



**Regular Meeting of Council
Addendum Items**

Date: June 17, 2019
Time: 6:30 pm
Location: Council Chambers Level 2, City Hall

	Pages
10. Recommendations from Standing Committees:	
10.5 <i>Committee of the Whole Workshop meeting of June 13, 2019</i>	1 - 2
12. Reports of Municipal Officers:	
12.1 <i>CEAA Panel Review of the Proposed CN Milton Logistics (L-17-19)</i>	3 - 22
18. Motion to Approve By-Laws:	
18.4 <i>40-2019: A by-law for regulating generally to the conduct of the business and affairs of Burlington Enterprises Corporation.</i>	
18.5 <i>41-2019: A by-law relating generally to the transaction of the business and affairs of Burlington Hydro Electric Inc.</i>	



Committee of the Whole - Workshop Meeting

Minutes

Date: June 13, 2019
Time: 1:00 pm
Location: Council Chambers Level 2, City Hall

Members Present: Shawna Stolte (Chair), Angelo Bentivegna, Kelvin Galbraith, Lisa Kearns, Rory Nisan, Paul Sharman, Mayor Marianne Meed
Ward

Staff Present: Tim Commisso, Mary Battaglia, Sue Connor, David Lazenby, Heather MacDonald, Allan Magi, Nancy Shea-Nicol, Christine Swenor, Mary Lou Tanner, Vito Tolone, David Thompson (Audio/Video Specialist), Suzanne Gillies (Clerk)

1. Declarations of Interest:

None.

2. Delegation(s):

None.

3. Regular Items:

3.1 Laying the foundation for the Integrated Mobility Plan.

4. Procedural Motions:

None.

5. Information Items:

Moved by: Councillor Nisan

Receive and file the following item, having been given due consideration by the Committee of the Whole Workshop.

CARRIED

5.1 Staff presentation laying the foundation for the Integrated Mobility Plan
(COW-W-14-19)

6. Staff Remarks:

7. Committee Remarks:

8. Adjournment:

2:58 p.m. (recessed), 3:05 p.m. (reconvened)

Chair adjourned the meeting at 3:31 p.m.



SUBJECT: CEAA Panel Review of the Proposed CN Milton Logistics Hub.

TO: Mayor and Members of Council

FROM: Legal Department

Report Number: L-17-19

Wards Affected: All

File Numbers: 775-01

Date to Committee: Select date

Date to Council: June 17, 2019

Recommendation:

That the City of Burlington supports the May 29, 2019 submissions of the Halton Municipalities to the Review Panel established under the *Canadian Environmental Assessment Act, 2012* ("CEAA") including, in particular, the findings that the Proposed CN Milton Logistics Hub Project is likely to cause significant adverse environmental effects, as further outlined in Report No. LPS78-19 re "CEAA Panel Review of the Proposed CN Milton Logistics Hub", attached as Appendix A ("Regional Report No. LPS78-19");

That the City of Burlington supports the May 29, 2019 submissions for setting out the "interests of the localities" relevant to CEAA and section 98 of the *Canada Transportation Act* ("CTA"), as further outlined in Regional Report No. LPS78-19;

That the City of Burlington supports the future submission to the Canadian Environmental Assessment Review Panel for the Proposed CN Milton Logistics Hub by the Halton Municipalities of such further information, including oral and written presentations and remarks, as advances the May 29, 2019 submissions and matters relevant to the CEAA and section 98 of the CTA, as further outlined in Regional Report No. LPS78-19;

That the City Clerk forward a copy of this report to the Canadian Environmental Assessment Review Panel for the Proposed CN Milton Logistics Hub;

That the City Clerk forward a copy of this report to the Region of Halton, the Town of Oakville, the Town of Milton, the Town of Halton Hills, Halton MP's and MPP's, the

Federation of Canadian Municipalities, and the Ontario Ministry of Municipal Affairs and Housing, for their information.

