

Environmental Assessment Newfoundland and Labrador

Name of Undertaking: Proposed Composite Tub and Shower Business

Corporate Body: GFI Composites Ltd.

Address: 448 Backline Road, Gould's NL

Tel: 709-746-2877

Fax: 709-747-0851

Contact person: Patrick Galway

Contact Number: 709-746-2877

Title: Owner

The Undertaking:

GFI Composites Ltd. has completed two and half years of operations. Over this short period, the Company has grown from one employee to four full time staff and occasional part time help. Their product line has grown from skidoo enclosures to multiple fibre glass products and services and customers from the marine industry, health care, recreation industries, public sector, utilities and offshore oil and gas.

The Company has come to an important crossroads. It requires a larger facility to provide production capacity and more suitable accommodation for quality, health safety and environment. Also the Company has identified a new product line that fits with their capabilities, acrylic tub and showers for the residential housing market. This product is not manufactured in the province or the Atlantic region, but is instead shipped in to our market. Shipping requires high volume, weight and significant cost.

Geographical Location:

Located at 54- 70 Delaney's Road, Foxtrap, Conception Bay South, Newfoundland. Building is a 5,265 square Feet one storey wood and steel framed tilt-up warehouse. There is a 287 square feet stand alone wood framed office building as well.

The subject site comprises of 4.243 acres and is irregularly shaped. The site has total frontage of 517 feet onto the east side of Delaney's Road.

The site is mostly level and graded, in part with backfill towards the rear and the southern interior. Around 15% - 20% of the site is lower lying marshy or wet land at the site's natural grade bordering the foxtrap river, which is little more than a stream. This lower lying land is at the site's southerly and easterly limits.

Please Read Appendix "A" for Detailed Land and Survey Description

Physical Features:

Existing at grade street to and from Delaney's Road is available along the southerly stretch of the property's road frontage in the vicinity of the building. The driveway in front of the building is paved, the remainder of the site is unpaved.

The building is steel tilt-up frame, metal siding on insulation, 4 foot frost wall and concrete slab, front 14 x 16 overhead door, 16 x 18 rear overhead door, certified up to code 29 x 16 cross draft spray booth, Electrical power is 200 amp, 225 volt main entrance alongside a 200 amp, 240 volt 3 phase breaker panel.

Building report plan clearly shows building in respect to residential houses. Note that there are two residential houses west of the proposed location. Also located North of the building is Foxtrap Marina, which provides GFI Composites Ltd. with possible business oppertatys for boat repair to pleasure boat that dock in the area.

Curent building age is 15 years old and has been occupiyed by Atlantic SandBlasting and painting ltd. for this time. There has never been any complaints about dust, sand or smell by local residents in the area.

Please Read Appendix "A" for Detailed Land and Survey Description

Operation:

GFI Composites Ltd. (GFI) was incorporated on August 5, 2008 by two brothers, Patrick and Denis Galway Jr. It is a 100 percent Newfoundland and Labrador owned and operated manufacturer of fibreglass products.

Company initially began its fibreglass manufacturing with the launch of its All Terrain Enclosure that was built for the recreation snowmobile industry. This was a fibreglass enclosure that fit on any 8.5 x 10 foot trailer frame. After a successful launch of the trailer project, the company decided to expand its product line with a commercial sized mould and offered 11' and 12' trailers as well. The larger size was a great option for industrial customers such as Nalcor and the Canadian Coast.

There will be a 1 year lease signed or possible funding might be available to purchase the building.

Liquid effluents will be handled by a 500 gal septic tank and a government approved distribution field. Only human waste will be discharged in to the field.

There will be two divided areas for resin and cutting .Both areas will be 1000 sqft in size and will be divided by interior walls so not to contaminate the rest of the shop.

A fibreglass/ styrene emission stack is proposed in the building to deal with any smell that might occur in the manufacturing of fibreglass products. The system will be constructed by Jenkins Power Sheet Metal Inc. This company has installed stacks for Kitchen cabinet shops and automotive shops in the City of St.John's to exhaust their paint and lacquer fumes and have work very well along side of other business and residential houses. Jenkins and Power have quoted me on the following system to properly vent styrene/ fibreglass emission into the atmosphere. A 3 meter to 4 meter sheet metal stack 18" in diameter will be fabricated on top of the building. The Stack will be anchored by wire cable to keep it in position. A 3 hp 3200 CFM Extraction fan will be located inside the building. Duct work will run from the fan and piped directly in to the stack. 3200 CFM will give a lot of air movement for both exhausting the building and blowing the fumes up the stack and in to the atmosphere. This way no one at ground level can smell any fibreglass/ styrene emissions. This system is commonly used in fibreglass shops in Quebec and works well along side of residential housing.

