



File: 105809

Aug 8, 2016

REGISTERED MAIL

Cobble Hill Holdings Ltd. (BC0754588)  
460 Stebbings Road  
Shawnigan Lake BC V0R 2W3

Dear Cobble Hill Holdings Ltd. (BC0754588):

**Re: Warning Letter, Waste Discharge Permit #105809**

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On Aug 8, 2016, Ministry of Environment, Environmental Protection Division staff conducted an office review of Cobble Hill Holdings Ltd. (BC0754588) (CHH), authorized under *Environmental Management Act (EMA)*, waste discharge permit 105809 (Permit). The office review determined that CHH is out of compliance with the Director's requirements set pursuant to sections 2.20, 4.1 and 4.2 of the Permit. The description of the requirements found in the above sections of the permit and the details supporting the determinations of non-compliance are included in the attached Inspection Report 29127.

Failure to comply with the requirements set out in your permit is an offence under the *Environmental Management Act (EMA)*. Section 120(7) of *EMA* states as follows:

*A person who, holding a permit or approval issued under this Act to introduce waste into the environment, fails to comply with the requirements of the permit or approval commits an offence and is liable to a penalty not exceeding \$300 000 or imprisonment for not more than 6 months, or both.*

It should also be noted that, as an alternative to prosecution of the offence referenced above, the Ministry may initiate action to impose an administrative penalty against CHH. The *Administrative Penalties Regulation (EMA)* (B.C. Reg. 133/2014) (APR) was brought into force in 2014. The APR describes the prescribed provisions of the *EMA* as well as that of specified regulations under which administrative penalties can be assigned. Section 12(5) of the APR states as follows:

*12(5) A person who fails to comply with a requirement of a permit or approval issued or given under the Act is liable to an administrative penalty not exceeding \$40 000, unless the requirement the person failed to comply with is also a prescribed provision of the EMA or the regulations that is subject to a different maximum administrative penalty.*

The ministry acknowledges receipt of the CHH letter dated July 28, 2016, in response to the Director's letters of June 21, 2016 (Re: Section 4 Security Requirements) and June 29, 2016 (Re: Section 2.20 Amended or Additional Requirements – Non-Contact and Contact Water Management Reviews and Reports). The CHH letter was received August 03, 2016, after the required due dates, and does not satisfy the requirements of the Director's letters of June 21, 2016 and June 29, 2016. Further, the CHH letter proposes to delay the submission of the required information and reports, however the proposal is not acceptable as it lacks adequate supporting information. Before the Director would consider any proposal, it would first be necessary for CHH to submit adequate supporting information including detailed technical information, background, rationale, workplan, schedule, qualified professional suitability including qualifications, knowledge, experience, capacity to complete work on schedule, etcetera. If CHH intends to prepare adequate supporting information and submit a proposal, please contact A.J. Downie, Director, Authorizations-South, or the undersigned, to schedule a meeting to discuss the necessary supporting information and proposal.

If you fail to take the necessary actions to restore compliance, you may be subject to escalating enforcement action. This Warning Letter, Inspection Report 29127, and the alleged violations and circumstances to which it refers, will form part of the compliance history of CHH and will be taken into account in the event of future violations.

If you have any questions regarding this warning please contact the Compliance Officer at [laura.hunse@gov.bc.ca](mailto:laura.hunse@gov.bc.ca) or 250.751.3224.

Yours truly,



Jennifer McGuire  
Executive Director  
Environmental Protection Division

LH

cc: Leslie Payette, Compliance Operations Manager, Regional Operations Branch  
A.J. Downie, Director Authorisations South, Regional Operations Branch  
Sgt. Scott Norris, Conservation Officer Service, South Island  
Via email: [marty.sia@shaw.ca](mailto:marty.sia@shaw.ca); [mike.sia@shaw.ca](mailto:mike.sia@shaw.ca); [todd@sirm.ca](mailto:todd@sirm.ca)

Enclosure: Inspection Report #29127



Ministry of Environment  
**Inspection Record**

**Environmental  
Protection  
Division**

<b>Inspection Number:</b> 29127		<b>Inspection Status:</b> FINAL	
EP System: AMS		Inspection Date: 2016-08-08	
<b>EP System Number:</b> 105809		EP System Status: Active	
<b>Region:</b> West Coast		Office: Nanaimo	
Trigger: Incident		<b>Incidents of Non-Compliance Observed: Yes</b>	
Non-Compliance Decision Matrix Level: Level 2		Non-Compliance Decision Matrix Category: Category B	
Inspector Name(s): Laura Hunse		CPIX: Over 2 = High	
Audit:		Total Non-Compliance(s): 3	
<b>Regulated Party:</b> COBBLE HILL HOLDINGS LTD. (BC0754588)			
Regulated Party Contact(s): Marty Block (CHH director), Todd Mizuik (SIRM)			
<b>Legal Address:</b> South Island Aggregates Ltd. PO Box 282 Malahat BC V0R 2L0			
Phone No: (250)743-0811		Fax No: (250) 743-3338	
Contact Email: marty.sia@shaw.ca			
<b>Location Description or Site Address:</b> 460 Stebbings Road, Shawnigan Lake			
Latitude: 48.5511 N		Longitude: 123.6066 W	
Receiving Environment(s): Groundwater, Land & Surfacewater			