Purpose:

This report furthers the following elements of the City's Strategic Plan:

A City that Moves

- Increased Transportation Flows and Connectivity

A Healthy and Greener City

- Environmental and Energy Leadership

An Engaging City

- Good Governance

Background and Discussion:

The purpose of this report is to transmit to Burlington City Council a report prepared by the Region of Halton LPS78-19 – CEAA Panel Review of the Proposed CN Milton Logistics Hub. This Region report is attached as Appendix A <http://sirepub.halton.ca/agdocs.aspx?doctype=agenda&itemid=37519> (complete with appendices) was considered and endorsed by Regional Council on June 12, 2019. The present city report recommends Council's continued support and participation in the proceedings to before the Canadian Environmental Assessment Review Panel of the Proposed CN Milton Logistics Hub

As members of Council are aware the City of Burlington has been working cooperatively with the Region of Halton, and the Towns of Milton, Oakville and Halton Hills to provide a coordinated municipal approach to assessing the CN Logistics Hub proposed in the Town of Milton (Project). This matter was last reported out in a public report CM-2-18 which went to Council on January 29, 2018 along with a confidential legal report L-5-18. The matter is also summarily reported out as part of the routine confidential litigation report. The background to this matter can be summarized by the following key facts taken from an earlier Region of Halton Report LPS69-19 – Proposed CN Milton Logistics Hub presented to Regional Council on May 22, 2019 attached as Appendix B:

- CN owns approximately 500 hectares of land in south Milton.

- CN has made several proposals with regard to developing these lands, beginning in 2001 with a proposal to develop an intermodal road to rail facility for containers.
- CN has changed the nature and scope of its intended development with representations made during the Sustainable Halton Official Plan for the development of a rail-serviced industrial park and not an intermodal facility.
- In early 2015 CN made its current proposal for an intermodal facility.
- In 2015 the Canadian Environmental Assessment Agency triggered a Federal Environmental Assessment resulting in the appointment of a Federal Canadian Environmental Assessment Act Review Panel.
- In April 2019 the Review Panel determined that the information it has received to date contains sufficient information to proceed to a public hearing.
- The Review Panel’s public hearing is presently scheduled to take place over an approximate one-month period beginning on June 19, 2019.
- The deadline to provide the Review Panel with a position on the merits of the CN project is May 29, 2019.
- To address the merits of the Project under Federal Environmental Assessment, the Halton Municipalities must address two fundamental issues at the Review:
 - Is the Project likely to cause any significant adverse environmental effects, taking into account mitigation and cumulative effects?
 - If the Project is likely to cause any significant adverse environmental effects are they justified in the circumstances?
- The Halton Municipalities must also address CN’s requirement for railway line approval under the Canadian Transportation Agency that requires consideration of the “interests of the localities that will be affected by the new railway line.” The CTA approval expands the scope of the “environmental effects” that must be considered and assessed for “significance” under the Federal EA process.

- The impact of the CN Project is likely to be exacerbated as the ultimate capacity of the CN Project has not been put forward by CN to the Review Panel. The Halton Municipalities have, through an international expert in intermodal design, provided the Review Panel with information that demonstrates that the footprint of the CN Project could handle more than 1 million containers annually, compared to the 450,000 that CN has proposed as an annual volume.

Strategy/process

As noted above, the public hearing regarding this matter will commence before the Review Panel on June 19, 2019. Burlington shares the environmental concerns raised by the Halton municipalities and the experts who have been assessing them. Of particular interest to Burlington are the transportation issues that have been raised. The transportation issues are of regional importance and impact. Work undertaken on behalf of the Halton Municipalities that will be presented to the Review Panel conclude in part that:

“In summary, there are several key transportation issues related to the design, operation and consequent impacts from the Project to the regional road network.

Dealing with the Project as proposed, one key conclusion is that the additional truck trips generated by the Project will impact traffic operations causing additional congestion, queuing and delay. A second key conclusion is that the haul route most likely to be used by trucks accessing and leaving the Project site will impact sensitive land uses in the Halton communities, namely residential and institutional.

