



Reference: 307354

January 27, 2017

South Island Resource Management Ltd.
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Cobble Hill Holdings Ltd.
Herald Street Law
101-536 Herald Street
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Enclosed is Order MO1701 issued under Section 79 of the *Environmental Management Act*. Your attention is respectfully directed to the requirements outlined in the Order.

Failure to comply with the requirements of this Order is a contravention of the *Environmental Management Act* and may result in legal action. I direct your attention to Section 120(10) of the *Environmental Management Act*, which reads:

(10) A person who contravenes an order...that is given, made or imposed under this Act by ...the minister...commits an offence and is liable on conviction to a fine not exceeding \$300 000 or imprisonment for not more than 6 months, or both.

Failure to comply with the requirements of this Order may also result in an administrative penalty under the Administrative Penalties Regulation (*Environmental Management Act*) (B.C. Reg 133/2014) (Regulation). I direct your attention to Section 12(4) of the Regulation, which reads:

(4) A person who fails to comply with an order under the [Environmental Management] Act is liable to an administrative penalty not exceeding \$40 000.

I also draw your attention to the Spill Reporting Regulation (B.C. Reg 263/90) and the reporting requirement in section 79(5) of the *Environmental Management Act* which provides that:

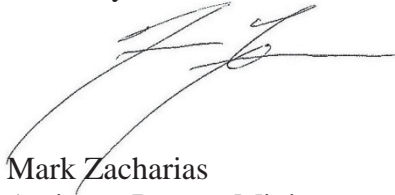
(5) If a polluting substance escapes or is spilled or waste is introduced into the environment other than as allowed or authorized by... the person who had possession, charge or control of the substance or waste immediately before the escape, spill or introduction must, immediately after he or she learns of the escape, spill or introduction, report the escape, spill or introduction in accordance with the regulations.

This Order does not authorize entry upon, crossing over, or use for any purpose of private or crown lands or works, unless and except as authorized by the owner of such lands or works. The responsibility for obtaining such authority rests with you. It is also your responsibility to ensure that all activities are carried out with due regard for the rights of third parties, and comply with other applicable legislation that may be in force, including applicable local government bylaws.

The Parties are notified that the Province intends to publish on the Ministry of Environment website the entirety of any Regulatory Document provided that:

- (a) the Province will provide written notice to the parties of its intent to publish the Regulatory Documents at least [14] days prior to publication,
- (b) the Province will not publish any information what could not, if it were subject to a request under section 5 of FOIPPA, be disclosed under the *Freedom of Information and Protection of Privacy Act*, R.S.B.C. 1996, c. 165 as amended from time to time.

Sincerely,



Mark Zacharias
Assistant Deputy Minister
Environmental Protection Division

Enclosure

ORDER OF THE MINISTER OF ENVIRONMENT
ENVIRONMENTAL MANAGEMENT ACT SECTION 79

SPILL PREVENTION ORDER : MO1701

WHEREAS Cobble Hill Holdings Ltd., Inc. No. BC0754588 ("**Cobble Hill Holdings**") is the owner of land legally described as Lot 23 Blocks 156, 201 and 323 Malahat District Plan VIP78459 (the "**Land**") located at 460 Stebbings Road near Shawnigan Lake, British Columbia, which is used as a landfill facility for contaminated soil (the "**Facility**") as part of a reclamation plan for a quarry site;

AND WHEREAS Permit PR-105809 issued to Cobble Hill Holdings under the *Environmental Management Act* authorizing the discharge of refuse and effluent in connection with the Facility has been suspended for non-compliance;

AND WHEREAS the contaminated soil at the Facility generates and may be expected to continue to generate leachate, which is a liquid that, in the course of passing through matter, extracts soluble or suspended solids, or any other component of the material through which it has passed ("**Leachate**");

AND WHEREAS the Leachate is a polluting substance that, in my opinion, is capable of causing pollution if it were to be spilled or escape onto any land or into any body of water, as it contains contaminants that are capable of substantially altering or impairing the usefulness of the environment;

AND WHEREAS I consider that the following persons (together, the "**Named Parties**") have possession, charge or control of the polluting substance:

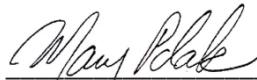
- **Cobble Hill Holdings Ltd.**, owner of the Land and Facility;
- **Martin Uwe Block, Michael Kelly and Brian Martin**, directors of Cobble Hill Holdings Ltd.;
- **South Island Resource Management Ltd.**, operator of the Facility; and
- **South Island Aggregates Ltd.**, operator of the quarry reclamation program on the Land;

AND WHEREAS I consider it reasonable and necessary to lessen the risk of an escape or spill of the polluting substance (Leachate) to make the following Order;

NOW THEREFORE pursuant to Section 79 of the *Environmental Management Act*, I, Mary Polak, Minister of Environment, order as follows:

1. The Named Parties must ensure that all Leachate generated at the Facility, including from the landfill, soil management area and wheel wash area, is collected, stored temporarily pending removal from the Facility, and transported from the Facility to an off-site facility that is authorized to treat and/or dispose of the Leachate. The collection and temporary storage of Leachate at the Facility must be carried out so as to prevent an escape or spill of Leachate into the environment.

2. The Named Parties must ensure that all works for the collection and temporary storage of Leachate generated at the Facility are inspected regularly and maintained in good working order, and that records of the volumes of Leachate collected, stored and transported, including the location of the authorized facility(ies) receiving the Leachate, are maintained and submitted to the director on or immediately before the 1st and 15th day of each month. Submissions must be made electronically to the following email inbox: EnvironmentalCompliance@gov.bc.ca.
3. This Order shall take effect immediately.
4. In the event of a conflict between the provisions of this Order and the Pollution Prevent Order issued to Cobble Hill Holdings Ltd. on October 12, 2016, the provisions of this Order will prevail.
5. The Named Parties are jointly and severally responsible for fulfilling all requirements of this Order.
6. Nothing in this Order prevents the Ministry of Environment from taking any other action that may be taken under the *Environmental Management Act*.



Minister of Environment

January 27, 2017

Date

(This part is for administrative purposes only and is not part of the Order)

Authority under which Order is made:

Act and Section: *Environmental Management Act*, Section 79

Other (specify): _____