## Summary

<b>MONITORING AND REPORTING REQUIREMENTS</b>	
Inspection Period: <b>From:</b> 2016-08-08 <b>To:</b> 2016-08-08	
<b>Requirement Source:</b> Permit	
Activity: <u>Office Review</u>	Waste Type: <u>Effluent</u>
<b>Inspection Summary:</b> <p>On August 8, 2016, Environmental Protection Officer Laura Hunse conducted an Office Review inspection of Cobble Hill Holdings Ltd. (BC0754588) (CHH)'s operation near Shawnigan Lake, authorized under Environmental Management Act refuse permit 105809 (Permit).</p> <p>The following documents were reviewed: the Permit, issued August 21, 2013; the Director's Letter, dated June 21, 2015, Re: Permit 105809 -- Section 4. Security Requirements; and the Director's Letter, dated June 29, 2015, Re: Permit 105809 - Section 2.20 Amended or Additional Requirements _ Non-Contact and Contact Water Management Reviews and Reports; applicable related file correspondence.</p> <p>The scope of this Office Review was to assess compliance with the Permit and associated Director's letters noted above. This inspection record is limited to review of the Permit clauses specified in the "Inspection Details" section below.</p> <p>Non-compliances have been determined with the requirements listed in the June 21 and June 29 Director's letters pursuant to sections 2.20, 4.1 and 4.2 of the Permit.</p> <p>It is acknowledged that CHH submitted a letter dated July 28, 2016 in response to the Director's letters; this letter was received by ministry staff on August 3, 2016 at the CHH's operation site but was considered by the Director to contain inadequate information to support an extension request.</p>	
<b>Response:</b> Warning	
<b>ACTIONS REQUIRED BY REGULATED PARTY:</b>	
Refer to attached Warning Letter (August 8, 2016, Re: Warning Letter, Waste Discharge Permit #105809) for required actions.	
<b>ADDITIONAL COMMENTS:</b>	
Compliance History: <p>2016-06-14 Office Review -- Non-compliance related to WTS flow (1.4.2) settling pond TSS, turbidity, dissolved iron (1.5.3) and dustfall (2.10) exceedances; EPM and new works revision not QP signed (2.12, 2.15, 2.18); non-compliance reporting incomplete (6.1). 2B Warning</p> <p>2015-12-17 Office Review -- update on previous undetermined non-compliance reporting clause (6.1) from 2015-11-14 inspection; No non-compliances noted.</p> <p>2015-12-02 Onsite -- No non-compliances noted.</p>	

2015-11-14 Onsite -- Non-compliance as a result of water crossing the perimeter boundary instead of channelling to the settling pond as required (1.5.4, 1.5.5, 2.12). In addition, the permittee did not immediately contact the director upon discovering the discharge (2.12). 2A Warning

2015-09-15 Office Review -- Follow-up on 2015-05-13 non-compliances, now in compliance. No non-compliances noted.

2015-05-13 Onsite -- Non-compliances noted: monitoring well MW-4 no longer operational (3.3), sampling and reporting not conducted during appeal period (3.4, 3.6, 5.2), tracking process practice not matched to Environmental Procedures Manual (5.1(5)). 1A Advisory

2014-05-29 Onsite -- Non-compliances noted: permanent flow-measurement device not yet installed (1.5.4, 1.5.5), tracking process practice not matched to Environmental Procedures Manual (5.1(5)). 1A Advisory

Please contact me with any questions at [laura.hunse@gov.bc.ca](mailto:laura.hunse@gov.bc.ca) or 250.751.3224.

Compliance Summary	In	Out	N/A	N/D
Operations	0	3	1	0

## Inspection Details

### Requirement Type: Operations

#### Requirement Description:

##### 4. Security Requirements

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##### 4.1 Closure Plan

The Permittee must submit a closure plan to the satisfaction of the Director within 6 months after the issuance of this permit. Based on monitoring results or changes in the operation, the Director may require amendment of the plan for environmental protection.

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##### 4.2 Posting of Security and Costs

An updated cost estimate must be reassessed and submitted to the Director for approval at least once every five (5) years and the security adjusted accordingly. The Director has the discretion to require reassessment on a more frequent basis.

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per Director's Letter, June 21, 2016

Pursuant to sections 4.1 and 4.2 of the permit, [the director] hereby require[s] review, reassessment and submission of an updated closure plan certified by a qualified professional, an updated cost estimate prepared or reviewed by a suitably qualified independent third party, and updated adjusted security in the form of an ILOC, by July 29, 2016.

The updated closure plan, cost estimate and security must satisfy the permit sections 4.1 & 4.2, including the requirements with regard to investigations, identification and assessment of any residual contamination, maintenance, monitoring, remediation and closure, including any necessary removal of contact water for off-site treatment/disposal, use the latest second edition LCMSW for guidance, and



address the preceding bullets.