Further conclusions relate to Mr. Vickerman’s findings that the current proposed container capacity of 450,000 containers per year is not the ultimate capacity of this site, even with its current footprint. Detailed modelling provides the Panel with information on anticipated truck volumes entering and exiting the Project associated with changes in container throughput, and provide predictions of the extent of its greater impacts on the regional transportation network.”
(Correspondence dated May 29, 2019 from Lisa De Angelis, Director Infrastructure Planning & Policy, Halton Region Public Works)

It is recommended that the City Council pass a resolution endorsing the recommendations set out in this Report in order to demonstrate that Burlington City Council independently endorses the submissions being made by the Halton Municipalities in this matter to the Review Panel.

Options considered

The City of Burlington could disengage from participating with the other Halton municipalities in this process; however as discussed above, the City shares a number of environmental and socio-economic interests in common with the other Halton Municipalities, so continued participation remains the recommended option.

Financial Matters:

The Region of Halton has borne all costs associated with legal fees, consultants and environmental experts arising from this matter.

Total Financial Impact

N/A

Source of Funding

N/A

Other Resource Impacts

Periodic attendance by the City Manager and City Solicitor convened at the Region of Halton is required.

Connections:

The approach taken is a collective, cooperative approach by all Halton municipalities.

Public Engagement Matters:

The Panel's public hearing is scheduled to be held from June 19, 2019 through July 17, 2019. No registration is required in order to attend. The hearing will be held at the Holiday Inn Express & Suites at 2750 High Point Drive in Milton.

Conclusion:

Staff recommend that Council approve the recommendations contained in this report and continue to participate in the Review Panel hearing into this matter.

Respectfully submitted,

Nancy Shea Nicol

City Solicitor & Director of Legal Services

905-335-7600 x7616

Appendices:

- A. Regional Report LPS78-19 – CEAA Panel Review of the Proposed CN Milton Logistics Hub
- B. Regional Report LPS-69-19 – Proposed CN Milton Logistics Hub

Notifications:

As identified in the Resolution

Report Approval:

All reports are reviewed and/or approved by Department Director, Director of Finance and Director of Legal. Final approval is by the City Manager.

Report To:	Regional Chair and Members of Regional Council
From:	Art Zuidema, Commissioner, Legislative and Planning Services
Date:	June 12, 2019
Report No. - Re:	LPS78-19 - CEAA Panel Review of the Proposed CN Milton Logistics Hub

RECOMMENDATION

1. THAT the Region supports the May 29, 2019 submissions of the Halton Municipalities to the review panel established under the *Canadian Environmental Assessment Act, 2012* (“CEAA”) including, in particular, the findings that the Proposed CN Milton Logistics Hub Project is likely to cause significant adverse environmental effects, as further outlined in Report No. LPS78-19 re: “CEAA Panel Review of the Proposed CN Milton Logistics Hub”.
2. THAT the Region supports the May 29, 2019 submissions for setting out the “interests of the localities” relevant to CEAA and section 98 of the *Canada Transportation Act* (“CTA”), as further outlined in Report No. LPS78-19 re: “CEAA Panel Review of the Proposed CN Milton Logistics Hub”.
3. THAT the Region supports the future submission to the Canadian Environmental Assessment Review Panel for the Proposed CN Milton Logistics Hub by the Halton Municipalities of such further information, including oral and written presentations and remarks, as advances the May 29, 2019 submissions and matters relevant to the CEAA and section 98 of the CTA, as further outlined in Report No. LPS78-19 re: “CEAA Panel Review of the Proposed CN Milton Logistics Hub”.
4. THAT the Regional Clerk forward a copy of Report No. LPS78-19 to the Canadian Environmental Assessment Review Panel for the Proposed CN Milton Logistics Hub prior to the start of the Panel’s public hearing, June 19, 2019.
5. THAT the Regional Clerk forward a copy of Report No. LPS78-19 to the City of Burlington, the Town of Halton Hills, the Town of Milton, the Town of Oakville and Conservation Halton, Halton’s MPs and MPPs, the Federation of Canadian Municipalities, and the Ontario Ministry of Municipal Affairs and Housing for their information.

REPORT

Discussion

Further to Report LPS69-19 re: “Proposed CN Milton Logistics Hub”, this report provides an update on the work done by staff and the expert team to respond to the Federal Environmental Assessment Review Panel (the “Panel”) request for information.