There will also be an extraction system for dust as well; dust is created from trimming excess fibreglass that is left on the ranges of the product. There will be a cutting table set up with a 6" hose connected to the dust collector that can be moved around to were the employee is cutting. There will be a designated area of 1000 sqft for cutting only. Interior walls dividing the cut area from the rest of the shop will be constructed. A Passenger door to enter cut area will be marked clearly to keep closed at all times. GFI's dust extraction fan will be a 2 stage dust collector. It has a 3 hp motor which can ventilate a 1000 sqft area. The dust collector works with a cyclone system that has two drum below collecting the dust. Large pieces of fibreglass dust fall in to the first drum and the smaller particles go through a filler and into the second drum. Once drums

are full of dust they are dumped in the dumpster. It can be operated inside or outside of shop. This system has been proven to work well in other fibreglass shops.

Raw materials that will be kept on site will be 3 to 5 pails of Gel-Coat, 1 drum of resin and 1 drum of acetone. These raw materials will be kept outside in a metal container while not in use. Container is of the same construction as the oceanex containers that are used to bring freight in and out of the province. Container will be lined with a chemical resistant layer of fibreglass mat and woven. Fiberglass mat and woven will run up the walls 4 to 6 inch even at the point of entrance at the door. This will contain any spills that may occur inside. A 45 gal. spill kit will be in the shop area; this will contain absorbent pads, rags and other items for cleaning up spills that might occur in the shop.

GFI does not inventory much raw materials due to danger of fire or spills. Our supplier Active Fiberglass who has a warehouse in Donovan's Industrial keeps all of our raw materials at their location. As GFI needs material it is delivered.

Waste that is generated from manufacturing that is of a solid form would be disposed of in a general waste management container that would be dumped once or twice ever month. This waste includes rollers/brushes that have cured hard due to the chemical reaction of the fibreglass resin/Gel-Coat, Cardboard, cured fibreglass trimmings and dust from both the floor and the dust collector. All waste that is placed in dumpster is approved to be hauled to land fill by waste management inc. Resin, gel-coat and acetone comes in metal 45 gal drums, once drums are empty they are cleaned with solvent and returned to our wholesaler Active fiberglass for recycling.

Solvents that are used to clean equipment will be stored in 5 gal pails and disposed of at our City's municipal land fill. The City of St. John's has designated certain days that solvents may be drop off.

GFI Composites manufactures 75% of our products on moulds. These moulds are first wax so that the fibreglass will release properly. Then there is a gel-coat applied by a roller. Applying with a roller keeps emissions and over spray low. After gel-coat dries there is a strong layer of fibreglass applied to the entire surface. Resin is sprayed from what is called a fibreglass chop gun. This is a new piece of equipment that sprays resin, hardener and fibreglass chop together. It has an internal mixing system which keeps emissions very low.

The other 25% of our manufacturing is custom fabrication. Fiberglass is applied with a bucket and brush to items such as wood, metal, plastic etc. Also included in this would be small repairs to boat and other recreational equipment.

Occupations:

Once in operation GFI Composites will employ 3 full time employees.

Each new employee will be first fit test for the proper 3M respirator, tyvac and gloves before he begins his first shift. He is also briefed on the dangers that can arise in this tip of work environment. GFI follows its own HSE manual for new employee orientation and can be supplied to the Province or the federal Government on their request.

Fiberglass resin contains styrene that can be harmful to our employee health. To prevent this GFI has assigned areas that are used for fibreglass resin and also for trimming. These areas are equipped with extraction fans to exhaust dust or fumes from the area. GFI has also started to use a low VOC resin (Volatile Organic Compounds) from the manufacture progress plastics. There is also a styrene suppressant added to the resin called styrid. Styrid is purchased in 5 gal pails and is added to the drum of resin. Styrid when used properly in polyester resin will reduce styrene emissions 10% or higher.

GFI has funding for CSA approval and will be audited ever quarter to make sure policies and procedures are being followed.

