a greater opportunity for dialogue and engagement with all parties. As it stands, the Working Group has no choice but to conclude that our input is of negligible value to the Project Team.

As previously noted, on July 22, 2013 Yellowknife City Council passed Motion #0173-13 (enclosed) to indicate its support of the findings of the Report. The City maintains that the recommended Measures accurately reflect the concerns of the City and those of other participating bodies. While adopting all of the recommended Measures would contribute to a more collaborative and successful remediation plan, the City would like to highlight the following key opportunities:

- **Build on existing agreements to implement the Giant Oversight Working Group (Measures 7 and 8)**
A tremendous amount of work has already been done by the parties on the Working Group, including the City of Yellowknife, to establish terms for an oversight body. These efforts included workshops, numerous meetings, and eight drafts of an environmental agreement with a clear mandate and a framework for resolving disagreements in a timely manner. It is neither reasonable nor efficient for the Proponent to expect participants will begin this process again without clear reasons for rejecting the work to date, which has not been provided by the Project Team. The expense and risk of project delay were overstated in the analysis of the Project Team; for example, the draft agreement does not as claimed grant “veto” power to participants. If the Proponent is committed to effective oversight, the existing draft agreement is the right starting point for future discussion. The City also believes the oversight body will demonstrate the Federal Government is looking out for the best interests of residents and would create “good will” with the community by promoting a cooperative relationship.
- **Undertake an independent human health risk assessment (Measures 5 and 10).**
The Measure to have a qualified, independent assessor undertake human health risk studies is a critical part of a successful remediation plan. Adopting this measure need not result in the 3-4 year delay projected by the Project Team, as studies may be done in tandem with other project activities. Given that the Project Team has forecasts that the completion of environmental assessment and other key regulatory permitting will take two years to complete, there is a sufficient window for an independent assessor to obtain baseline data with no further delay required. At an estimated cost of one to two million dollars for the initial health risk assessment, the additional cost of this measure is marginal in relation to the benefit and the overall project costs, now projected to be more than a billion dollars.
- **Re-evaluate project scope to include Yellowknife Bay (Measures 11, 12 and 13, regarding the diversion of Baker Creek).**
As noted by the Project Team, the diversion of Baker Creek is a change of scope from the project as proposed and warrants further study. The City agrees that more detailed environmental analysis is required before committing to Creek re-alignment. Moreover, the noted potential environmental risks to the impacted water source (i.e. contaminant loading at the new outfall location) will have a significant impact on the residents of Yellowknife and the Yellowknives Dene First Nation. The City re-iterates that residents’ concerns about the safety of the drinking water in Yellowknife Bay are the direct result of remediation activity, and Proponent assistance to replace the City’s potable water pipeline should be considered part of the Project scope.

Wherever possible, remediate the land to a residential land use standard (Measure 26).

The City has reiterated through the consultation process that remediation to the residential standard, for selected areas, is essential to creating a balanced future development of the site. The townsite has been used historically for this purpose and there is significant cultural and heritage value in maintaining this land use. While the Developer has committed to “working” with the City on this matter, there have not been any firm commitments on the end uses to accommodate the City’s interest in this area that is held under lease with the territorial government. The Project Team states in the analysis of Measure 26 it is “neither responsible for, nor capable of determining the future uses of the site,” but if the Project fails to remediate the impacted lands to the highest reasonable standard possible, they are de facto determining end land uses by limiting site potential. Pursuant to the Developer’s Assessment Report (Page 8-104, Table 8.11.1 Evaluation Criteria for Additional Community Interests), the Proponent is responsible for determining future land uses of the site and the Proponent agreed to this during the Public Hearing. Furthermore, the Proponent has committed on several occasions to do further field



analysis on the impacts of Baker Creek and the sediment contaminants in the Giant Mine bay area to explore the viability of a marina as contemplated in the City's Harbour Plan, but this has not happened to date.

In conclusion, the City has carefully reviewed the Project Team's assessment and we see no need to alter or change our Council-mandated support for the Giant Mine Remediation Project Report of Environmental Assessment. The Review Board lays out a sound and wise path forward on this very difficult remediation. We again respectfully request that the Responsible Ministers consider the interests of all parties and that of Yellowknifers by adopting the Measures outlined above from the Review Board's report.

Sincerely,



Mark Heyck
Mayor

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(Docs#380100)



CITY OF YELLOWKNIFE MOTION #0173-13

RESOLUTION ON THE GIANT MINE REMEDIATION PROJECT ENVIRONMENTAL ASSESSMENT

WHEREAS Yellowknife City Council voted unanimously on March 18, 2008 to make a mandatory referral of the Giant Mine Remediation Project water licence application for an environmental assessment pursuant to s. 126(2)(d) of the *Mackenzie Valley Resource Management Act*;

WHEREAS the Mackenzie Valley Environmental Impact Review Board issued its Report of Environmental Assessment and Reasons for Decision on the Giant Mine Remediation Project (EA0809-001) on June 20, 2013;

WHEREAS the City of Yellowknife participated in good faith in the environmental assessment of the Giant Mine Remediation Project in an attempt to resolve concerns directly related to the Project, including:

- Possible water quality changes;
- Potential ice thinning in Back Bay and related public safety;
- Future land use at the site given the City's lease of the townsite and marina areas;
- Community-based and independent oversight; and ongoing investment into research and development of a more permanent solution for the management of the underground arsenic.

WHEREAS the City of Yellowknife continues to believe that there is significant public concern with the Giant Mine Remediation Project and the potential for significant adverse environmental impacts from the Project; and

WHEREAS the City of Yellowknife has carefully reviewed the Report of Environmental Assessment and Reasons for Decision on the Giant Mine Remediation Project;

NOW THEREFORE BE IT RESOLVED THAT the City of Yellowknife considers the Report of Environmental Assessment and Reasons for Decision on the Giant Mine Remediation Project to provide a reasonable path forward provided that all the recommended binding measures are implemented;

BE IT FURTHER RESOLVED THAT the City of Yellowknife calls upon the Responsible Ministers for the Giant Mine Remediation Project (Federal Aboriginal Affairs and Northern Development Canada, Environment Canada, and Fisheries and Oceans, and Territorial Environment and Natural Resources) to fully accept the measures recommended by the Review Board pursuant to s. 130(1)(b)(i) of the *Mackenzie Valley Resource Management Act*;

BE IT FURTHER RESOLVED THAT the Mayor of Yellowknife write the responsible Ministers to convey this motion as soon as possible and work with other interested parties to ensure that the Report of Environmental Assessment and its recommendations are fully implemented;

BE IT FURTHER RESOLVED THAT Yellowknife City Council direct its Administration to continue efforts to resolve other outstanding issues on the Giant Mine that were outside the scope of the environmental assessment including, but not limited to:

- Replacement of the water pipeline from the Yellowknife River to the City pumphouse;
- Payments in lieu of taxes;
- Soil remediation criteria for the Giant Mine townsite;
- Coordinated emergency services planning for the Giant Mine;
- Bonding; and
- Projects Related to the Harbour Plan.