The Panel’s mandate is set by the *Canadian Environmental Assessment Act, 2012* (“CEAA”) and because of Canadian National Railway’s (“CN”) need for railway line approval is also set by the *Canada Transportation Act* (“CTA”). The central question to be addressed by the panel is whether, taking mitigation and cumulative effects into account, the proposed CN Milton Logistics Hub (“Project”) is likely to cause significant adverse environmental effects.

The CEAA provides a specific definition for “environmental effects” which has a narrow meaning. However, because the Project requires federal regulatory approval, the meaning of environmental effects must include all effects relevant to the regulatory approval. This is important to the Project because the regulatory approval under section 98 of the CTA provides that the relevant considerations include the “interests of the localities” that are affected. Accordingly, the interests of the Halton Municipalities are relevant to both the CEAA and the CTA processes and ultimate decisions.

As noted in LPS69-19, the Panel wrote to the Halton Municipalities and made two specific requests. The first request acknowledged the expertise and mandate of the Halton Municipalities and sought input on “municipal interests and standards in water, natural heritage, transportation, agricultural and employment matters”. This request affirms the Panel’s interest in assessing compliance with all standards (not just federal standards) when assessing the Project.

The second request sought the Halton Municipalities’ technical input on the potential environmental effects of the Project. The Panel specifically referenced criteria that assess the magnitude, geographic extent, frequency, duration, reversibility, and ecological and social context of the Project’s adverse environmental effects. The Panel also sought technical input on the predicted effectiveness of the proposed mitigation measures.

On May 29, 2019 the Halton Municipalities responded to these Panel requests by providing the Panel with a detailed submission that also addressed the central question of the Panel’s mandate on significant effects. This submission is titled “Halton Municipalities’ Brief of SAEEs” (the “SAEE Brief”) and can be found on the Review Panel’s website at <https://www.ceaa-acee.gc.ca/050/evaluations/document/130149?culture=en-CA>.

The SAEE Brief is organized around Valued Components (“VC”) of the environment identified by the Canadian Environmental Assessment Agency in guidance to the Panel.

For each Valued Component, the SAEE Brief contains a technical review of the Project's effects on the VC, focusing on relevant standards and criteria. These VC reviews are attached to this report as Appendix 1A through 1CC.

In response to the Panel's request for technical input on mitigation, the SAEE Brief assesses whether the proposed mitigation is effective, and also whether it is federally enforceable. This latter assessment is consistent with the CN position that the Project has constitutional immunity and exemption from any provincial or municipal regulation. It also responds to CEEA requirements.

Based on detailed assessment of enforceable mitigation, applicable standards and likely effects, the Brief finds that the Project is likely to cause significant adverse environmental effects on eleven of eighteen biophysical VCs and seven of eight socio-economic VCs, namely:

- Topography and soil
- Drainage basins
- Surface water bodies
- Surface water quality
- Ambient air quality
- Ambient noise levels on residences
- Ambient night-time light levels
- Migratory bird species
- Migratory bird use of area
- Species at risk (terrestrial)
- Habitat for species at risk (terrestrial)
- Human health conditions
- Human safety conditions (effects from derailments, intermodal transfer mishaps, spills of hazardous materials, and fires)
- Rural settings
 - Urban settings (and valued sub-components on transportation and movement on roadways, municipal water and wastewater infrastructure, and municipal infrastructure financing)
- Residential land use
- Industrial Commercial and Institutional land use
- Physical and cultural heritage

As required by the CEEA, the SAEE Brief also provides the Panel with assessments of cumulative effects, not just Project effects. For two important topics – road safety and road usage – the Region relies on its own haul route analysis and traffic modeling to assess impacts of the Project on the Regional road network. Based on this modelling, Project-related trucks are not likely to cause a significant adverse environmental effect on road safety, but are likely to cause increased traffic congestion amounting to a significant adverse environmental effect. Further, if Project container throughput increases, roadway safety will also likely become a significant adverse environmental effect.

For other effects, the SAEE Brief uses a list of other physical activities identified by CN to assess whether the Project, in combination with these other activities, is likely to cause cumulative significant adverse environmental effects. It identifies twelve cumulative significant adverse environmental effects - seven on biophysical VCs and five on socio-economic VCs, including human health, residential land use, and industrial land use.