Project-Related Documents:

N/A

Approval of the undertaking:

Environment Assessment- Federal Government

Environment Assessment - Provincial Government

Permits and zoning- In Place with CBS Foxtrap (Marine / Industrial zoning)

Schedule:

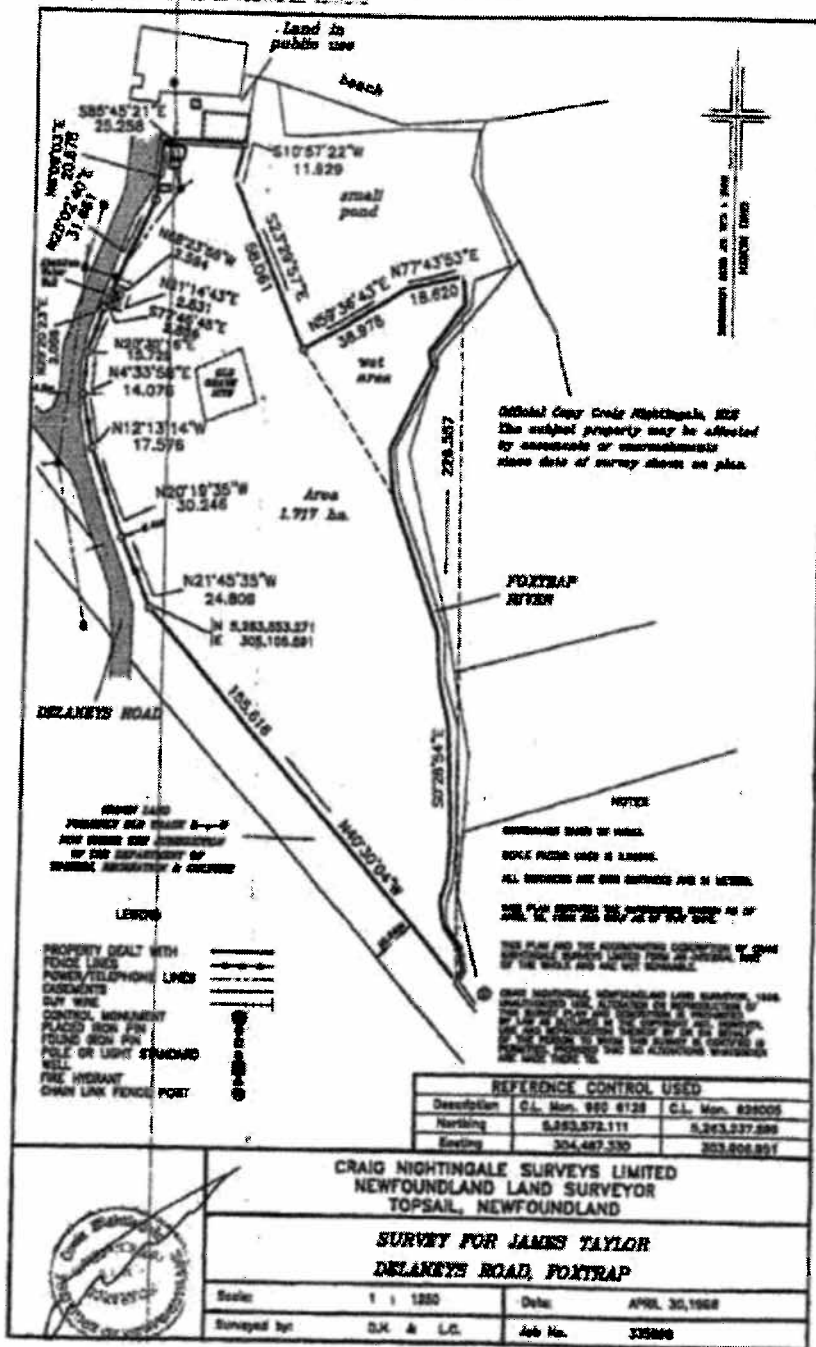
GFI would like to be manufacturing Tub and Shower units by mid Sept so not to miss the complete residential housing seasons. GFI's funding is close to being in place and we are excited to get started on this new venture.

Funding:

Loan will come from both the Federal Government Atlantic Canada Opportunities Agency 40%, Province NL Innovation Trade and Rural Development 40% and GFI 20%. Total cost of \$600,000.

APPENDIX "A"

