

January 12, 2017

10-9304

Gudeit Bros. Contracting Ltd.
PO Box 1026
Lumby, British Columbia
VOE 2G0

Attention: Len and Shelley Gudeit

Re: Performance Verification Plan
1837 Shuswap Avenue
Lumby, British Columbia
Site ID: 2439

Further to your request, Parsons Inc. ("Parsons") is pleased to provide this Performance Verification Plan (PVP) in support of an application for a risk-based Certificate of Compliance (CofC) for the property located at 1837 Shuswap Avenue in Lumby, British Columbia (the "Property"). The PVP presents the principal risk management measures that must be applied at the Property for the CofC to remain valid (i.e. the key risk management controls of Schedule B of the CofC which must remain in place at the Property). The PVP was prepared in accordance with British Columbia Ministry of Environment (BCMOE) Procedure 12: Procedures for preparing and issuing contaminated sites legal instruments ("Procedure 12").

BACKGROUND

A plan of the Property is provided on Drawing No. 1.

As detailed in the Detailed Site Investigation report (DSI), soil contamination of petroleum hydrocarbons (benzene, toluene, ethylbenzene, and xylene), polycyclic aromatic hydrocarbons (PAHs), arsenic, and pentachlorophenol was identified and remains beneath the Property. The arsenic contamination is present in the shallow soils at the Property and is considered to be part of the wider area arsenic contamination in soil that was sourced from contaminated fill historically being imported to the Property and surrounding areas. Groundwater contamination consisting of ethylbenzene, light extractable petroleum hydrocarbons, PAHs, carbazole and dissolved arsenic is also present beneath the Property,



where the groundwater table is situated between approximately 1 and 2.5 metres below ground surface (mbgs). The remaining soil contamination was identified at depths ranging from ground surface to approximately 8 - 9 mbgs. Based on soil vapour investigations conducted at the Property, conservatively attenuated vapour concentrations did not exceed the Schedule 11 commercial land use (CL) standards for outdoor air, or for predicted indoor air concentrations for current and future slab-on-grade buildings.

PRINCIPAL RISK ASSESSMENT MANAGEMENT CONTROLS

A human health and ecological risk assessment (HHERA) was conducted for the Property, with the results presented in the Parsons report, "Detailed Risk Assessment, 1837 Shuswap Avenue, Lumby, British Columbia (November 10, 2016)". The principal risk management measures for the Property on which the detailed risk assessment was based, as presented in Schedule B of the CofC, are as follows:

- (a) *Groundwater wells for drinking water use will not be installed at the Property;*
- (b) *Soil contamination of benzene, toluene, ethylbenzene and/or xylene currently at depths of at least 1 m below grade and in the area of the Property as depicted on Drawing No. 1 should remain at depths of at least 1 m and should not be redistributed as surface soil*

DETERMINATION OF PROCEDURE 12 REMEDIATION TYPE

Based on the risk management measures for the Property (i.e. the use of institutional controls to mitigate/eliminate risks at the Property and lack of imminent risks in the event that controls were not implemented), the Remediation Type applicable at the Property is considered to be Type 2.

Under a Remediation Type 2 scenario, Procedure 12 indicates that a PVP is required, while an operations and maintenance plan may be required.

PERFORMANCE VERIFICATION PLAN

A PVP is required to document the principal risk management measures, upon which the HHERA is based, that must be met for the Property.

Based on consideration of current and future land use at the Property and the results of the environmental investigations performed at the Property, including the detailed risk assessment, the following performance verification actions for the Property are recommended:

- (a) Communication with the Property owner that groundwater wells for drinking water are not to be installed at the Property.

The Property is currently serviced by a municipal water supply and this is expected to continue in the future. As such, the following advisory for the Property is considered appropriate to meet this risk management measure: groundwater wells for drinking water are not to be installed at the Property. The listing of this risk management measure in Schedule B of the CofC meets this requirement.

- (b) Soil contamination of benzene, toluene, ethylbenzene and/or xylene currently at depths of at least 1 m below grade and in the area of the Property as depicted on Drawing No. 1 should remain at depths of at least 1 m and should not be redistributed as surface soil

There are no plans by the current owner of the Property to redistribute subsurface soils, and they have been advised that it is not permitted in the future as per the assumptions of the risk assessment and this PVP.