Additionally, reflecting the Panel's specific request for municipal input regarding standards related to the Regional Official Plan ("ROP"), the SAEE Brief identifies several VCs where the Project does not conform to ROP standards and will affect other properties, lands and/or future developments. These cumulative effects are related to the Region's natural heritage system, rural countryside, employment land use, and municipal infrastructure planning and financing.

Other May 29th Filings with the Panel

The May 29, 2019 filing from the Halton Municipalities also included planning opinions from the Region's Chief Planning Official, Curt Benson, and the Town of Milton's Planning Commissioner, Barb Koopmans that provided the Panel with details on the land use planning framework applicable to Regional and Town decisions.

The SAEE Brief also addresses Halton Municipalities' interest in the ultimate throughput that could be carried out on the site. Prior to May 29, 2019, CN had refused to engage the Halton Municipalities on this "ultimate" capacity question. As noted in LPS69-19, the Halton Municipalities filed a report with the Panel from international expert John Vickerman outlining that the anticipated annual throughput could double within the current footprint proposed by CN. On May 29, 2019 CN filed a new report on this topic. The Halton Municipalities will address their interest in this issue and the recent CN report through future written and oral presentations provided to the panel during the hearing process.

The Halton Municipalities' May 29, 2019 filings also included a transportation issues report from Lisa De Angelis, the Region's Director of Infrastructure Planning & Policy that attaches the modelling reports described above and additional reports on haul route issues, information related to CN's Brampton intermodal facility, facility design and capacity assumptions of John Vickerman, and the Region's Britannia Road Class Environmental Assessment study.

Lastly, the May 29, 2019 filings include a portfolio of GIS maps prepared by the Region to provide the Panel with detailed information on the Region's natural heritage system at and around the Project site, sensitive land uses in the site vicinity, and other important topics relevant to future presentations to the Panel.

The Panel's public hearing is scheduled to be held from June 19, 2019 through July 17, 2019. The detailed schedule can be found on the Panel's website. Prior to the start of the public hearing, any presentation material must be submitted to the Panel by June 16, 2019.

FINANCIAL/PROGRAM IMPLICATIONS

The approved budget for T5215B includes sufficient funding for participation in the Review Panel process.

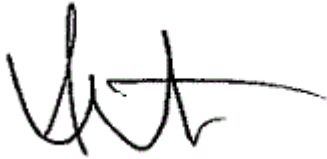
Respectfully submitted,



Bob Gray
Director, Legal Services and Corporate
Counsel



Curt Benson
Director, Planning Services and Chief
Planning Official



Art Zuidema
Commissioner, Legislative and Planning
Services

Approved by



Jane MacCaskill
Chief Administrative Officer

If you have any questions on the content of this report,
please contact:

Bob Gray
Curt Benson

Tel. # 7248
Tel. # 7181

- Attachments: 1A – Halton Municipalities’ Brief on Significant Adverse Environmental Effects - Introduction
1B – Topography and Soil Summary
1C – Geology and Geochemistry Summary
1D – Drainage Basins Summary
1E – Surface Water Bodies Summary
1F – Surface Water Quality Summary
1G – Ambient Air Quality Summary
1H – Ambient Noise Levels on Residences Summary
1I – Ambient Night-Time Light Levels Summary

1J – Fish Populations Summary
1K – Fish Habitat Summary
1L – Fish Movement Summary
1M – Migratory Bird Mortality Summary
1N – Migratory Bird Use of Area Summary
1O – Species at Risk Distribution and Mortality Summary
1P – Species at Risk Habitat Summary
1Q – Human Health Summary
1R – Human Safety Conditions Summary
1S – Rural Settings Summary
1T – Urban Settings Summary
1U – Transportation Summary
1V – Transportation Movement on Roadways Summary
1W – Urban Settings (Active Transportation) Summary
1X – Urban Settings (Municipal Water/Wastewater Infrastructure) Summary
1Y – Urban Settings (Municipal Financing) Summary
1Z – Residential Land Use Summary
1AA – ICI Employment Land Use Summary
1BB – Cultural Heritage Resources Summary
1CC – Archaeological Resources Summary