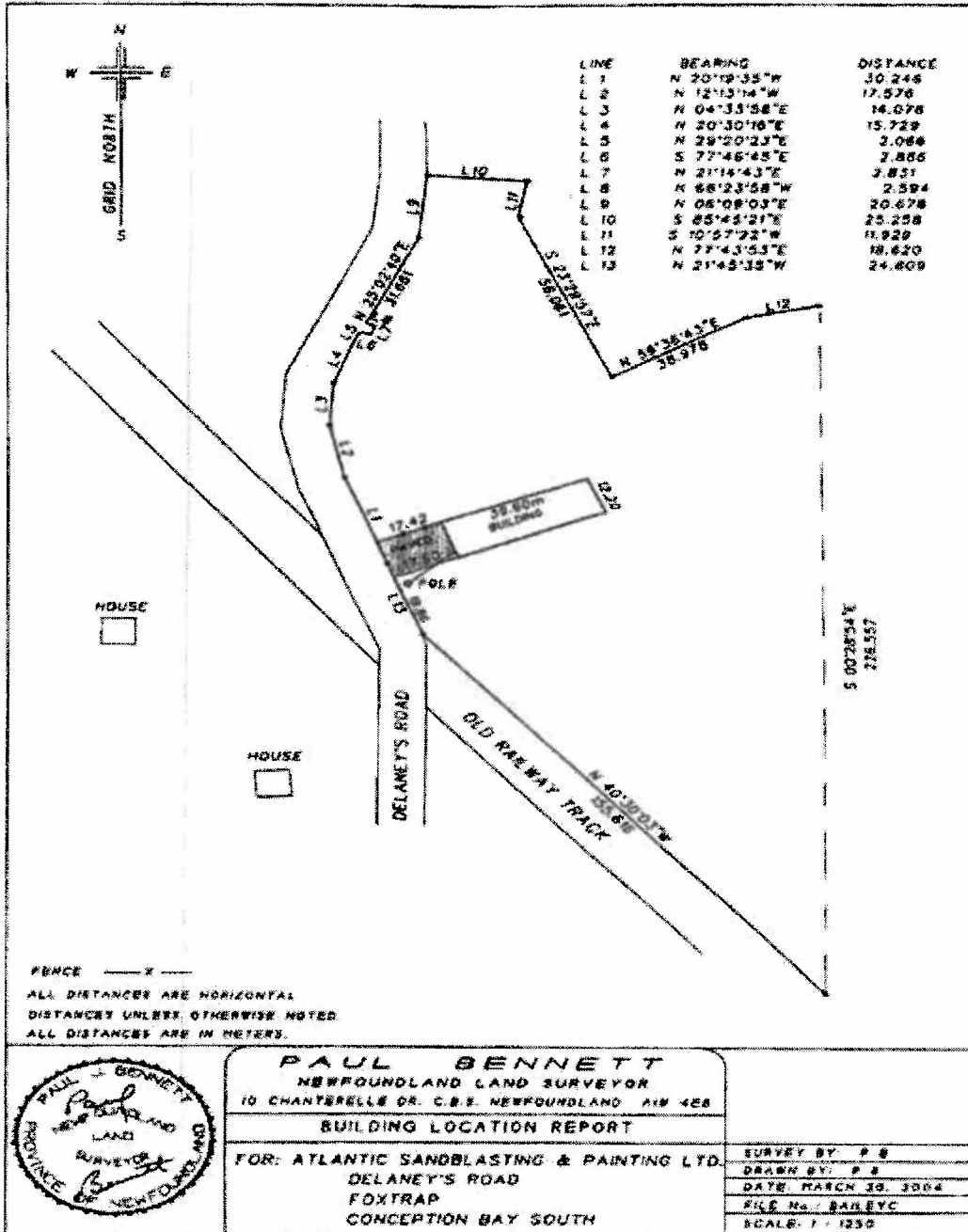
Land Survey Plan:



Market Value Appraisal, 54-70 Delaney's Road, Foxtrap, Conception Bay South, Nfld

Neil Tedstone

Building Location Report Plan:



Market Value Appraisal, 54-78 Delaney's Road, Foxtrap, Conception Bay South, Nfld

