



October 10, 2017

Hon. George Heyman, BC Minister of Environment and Climate Change Strategy
Hon. Michelle Mungall, BC Minister of Energy, Mines, and Petroleum Resources
Hon. Catherine McKenna, Canadian Minister of Environment and Climate Change
Right Hon. Justin Trudeau, Prime Minister
Hon. John Horgan, Premier

RE: Proposed KGHM Ajax Mine Project

The City of Kamloops has been actively engaged in the review process for the proposed KGHM Ajax Mine project (the Project) since the pre-application phase. Due to the Project's close proximity to Kamloops and the potential effects on citizen health and well-being, property and infrastructure, and the environment, we considered it our duty to our citizens to scrutinize all aspects of the Project.

During the review, City staff took an active role in the technical working group and retained SLR Consulting (Canada) Ltd. to perform a thorough technical review of the Application for an Environmental Assessment Certificate (Application) and supporting documents. Kamloops City Council also held a series of special Council meetings and workshops to share the results with the public and receive feedback. We have been one of few working group members to evaluate the Application in its entirety.

Based on our evaluation, we wish to reiterate our unequivocal opposition to the Project. Several factors were considered in our decision, which was passed in a 5-1 vote by Council on July 18, 2017. Our top concerns with the Project include the following:

- **Air Quality:** Kamloops' unique geography and weather renders the city and its residents vulnerable to changes in particulate matter and resulting air quality. The forest fires of 2017 and the impacts of the resulting smoke within the city is one example. Given KGHM's reliance on achieving an extraordinary and unproven proposed dust mitigation level to alleviate impacts, the Project's proximity to the City, and the potential resulting health impacts (documented in the scientific literature), we are very concerned about changes to air quality from Project-generated activities. Even small increases in PM_{2.5} levels are unacceptable.
- **Infrastructure and Services:** There will be substantial costs to City infrastructure and services associated with the Project, and there are currently no service agreements or benefit agreements that have been finalized and in place to offset these costs. The City is also not set to receive tax revenue directly from the Project, as the mine facilities border the City's southern boundary. Some examples of the infrastructure and services the City expects to be impacted by the Project include roads and transportation



networks, public and emergency services, recreation, and healthcare (there is a shortage of general practitioners in Kamloops, and some have expressed their desire to leave Kamloops should the mine be approved). We also expect adverse effects on the availability of skilled labour and affordable accommodation within Kamloops. Further, the City, its taxpayers, and developers have invested considerable capital in infrastructure for the area directly north (within 2 km) of the proposed mine site to accommodate future growth, as outlined in the KAMPLAN: City of Kamloops Official Community Plan. There are very few areas in the city that can accommodate such high-density housing, and there would be extensive costs for new infrastructure development.

- **Social Licence:** Public opinion on the Project remains divided in Kamloops, and social licence to operate is absent among the community and stakeholders. Several groups have formed in opposition to the Project, and some groups have used private funds to support independent studies of the Application. The groups represent diverse stakeholders, including health care providers, land developers, and neighbourhood associations. Further, the Stk'émłúpsenc te Secwépemc Nation, which asserts title over the proposed Project area (Pípsell) and initiated its own review process, does not give its free, prior, and informed consent to the development of the Project.
- **Property Values:** Effects on property values are uncertain, and KGHM Ajax Mining Inc.'s (KGHM's) confidence in their conclusion that there will be no significant adverse to property values effects is low. We feel a comprehensive property value protection plan that also outlines how stressors related to property value decline (noise, vibration, dust, dark sky, accidents, etc.) will be mitigated is warranted at minimum for this Project.

There were early discussions between the City and KGHM regarding a proposed Community Benefit Agreement. Although an agreement, in principle, was reached, discussions are now at a standstill. Council wishes to make it clear to decision makers that an agreement is tentative at best and that the only reason that Council would re-enter into discussions with KGHM regarding an agreement would be to provide protection to the City should the project be given an environmental certificate. Council remains opposed to the project and wants to be clear that any mention of a Community Benefit Agreement does NOT give the company social licence for the Project.

The rationale behind our decision to oppose the Project is comprehensive and has been detailed in various documents in recent months during the Environmental Assessment process. We would like to present these documents, as well as others that relate our concerns with the Project, in one package for your review and consideration. The package includes:

- City Council's July 24, 2017, letter to the BC Environmental Assessment Office (BCEAO), the Canadian Environmental Assessment Agency (the Agency), and provincial and federal ministers expressing opposition to the Project
- City staff's July 25, 2017, letter to the BCEAO and the Agency outlining recommended conditions of project certification should the Project be issued an Environmental Assessment Certificate
- City Council's October 10, 2017, letter to the BCEAO and the Agency outlining concerns with the joint Federal Comprehensive Study/Provincial Assessment Report, provincial Summary Assessment Report, and proposed Table of Conditions which were released for public comment
- Maps that staff have prepared showing distances to the city's growth boundary and housing developments

We trust these documents will give you an understanding of our opposition to the Project; what binding, legal conditions we will expect should the Project receive an Environmental Assessment Certificate; and our concerns with the decision materials prepared by provincial and federal agencies.

Thank you for your consideration of our decision and the documents enclosed herein. If you would like to discuss any of the materials, please do not hesitate to contact me.

Yours truly,



Arjun H. Singh
Deputy Mayor

Enclosures

AJS/ts

cc: T. James, Project Assessment Manager, BC Environmental Assessment Office
K. Inouye, Project Manager, Canadian Environmental Assessment Agency
C. McLeod, MP Kamloops-Thompson-Cariboo
T. Stone, MLA Kamloops-South Thompson
P. Milobar, MLA Kamloops-North Thompson