The Regional Municipality of Halton

Report To:	Regional Chair and Members of Regional Council
From:	Art Zuidema, Commissioner, Legislative and Planning Services
Date:	May 22, 2019
Report No. - Re:	LPS69-19 - Proposed CN Milton Logistics Hub

RECOMMENDATION

1. THAT Halton Regional staff attend and make submissions to the Review Panel as requested by the Review Panel and as further outlined in Report No. LPS69-19 re: "Proposed CN Milton Logistics Hub".
2. THAT the Regional Clerk forward a copy of Report No. LPS69-19 to the City of Burlington, the Town of Halton Hills, the Town of Milton, the Town of Oakville and Conservation Halton, Halton's MPs and MPPs, the Federation of Canadian Municipalities, and the Ontario Ministry of Municipal Affairs and Housing for their information.

REPORT

Executive Summary

- The Canadian National Railway Company ("CN") owns approximately 500 hectares of land in south Milton.
- CN has made several proposals with regard to developing these lands, beginning in 2001 with a proposal to develop an intermodal road to rail facility for containers.
- CN has changed the nature and scope of its intended development with representations made during the Sustainable Halton Official Plan for the development of a rail-serviced industrial park and not an intermodal facility.
- In early 2015 CN made its current proposal for an intermodal facility.
- In 2015 the Canadian Environmental Assessment Agency triggered a Federal Environmental Assessment resulting in the appointment of a Federal Canadian Environmental Assessment Act Review Panel.

- In April 2019 the Review Panel determined that the information it has received to date contains sufficient information to proceed to a public hearing.
- The Review Panel’s public hearing is presently scheduled to take place over an approximate one-month period beginning on June 19, 2019.
- The deadline to provide the Review Panel with a position on the merits of the CN Project is May 29, 2019.
- To address the merits of the Project under Federal Environmental Assessment, the Halton Municipalities must address two fundamental issues at the Review Panel:
 - Is the Project likely to cause any significant adverse environmental effects, taking into account mitigation and cumulative effects?
 - If the Project is likely to cause any significant adverse environmental effects are they justified in the circumstances?
- The Halton Municipalities must also address CN’s requirement for railway line approval under the Canadian Transportation Agency that requires consideration of the “interests of the localities that will be affected by the new railway line.” The CTA approval expands the scope of the “environmental effects” that must be considered and assessed for “significance” under the Federal EA process.
- The Halton Municipalities’ staff and experts are reviewing all of the material submitted to the Review Panel to date and are analyzing the likelihood of any significant adverse environmental effects, taking into account mitigation and cumulative effects of the Project. This work is ongoing and will be complete by the end of May Review Panel deadline.
- The impact of the Project is likely to be exacerbated as the ultimate capacity of the Project has not been put forward by CN to the Review Panel. The Halton Municipalities have, through an international expert in intermodal design, provided the Review Panel with information that demonstrates that the footprint of the Project could handle more than 1 million containers annually, compared to the 450,000 that CN has proposed as an annual volume.
- This report provides an update on the Project, the Review Panel process and the Halton Municipalities’ participation to date, including information about next steps.

Prior Council Reports

Regional Council has received reports about the various activities proposed by CN on property it owns in south Milton on several occasions over the years, including through the following public reports:

- Report PPW-49-01, dated March 8, 2001;
- Report CA-21-02, dated May 8, 2002;
- Report CA-63-03, dated November 4, 2003;
- Report LPS68-15, dated May 27, 2015;
- Report LPS75-15, dated June 17, 2015;
- Report LPS54-17, dated May 17, 2017.

In addition, Council has received several confidential briefings throughout this time.

CN's 2001 and 2008 Proposals

CN has assembled approximately 500 hectares of land in south Milton. The first proposal made by CN to develop this land holding was in 2001, with a proposal to develop an intermodal road to rail facility for containers. Halton addressed this proposal through a series of confidential reports but the proposal was ultimately abandoned by CN.

In 2008, through CN's participation in the Sustainable Halton official plan exercise, CN made representations to Council that it planned to develop a rail-served industrial park - employment lands that are directly accessible by rail, not an intermodal facility. Council relied on these representations to bring these CN lands into Halton's planning vision set out in Regional Official Plan Amendment 38 (Sustainable Halton).