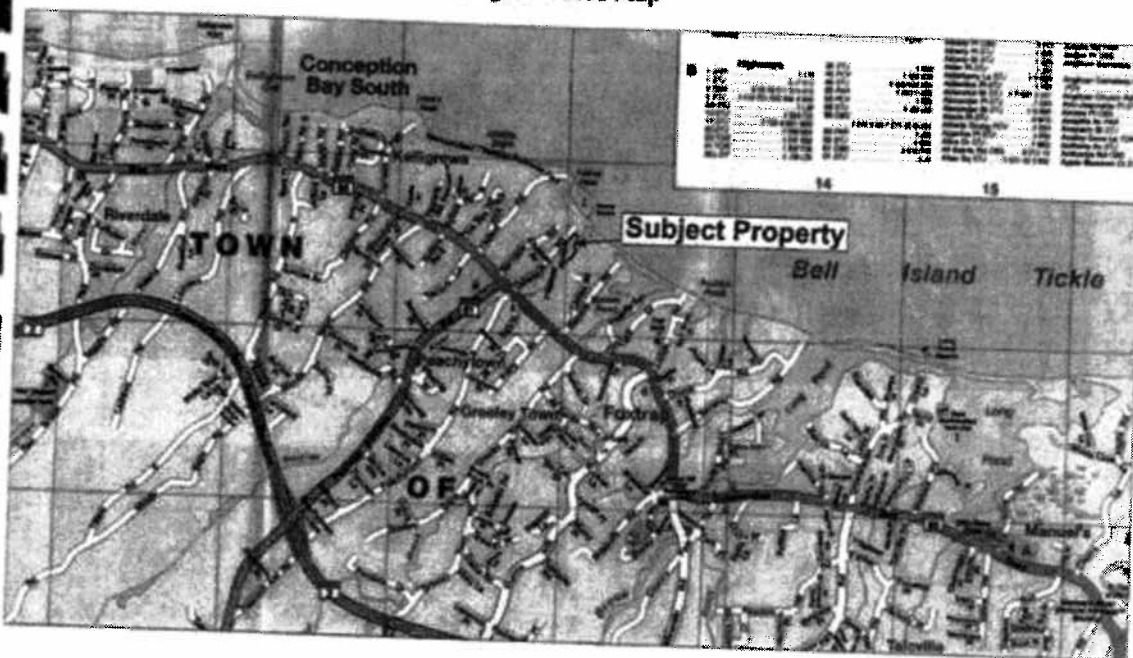
Neil Tedstone

2.0 NEIGHBOURHOOD SUMMARY

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The subject property is located on the east side of Delaney's Road near the waters of Conception Bay in Foxtrap, Conception Bay South. The Neighbourhood Map (below) indicates the property's location.

Neighbourhood Map



Source: St. John's city map [2009 edition], MapArt Publishing

The property is bordered to the west by Delaney's Road, to the southwest by the T-Railway linear provincial park (formerly the trans-island rail line), to the east by the Foxtrap River and a small pond, and to the north by a twine shed now owned by the Foxtrap Harbour Authority.

Other properties in the immediate neighbourhood include:

- the Foxtrap Marina and associated buildings owned and operated by the Foxtrap Harbour Authority;
- a public wharf at the northern end of Delaney's Road;
- single detached residences to the south on Delaney's Road.

The subject property is around half a kilometre north from the Conception Bay Highway (Route 60) – Delaney's Road T-intersection. The Foxtrap Access Road (Route 61), connecting to the Conception Bay Bypass (Route 2) and Trans Canada Highway, is slightly west of this intersection. The subject property is thus within a short distance of the regional highway network.

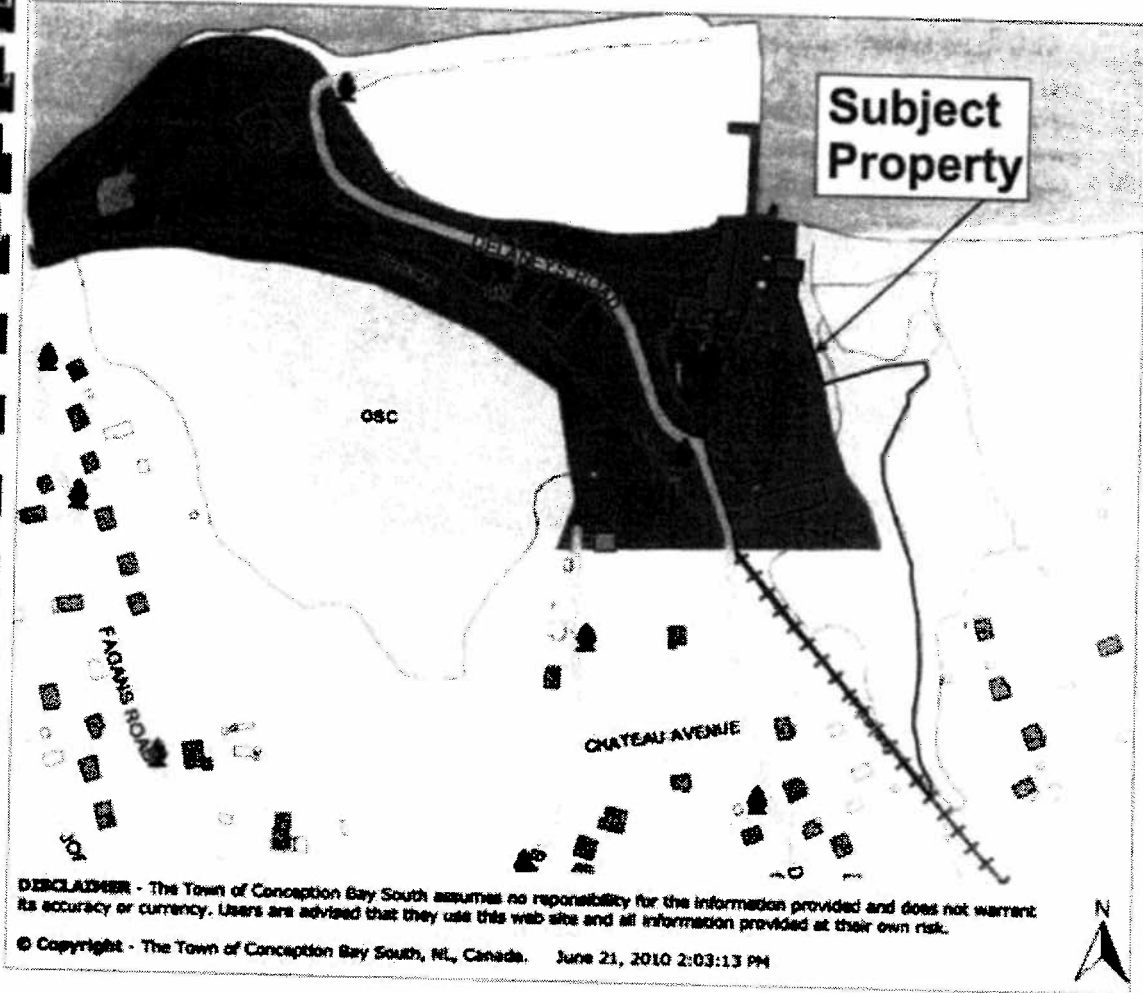
Market Value Appraisal, 54-70 Delaney's Road, Foxtrap, Conception Bay South, Nfld

