

VIA EMAIL ONLY: Bill.Corsan@nanaimo.ca File: 26250-20/11687

Site ID: 11687

June 09, 2021

Bill Corsan City of Nanaimo 455 Wallace Street Nanaimo, BC V9R 5J6

Dear Bill Corsan:

Re: Protocol 6 Pre-Approval Application Site ID #11687 (Application No. 11611) 1 and 3 Port Drive, and Road EPP89791, Nanaimo, B.C PIDs: 030-812-216, 030-812-224, 030-812-232 and 030-812-241

This letter provides my decision on the application submitted on your behalf by SLR Consulting, dated April 30, 2021, and the revised submission dated May 21, 2021, provided in support of the application, to allow: 1. Staged remediation of Lots 1 through 4 and the road EPP89791; 2. For relief from horizontal delineation of contamination in historic fill; and 3. For relief from horizontal delineation of contamination of ballast material along the rail right of way, 1 Port Drive and 3 Port Drive, Nanaimo, BC, prior to seeking Certificates of Compliance for the Site.

In reaching my decision I have relied on information provided in the following supporting documents:

- Preapproval to Conduct Remediation in Stages and for Relief from Horizontal Delineation of Fill from Widespread Historical Sources Lot 1 1 Port Drive; LOTS 2, 3 and 4 3 Port Drive, and Road EPP 89791 Nanaimo Revision 1, BC, PIDs: 030-812-216, 030-812-224, 030-812-232 and 030-812-241, prepared by SLR Consulting Canada Ltd (SLR), dated May 21, 2021.
- Protocol 6 Preapproval Application, prepared by SLR, dated April 29, 2021.
- Preapproval to Conduct Remediation in Stages and for Relief from Horizontal Delineation of Fill from Widespread Historical Sources Lot 1 1 Port Drive; LOTS 2, 3 and 4 3 Port Drive, and Road EPP 89791 Nanaimo, BC, PIDs: 030-812-216, 030-812-224, 030-812-232 and 030-812-241, prepared by SLR, dated April 28, 2021.

Based on the information provided in the referenced documents, I confirm my approval of your request to conduct remediation in stages on Lots 1 through 4 and the road EPP89791, for relief from horizontal delineation of contamination in historic fill beyond the property boundary, and relief from horizontal delineation of contamination associated with the rail right of way ballast material on Lots 1 and 3, for purposes of obtaining Certificates of Compliance for the Site.

The decision is based on the following rationale provided by SLR:

- 1. With respect to conducting remediation in stages on Lots 1 through 4 and the road EPP89791.
- The development timeline presented in the Port Drive Waterfront Master Plan is broken down into short term (within 5 years), medium term (five to 10 years) and long term (10 to 25 years).
- The land use areas and development plans within Lot 1 will depend upon the commercial partners that the City will attract to the project. As these partners are identified, one or more CoCs will be sought for Lot 1 when the applicable land use standards have been defined.
- The City will conduct additional environmental investigations and remediation activities for Lot 1 as required by the development process. As the development and remedial plan for Lot 1 is planned to occur in stages and extend beyond five years, an Approval in Principle would not typically be applicable.
- Preapproval to allow staged remediation will support the CoC applications for Lots 2, 3 and 4 as part of the City's agreement with Seaspan, ahead of instruments or releases that will follow as needed for the rest of the property (i.e., Lot 1 and the road).
- 2. With respect to relief from horizontal delineation of contamination in historic fill material Lots 1, 3 and 4 and the road EPP89791.
 - It has been well-documented that the fill material used to construct the upland portion of the site (Lots 3 and 4, 3 Port Drive) is similar in quality and soil type to what has been observed within Lot 1 (1 Port Drive). As such, the fill material has been determined to be consistent across the property and consists of dredged marine sediments, coal waste and other unknown fill materials.
 - Fill material extends beyond the property boundary to the limit of the infilled area but was laterally investigated to the property boundary.
 - The thickness of the fill material is variable depending on the location and ranged between 2.7 to 9.4 m thick. The historical fill material is underlain by marine sands and bedrock.
 - Vertical delineation was achieved by the absence of fill material at depth (i.e., the fill/native interface at depths ranging from 2.7 to 9.4 mbg).
 - Several samples were collected at the fill/marine sands interface and the results met the applicable standards. As such, the underlying marine sands have not been shown to be impacted.
 - The fill material contains coal waste. Metals, PAHs and hydrocarbons are PCOCs known to be associated with coal waste; light aromatic hydrocarbons (like benzene, xylenes

and VPH) are soluble and volatile, and as such would be expected to migrate down through the soils until the groundwater table was encountered. Petroleum hydrocarbons were identified in soil at depths up to 9.1 mbg (more than 4 m below the deepest static groundwater levels measured) at MW20-24. The contaminant profile at MW20-24 is also vertically disconnected with no surficial contamination identified. The areas of benzene, xylenes and VPH contamination identified on Lot 1 are spatially disconnected across the parcel. Based on this, it appears that the contamination was placed in its various current locations and is not primarily a result of migration from one or more surface point sources.

- Except for the isolated naphthalene issue on Lot 1 and the fuel-related LEPH and HEPH impacts on Lot 4, the soil contamination identified on the property appears to be related to the widespread placement of contaminated fill containing coal waste from undetermined historical sources with no identified responsible persons.
- Neither the City nor the current owner caused or contributed to the identified contamination.
- 3. With respect to relief from horizontal delineation of contamination of rail right-of-way ballast material on Lots 1 and 3.
 - The contamination identified in surface soils within the rail ROW on Lot 3 and Lot 1 (beneath the viaduct) have been attributed to the ballast material.
- The rail ROW extends 234 km across southern Vancouver Island (i.e., widespread and through numerous properties.
- The soil contamination identified in surface soils within the rail ROW on Lot 3 and Lot 1 appears to be related to the widespread placement of contaminated fill along the rail ROW.
- The City has not caused or contributed to the identified contamination.

Aside from the specific relief granted above, this approval does not constitute review or acceptance by the director of any other aspect of the investigations or remediation conducted at or planned for the subject parcel. This decision is not applicable to other environmental media on the Site that may be contaminated. Therefore, it is recommended that the arguments provided to the ministry, to support the application for this preapproval, be included in the reports reviewed by an Approved Professional in support of the Certificates of Compliance.

Please ensure that a copy of this letter is included in the Certificate of Compliance applications made for the site.

This decision is based on the most recent information provided to the ministry regarding the above-referenced site. The ministry, however, makes no representation or warranty as to the accuracy or completeness of this information. The ministry expressly reserves the right to change or substitute different requirements where circumstances warrant.

Sincerely,

Natalia Kukleva

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for Director, Environmental Management Act

Attachment 1- Site Plan

cc: Seaspan Ferries Corporation gmiller@seaspan.com
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Attachment 1- Site Plan