CN's 2015 Proposal – Commencement of the CEEA/CTA Process

In 2015 CN made its current proposal to develop a logistics hub on approximately 160 hectares of land around its existing mainline rail east of Tremaine Road and South of Britannia Road in the Town of Milton. The Project includes a new mainline rail to double track the existing line and adds over 20 km of new rail yard track. The project also includes truck cargo loading and unloading and is projected to generate up to 1600 truck trips per day. As noted, this proposal was for an intermodal facility, not a rail-served industrial park.

Initially, CN proposes annual container throughput of 350,000 containers per year, with plans to grow this annual throughput to 450,000 containers. This compares with CN's much smaller site in Brampton that has an annual throughput of approximately 1 million containers annually.

Since the CN proposal was made in 2015, the Halton Municipalities have been engaged in providing comments on the proposed project to the Federal Minister of the Environment. In early 2015 the Halton Municipalities urged the Canadian Environmental

Assessment Agency and the Federal Minister of the Environment to agree that an environmental review process should be undertaken and that a joint federal municipal review panel should be appointed. This was in contrast to CN's position which was that no approvals whatsoever were required for this project.

Following the submission of the Halton Municipalities, the Federal Minister of the Environment referred the environmental assessment of the proposed Milton Logistics Hub Project to a review panel under section 38 of the *Canadian Environmental Assessment Act, 2012* (the "CEAA").

The final Environmental Impact Statement was issued by the Federal Minister of the Environment to CN on July 20, 2015 and identifies Valued Components of the biophysical and human environment. The term "Valued Components" refers to the environmental features that could be affected by the Project and includes their role in the ecosystem as well as the value people place on them.

As part of its mandate, and pursuant to the CEAA, the Review Panel is to assess potential significant adverse environmental effects of the proposal, taking into account mitigation and cumulative effects.

On December 6, 2016, a three member panel was appointed jointly by the Federal Minister of the Environment and Climate Change and the Chair of the CTA Agency to review the proposed Milton Logistics Hub Project (the "Review Panel"). The Review Panel has a comprehensive website, found at <https://www.ceaa-acee.gc.ca/050/evaluations/proj/80100?culture=en-CA>.

The Review Panel was established by a joint agreement between the Federal Minister of Environment and Climate Change and the Chair of the CTA Agency that contains terms of reference including "the interests of the localities that will be affected by the line" and its mandate is to:

1. Review the Project in a manner consistent with the CEAA; and
2. Allow the CTA Agency to gather information and views concerning the location of the new railway lines, to support an eventual determination under section 98 of the CTA.

Of note, on April 25, 2019 the Review Panel wrote to invite the Halton Municipalities to attend the public hearing and to present views and analysis to the Review Panel in relation to the Project, including a technical review of the potential environmental effects, proposed mitigation measures and follow-up programs and other relevant information and recommendations, particularly in the areas of municipal interests and standards in water, natural heritage, transportation, agriculture, residential and employment matters.

The Halton Municipalities' Participation in the CEAA/CTA Process to Date

As noted, there have been several updates provided to Council with the latest being in LPS54-17 re: "Update on CEAA Panel for the CN Milton Logistics Hub" that was considered by Regional Council in May 2017. Over the past 2 years the Halton Municipalities have been focused on analyzing whether CN has submitted sufficient information as noted below.

In order to carry out this work, experts in the following areas are engaged:

- Transportation Facility Engineering (intermodal facility design & operation);
- Road Safety;
- Road Servicing & Design;
- Geotechnical Issues;
- Financial Impacts – Transportation;
- Transportation Planning;
- Municipal Finance;
- Growth Management and Economic & Demographic Forecasting;
- Land Use Planning;
- Water and Wastewater Servicing;
- Water Impacts;
- Ecology;
- Natural Heritage;
- Archeology;
- Cultural Heritage;
- Air Quality Impacts;
- Air & Human Health;
- Light;
- Noise Impact & Vibration;
- Risk Assessment; and
- Agriculture.