Neil Tedstone

5.0 LAND USE ZONING

The subject property is zoned a combination of Commercial Marine (CM), Residential Medium Density (R2) and Open Space Conservation (OSC) on the Town of Conception Bay South (CBS) Development Regulations Zoning Map. The existing sandblasting and painting use is a Discretionary Use under the CM land use zone.

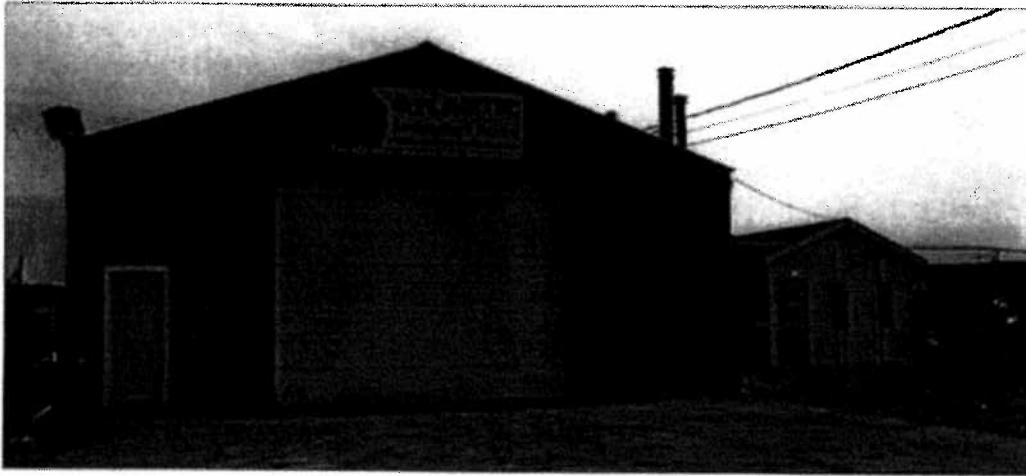
Town of Conception Bay South Development Regulations Land Use Zoning Map Extract:



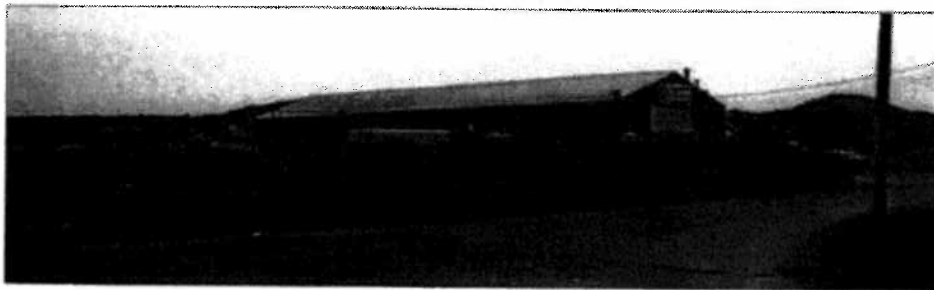
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Source: <http://www.geonl.net/manguide/CBS-GIS/>