**Details/Findings:**

The requested closure plan, cost estimate and security as described by the Director's requirements, above, was not submitted by July 29, 2016.

**Compliance:** Out

**Requirement Type:** Operations

**Requirement Description:**

2.20 Amended or Additional Requirements

Based on the results of the monitoring programs, the Director may:

- a) Amend the monitoring and reporting requirements;
- b) Amend the requirements of any of the information required by this permit; including plans, program and studies;
- c) Require additional investigations, tests, surveys or studies; or
- d) Require additional treatment facilities.

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per Director's Letter, June 29, 2016

Pursuant to Permit 105809 Section 2.20 Amended or Additional Requirements, [the director] hereby require[s] the permittee to:

1. By July 31, 2016, submit a draft non-contact water management review report including work plan and schedule for carrying out the report's recommendations, prepared and certified by an independent qualified professional, to the Director for approval and specification of any additional requirements. The draft non-contact water management review and report shall be generally consistent with the Stantec Terms of Reference Water Management Assessment, dated January 15, 2016, and address the previous Stantec reports and relevant information in the MOE letters of January 22, 2016 and May 26, 2016 (page 2, MOE observations and concerns, first bullet, much higher precipitation at the on-site weather station reported in the SIRM 2015 annual and 2016 1st quarter environmental reports).

**Details/Findings:**

The requested draft non-contact water management review report as described by the Director's requirements, above, was not submitted by July 31, 2016.

**Compliance:** Out

**Requirement Type:** Operations

**Requirement Description:**

2.20 Amended or Additional Requirements

Based on the results of the monitoring programs, the Director may:

- a) Amend the monitoring and reporting requirements;
- b) Amend the requirements of any of the information required by this permit; including plans, program and studies;
- c) Require additional investigations, tests, surveys or studies; or
- d) Require additional treatment facilities.

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per Director's Letter, June 29, 2016

Pursuant to Permit 105809 Section 2.20 Amended or Additional Requirements, [the director] hereby require[s] the permittee to:

2. By July 31, 2016, submit a proposed terms of reference, scope, workplan and schedule for a contact water management review, and table of contents for a contact water management review report, prepared and certified by an independent qualified professional, to the Director for approval and specification of any additional requirements. This submission shall consider the Stantec Terms of Reference Water Management Assessment, dated January 15, 2016, Contact Water - high level scope for contact water management review (page 5), and relevant information in the MOE letters of January 22, 2016 and May 26, 2016 (page 2, MOE observations and concerns, bullets).

**Details/Findings:**

The requested proposed terms of reference, scope, workplan and schedule for a contact water management review, and table of contents for a contact water management review report as described by the Director's requirements, above, were not submitted by July 31, 2016.

**Compliance:** Out

**Requirement Type:** Operations

**Requirement Description:**

Extension Request

The Assistant Deputy Minister's email of July 15, 2016 allowed for the submission of a written formal request for an extension of the dates listed in the Director's letters. The request would need to outline the reasons and background for the request, and include alternate dates and approaches. This information and extension request would be considered by the director.

**Details/Findings:**

Ministry staff received a response letter on August 3, 2016 (dated July 28, 2016) at the CHH operations site. With regards to receiving an extension based on the information supplied within the letter, the Director does not consider the extension request to be satisfactory as it lacks adequate supporting information. Refer to attached Warning Letter for additional information.

**Compliance:** Not Applicable

**Were the following collected during inspection:**

Samples? ☐ Photos? ☐ EMS Number

**Other (please specify)**

Is the Inspection related to an EA Project? ☐ EA Project Certificate Number:

**INSPECTION CONDUCTED BY:**

Signature

Date Signed

Laura Hunse

2016-08-09

**ENCLOSURE(S) TO REGULATED PARTY & DESCRIPTION:**

CVIS Archives

**REGULATORY CONSIDERATIONS:**

**DISCLAIMER:**

Please note that sections of the permit, regulation or code of practice referenced in this inspection record are for guidance and are not the official version. Please refer to the original permit, regulation or code of practice.

To see the most up to date version of regulations and codes of practices please visit:

<http://www.bclaws.ca/>

If you require a copy of the original permit, please contact the inspector noted on this inspection record or visit: <http://www2.gov.bc.ca/gov/topic.page?id=DF89089126D042FD96DF5D8C1D8B1E41&title=Publicly%20Viewable%20Authorizations>

<http://www2.gov.bc.ca/gov/topic.page?id=DF89089126D042FD96DF5D8C1D8B1E41&title=Publicly%20Viewable%20Authorizations>

It is also important to note that this inspection record does not necessarily reflect each requirement or condition of the authorization therefore compliance is noted only for the requirements or conditions listed in the inspection record.

<b>Ministry of Environment</b>	<b>West Coast</b>	Mailing Address:	Phone: (250) 751-3100
	<b>Region</b>		Fax: (250) 751-3103
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