As such, an advisory for the Property that “soil contamination of benzene, toluene, ethylbenzene and/or xylene currently at depths of at least 1 m below grade and in the area of the site as depicted on Drawing No. 1 should remain at depths of at least 1 m and should not be redistributed as surface soil” is considered sufficient to meet this risk management measure. The listing of the risk management measure in Schedule B of the CofC meets this requirement.

No associated inspection, monitoring/maintenance or other performance verification actions are required for the above conditions.

In summary, it is our opinion that the advisories listed in Schedule B of the CofC are sufficient to address the principal risk management measures required for the Property.

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We trust that the foregoing information is satisfactory for your present requirements. Should you have any questions, please do not hesitate to contact the undersigned.

Respectfully submitted,

PARSONS INC.

A handwritten signature in black ink, appearing to read "D.J. Williams". The signature is fluid and cursive, with a prominent initial "D" and a long, sweeping underline.

D.J. Williams, P.Ge.

DJW/cer

LIMITATION OF LIABILITY, SCOPE OF REPORT AND THIRD PARTY RELIANCE

This report has been prepared and the work referred to in this report has been undertaken by Parsons for Gudeit Bros. Contracting Ltd. It is intended for the sole and exclusive use of Gudeit Bros. Contracting Ltd, its affiliated companies and partners and their respective insurers, agents, employees and advisors (collectively, "GBCL"). Any use, reliance on or decision made by any person other than GBCL based on this report is the sole responsibility of such other person. GBCL and Parsons make no representation or warranty to any other person with regard to this report and the work referred to in this report and they accept no duty of care to any other person or any liability or responsibility whatsoever for any losses, expenses, damages, fines, penalties or other harm that may be suffered or incurred by any other person as a result of the use of, reliance on, any decision made or any action taken based on this report or the work referred to in this report.

The investigations undertaken by Parsons with respect to this report and any conclusions or recommendations made in this report reflect Parsons' judgment based on the Subject Property conditions observed at the time of the Subject Property inspection on the date(s) set out in this report and on information examined at the time of preparation of this report. This report has been prepared for specific application to this Subject Property and it is based, in part, upon visual observation of the Subject Property, subsurface investigation at discrete locations and depths, and specific analysis of specific chemical parameters and materials during a specific time interval, all as described in this report. Unless otherwise stated, the findings cannot be extended to previous or future Subject Property Subject Property conditions, portions of the Subject Property which were unavailable for direct investigation, subsurface locations which were not investigated directly, or chemical parameters, materials or analysis which were not addressed. Substances other than those addressed by the investigation may exist in areas of the Subject Property not investigated and concentrations of substances addressed which are different than those reported may exist in areas other than the locations from which samples were taken.