Since the consideration of LPS54-17, the Review Panel has continued its Information Requests that began in the spring of 2017 and as CN responded to the IRs, the Halton Municipalities, with assistance from its technical experts, provided comment to the Review Panel on the sufficiency of CN's responses to the IRs and made recommendations about additional information the Review Panel should require from CN in the form of Sufficiency Briefs. There have been at least 4 such submissions by the Halton Municipalities between May 2018 and April 2019. The Review Panel has engaged and has asked CN for further information.

In addition to the Sufficiency Briefs, the Halton Municipalities provided the Review Panel with comments it requested in regard to CN's responses on the topic of the ultimate/maximum capacity of the proposed logistics hub. The most recent comments on

this topic are contained in a report dated April 8, 2019 by John Vickerman of Vickerman & Associates, an international expert in intermodal facility design, which is posted on the Review Panel website.

Using a methodology applied to more than 200 port and intermodal facilities in North America and overseas, the Vickerman Report conservatively calculates the capacity of the proposed CN Milton Logistics Hub under different scenarios. Each scenario applies progressive adjustments to CN's proposed planning design and operations and concludes that the capacity of the Project could be readily increased within the same terminal footprint and without major changes in yard equipment from the proposed volume of 450,000 containers annually to a volume of approximately 1 million container lifts annually. The Vickerman Report also concludes that within its 160 hectare footprint, a re-design of the Project to include current technologies could allow the facility to reach an annual capacity of considerably more than 1 million containers. It is notable that CN has provided information that its Brampton intermodal terminal is approximately 50% smaller in area than the footprint of the Project and it handles approximately 1 million containers a year.

The conclusions in the Vickerman Report are important as CN has based all of its predictions about cumulative effects on 450,000 containers annually and has not provided any information on predicted effects, project or cumulative, using the ultimate/maximum capacity as requested by the Review Panel. The Halton Municipalities' experts are currently carrying out such analysis.

Next Steps – the Review Panel Report

The Review Panel public hearing is scheduled to begin June 19, 2019 for an approximate one-month period at the Holiday Inn Express & Suites at 2750 High Point Drive in Milton.

Written submissions to support technical presentations at the Review Panel hearing must be submitted to the Review Panel by May 29, 2019. It is anticipated that these submissions by the Halton Municipalities will take the form of a written submission on the merits of the project within the context of the Review Panel's work, focusing in on significant adverse environmental effects, considering both mitigation and cumulative effects. A further report will be brought forward to Council in June to provide an update about the work done and conclusions reached by the technical experts and the contents of the technical submissions provided to the Review Panel.

The presentations by the technical experts may also be supported by electronic presentations and visual aids, which must be submitted to the Review Panel by June 16, 2019.

In addition to the written submissions to support the technical presentations, it is anticipated that a written legal submission brief will also be submitted to the Review Panel on behalf of the Halton Municipalities.

Once the public hearings are complete, the Review Panel will prepare a report of its rationale, conclusions and recommendations, including any mitigation measures and follow-up programs and will submit the report to the federal Minister of the Environment.

The Minister will make the report public and make a determination about whether or not the Project is likely to cause significant environmental effects. Any such decision is required to take into account all mitigation within the authority of the Federal government to implement. If the Minister concludes that even with effective and enforceable mitigation, the Project is likely to cause any significant adverse environmental effects, the Minister must refer the EA to the federal cabinet for a decision on whether they are justified in the circumstances.

The CEAA process concludes when the Minister issues a decision statement on the project consistent with any cabinet decision.

FINANCIAL/PROGRAM IMPLICATIONS

The approved budget for project T5215B includes sufficient finding for participation in the Review Panel process.

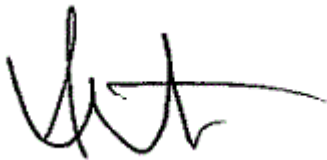
Respectfully submitted,



Bob Gray
Director, Legal Services and Corporate
Counsel



Curt Benson
Director, Planning Services and Chief
Planning Official



Art Zuidema
Commissioner, Legislative and Planning
Services

Approved by



Jane MacCaskill
Chief Administrative Officer

If you have any questions on the content of this report,
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Attachments: None