



Date: June 29, 2016

File: 105809

REGISTERED MAIL

Cobble Hill Holdings Ltd. (BC0754588)
Herald Street Law
101 - 536 Herald Street
Victoria BC V8W 1S6

Via email: marty.sia@shaw.ca & mike.sia@shaw.ca

Dear Cobble Hill Holdings Ltd. (BC0754588),

Re: Permit 105809 - Section 2.20 Amended or Additional Requirements – Non-Contact and Contact Water Management Reviews and Reports

Thank you for the South Island Resource Management (SIRM) letters of June 15 and June 09, 2016, with regard to the non-contact and contact water management reviews/reports.

A summary of related correspondence is provided:

- November 18, 2015: The Ministry of Environment (MOE) indicated that it was considering making a decision pursuant to Section 2.12 of the Permit to reduce or suspend the operations authorized under the Permit until a thorough independent assessment of water management (collection and treatment works, procedures, etc.), works, and activities is completed, and that all remedies are made to ensure compliance with the Permit. These investigations and remedial steps would ensure that all surface water (contact and non-contact water) is contained on the property and treated in accordance with the Permit, and that the authorized works have been restored or corrected to prevent unauthorized discharges.
- The permittee retained an independent site engineering consultant (Stantec) that prepared the following reports with recommendations: Review of West Pit Floor Cut Off Ditch (December 18, 2015); High Level Review of West Side Settling Pond Sizing (December 23, 2015); Assessment of Storm Water Management Outside of Active Site Area (January 15, 2016); and Terms of Reference, Water Management Assessment (January 15, 2016) for a non-contact water management review and a high level scope for a contact water management review (to be provided in a separate document).
- January 15, 2016 (page 2): SIRM proposed a workplan and schedule to carry out the Stantec recommendations and the Stantec water management assessment including the non-contact and contact water management reviews/reports, as described in the attached Stantec reports.

- January 22, 2016: The MOE indicated it expects the independent site engineering consultant (Stantec) to conduct full reviews and assessments of non-contact water management and contact water management, for Lot 23, including facilities, works, design, construction, operation, functioning and performance, systems and procedures, and to prepare reports including conclusions and recommendations. The MOE further indicated it expects to receive the following:
 - Status/progress updates, including additional detailed information with regard to implementation of the Stantec reports' recommendations, and the Stantec non-contact water management review, in accordance with the schedule in SIRM's status report dated January 15, 2016 (page 2), on the 15th and last day of each month.
 - Interim updated and revised EPM/OMS, including interim updated water management plan, by March 31, 2016.
 - Proposed scope, terms of reference, description and schedule for the Stantec contact water management review, by March 31, 2016.
 - Draft Stantec non-contact water management review report, by May 2016.
 - Final Stantec non-contact water management review report, by June 2016.
 - Updated and revised EPM/OMS, including updated water management plan, by June 2016.
 - Draft and Final Stantec contact water management review reports, by dates to be determined.
- May 15, 2016: SIRM's status/progress update proposed the delay and/or re-assessment of several workplan items including the non-contact and contact water management reviews/reports.
- May 26, 2016: The MOE raised observations and concerns including with regard to the much higher reported on-site precipitation, the larger un-covered area of the landfill, and ongoing (2016) non-contact and contact water permit non-compliances, and requested a proposed updated workplan and schedule, including for the non-contact and contact water management reviews/reports by the independent site engineering consultant.
- June 09 & 15, 2016: SIRM's status/progress update proposed to significantly delay the non-contact water management review/report and to not proceed with a contact water management review/report.

The MOE Inspection Record IR 27732 dated June 14, 2016, indicates permit non-compliances in 2016 including with regard to the water treatment system maximum rate of discharge (section 1.4), settling pond effluent discharge characteristics (section 1.5), and lack of submission of information, plans and specifications, certified by a qualified professional (sections 2.15 & 2.18).

The MOE acknowledges that the permittee states it has carried out some of the Stantec non-contact water management recommendations including east-west pit crest ditch restoration, west ditch re-shaping and flow diversion into the southeast corner of the settling pond, and increased

height of internal berms in the settling pond. The MOE also acknowledges the permittee's stated ongoing efforts to manage contact water including removal of contact water from the site for off-site treatment/disposal, installation of temporary water holding tanks on-site, installation of substantial additional water treatment system works, installation of a permanent roof over the soil management area, and proposed plans to install a second lined contact water retention pond.

However, the non-contact and contact water permit non-compliances, and the significant and ongoing revisions to the facilities and works, imply that the facilities and works were not fully adequate to comply with the permit at all times. Further, assurance that the revised facilities and works are, or will be, fully adequate to comply with the permit at all times in the future has not been provided, as the required information, plans and specifications certified by a qualified professional, and the previously committed to non-contact and contact water management reviews/reports by the independent site engineering consultant, have not been submitted.

Pursuant to Permit 105809 Section 2.20 Amended or Additional Requirements, I hereby require 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).
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).
3. **By August 31, 2016**, submit the final 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.
4. **By August 31, 2016**, submit a draft 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.

5. **By September 30, 2016**, submit the final 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.
6. **By October 31, 2016**, carry out the recommendations of the final non-contact water management review report and the final contact water management review report, in accordance with the Director's approvals and any additional specified requirements.

The preceding dates are much later than the dates in the proposed and agreed upon January 22, 2016 workplan and schedule, and are required to ensure that the non-contact and contact water management reviews, reports, and recommendations are carried out, and the revised facilities and works are fully adequate to comply with the permit at all times in the future, before the full commencement of the Fall/Winter high precipitation period.

I also remind the permittee that the Director may at any time reduce or suspend operations pursuant to the Permit Section 2.12.

If you have any questions, please contact me at 250-751-3176 or AJ.Downie@gov.bc.ca.

Yours truly,



A.J. Downie
for Director, *Environmental Management Act*

cc: Via email: Todd@sirm.ca, Raymond@allterraconstruction.ca