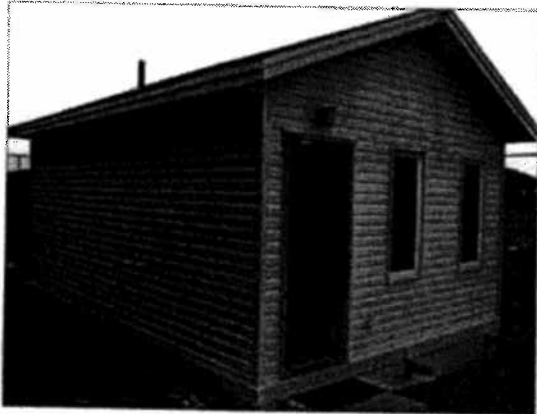
APPENDIX A: Photographs of the Subject Property



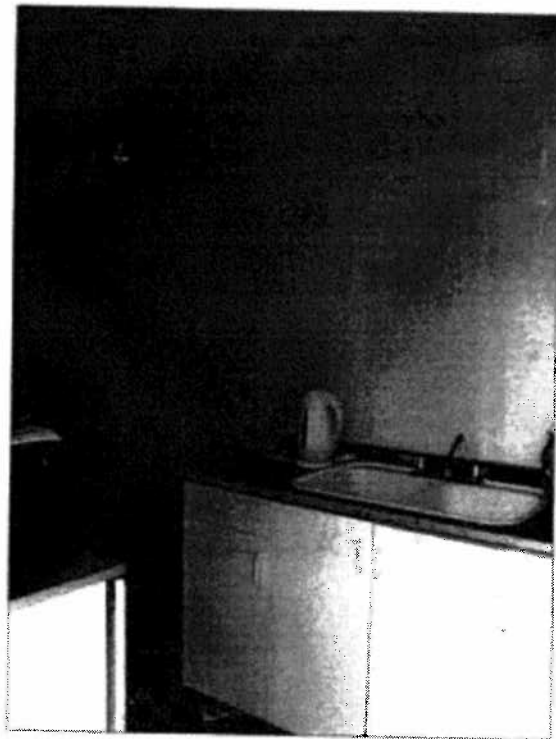
Above & below: Warehouse and office building front and side elevations.



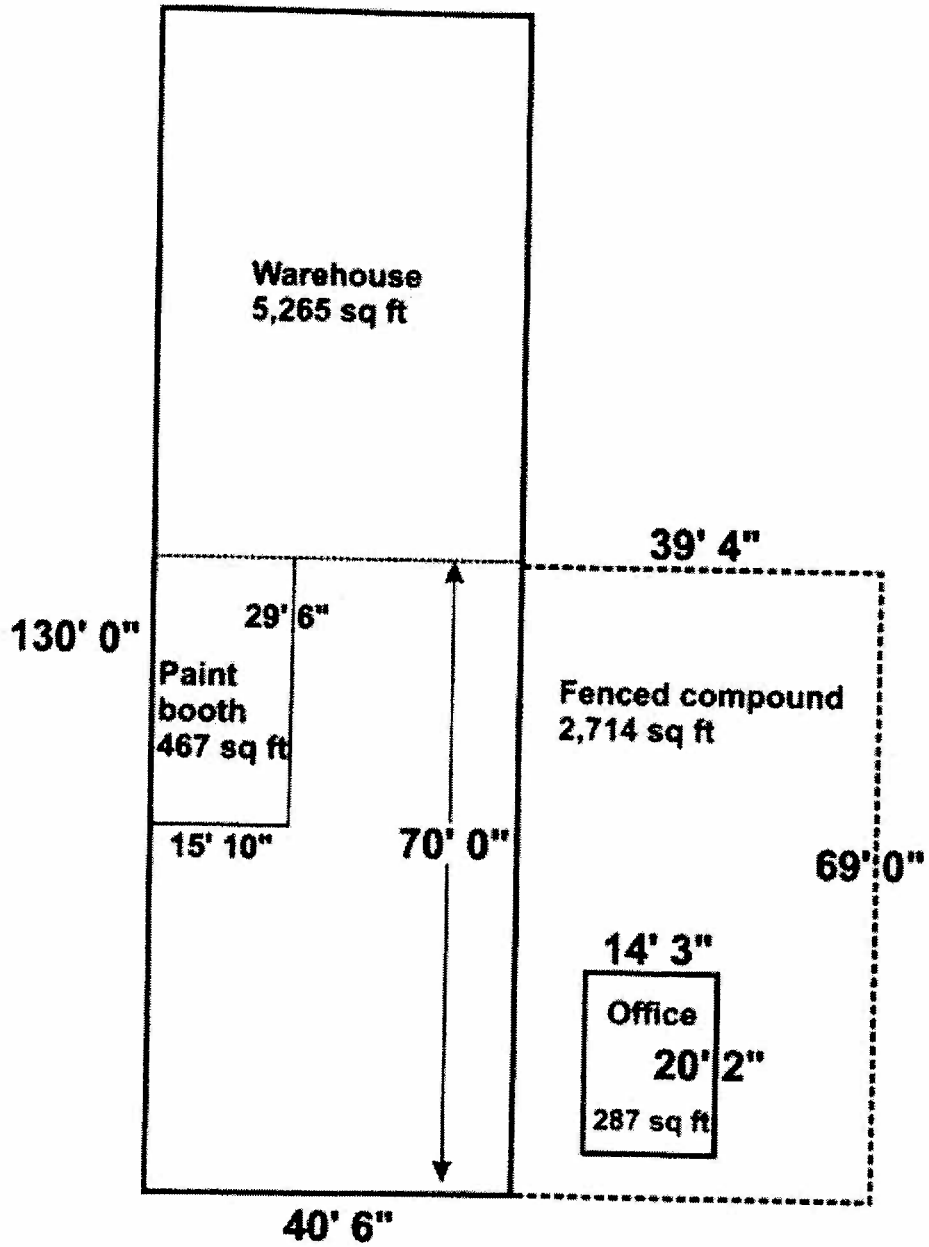
Left: The overburden berm runs along much of the property's Delaney's Road frontage.