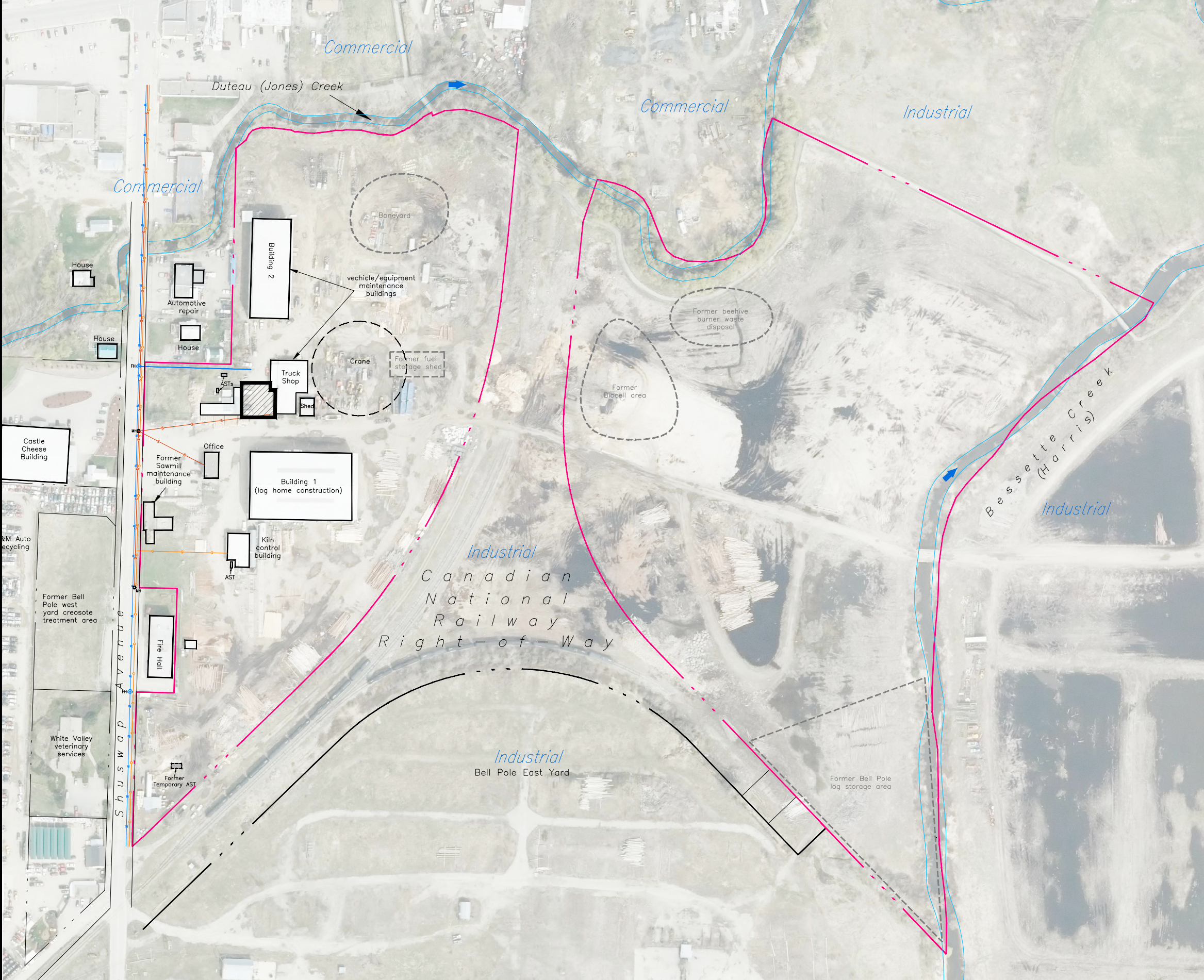
If Subject Property conditions or applicable standards change or if any additional information becomes available at a future date, modifications to the findings, conclusions and recommendations in this report may be necessary.

Other than by GBCL, copying or distribution of this report or use of or reliance on the information contained herein, in whole or in part, is not permitted without the express written permission of Parsons. Nothing in this report is intended to constitute or provide a legal opinion.

BRITISH COLUMBIA MINISTRY OF ENVIRONMENT'S RELIANCE

Notwithstanding the above, the British Columbia Ministry of Environment is permitted to rely on this report and the information contained herein to the extent necessary to confirm that Imperial Oil has met their statutory obligations with respect to the Performance Verification Plan.

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 VM/DJW VM/DJW VM/DJW
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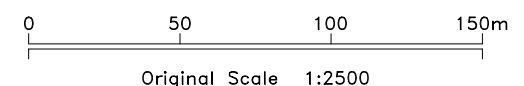
LEGEND

- Property line Lot 3, Plan 14627
- - - - - Former feature
- 2016/12/31 Date format: yyyy/mm/dd
- AST Aboveground storage tank
- UST Underground storage tank
- ➔ Creek flow direction
- ▨ Area of subject property where soil below 1m from grade should not be redistributed to shallower depths

Utilities

- All utility lines are underground unless noted as O/H – overhead.
- G— Natural gas
 - S— Sanitary sewer
 - W— Water
 - Manhole

- NOTES:**
1. The property is separated into two areas that are divided by the railroad R.O.W.
 2. All features are approximate.
 3. The aerial photo is sourced from Google Earth 2013.



Property Plan		
1837 Shuswap Avenue, Lumby, British Columbia		
Drawn: VM	Page Size: 11 x 17 in.	Ref. No.: 10-9304
Reviewed: DJW	File No.: 9304 PLAN	Date: 2017/01/12
PARSONS		Drawing No.: 1