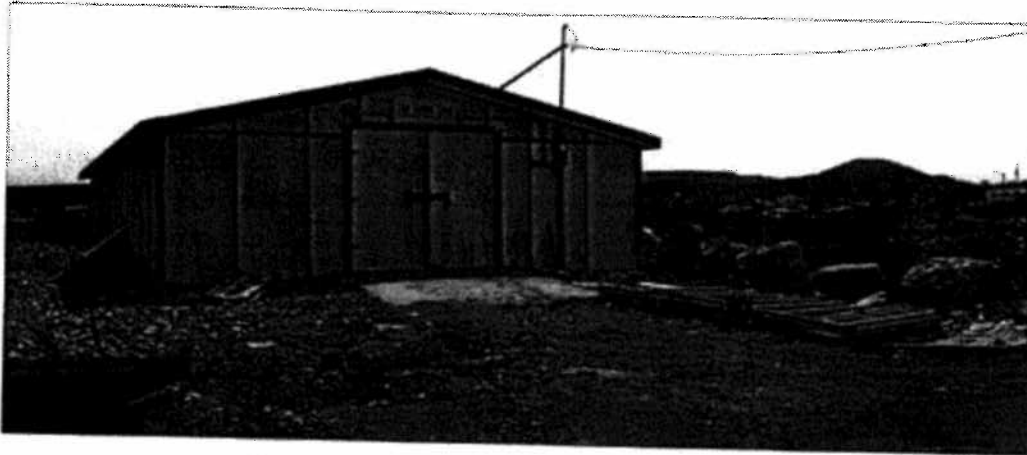
Office building.



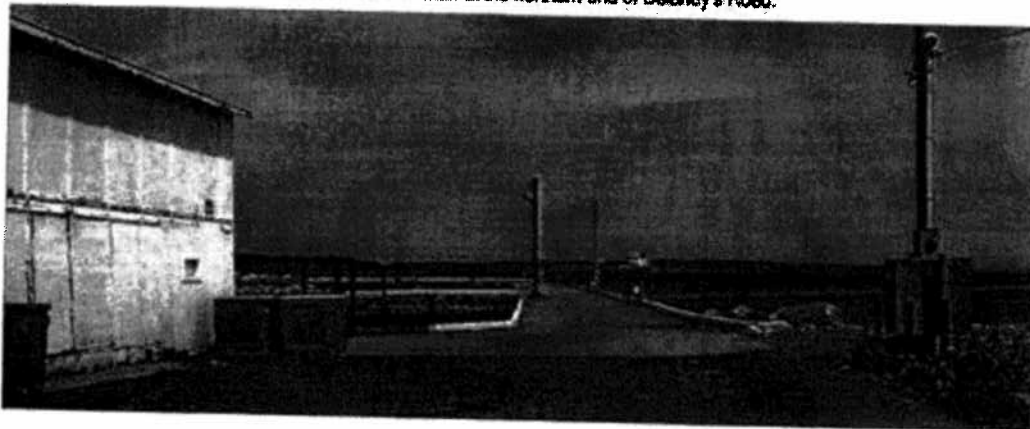
Building Plan:



There are no known or proposed developments, uses, environmental concerns or flood plain issues in the immediate neighbourhood that adversely affect the subject property's current market value at the effective valuation date.



Above: Twine shed at the northern boundary of the subject property.
Below: Public wharf at the northern end of Delaney's Road.



Left:
Delaney's
Road
access to
the Foxtrap
Marina.